

# **The Young Women's Christian Association of Banff**

**Financial Statements**

**March 31, 2024**

## Independent Auditors' Report

To: The Directors of **The Young Women's Christian Association of Banff**

### Qualified Opinion

We have audited the financial statements of The Young Women's Christian Association of Banff (the "Association"), which comprise the statement of financial position as at March 31, 2024 and the statements of operations and changes in fund balances, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

In common with many not-for-profit organizations, the Association derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Association. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023, and fund balances as at March 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended March 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditors' report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Annual Report prior to the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditors' report. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged With Governance 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.

## Independent Auditors' Report (continued)

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants

July 25, 2024  
Calgary, Alberta

**The Young Women's Christian Association of Banff**  
**Statement of Financial Position**

As at March 31,

2024

2023

	Operating fund	Sustainability fund	Capital fund	Total	Total
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents (note 4)	\$ 836,431	\$ -	\$ -	\$ 836,431	\$ 576,612
Restricted cash and cash equivalents (note 4)	2,171,161	299,462	648,394	3,119,017	3,270,653
Short term restricted investments (note 5)	-	275,774	261,612	537,386	-
Short term investments (note 5)	547,169	-	-	547,169	-
Accounts receivable	100,135	-	-	100,135	65,826
Inventory	671	-	-	671	107
Prepaid expenses	126,268	-	-	126,268	118,521
	3,781,835	575,236	910,006	5,267,077	4,031,719
<b>Capital assets (note 6)</b>	-	-	15,000,419	15,000,419	15,548,562
	\$ 3,781,835	\$ 575,236	\$ 15,910,425	\$ 20,267,496	\$ 19,580,281
<b>Liabilities and net assets</b>					
<b>Current liabilities</b>					
Accounts payable and accrued liabilities	\$ 428,484	\$ -	\$ -	\$ 428,484	\$ 372,490
Damage deposits	68,761	-	-	68,761	60,624
Customer deposits	332,632	-	-	332,632	52,548
Deferred contributions (note 8)	2,171,161	-	-	2,171,161	1,891,897
Demand loans (note 9)	-	-	857,643	857,643	985,228
Current portion of mortgage loans (note 10)	-	-	76,035	76,035	-
	3,001,038	-	933,678	3,934,716	3,362,787
<b>Mortgage loans (note 10)</b>	-	-	6,964,793	6,964,793	7,006,410
	3,001,038	-	7,898,471	10,899,509	10,369,197
<b>Net Assets</b>					
Internally restricted (note 4 and 5)	-	575,236	910,006	1,485,242	1,378,756
Invested in capital assets	-	-	7,101,948	7,101,948	7,554,254
Unrestricted	780,797	-	-	780,797	278,074
	780,797	575,236	8,011,954	9,367,987	9,211,084
	\$ 3,781,835	\$ 575,236	\$ 15,910,425	\$ 20,267,496	\$ 19,580,281

Approved by the Board

Kate Boyd Director

Karen Shelton Director

**The Young Women's Christian Association of Banff  
Statement of Operations and Changes in Fund Balances**

Year ended March 31,				2024	2023
	Operating fund	Sustainability fund	Capital fund	Total	Total
<b>Revenue</b>					
Social enterprise	\$ 1,481,318	\$ -	\$ -	\$ 1,481,318	\$ 794,710
Grants (note 10)	1,088,024	-	43,861	1,131,885	1,526,038
Permanent residence	1,099,587	-	-	1,099,587	860,278
Donations and fundraising, unrestricted	536,505	-	-	536,505	447,753
Donations and fundraising, restricted	274,618	-	-	274,618	243,086
Other	235,730	-	-	235,730	134,106
Conferences and groups	68,082	-	-	68,082	63,575
Food, beverage and merchandise	5,151	-	-	5,151	2,034
Programs and services	3,530	-	-	3,530	10,675
	<u>4,792,545</u>	<u>-</u>	<u>43,861</u>	<u>4,836,406</u>	<u>4,082,255</u>
<b>Expenses</b>					
Salaries and benefits	2,193,322	-	-	2,193,322	1,658,993
Amortization	-	-	813,127	813,127	599,748
Building occupancy	522,692	-	-	522,692	527,155
General and administrative	511,796	-	-	511,796	316,231
Fundraising (note 12)	249,558	-	-	249,558	202,499
Interest on demand mortgage loans	-	-	198,319	198,319	152,568
Programs and services	107,868	-	-	107,868	157,937
Other social enterprise, permanent residence and group	64,474	-	-	64,474	41,212
Accretion of interest benefit (note 10)	-	-	16,049	16,049	16,049
Food, beverage and merchandise	2,298	-	-	2,298	1,119
	<u>3,652,008</u>	<u>-</u>	<u>1,027,495</u>	<u>4,679,503</u>	<u>3,673,511</u>
<b>Other income</b>					
Government wage subsidies	-	-	-	-	21,743
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,743</u>
<b>Excess (deficiency) of revenues over expenses</b>	1,140,537	-	(983,634)	156,903	430,487
<b>Net assets, beginning of the year</b>	278,074	511,502	8,421,508	9,211,084	8,780,597
Transfer from Operating fund to Capital fund	(574,080)	-	574,080	-	-
Transfer from Operating fund to Sustainability fund	(63,734)	63,734	-	-	-
<b>Net assets, end of the year</b>	<u>\$ 780,797</u>	<u>\$ 575,236</u>	<u>\$ 8,011,954</u>	<u>\$ 9,367,987</u>	<u>\$ 9,211,084</u>

See accompanying notes to the financial statements

**The Young Women's Christian Association of Banff**  
**Statement of Cash Flows**

Year ended March 31,	2024	2023
<b>Operating activities:</b>		
Excess of revenues over expenses	\$ 156,903	\$ 430,487
Items not affecting cash:		
Amortization	813,127	599,748
Accretion of interest benefit	16,049	16,049
	986,079	1,046,284
Changes in non cash working capital items:		
Accounts receivable	(34,309)	94,592
Inventory	(564)	(9)
Prepaid expenses	(7,747)	(70,355)
Accounts payable and accrued liabilities	55,994	(1,271,517)
Damage deposits	8,137	41,393
Customer deposits	280,084	15,841
Deferred contributions	279,264	(71,918)
	1,566,938	(215,689)
<b>Investing activities</b>		
Purchase of capital assets	(265,219)	(2,996,132)
Purchase of short term restricted investments	(1,084,555)	-
	(1,349,774)	(2,996,132)
<b>Financing activities</b>		
Proceeds from mortgage loans	18,175	3,744,601
Repayment of demand and mortgage loans	(127,156)	(141,800)
	(108,981)	3,602,801
<b>Increase in cash and cash equivalents</b>	108,183	390,980
<b>Cash and cash equivalents, beginning of year</b>	3,847,265	3,456,285
<b>Cash and cash equivalents, end of year</b>	\$ 3,955,448	\$ 3,847,265
<b>Cash and cash equivalents consists of:</b>		
Cash	\$ 2,378,655	\$ 3,060,849
Guaranteed investment certificates	1,576,793	786,416
	\$ 3,955,448	\$ 3,847,265

*See accompanying notes to the financial statements*

# The Young Women's Christian Association of Banff

## Notes to Financial Statements

March 31, 2024

---

### 1. Nature of operations

The Young Women's Christian Association of Banff (the "Association") is a charitable organization directed by women dedicated to improving the quality of life in Banff through the provision of high quality services and programs for the community. The Association was incorporated in 1995 under the Alberta Societies Act as a registered charity and non-profit organization, and as such is not subject to corporate income taxes. The Association is dependent on its contributors to continue as a going concern.

### 2. Basis of presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles, specifically Canadian accounting standards for not-for-profit organizations ("ASNPO").

### 3. Significant accounting policies

#### (a) Fund accounting

The Association accounts for its activities using the following funds:

##### *Operating fund*

This general fund reports assets, liabilities, revenues, and expenses related to the operations of the Association.

##### *Sustainability fund*

The Sustainability fund accounts for internally restricted resources. The fund was established to sustain the existence and ensure the continuing activities of the Association. The funds will be utilized to fund operating deficits and future projects at the Board's discretion.

##### *Capital fund*

This restricted fund reports the assets, liabilities, revenues, and expenses related to the capital activities of the Association.

#### (b) Measurement of financial instruments

The Association initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, and short term restricted investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, demand loans and mortgage loans.

# The Young Women's Christian Association of Banff

## Notes to Financial Statements

March 31, 2024

---

### 3. Significant accounting policies (continued)

#### (b) Measurement of financial instruments

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

#### (c) Cash and cash equivalents

The Association considers all bank accounts and bank loans that are utilized periodically for day-to-day operations, and all investments with maturities of three months or less or guaranteed investment certificates that are redeemable to be cash equivalents.

#### (d) Inventory

Inventory is recorded at the lower of cost and net realizable value. Cost is determined using a first-in-first-out basis. Previous write-downs to net realizable value are reversed to the extent there is a subsequent increase in the net realizable value of the inventories.

#### (e) Capital assets

Capital assets are recorded at cost. Contributed capital assets are recorded at fair value unless the fair value cannot be reasonably determined, in which case the assets are recorded at nominal value. The Association provides for amortization using the following declining balance rates, designed to amortize the cost of the property and equipment over their estimated useful lives. Amortization on additions to capital assets has been calculated using one-half of the normal rates. The annual amortization rates are as follows:

Buildings	5%
Furniture and fixtures	20%
Computer hardware	25%
Computer software	50%

The Association records a write-down when the capital assets no longer have any long-term service potential to the Association and its net carrying amount exceeds the residual value. The excess net carrying amount over residual value is recognized as an expense in the statement of operations. Previous write-downs are not reversed.



# The Young Women's Christian Association of Banff

## Notes to Financial Statements

March 31, 2024

---

### 3. Significant accounting policies (continued)

#### (f) Revenue recognition

The Association follows the restricted fund method of accounting for contributions. Restricted contributions related to capital activities are recognized as revenue in the Capital fund when received.

Restricted contributions received related to operations for expenses to be incurred in the future are initially recorded as deferred contributions and recognized in revenue of the Operating Fund as the related expenses are incurred. Unrestricted contributions are recognized in the Operating Fund as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Operating revenues are recognized when goods or services are provided and collection is reasonably assured.

Interest income is recognized in the period in which it is earned.

#### (g) Contributed materials and services

The Association records the value of contributed materials and services when the fair value can be reasonably estimated and when the materials and services would otherwise have been purchased.

Due to the difficulty of determining their fair value, volunteer services are not recognized in the financial statements.

### 4. Cash and cash equivalents

Cash and cash equivalents include guaranteed investment certificates redeemable on demand with the bank's variable interest rate as at the date of the financial statements of 5.60% (2023 – 1.5%). Subsequent to year-end, the GICs were renewed as cashable GICs for a one year term at the bank's variable rate. At the date of the financial statements, the bank's rate was 4.85%.

Restricted cash and cash equivalents have been designated for the following purposes:

	<u>2024</u>	<u>2023</u>
Internally restricted Capital fund	\$ 648,394	\$ 867,254
Internally restricted Sustainability fund	299,462	511,502
Externally restricted Operating fund	2,171,161	1,891,897
	<u>\$ 3,119,017</u>	<u>\$ 3,270,653</u>

# The Young Women's Christian Association of Banff

## Notes to Financial Statements

March 31, 2024

### 5. Short term investments

Short term investments include non-redeemable guaranteed investment certificates (GICs) with interest rate of 5.00% (2023- N/A) maturing on April 29, 2024. Subsequent to year-end, the GICs were renewed as cashable GICs for a one year term at the bank's variable rate. At the date of the financial statements, the bank's rate was 4.85%.

Short term investments have been designated for the following purposes:

	<b>2024</b>	<b>2023</b>
Internally restricted Capital fund	\$ 261,612	\$ -
Internally restricted Sustainability fund	275,774	-
	<u>537,386</u>	
Unrestricted operating fund	547,169	-
	<u>\$ 1,084,555</u>	<u>\$ -</u>

### 6. Capital assets

	<b>2024</b>		<b>2023</b>	
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Book Value</b>	<b>Net Book Value</b>
Buildings	\$ 20,404,047	\$ 5,532,667	\$ 14,871,380	\$ 15,470,860
Furniture and fixtures	539,015	492,996	46,019	48,499
Computer hardware	136,409	92,792	43,617	22,658
Computer software	112,638	73,235	39,403	6,545
	<u>\$ 21,192,109</u>	<u>\$ 6,191,690</u>	<u>\$ 15,000,419</u>	<u>\$ 15,548,562</u>

Salaries and benefits of \$nil (2023 - \$135,437) directly related to project development for building construction have been capitalized in the year.

### 7. Credit facilities

The Association has an operating line of credit available up to a maximum of \$150,000 (2023 - \$150,000) that bears interest at the bank's prime lending rate. At March 31, 2024, the balance drawn on this line of credit was \$nil (2023 - \$nil). The line of credit is secured by a first and second charge on the Association's real property and a general security agreement covering all assets of the Association.

The Association has obtained a standby letter of credit in relation to a capital project, available up to a maximum of \$150,000 (2023 - \$150,000) that bears a standby fee at 2.00% (2023 - 2.00%) per annum. At March 31, 2024, the balance drawn on this standby letter of credit was \$nil (2023 - \$135,000).

# The Young Women's Christian Association of Banff

## Notes to Financial Statements

March 31, 2024

---

### 8. Deferred contributions

Deferred contributions represent externally restricted amounts received that have not been spent. These amounts are restricted for various programs of the Association. The contributions will be recognized as revenue when the related expenditures are incurred.

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 1,891,897	\$ 1,963,815
Contributions received	1,919,252	1,572,548
Less amounts recognized as revenue in the year	<u>(1,639,988)</u>	<u>(1,644,466)</u>
Balance, end of year	<u>\$ 2,171,161</u>	<u>\$ 1,891,897</u>

### 9. Demand loans

	<u>2024</u>	<u>2023</u>
CIBC demand instalment loan, bearing interest at the bank's prime lending rate ranging from 6.70-7.20% (2023 - 2.70-6.70%) per annum, repayable in blended monthly payments of \$16,092 (2023 - \$16,092), maturing August 2029.	<u>\$ 857,643</u>	<u>\$ 985,228</u>

The loans are secured by a first mortgage on the Association's property at 102 Spray Avenue, Banff, Alberta and a general security agreement covering all of the assets owned now and in the future. The Association is in compliance with loan covenants.

Estimated principal payments of the demand loans over the next five years are as follows:

2025	\$ 139,799
2026	149,459
2027	159,786
2028	170,826
2029	166,940
Subsequent	<u>70,833</u>
	<u>\$ 857,643</u>

# The Young Women's Christian Association of Banff

## Notes to Financial Statements

March 31, 2024

### 10. Mortgage loans

	<u>2024</u>	<u>2023</u>
CMHC mortgage loan, bearing interest at a rate of 1.87% per annum, currently interest only payments are required until stabilization, maturing December 2031. Stabilization occurred subsequent to year-end on April 1, 2024.	\$ 5,408,520	\$ 5,390,573
CMHC repayable loan bearing interest at a rate of 3.31% per annum, currently interest only payments are required until stabilization, maturing October 2032. Stabilization occurred subsequent to year-end on April 1, 2024.	1,010,236	1,009,813
CMHC repayable loan, non-interest bearing, repayable in full at maturity, maturing July 2029.	742,439	742,440
	<u>7,161,195</u>	<u>7,142,826</u>
Less: Unamortized discount for non-market loan	(120,367)	(136,416)
Less: Current portion of mortgage loans	<u>(76,035)</u>	<u>-</u>
	<u>\$ 6,964,793</u>	<u>\$ 7,006,410</u>

The non-interest bearing CMHC loan is a non-market loan. The associated interest benefit of \$160,490 was calculated using a market rate of 2% and was recognized in the revenue of the Capital fund in 2022. The calculated interest expense is amortized as accretion expense over the term of the loan.

During the year, the Association received forgivable loans from CMHC of \$13,596 (2023 - \$355,384). This amount has been recognized in grant income of the Capital Fund. The Association is in compliance with loan covenants.

Estimated principal payments of the demand loans over the next five years are as follows:

2025	\$ 76,035
2026	84,041
2027	85,769
2028	87,244
2029	89,931
Subsequent	<u>6,738,175</u>
	<u>\$ 7,161,195</u>

# The Young Women's Christian Association of Banff

## Notes to Financial Statements

March 31, 2024

---

### 11. Endowment

In fiscal 2022, the Dr. Priscilla Wilson YWCA Change Maker Endowment Fund was established with the Banff Canmore Community Foundation ("BCCF") with an initial contribution of \$270,000. Any allocations to the Association from BCCF will be recorded as contribution revenue as received.

All capital contributions in the Fund are to be held by the BCCF in perpetuity for the Association. Final authority over the disbursement of all amounts relating to this fund rests with the BCCF. As a result, the total fund amount is not recorded in the books of the Association.

### 12. Expenses incurred for fundraising

Expenses incurred for soliciting contributions were \$249,558 (2023 - \$202,501) including \$187,587 (2023 - \$153,810) paid to employees involved in fundraising.

### 13. Contractual obligations

The Association's total obligations, under an operating lease until expiry of the term are as follows:

2025	\$	8,556
2026		<u>2,139</u>
	\$	<u>10,695</u>

### 14. Financial instruments

The Association's use of financial instruments and its exposure to risks associated with such instruments arises out of its normal course of operations and investing activities. Operations are located in Banff. All the Association's financial assets are measured at amortized cost.

#### Liquidity risk

The Association is exposed to the risk that it will encounter difficulty in meeting obligations associated with financial liabilities if the bank demands full repayment of the demand mortgage loans. The Association has an available operating line which reduces this risk. The Association has assessed the risk as low.

#### Interest rate risk

The Association is exposed to the risk that future cash flows will fluctuate as there is a floating interest rate on its demand loans.

#### Market risk

The Association is exposed to the risk that the fair value of its restricted short-term investments that bear interest at a fixed rate will fluctuate because of changes in the market rate of interest.

# The Young Women's Christian Association of Banff

## Notes to Financial Statements

March 31, 2024

---

### 14. Financial instruments (continued)

#### Credit risk

The Association is exposed to credit risk on cash and investment deposits. The Association minimizes this risk by holding its deposits with creditworthy Canadian financial institutions in accordance with the Association's investment policies.