

**CALGARY COMMUNITIES AGAINST SEXUAL ABUSE SOCIETY**

**Financial Statements**

**December 31, 2017**

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**CALGARY COMMUNITIES AGAINST SEXUAL ABUSE SOCIETY**  
**Index to Financial Statements**  
**For the Year Ended December 31, 2017**

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## INDEPENDENT AUDITOR'S REPORT

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To the Directors of Calgary Communities Against Sexual Abuse Society:

We have audited the accompanying financial statements of Calgary Communities Against Sexual Abuse Society (the "Society"), which comprise the statement of financial position as at December 31, 2017 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Calvista LLP*

Calgary, Alberta  
February 26, 2018

Chartered Professional Accountants

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**CALGARY COMMUNITIES AGAINST SEXUAL ABUSE SOCIETY**  
**Statement of Financial Position**  
**As at December 31, 2017**

	2017	2016
<b>Assets</b>		
Current		
Cash and cash equivalents	\$ 299,834	\$ 406,211
Short term investments (Note 3)	1,157,370	1,250,000
Accounts receivable	18,958	15,195
Goods and services tax receivable	5,143	6,918
Prepaid expenses	30,715	30,289
	<u>1,512,020</u>	<u>1,708,613</u>
Property and equipment (Note 4)	<u>121,000</u>	<u>134,654</u>
	<u>\$ 1,633,020</u>	<u>\$ 1,843,267</u>
<b>Liabilities and Net assets</b>		
Current		
Accounts payable and accrued liabilities	\$ 49,309	\$ 41,445
Current portion of lease inducements (Note 9)	40,907	39,316
	<u>90,216</u>	<u>80,761</u>
Deferred contributions		
Related to operations (Note 5)	1,045,703	1,290,669
Related to property and equipment (Note 6)	7,151	8,939
Lease inducements (Note 9)	146,053	180,199
	<u>1,289,123</u>	<u>1,560,568</u>
Net Assets		
Invested in property and equipment	113,849	125,715
Internally restricted (Note 10)	48,087	48,087
Unrestricted	181,961	108,897
	<u>343,897</u>	<u>282,699</u>
	<u>\$ 1,633,020</u>	<u>\$ 1,843,267</u>

On behalf of the Board

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

**CALGARY COMMUNITIES AGAINST SEXUAL ABUSE SOCIETY**  
**Statement of Operations**  
**Year Ended December 31, 2017**

	Counselling & Education Programs	Crisis Intervention & Volunteer Programs	"Who Do You Tell?" Program	Police and Court Support Program	Casino	Diverse Outreach	Sexual Assault & Sexual Abuse Treatment Services	Outreach	Capital	General	Total 2017	Total 2016
<b>Revenue</b>												
Grants												
Alberta Community and Social Services	\$ 1,079,655	\$ -	\$ -	\$ -	\$ -	\$ 97,936	\$ -	\$ 119,699	\$ -	\$ -	\$ 1,297,290	\$ 1,099,420
United Way of Calgary and Area	-	527,289	-	-	-	-	-	-	-	-	527,289	527,289
Family and Community Support Services (Note 7)	-	-	357,252	-	-	-	272,087	-	-	-	357,252	384,710
Alberta Ministry of Health	-	-	-	-	-	-	-	-	-	-	272,087	273,748
Alberta Solicitor General and Justice	-	-	-	150,000	-	-	-	-	-	-	150,000	150,000
Alberta Gaming and Liquor Commission	-	-	-	-	55,908	-	-	-	-	-	55,908	87,880
Other operating income	17,500	5,280	-	-	-	-	-	-	20,012	-	42,802	71,304
Donations	-	-	-	-	-	-	-	9,907	14,752	-	24,659	32,112
Interest income	-	-	-	-	138	-	-	6	13,469	-	13,613	10,957
Services and memberships	-	325	-	-	-	-	-	-	11,580	-	11,905	7,018
United Way Donor Option	-	5,104	-	-	-	-	-	-	-	-	5,104	6,834
Fundraising and special events	-	-	-	-	-	-	-	-	-	1,600	1,600	-
Alberta Culture and Tourism	-	-	-	-	-	-	-	-	1,465	-	1,465	1,831
	1,097,155	538,008	357,252	150,000	56,946	97,836	272,087	119,699	11,378	61,413	2,760,974	2,653,103
<b>Expenses</b>												
Salaries and benefits	942,506	453,889	286,849	142,150	17,772	61,914	247,552	95,315	-	-	2,247,947	2,002,031
Rent (Note 9)	74,181	16,924	21,155	-	32,389	4,231	15,867	4,231	-	-	168,978	177,041
Staff, board, and volunteer development	10,562	12,105	8,926	2,700	-	1,237	4,016	413	-	-	39,959	47,750
Telephone	20,430	10,384	6,198	-	-	-	-	-	-	-	37,012	40,314
Office expense	13,700	10,661	2,440	-	-	2,004	516	-	75	376	29,772	33,129
Amortization	-	-	-	-	-	-	-	-	1,788	27,607	29,395	26,397
Transportation	3,550	7,862	5,885	2,840	-	4,746	1,002	1,361	-	-	27,246	24,389
Other expenses	-	2,283	-	-	-	10,666	-	7,687	-	6,417	27,053	149,375
Professional fees	6,150	6,150	5,095	1,250	-	3,075	-	-	-	-	21,720	23,238
Computer maintenance	10,197	5,164	5,000	-	-	-	-	-	-	-	20,361	14,097
Program supplies	550	2,274	1,287	-	-	4,720	250	9,924	-	-	19,005	5,875
Printing and copying	-	6,392	6,355	-	-	4,573	-	-	-	-	17,320	21,892
Insurance	-	7,418	3,500	1,060	-	-	-	-	-	-	11,978	11,522
Memberships and subscriptions	-	1,311	719	-	-	-	-	-	-	-	2,030	3,305
Promotion and fundraising	-	-	-	-	-	-	-	-	-	-	-	4,227
	1,081,826	542,817	353,409	150,000	50,161	97,166	269,203	118,931	1,863	34,400	2,899,776	2,584,562
<b>Excess of revenue over expenses</b>	\$ 15,329	\$ (4,809)	\$ 3,843	\$ -	\$ 5,885	\$ 770	\$ 2,884	\$ 768	\$ 9,515	\$ 27,013	\$ 61,188	\$ 68,521

See notes to financial statements

**CALGARY COMMUNITIES AGAINST SEXUAL ABUSE SOCIETY**  
**Statement of Changes in Net Assets**  
**For the Year Ended December 31, 2017**

	Invested in property and equipment	Internally restricted	Unrestricted	2017	2016
Net assets - beginning of year	\$ 125,715	\$ 48,087	\$ 108,897	\$ 282,699	\$ 214,178
Excess (deficiency) of revenue over expenses	(27,607)	-	88,805	61,198	68,521
Purchase of property and equipment	15,741	-	(15,741)	-	-
<b>Net assets - end of year</b>	<b>\$ 113,849</b>	<b>\$ 48,087</b>	<b>\$ 181,961</b>	<b>\$ 343,897</b>	<b>\$ 282,699</b>

See notes to financial statements

**CALGARY COMMUNITIES AGAINST SEXUAL ABUSE SOCIETY**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2017**

	2017	2016
<b>Operating activities</b>		
Excess of revenue over expenses	\$ 61,198	\$ 68,521
Items not affecting cash:		
Amortization of property and equipment	29,395	26,397
Recognition of deferred contribution related to property and equipment	(1,788)	(2,235)
Lease inducements	(32,555)	(39,316)
	<u>56,250</u>	<u>53,367</u>
Changes in non-cash working capital:		
Accounts receivable	(3,763)	1,097
Goods and services tax receivable	1,775	(248)
Prepaid expenses	(426)	8,434
Accounts payable and accrued liabilities	7,864	(4,753)
Deferred contributions related to operations	(244,966)	318,703
	<u>(239,516)</u>	<u>323,233</u>
Cash flows from (used by) operating activities	<u>(183,266)</u>	<u>376,600</u>
<b>Investing activities</b>		
Purchase of property and equipment	(15,741)	(21,224)
Disposal (purchase) of short term investments	92,630	(343,770)
Cash flows from (used by) investing activities	<u>76,889</u>	<u>(364,994)</u>
<b>Increase (decrease) in cash flows</b>	<b>(106,377)</b>	<b>11,606</b>
Cash and cash equivalents - beginning of year	<u>406,211</u>	<u>394,605</u>
<b>Cash and cash equivalents - end of year</b>	<b>\$ 299,834</b>	<b>\$ 406,211</b>

# CALGARY COMMUNITIES AGAINST SEXUAL ABUSE SOCIETY

## Notes to Financial Statements

For the Year Ended December 31, 2017

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### 1. Purpose of the organisation

Calgary Communities Against Sexual Abuse Society (the "Society" or "CCASA") was incorporated under the Societies Act of Alberta on January 17, 1994 as a not-for-profit organization. The Society's mission is "Provide leadership to impact attitudes and actions around sexual abuse and sexual assault." The Society is a registered charity, and under Section 149 of the Income Tax Act is exempt from the payment of income taxes.

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### 2. Summary of significant accounting policies

#### Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook, and in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

#### Revenue recognition

CCASA follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

#### Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with banks and short-term deposits with maturities of less than three months.

#### Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization. Property and equipment is amortized over its estimated useful life at the following rates and methods:

Office furniture and equipment	20%	declining balance
Computer hardware	30%	declining balance
Leasehold improvements	term of lease	straight-line

The Society regularly reviews its property and equipment to eliminate obsolete items.

Property and equipment with costs in excess of \$5,000 are capitalized.

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

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# CALGARY COMMUNITIES AGAINST SEXUAL ABUSE SOCIETY

## Notes to Financial Statements

For the Year Ended December 31, 2017

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### 2. Summary of significant accounting policies (*continued*)

#### Contributed services

Volunteers contribute a significant number of hours to assist the Society in carrying out its activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

#### Goods and services tax rebate

Goods and services tax is recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

#### Financial instruments

The Society initially measures its financial assets and financial liabilities at fair value. It subsequently measures all of its financial assets and financial liabilities at amortized cost, except for investments in equity instruments and mutual funds that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized as unrealized gains or losses in the statement of operations.

The financial assets measured at amortized cost include cash and cash equivalents, short term investments, and accounts receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities. The financial assets measured at fair value include marketable securities and investments in equity instruments.

#### Impairment

The society tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

#### Management estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Estimates made by management in preparing these financial statements relate to: assessment of recoverability of accounts receivable, determination of useful lives of property and equipment and determination of timing of recognition of revenues from deferred contribution.

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### 3. Short term investments

The short-term investments consist of one-year redeemable guaranteed investment certificates (GICs) with the Royal Bank of Canada bearing interest rates ranging from 0.50% to 1.00% per annum, recorded at amortized cost which approximates its fair value.

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**CALGARY COMMUNITIES AGAINST SEXUAL ABUSE SOCIETY**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2017**

**4. Property and equipment**

	Cost	Accumulated amortization	2017 Net book value	2016 Net book value
Office furniture and equipment	\$ 133,545	\$ 100,344	\$ 33,201	\$ 41,502
Computer hardware	116,334	111,325	5,009	7,156
Leasehold improvements	127,646	44,856	82,790	85,996
	<b>\$ 377,525</b>	<b>\$ 256,525</b>	<b>\$ 121,000</b>	<b>\$ 134,654</b>

**5. Deferred contributions related to operations**

Contributions related to operations are funds received in the current and previous periods to be matched with expenses and recognized as revenue in future periods.

	Opening Balance	Additions	Utilization	Ending Balance
Alberta Community and Social Services	\$ 280,462	\$ 826,342	\$ 839,993	\$ 266,811
Alberta Community and Social Services - Counselling Waitlist	400,000	-	239,661	160,339
Alberta Gaming and Liquor Commission	99,007	67,151	56,046	110,112
CCASA - Future fund	172,177	-	-	172,177
Alberta Community and Social Services - Family and Community Safety program	225,548	-	119,699	105,849
Alberta Community and Social Services Indo - Canadian Project	49,884	100,000	97,936	51,948
Calgary Herald Xmas Fund	35,689	-	-	35,689
Golder Associates Grant - Website Development	2,000	-	2,000	-
City of Calgary, Family and Community Support Services (Note 7 )	-	446,565	357,252	89,313
Alberta Ministry of Health	25,902	299,650	272,087	53,465
United Way of Calgary and Area	-	527,289	527,289	-
Alberta Solicitor General Justice	-	150,000	150,000	-
	<b>\$ 1,290,669</b>	<b>\$ 2,416,997</b>	<b>\$ 2,661,963</b>	<b>\$ 1,045,703</b>

# CALGARY COMMUNITIES AGAINST SEXUAL ABUSE SOCIETY

## Notes to Financial Statements

For the Year Ended December 31, 2017

### 6. Deferred contributions related to property and equipment

Contributions received for property and equipment are deferred and amortized over the useful life of the asset.

	Opening Balance	Additions	Utilization	Ending balance
Funds related to property and equipment	\$ 8,939	\$ -	\$ 1,788	\$ 7,151

### 7. City of Calgary, Family and Community Support Services

During 2017, the Society received \$357,252 (2016: \$384,710) from the City of Calgary, Family and Community Support Services. The Society also received advance funding of \$89,313 for the first quarter of 2018 (2017: \$Nil). Expenses were mainly related to salaries and benefits in the amount of \$286,849 (2016: \$285,210) and other expenses including professional services, transportation, office expenses, and insurance in the amount of \$70,403 (2016: \$99,500).

### 8. Lease commitments

The Society has long term leases relating to its premises and its photocopier. The lease on the premises contains renewal options and provides for payment of utilities, property taxes and maintenance costs.

In August 2015, the Society signed a lease agreement for an 84-month term at an annual cost of \$107,400 for the period of August 2015 to July 2022. The landlord has allowed free rent for the month of August for each year of the lease and a cash allowance of \$281,925.

In April 2017, the Society signed an amendment to the lease agreement to expand its office space within the building for the period May 1, 2018 to July 31, 2022. The landlord allowed the Society rent free exclusive access to the premises between May 1, 2017 and April 31, 2018 for the purpose of fixturing.

In October 2017, the Society signed another lease amending agreement that provides it access to the entirety of the 7th floor of the building from December 1, 2018 to July 31, 2022 at an annual cost of \$128,736. The landlord continues to allow the Society the month of August rent free for the two suites in the initial lease agreement until the end of the lease term.

The estimated minimum annual payments of the above lease commitments, excluding operating costs, for the next 5 years are as follows:

2018	\$ 109,576
2019	130,776
2020	130,776
2021	130,776
2022	75,096
	<u>\$ 577,000</u>

## CALGARY COMMUNITIES AGAINST SEXUAL ABUSE SOCIETY

### Notes to Financial Statements

For the Year Ended December 31, 2017

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#### 9. Lease inducements

As part of the Society's facility lease renewal in 2015, the landlord offered a total of 7 months of free rent and cash allowance of \$281,925. The lease inducement will be recognized as a reduction of the lease expense over the seven-year term of the lease.

In April 2017 the Society signed an amendment to the lease agreement for an additional suite on the same floor of the building. The amendment allows the Society a rent free fixturing period from May 1, 2017 to April 30, 2018. The rent due during this fixturing period will be recognized as a reduction of the lease expense over the four-year term of the lease.

In October 2017 the Society signed another amendment to the lease agreement for the entirety of the 7th floor of the building commencing on December 1, 2018 with a 10 month rent free fixturing period starting February 1, 2018. The impact of this will be considered in the appropriate financial year.

	<u>2017</u>	<u>2016</u>
Deferred lease inducement, beginning	\$ 219,515	\$ 258,831
Additions	6,761	-
Amortization of lease inducement	<u>(39,316)</u>	<u>(39,316)</u>
Balance, end of year	186,960	219,515
Less: current portion	<u>(40,907)</u>	<u>(39,316)</u>
Long-term deferred lease inducement	<u>\$ 146,053</u>	<u>\$ 180,199</u>

The amortization of the lease inducement against rent expense is as shown below

	<u>2017</u>	<u>2016</u>
Rent expense	\$ 208,294	\$ 216,357
Amortization of lease inducement	<u>(39,316)</u>	<u>(39,316)</u>
Net rent expense	<u>\$ 168,978</u>	<u>\$ 177,041</u>

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#### 10. Internally restricted

Subject to the approval of the Board of Directors, the Society may internally restrict funds to be used for expenses in future years. No funds were restricted in 2017 (2016: \$Nil).

The Society's Board of Directors approved internally restricted funds of \$48,087 in prior years, which can only be used for future operations deficits of the Society. No funds were restricted or expenses incurred in relation to restricted funds in 2017 and 2016.

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**CALGARY COMMUNITIES AGAINST SEXUAL ABUSE SOCIETY**

**Notes to Financial Statements**

**For the Year Ended December 31, 2017**

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**11. Financial instruments**

The Society's financial instruments consist of cash and cash equivalents, short term investments, accounts receivable, accounts payable and accrued liabilities. All of these are reported at amortized cost. Given the short term nature of these balances, their fair value approximates the carrying value.

Management has determined that because of the nature and terms of the short term investments (Note 3) and accounts receivable, the Society is not exposed to significant credit or interest rate risk.

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**12. Allocated expense**

There are certain expenses that were allocated among the different programs on a pro rata basis based on revenue. These allocations are consistent with agreed upon contracts with individual funders.

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**13. Comparative figures**

Some of the comparative figures have been reclassified to conform to the current year's presentation.

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