



**YWCA Saskatoon Inc.  
Financial Statements  
June 30, 2017**

## Management's Responsibility

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To the Members of YWCA Saskatoon Inc.:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and for ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and the Audit/Finance Committee are composed entirely of members who are neither management nor employees of YWCA Saskatoon Inc. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Audit/Finance Committee has the responsibility of meeting with management and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Committee is also responsible for recommending the appointment of YWCA Saskatoon Inc.'s external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Audit/Finance Committee and management to discuss their audit findings.

October 11, 2017



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Shannon Friesen, Chief Executive Officer



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Riley Daku, CPA, Director of Operations

## Independent Auditors' Report

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To the Members of YWCA Saskatoon Inc.:

We have audited the accompanying financial statements of YWCA Saskatoon Inc., which comprise the statement of financial position as at June 30, 2017, and the statements of revenues, expenditures and equity, cash flows and the related schedule for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Managements' 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.

### *Auditors' 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 auditors' 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 qualified audit opinion.

### *Basis for Qualified Opinion*

The Guild Fund of YWCA Saskatoon Inc. derives revenue from the sale of donated goods, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of YWCA Saskatoon Inc. and we were not able to determine whether any adjustments might be necessary to revenues and excess of revenues over expenditures for the years ended June 30, 2017 and 2016, assets and liabilities as at June 30, 2017 and 2016 and equity as at July 1 and June 30 for both the 2016 and 2017 years. Our audit opinion on the financial statements for the year ended June 30, 2016 was modified accordingly because of the possible effects of this limitation in scope.

### *Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of YWCA Saskatoon Inc. as at June 30, 2017 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Saskatoon, Saskatchewan

October 11, 2017



Chartered Professional Accountants

**YWCA Saskatoon Inc.**  
**Statement of Financial Position**  
**June 30, 2017**

	<u>Operating Fund</u>	<u>Endowment Fund</u>	<u>CMHC Fund</u>	<u>Capital Fund</u>	<u>Guild Fund</u>	<u>Inter-fund Eliminations</u>	<u>As at June 30, 2017</u>	<u>As at June 30, 2016</u>
<b>ASSETS</b>								
<b>Current assets</b>								
Cash and term deposits	\$ 859,439	\$ 1,909	\$ 30,918	\$ 234	\$ 75,432	\$ -	\$ 967,932	\$ 1,049,388
Accounts receivable	71,668	-	-	-	1,698	-	73,366	139,863
Due from internal funds	120,223	1,575	60,000	-	2,000	(183,798)	-	-
Prepaid expenses	37,035	-	-	-	638	-	37,673	12,956
	<b>1,088,365</b>	<b>3,484</b>	<b>90,918</b>	<b>234</b>	<b>79,768</b>	<b>(183,798)</b>	<b>1,078,971</b>	<b>1,202,207</b>
Long-term investments (Note 3)	320,519	571,498	70,871	753,448	69,580	-	1,785,916	1,610,064
Planned giving	-	12,601	-	-	-	-	12,601	12,601
Capital assets (Note 4)	97,051	-	-	3,219,505	-	-	3,316,556	3,475,839
	<b>\$ 1,505,935</b>	<b>\$ 587,583</b>	<b>\$ 161,789</b>	<b>\$ 3,973,187</b>	<b>\$ 149,348</b>	<b>\$ (183,798)</b>	<b>\$ 6,194,044</b>	<b>\$ 6,300,711</b>
<b>LIABILITIES</b>								
<b>Current liabilities</b>								
Trade accounts payable and accrued liabilities	\$ 167,762	\$ -	\$ -	\$ 144	\$ -	\$ -	\$ 167,906	\$ 190,998
Wages and benefits payable	160,961	-	-	-	3,069	-	164,030	160,474
Unearned program revenue (Note 5)	351,118	-	-	-	-	-	351,118	262,296
Designated donations	55,103	-	-	-	-	-	55,103	51,633
Due to internal funds	-	-	-	183,798	-	(183,798)	-	-
Current portion of long-term debt (Note 6)	-	-	-	65,450	-	-	65,450	64,817
	<b>734,944</b>	<b>-</b>	<b>-</b>	<b>249,392</b>	<b>3,069</b>	<b>(183,798)</b>	<b>803,607</b>	<b>730,218</b>
Long-term debt (Note 6)	-	-	-	116,067	-	-	116,067	181,525
	<b>734,944</b>	<b>-</b>	<b>-</b>	<b>365,459</b>	<b>3,069</b>	<b>(183,798)</b>	<b>919,674</b>	<b>911,743</b>
<b>EQUITY</b>								
Externally restricted	-	587,583	161,789	-	-	-	749,372	693,618
Internally restricted - Reserves	373,912	-	-	569,740	-	-	943,652	971,645
Internally restricted - Invested in capital assets	97,051	-	-	3,037,988	-	-	3,135,039	3,229,497
Unrestricted	300,028	-	-	-	146,279	-	446,307	494,208
	<b>770,991</b>	<b>587,583</b>	<b>161,789</b>	<b>3,607,728</b>	<b>146,279</b>	<b>-</b>	<b>5,274,370</b>	<b>5,388,968</b>
	<b>\$ 1,505,935</b>	<b>\$ 587,583</b>	<b>\$ 161,789</b>	<b>\$ 3,973,187</b>	<b>\$ 149,348</b>	<b>\$ (183,798)</b>	<b>\$ 6,194,044</b>	<b>\$ 6,300,711</b>

Approved by the Board



Director



Director

The accompanying notes are an integral part of the financial statements.

**YWCA Saskatoon Inc.**  
**Statement of Revenues, Expenditures and Equity**  
**Year Ended June 30, 2017**

	<u>Operating Fund</u>	<u>Endowment Fund</u>	<u>CMHC Fund</u>	<u>Capital Fund</u>	<u>Guild Fund</u>	<u>2017</u>	<u>2016</u>
Revenues (Schedule)	\$ 4,213,239	\$ 48,718	\$ 1,036	\$ 41,451	\$ 146,493	\$ 4,450,937	\$ 4,526,427
Expenditures (Schedule)	\$ 4,313,906	\$ -	\$ -	\$ 140,420	\$ 111,209	\$ 4,565,535	\$ 4,697,023
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ (100,667)</b>	<b>\$ 48,718</b>	<b>\$ 1,036</b>	<b>\$ (98,969)</b>	<b>\$ 35,284</b>	<b>\$ (114,598)</b>	<b>\$ (170,596)</b>
<b>Equity, beginning of year</b>	<b>\$ 853,052</b>	<b>\$ 538,865</b>	<b>\$ 154,753</b>	<b>\$ 3,705,648</b>	<b>\$ 136,650</b>	<b>\$ 5,388,968</b>	<b>\$ 5,559,564</b>
Transfers from:							
Operating Fund	\$ -	\$ -	\$ 6,000	\$ -	\$ -	\$ 6,000	\$ 6,000
Capital Fund	\$ -	\$ -	\$ -	\$ 1,049	\$ -	\$ 1,049	\$ -
Guild Fund	\$ 25,655	\$ -	\$ -	\$ -	\$ -	\$ 25,655	\$ 25,000
Transfers to:							
Operating Fund	\$ -	\$ -	\$ -	\$ -	\$ (25,655)	\$ (25,655)	\$ (25,000)
Capital Fund	\$ (1,049)	\$ -	\$ -	\$ -	\$ -	\$ (1,049)	\$ -
CMHC Fund	\$ (6,000)	\$ -	\$ -	\$ -	\$ -	\$ (6,000)	\$ (6,000)
	<b>\$ 18,606</b>	<b>\$ -</b>	<b>\$ 6,000</b>	<b>\$ 1,049</b>	<b>\$ (25,655)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Equity, end of year</b>	<b>\$ 770,991</b>	<b>\$ 587,583</b>	<b>\$ 161,789</b>	<b>\$ 3,607,728</b>	<b>\$ 146,279</b>	<b>\$ 5,274,370</b>	<b>\$ 5,388,968</b>
Comprised of:							
Externally restricted	\$ -	\$ 587,583	\$ 161,789	\$ -	\$ -	\$ 749,372	\$ 693,618
Internally restricted - Reserves	373,912	-	-	569,740	-	943,652	971,645
Internally restricted - Invested in capital assets	97,051	-	-	3,037,988	-	3,135,039	3,229,497
Unrestricted	300,028	-	-	-	146,279	446,307	494,208
	<b>\$ 770,991</b>	<b>\$ 587,583</b>	<b>\$ 161,789</b>	<b>\$ 3,607,728</b>	<b>\$ 146,279</b>	<b>\$ 5,274,370</b>	<b>\$ 5,388,968</b>

*The accompanying notes are an integral part of the financial statements.*

**YWCA Saskatoon Inc.**  
**Statement of Cash Flows**  
**Year Ended June 30, 2017**

	<u>2017</u>	<u>2016</u>
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Excess (deficiency) of revenues over expenditures	\$ (114,598)	\$ (170,596)
Item not affecting cash		
Amortization	171,225	197,445
Net changes in non-cash working capital items related to operations:		
Accounts receivable	66,497	(1,494)
Prepaid expenses	(24,717)	(4,936)
Trade accounts payable and accrued liabilities	(23,092)	32,025
Wages and benefits payable	3,556	(79,648)
Unearned program revenue and designated donations	92,292	(76,270)
	<u><b>171,163</b></u>	<u><b>(103,474)</b></u>
<b>Investing activities</b>		
Purchase of investments, net	(175,852)	(391,786)
Purchase of capital assets	(11,942)	(43,469)
Proceeds on disposal of capital assets	-	4,063
Decrease in planned giving	-	1,625
	<u><b>(187,794)</b></u>	<u><b>(429,567)</b></u>
<b>Financing activities</b>		
Repayment of long-term debt	<u><b>(64,825)</b></u>	<u><b>(60,907)</b></u>
<b>Net decrease in cash and term deposits during year</b>	(81,456)	(593,948)
Cash and term deposits, beginning of year	<u>1,049,388</u>	<u>1,643,336</u>
<b>Cash and term deposits, end of year</b>	<u><b>\$ 967,932</b></u>	<u><b>\$ 1,049,388</b></u>
Cash and term deposits consists of:		
Cash	\$ 536,072	\$ 386,286
Redeemable term deposits	431,860	663,102
	<u><b>\$ 967,932</b></u>	<u><b>\$ 1,049,388</b></u>

*The accompanying notes are an integral part of the financial statements.*

## **YWCA Saskatoon Inc.**

Notes to the Financial Statements

June 30, 2017

### **1. Description of business**

YWCA Saskatoon Inc. ("YWCA Saskatoon") is incorporated as a non-profit corporation in the province of Saskatchewan, which exists to meet the changing needs of women and their families. It has served the community of Saskatoon since 1911. YWCA Saskatoon is exempt from income taxes as a registered charity.

### **2. Significant accounting policies**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organization, and include the following significant policies:

#### **Cash and term deposits**

Cash and term deposits include cash and term deposits with interest rates ranging from 0.60% to 1.45% (2016 - 0.75% to 4.21%) and maturities of twelve months or less, ranging from February 2018 to April 2018 (2016 – November 2016 to June 2017).

#### **Long-term investments**

Long-term investments are portfolio investments recorded at fair value for those with prices quoted in an active market, and cost less impairment for those that are not quoted in an active market. They have been classified as long-term assets in concurrence with the nature of the investment.

#### **Capital assets**

Purchased assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Buildings and equipment are amortized using the straight-line method over the estimated useful lives. Annual amortization rates are as follows:

Buildings	2%
Computer equipment	30%
Furniture and equipment	8%

Amortization is not taken until the asset is ready for use.

#### **Long-lived assets**

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When YWCA Saskatoon determines that a long-lived asset no longer has any long-term service potential to YWCA Saskatoon, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

#### **Revenue recognition**

YWCA Saskatoon follows the restricted fund method of accounting for contributions. The Operating Fund includes YWCA Saskatoon's services, all unrestricted contributions, and restricted contributions for which there is no restricted fund. Contributions that are provided specifically for the purpose of the CMHC, Capital or Guild Funds are reported directly in those restricted funds as revenues when received or receivable. Endowment contributions are included as revenues of the Endowment Fund. The net investment income and investment gains and losses on disposal of these assets are reported in the related fund. Fee for service and other revenue are recognized as the services are performed and collection is reasonably assured.

#### **Fund Accounting**

A Fund is a separate self-balancing group of accounts provided for each accounting entity established within the accounting system, which segregates transactions of a particular activity. These funds are:

##### **Operating Fund**

The Operating Fund contains the current revenue, expenditures, assets, and liabilities pertaining to the general operations of YWCA Saskatoon. Internally restricted reserves are funds to be used for future program development. These funds have been set aside specifically for new program initiatives.

## **YWCA Saskatoon Inc.**

Notes to the Financial Statements

June 30, 2017

### **2. Significant accounting policies (continued from previous page)**

#### **Endowment Fund**

The Endowment Fund is a special purpose reserve created by specified donations. Usage of these funds is externally-restricted and is governed by a trust agreement. Earnings related to cash and investments of the Endowment Fund are recorded as an addition to the Fund, with the stipulation that up to 90% of investment earnings in a year may be transferred to the Operating Fund.

#### **CMHC Fund**

The CMHC Fund was established as a condition of the CMHC mortgage. This restricted fund accumulates earnings related to cash and investments of the CMHC Fund. A specified amount must be transferred to this Fund each year. Expenditures for replacement of assets of the residence are recorded as capital assets of the Capital Fund, and as a transfer of equity from the CMHC Fund to the Capital Fund.

#### **Capital Fund**

The Capital Fund is internally-restricted and contains the capital assets which are property and equipment and long-term debt pertaining to the Capital Fund. Purchases of capital assets in this Fund are financed by donations, grants and mortgage proceeds. Included in the Capital Fund expenditures are charges for interest and amortization on the capital assets.

#### **Guild Fund**

The Guild Fund is internally-restricted by the YWCA Guild and reports the operations of the "YWCA Opportunity Shop". Earnings related to sales of donated goods as well as earnings from investments are recorded as an addition to the Fund. Expenditures relate to operating the Opportunity Shop. Transfers from the Guild Fund to the Operating Fund are subject to the approval of the YWCA Guild.

#### **Use of estimates**

The financial statements, which include the use of estimates and judgments, contain all adjustments that management believes are necessary for fair presentation of YWCA Saskatoon's financial position, results of operations, and cash flow.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets. Accrued expenses are based on estimates of amounts owing at year end for which invoices have not been received.

Management estimates funding revenues earned and deferred based on its best understanding of the terms and conditions that apply to the funding agreements entered into by YWCA Saskatoon.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenues and expenses in the periods in which they become known.

#### **Contributed materials and services**

Contributed materials and services are recognized in the financial statements when their fair value can be reasonably determined and they are used in the normal course of the organization's operations and would otherwise have been purchased.

#### **Financial instruments**

The YWCA Saskatoon recognizes its financial instruments when it becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with CICA 3840 *Related Party Transactions* (refer to Note 7).

At initial recognition, YWCA Saskatoon may irrevocably elect to subsequently measure any financial instrument at fair value. YWCA Saskatoon has elected to subsequently measure investments in mutual funds at fair value.

YWCA Saskatoon subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. All other financial assets and liabilities are subsequently measured at amortized cost.



## **YWCA Saskatoon Inc.**

Notes to the Financial Statements

June 30, 2017

### **2. Significant accounting policies (continued from previous page)**

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

#### **Financial asset impairment**

YWCA Saskatoon groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, YWCA Saskatoon determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, YWCA Saskatoon reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenditures.

YWCA Saskatoon reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of revenue over expenditures in the year the reversal occurs.

### **3. Financial instruments**

All significant financial assets, financial liabilities, and equity instruments of YWCA Saskatoon are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

YWCA Saskatoon's financial instruments consist of cash and term deposits, accounts receivable, long-term investments, accounts payable and accrued liabilities, and long-term debt.

#### *Risk management policy*

YWCA Saskatoon, as part of operations, has established the risk management objective of preserving the value of its financial instruments to ensure that they can be used in support of YWCA Saskatoon's purpose. Risks are controlled by ensuring investments are made in compliance with YWCA Saskatoon's Investment Policy as approved by the Board of Directors.

#### *Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. YWCA Saskatoon is exposed to price risk through its investments in fixed income instruments and its long-term debt. The risk is minimized due to the short terms to maturity of the investments held. Guaranteed Investment Certificates included in cash are redeemable, mature within the next twelve months and bear interest rates ranging from 0.60% to 1.45% (2016 – 0.75% to 4.21%). YWCA Saskatoon is also exposed to both cash flow risk and price risk through its mutual fund investments, as many of the funds invest in debt instruments. YWCA Saskatoon mitigates its risks by maintaining a portfolio of mutual funds with varying investment strategies.

**YWCA Saskatoon Inc.**

Notes to the Financial Statements

June 30, 2017

**3. Financial instruments (continued from previous page)**

Long-term investments held by YWCA Saskatoon are comprised of the following:

	Operating	Endowment	CMHC Fund	Capital Fund	Guild Fund	2017 Total	2016 Total
Fixed income maturing 2018-2024 (1.25% -3.46%)	\$ 177,178	\$ -	\$ 70,871	\$ 177,178	\$ 69,580	\$ 494,807	\$ 420,393
Equities	12,617	17,138	-	13,069	-	42,824	33,637
Mutual funds	130,724	554,360	-	563,201	-	1,248,285	1,156,034
	<b>\$ 320,519</b>	<b>\$ 571,498</b>	<b>\$ 70,871</b>	<b>\$ 753,448</b>	<b>\$ 69,580</b>	<b>\$ 1,785,916</b>	<b>\$ 1,610,064</b>

Credit concentration

Financial instruments that potentially subject YWCA Saskatoon to concentrations of credit risk consist of accounts receivable. YWCA Saskatoon believes that there is minimal risk associated with the collection of these amounts. YWCA Saskatoon does not have significant exposure to any individual customer.

**4. Capital assets**

	2017			2016
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
<b>Operating Fund</b>				
Computer equipment	\$ 59,238	\$ 46,083	\$ 13,155	\$ 26,479
Furniture and equipment	301,014	217,118	83,896	95,103
	<b>360,252</b>	<b>263,201</b>	<b>97,051</b>	<b>121,582</b>
<b>Capital Fund</b>				
Building, furniture and equipment	7,064,219	3,844,715	3,219,504	3,354,256
Computer equipment	149,920	149,920	-	-
Land	1	-	1	1
	<b>7,214,140</b>	<b>3,994,635</b>	<b>3,219,505</b>	<b>3,354,257</b>
	<b>\$ 7,574,392</b>	<b>\$ 4,257,836</b>	<b>\$ 3,316,556</b>	<b>\$3,475,839</b>

The amortization recognized in the financial statements during the year was \$32,848 (2016 - \$36,101) in the operating fund and \$138,377 (2016 - \$161,344) in the capital fund, for a combined total amortization of \$171,225 (2016 - \$197,445).

**5. Unearned program revenue**

Unearned program revenue represents unspent resources received in the current year, restricted for specific programs which will be undertaken in the next fiscal years.

**YWCA Saskatoon Inc.**

Notes to the Financial Statements

June 30, 2017

<b>6. Long-term debt</b>	<u>2017</u>	<u>2016</u>
CMHC 0.97% mortgage, repayable in blended monthly installments of \$5,577. The mortgage is amortized over a period of 3 years, maturing on March 1, 2020, secured by building with a net book value of \$3,192,876 (2016 - \$3,320,774).	\$ 181,517	\$ 246,342
Less current portion	<u>(65,450)</u>	<u>(64,817)</u>
	<u><b>\$ 116,067</b></u>	<u><b>\$ 181,525</b></u>

Mortgage principal payments due in each of the next three years, are as follows:

2018	\$ 65,450
2019	66,087
2020	49,980

YWCA Saskatoon has access to an operating line of credit with Affinity Credit Union with a maximum limit of \$150,000 (2016 - \$150,000). Interest is calculated at 3.70% (2016 - 3.70%). The balance outstanding on the line of credit as at June 30, 2017 is \$nil (2016 - \$nil).

**7. Related party transactions**

YWCA Saskatoon is a member of the Saskatoon Community Services Village Inc. (the "Village"), which was incorporated pursuant to the Non-Profit Corporations Act of Saskatchewan. The Village owns a building which, together with leased premises, houses six community service agencies. Along with other members of the Village, YWCA Saskatoon is committed to bear its proportionate share of certain potential operating deficiencies of the Village. YWCA Saskatoon is one of the six partner agencies that have legal and fiduciary responsibility for the Village.

During the year, YWCA Saskatoon earned revenue related to the provision of shared services to the Village of \$101,592 (2016 - \$97,012) and incurred lease expenditures of \$74,649 (2016 - \$73,983). Included in accounts receivable at June 30, 2017 are amounts due from the Village totaling \$6,780 (2016 - \$7,200).

**8. Commitments**

During the prior year, YWCA Saskatoon entered into lease agreements with the Village expiring October 31, 2017. As part of the agreement, YWCA Saskatoon leases 3,195 square feet within the Village building, while the Village leases 3,730 square feet within the YWCA Saskatoon building. Through this arrangement, the YWCA Saskatoon (in common with the other Village agencies) also gains access to the common area facilities of the Village. YWCA Saskatoon incurred lease payments during the year in the amount of \$74,649 (2016 - \$73,983).

**9. Economic dependence**

YWCA Saskatoon has a number of ongoing contracts with the Government of Saskatchewan. While these are separate contracts with various departments of the Government of Saskatchewan, when taken as a whole these contracts represent 47% (2016 - 46%) of YWCA Saskatoon's total operating fund revenue.

**YWCA Saskatoon Inc.**  
**Operating Fund**  
**Schedule of Revenues and Expenditures**  
**Year Ended June 30, 2017**

	<u>2017</u>	<u>2016</u>
<b>Revenues:</b>		
Government contracted programs	\$ 1,994,213	\$ 2,018,605
Fee for service	1,125,385	1,108,881
Grants	379,323	468,274
Other income	354,352	341,127
Fund development	359,966	455,589
	<u>4,213,239</u>	<u>4,392,476</u>
 <b>Expenditures:</b>		
Salaries & benefits	3,131,232	3,216,011
Building occupancy and equipment costs	526,046	532,281
Office & administration	241,000	242,384
Program costs	226,211	262,299
Marketing & communications	144,570	127,240
National allocation	44,847	43,091
	<u>4,313,906</u>	<u>4,423,306</u>
 <b>Deficiency of revenues over expenditures</b>	 <u><u>\$ (100,667)</u></u>	 <u><u>\$ (30,830)</u></u>