Financial Statements of

END HOMELESSNESS WINNIPEG INC.

March 31, 2018

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of End Homelessness Winnipeg

We have audited the accompanying financial statements of End Homelessness Winnipeg Inc. which comprise the statement of financial position as at March 31, 2018 and the statements of revenue and expenditures and changes in net assets and cash flows for the year then ended and a summary of significant accounting policies and notes to the financial statements.

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.

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 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, these financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2018 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.

Deloitte LLP

Chartered Professional Accountants
June 6, 2018
Winnipeg, Manitoba

TABLE OF CONTENTS

	Page
Statement of Revenue and Expenditures and Changes in Net Assets	1
Statement of Financial Position	2
Statement of Cash Flows	3
Notes to the Financial Statements	4 - 6

END HOMELESSNESS WINNIPEG INC.
Statement of Revenue and Expenditures and Changes in Net Assets
Year Ended March 31, 2018

	2018	2017
REVENUE		
Grants (Note 3)	$ 850,000	$ 850,000
Other funding (Note 4)	121,066	-
CAEH17 conference sponsorships	53,908	-
Interest revenue	819	184
	1,025,793	850,184
EXPENDITURES		
Community investment (Note 5)		
Housing support	328,586	93,947
Measurement & shared evaluation	158,276	56,965
Prevention	178,871	62,989
Housing access	141,072	110,494
CAEH17 conference costs	49,026	-
	855,831	324,395
Operations and administration		
Salaries and benefits	263,873	202,910
Office expenses	39,730	59,151
Lease and leasehold improvements	31,930	29,652
Computer hardware and software support	2,094	21,254
Professional fees	13,317	7,136
Insurance	3,141	3,208
Amortization of capital assets	7,013	3,507
United Way of Winnipeg administration fee	85,000	85,000
	446,098	411,818
TOTAL EXPENDITURES	1,301,929	736,213
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENDITURES	(276,136)	113,971
NET ASSETS, BEGINNING OF YEAR	1,115,906	1,001,935
NET ASSETS, END OF YEAR	$ 839,770	$ 1,115,906

END HOMELESSNESS WINNIPEG INC.
Statement of Financial Position
March 31, 2018

	2018	2017
ASSETS		
Cash	$ **618,784**	$ 350,400
Accounts receivable	**305,622**	850,000
Prepaid expenses	**3,351**	7,324
Capital assets (Note 6)	**41,896**	48,909
	$ **969,653**	$ 1,256,633
LIABILITIES		
Accounts payable and accrued liabilities	$ **129,883**	$ 115,227
Deferred revenue	**-**	25,500
	129,883	140,727
NET ASSETS	**839,770**	1,115,906
	$ **969,653**	$ 1,256,633

APPROVED ON BEHALF OF THE BOARD



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Charles Loewen, Co-Chairperson



.....

Diane Redsky, Co-Chairperson

END HOMELESSNESS WINNIPEG INC.
Statement of Cash Flows
Year Ended March 31, 2018

	2018	2017
OPERATING ACTIVITIES		
(Deficiency) excess of revenue over expenditures	**$ (276,136)**	$ 113,971
Items not involving cash		
Amortization	**7,013**	3,507
Net change in non-cash operating working capital items:		
Accounts receivable	**544,378**	(150,000)
Prepaid expenses	**3,973**	(5,402)
Accounts payable and accrued liabilites	**14,656**	5,305
Deferred revenue	**(25,500)**	25,500
	268,384	7,119
INVESTING ACTIVITY		
Purchase of capital assets	**-**	(52,416)
NET INCREASE (DECREASE) IN CASH POSITION	**268,384**	(59,535)
CASH, BEGINNING OF YEAR	**350,400**	409,935
CASH, END OF YEAR	**$ 618,784**	$ 350,400

1. NATURE AND OBJECTIVE OF THE ORGANIZATION

End Homelessness Winnipeg Inc. (the "Organization") was formed by Articles of Incorporation under the Corporations Act of Manitoba on May 14, 2015, without share capital, is a non-profit organization and therefore, is exempt from income taxes.

The Organization receives grants to help bring an end to homelessness in the City of Winnipeg. As a non-profit organization, the goal of End Homelessness Winnipeg ("EHW") is to use a community-based approach towards ending homelessness. EHW is a backbone support organization that brokers stakeholder relationships and coordinates efforts through its various committees and working groups using a collective impact approach. EHW both leads and supports initiatives that are created and led by other organizations.

2. SIGNIFICANT ACCOUNTING POLICIES

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

a) *Revenue recognition*

The Organization follows the deferral method of accounting for contributions. Unrestricted revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted revenues are originally deferred and recognized as revenue in accordance with the restrictions placed on them by the funder.

b) *Financial instruments*

Financial assets and financial liabilities are initially recognized at fair value when the Organization becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost.

The Organization does not have any financial instruments measured at fair value.

With respect to financial assets measured at cost or amortized cost, the Organization recognizes in net earnings an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed in net earnings in the period the reversal occurs.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Capital assets

Capital assets are recorded at cost. Amortization is provided on a straight-line basis using the following rates.

Computer equipment	5 years
Furniture and fixtures	10 years
Leasehold improvements	term of lease

d) Use of estimates

The preparation of financial statements in conformity 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

3. GRANT REVENUE

	Maturity date of funding commitment	**2018**	2017
United Way of Winnipeg	Annual	**$ 300,000**	$ 300,000
Government of Manitoba	March, 2019	**250,000**	250,000
City of Winnipeg	December, 2019	**150,000**	150,000
Winnipeg Regional Health Authority	March, 2022	**150,000**	150,000
		$ 850,000	$ 850,000

4. OTHER FUNDING

Other funding amounts were received during the year to cover the costs of specific initiatives, which are reflected in Community Investment costs on the Statement of Revenue and Expenditures and Net Assets. Other funding amounts include $90,000 from the City of Winnipeg, and $25,500 from Manitoba Liquor & Lotteries.

5. COMMUNITY INVESTMENT

Included in community investment expenses are a total of $417,887 (2017 - $37,563) of direct community costs and $388,918 (2017 - $286,832) of salaries & benefits. Direct community costs include funding to other organizations whose work directly aligns with the objectives of End Homelessness Winnipeg. Salaries & benefits include the salaries & benefits of four Manager positions that directly support the four community investment pillars, as well as a portion of the salaries & benefits of the Chief Executive Officer and the Administrative Coordinator.

6. CAPITAL ASSETS

	2018			2017
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	$ 6,032	$ 1,810	$ 4,222	$ 5,429
Furniture and fixtures	34,699	5,205	29,494	32,964
Leasehold improvements	11,685	3,505	8,180	10,516
	$ 52,416	$ 10,520	$ 41,896	$ 48,909

7. COMMITMENTS

The Organization has a lease agreement for premises requiring minimum annual lease payments of $30,000 per year until February, 2021.

8. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year presentation standards.