Financial Statements of

THE BRENDA STRAFFORD CENTRE FOR THE PREVENTION OF DOMESTIC VIOLENCE

(A division of The Brenda Strafford Foundation Ltd.)

Year ended March 31, 2014

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INDEPENDENT AUDITORS' REPORT

To the Directors of The Brenda Strafford Society for the Prevention of Domestic Violence

We have audited the accompanying financial statements of The Brenda Strafford Centre for the Prevention of Domestic Violence (a division of The Brenda Strafford Foundation Ltd.), which comprise the statement of financial position as at March 31, 2014, the statements of operations and changes in net assets and cash flows for the year then ended, and notes, comprising 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.

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 our 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, we consider 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 Brenda Strafford Centre for the Prevention of Domestic Violence (a division of The Brenda Strafford Foundation Ltd.) as at March 31, 2014 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.

Other Matter:

The financial statements of The Brenda Strafford Centre for the Prevention of Domestic Violence (a division of the Brenda Strafford Foundation Ltd.) as at and for the year ended March 31, 2013 were audited by another auditor who expressed an unmodified opinion on those statements on January 24, 2014.

KPMG LLP

Chartered Accountants

November 13, 2014
Calgary, Canada

THE BRENDA STRAFFORD CENTRE FOR THE PREVENTION OF DOMESTIC VIOLENCE

(A division of the Brenda Strafford Foundation Ltd.)

Statement of Financial Position

March 31, 2014, with comparative information for 2013

	2014	2013
Assets		
Current assets:		
Cash	$ 212,570	$ 404,398
Capital assets (note 3)	154,891	153,478
	$ 367,461	$ 557,876
Net Assets		
Net assets	367,461	557,876
	$ 367,461	$ 557,876

See accompanying notes to financial statements.

THE BRENDA STRAFFORD CENTRE FOR THE PREVENTION OF DOMESTIC VIOLENCE

(A division of the Brenda Strafford Foundation Ltd.)

Statement of Operations and Changes in Net Assets

Year ended March 31, 2014 with comparative information 2013

	2014	2013
Revenues:		
Funding by The Brenda Strafford Foundation Ltd. (note 4 and 5)	$ 1,421,930	$ 1,573,983
Rent subsidy from Calgary Housing Company (note 5)	571,265	591,935
Rent from residents	324,839	338,920
Funding from City of Calgary	137,918	139,651
Funding from United Way	80,450	105,939
Funding from Alberta Children's Services	58,683	58,683
Donations	11,335	4,293
	2,606,420	2,813,404
Expenses:		
Rent (note 4)	1,257,000	1,257,000
Salaries	668,086	642,783
General operating expenses	333,917	289,641
Utilities	149,019	114,641
Property taxes	138,464	95,268
Security	94,737	118,303
Employee benefits	82,732	74,039
Management fee (note 4)	46,000	46,000
Amortization	22,492	23,556
Children's programs	4,388	5,061
Outreach program	–	143
	2,796,835	2,666,435
Excess (deficiency) of revenues over expenses	(190,415)	146,969
Net assets, beginning of year	557,876	410,907
Net assets, end of year	$ 367,461	$ 557,876

See accompanying notes to financial statements.

THE BRENDA STRAFFORD CENTRE FOR THE PREVENTION OF DOMESTIC VIOLENCE

(A division of The Brenda Strafford Foundation Ltd.)

Statement of Cash Flows

Year ended March 31, 2014 with comparative information for 2013

	2014	2013
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenues over expenses	$ (190,415)	$ 146,969
Items not involving cash:		
Amortization	22,492	23,556
	(167,923)	170,525
Change in non-cash operating working capital:		
Deferred revenues	–	(50,503)
	(167,923)	120,022
Investing:		
Purchase of capital assets	(23,905)	(12,100)
(Decrease) increase in cash	(191,828)	107,922
Cash, beginning of year	404,398	296,476
Cash, end of year	$ 212,570	$ 404,398

See accompanying notes to financial statements.

1. Description of business:

The Brenda Strafford Centre for the Prevention of Domestic Violence (the "Centre"), commenced operations in January 1996 and is a division of The Brenda Strafford Foundation Ltd. (the "Foundation"), a registered Canadian charitable organization. The Centre provides counseling services to families experiencing domestic violence.

2. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook, the more significant of which are as follows:

(a) Revenue recognition:

The Centre follows the deferral method of accounting for contributions.

Revenues are recognized when there is reasonable assurance that the Centre has complied with and will continue to comply with, all conditions necessary to recognize these revenues.

Contributions subject to externally imposed restrictions are recognized as revenue in the year in which the related expenses are incurred.

Contributions received which do not have any externally imposed restrictions as to use, are reported as income in the year in which they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed materials and supplies that would otherwise be paid for by the Centre are recorded at fair value when provided.

Government grants are recorded in the accounts when there is a reasonable assurance that the Centre has compiled with, and will continue to comply with, all conditions necessary to obtain the grants.

(b) Capital assets:

Capital assets are recorded at cost and are amortized on a declining balance basis using the following annual rates:

Furnishings	10%
Security equipment	10%
Equipment	20%

2. Significant accounting policies (continued):

(c) Use of 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Such estimates include providing for amortization of property and equipment. Actual results could differ from these estimates.

(d) Financial instruments:

Financial instruments are recorded at fair value on initial recognition and are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Centre has not elected to carry any such financial instruments at fair value.

The Centre's financial instruments consist of cash. The fair value of the financial instruments approximates its carrying value due to the short term nature.

It is management's opinion that there is no exposure to significant amounts of credit, interest, liquidity or foreign exchange risks.

3. Capital assets:

March 31, 2014	Cost	Accumulated amortization	Net book value
Furnishings	$ 228,075	$ 122,268	$ 105,807
Security equipment	27,016	15,388	11,628
Equipment	91,445	53,989	37,456
	$ 346,536	$ 191,645	$ 154,891

March 31, 2013	Cost	Accumulated amortization	Net book value
Furnishings	$ 204,170	$ 110,432	$ 93,738
Security equipment	27,016	14,096	12,920
Equipment	91,445	44,625	46,820
	$ 322,631	$ 169,153	$ 153,478

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4. Related party transactions:

Management remuneration in the amount of $46,000 (2013 - $46,000) has been paid to the Foundation for administrative and advisory services provided. The transactions are in the normal course of operations and are measured at the exchange amount which is the amount established and agreed to by the related parties.

Rent, with an estimated fair value of $1,257,000 (2013 - $1,257,000), has been provided by the Foundation in respect of premises occupied and used by the Centre. The transaction is in the normal course of operations and measured at estimated fair value. The $1,257,000 (2013 - $1,257,000) donated rent is included in revenue as part of the funding received from the Foundation.

Any liabilities that are outstanding and payable as at March 31, 2014 for the operations of the Centre are assumed and settled by the head office division at the Foundation. These liabilities have been accounted for in the funding transferred from the Foundation during the year of $1,421,930 (2013 - $1,573,983).

Funding of $118,930 (2013 - $270,983) was made by the Foundation to cover expenses incurred at the Centre in excess of total funding received from sources other than the Foundation and Net Assets as at the beginning of current year.

5. Funding revenue:

The Centre receives the majority of its revenue from the Foundation and from the Calgary Housing Company. During the year, $1,421,930 (2013 - $1,573,983) was received from the Foundation and $571,265 (2013 - $591,935) was received from the Calgary Housing Company.

In management’s opinion, the Centre’s ongoing operations are dependent on the continuance of these funding sources.