

UP WITH WOMEN
Financial Statements
July 31, 2021

UP WITH WOMEN
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Year Ended July 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of Up With Women

Opinion

We have audited the financial statements of Up With Women (the "Organization"), which comprise the statement of financial position as at July 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at July 31, 2021, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

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

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

Auditor's 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 auditor's 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.

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Independent Auditor's Report to the Members of Up With Women *(continued)*

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 judgment 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 entity'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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the entity 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.

Hogg, Shain & Scheck PC

Toronto, Ontario
September 28, 2021


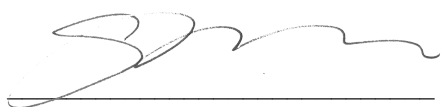
Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

UP WITH WOMEN
Statement of Financial Position
As at July 31, 2021

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 653,344	\$ 436,655
Short-term investment (Note 3)	250,000	-
Grants and other receivables	49,680	3,877
Prepaid expenses	4,330	4,250
	957,354	444,782
CAPITAL ASSETS (Note 4)	5,684	9,567
	\$ 963,038	\$ 454,349
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	\$ 63,295	\$ 34,237
Deferred revenues (Note 6)	416,398	129,311
	479,693	163,548
CANADA EMERGENCY BUSINESS ACCOUNT ("CEBA") LOAN PAYABLE (Note 7)	60,000	40,000
	539,693	203,548
NET ASSETS		
UNRESTRICTED	173,345	250,801
OPERATING RESERVE FUND (Note 8)	250,000	-
	423,345	250,801
	\$ 963,038	\$ 454,349

LEASE COMMITMENT (Note 9)

APPROVED ON BEHALF OF THE BOARD


 _____ Director

 _____ Director

See the accompanying notes to these financial statements

UP WITH WOMEN
Statement of Operations
Year Ended July 31, 2021

	2021	2020
REVENUES		
Foundation grants	\$ 347,561	\$ 206,130
Government grants	335,432	29,856
Donations		
Individual	131,667	157,261
Corporate	169,500	143,029
Canada Emergency Wage Subsidy <i>(Note 1)</i>	96,315	62,370
	<u>1,080,475</u>	<u>598,646</u>
EXPENSES		
Program costs		
Human resources	628,412	402,364
Workshops and conferences	40,422	7,065
Promotion	31,177	5,412
Other program costs	23,469	6,173
Technology	17,294	13,906
Travel	148	7,110
Impact evaluation <i>(Note 10)</i>	-	2,429
Professional fees	-	8,375
General and administrative	167,009	87,229
	<u>907,931</u>	<u>540,063</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 172,544</u>	<u>\$ 58,583</u>

See the accompanying notes to these financial statements

UP WITH WOMEN
Statement of Changes in Net Assets
Year Ended July 31, 2021

	Unrestricted	Operating Reserve Fund	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 250,801	\$ -	\$ 250,801	\$ 192,218
Excess of revenues over expenses	172,544	-	172,544	58,583
Transfer to Operating Reserve Fund <i>(Note 8)</i>	(250,000)	250,000	-	-
NET ASSETS - END OF YEAR	\$ 173,345	\$ 250,000	\$ 423,345	\$ 250,801

See the accompanying notes to these financial statements

UP WITH WOMEN
Statement of Cash Flows
Year Ended July 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 172,544	\$ 58,583
Item not affecting cash:		
Amortization of capital assets	3,883	2,999
	<u>176,427</u>	<u>61,582</u>
Changes in non-cash working capital:		
Grants and other receivables	(45,803)	61,992
Prepaid expenses	(80)	(76)
Accounts payable and accrued liabilities	29,058	13,976
Deferred revenues	287,087	129,311
	<u>270,262</u>	<u>205,203</u>
Cash flows from operating activities	<u>446,689</u>	<u>266,785</u>
INVESTING ACTIVITIES		
Purchase of capital assets	-	(5,302)
Purchase of short-term investment	(250,000)	-
Cash flows used by investing activities	<u>(250,000)</u>	<u>(5,302)</u>
FINANCING ACTIVITY		
Proceeds from CEBA loan payable and cash flows from financing activity	<u>20,000</u>	<u>40,000</u>
NET INCREASE IN CASH	216,689	301,483
CASH - BEGINNING OF YEAR	<u>436,655</u>	<u>135,172</u>
CASH - END OF YEAR	<u>\$ 653,344</u>	<u>\$ 436,655</u>

See the accompanying notes to these financial statements

UP WITH WOMEN
Notes to Financial Statements
Year Ended July 31, 2021

1. NATURE AND PURPOSE OF THE ORGANIZATION

Up With Women (the "Organization") was incorporated under the Canada Corporations Act on August 20, 2009 and continued as a not-for-profit organization under the Canada Not-for-profit Corporations Act on November 12, 2014. Effective November 13, 2015, the Organization became a registered charity under the Income Tax Act (Canada) and as such, is exempt from income taxes.

The Organization is dedicated to helping recently homeless and at-risk women to build sustainable, prosperous careers and businesses, with the aim of permanently exiting poverty. The Organization serves thirteen regions in four provinces (the Greater Toronto Area, Peel, Halton, Durham, Hamilton, Ottawa, Kitchener, Waterloo, Montreal, Gatineau, Vancouver, Calgary, and Edmonton).

Impact of COVID-19

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic which resulted in a series of public health and emergency measures that were put in place to combat the spread of the virus.

As part of the response to COVID-19, the federal government introduced the Canada Emergency Wage Subsidy ("CEWS") to assist employers whose activities have been affected by COVID-19. For the period of August 1, 2020 to July 31, 2021, the Organization applied for the CEWS in the total amount of \$96,315, of which \$19,548 is included in grants and other receivables. The Organization intends to apply for the CEWS for all subsequent periods for which it is eligible.

The Organization continues to closely monitor and assess the impact on operations, and makes adjustments accordingly. It is the opinion of management that the Organization will have sufficient resources to mitigate uncertainty in fiscal 2022 as a result of COVID-19.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the representation of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part III of the CPA Canada Handbook and include the following significant accounting policies.

Revenue recognition

The Organization 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 when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Government assistance, including CEWS and CEBA, is recognized when received or receivable in the year the Organization meets the eligibility criteria.

Donated goods and services

Donated goods and services are recognized when a fair value can be reasonably estimated and when they would be used in the normal course of operations, and would otherwise have been purchased.

As the substantial capacity-building support described in Note 10 could not otherwise have been purchased, its fair value has not been recorded in the financial statements.

Volunteers contribute time to assist the Organization in carrying out its programs. The fair value of these services cannot be reasonably determined and, therefore, are not reflected in these financial statements.

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UP WITH WOMEN
Notes to Financial Statements
Year Ended July 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital assets

Capital assets are recorded at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a straight-line basis at the following rates:

Equipment	3 years
Furniture and fixtures	5 years
Computer equipment	3 years

Financial instruments

The Organization's financial instruments consists of cash, short-term investment, grants and other receivables, accounts payable, and the CEBA loan payable. All financial instruments are initially measured at fair value, and subsequently, at amortized cost.

Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Such estimates are periodically reviewed and any adjustments necessary are reported in the year in which they become known. Actual results could differ from these estimates.

3. SHORT-TERM INVESTMENT

The short-term investment is comprised of a Guaranteed Investment Certificate ("GIC") issued by a major Canadian chartered bank. The GIC earns interest at 0.50% and matures on November 5, 2021. The funds are considered to be held for the Operating Reserve Fund (*Note 8*).

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Equipment	\$ 5,301	\$ 2,650	\$ 2,651	\$ 4,418
Furniture and fixtures	3,682	1,743	1,939	2,675
Computer equipment	4,138	3,044	1,094	2,474
	\$ 13,121	\$ 7,437	\$ 5,684	\$ 9,567

5. GOVERNMENT REMITTANCES PAYABLE

Accounts payable and accrued liabilities as at July 31, 2021 include government remittances payable of \$16,737 (2020 - \$11,664).

UP WITH WOMEN
Notes to Financial Statements
Year Ended July 31, 2021

6. DEFERRED REVENUES

Deferred revenues at year end are comprised of funds received for future substantial projects to build infrastructure, stemming from, and to support, the increase in caseload to help recently homeless and at-risk women.

The continuity of deferred revenues is:

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 129,311	\$ -
Add: Amounts received during the year	936,247	365,297
Less: Amounts recognized as revenues during the year	<u>(649,160)</u>	<u>(235,986)</u>
Balance, end of year	<u>\$ 416,398</u>	<u>\$ 129,311</u>

7. CANADA EMERGENCY BUSINESS ACCOUNT ("CEBA") LOAN PAYABLE

In fiscal 2020, the Organization obtained the CEBA loan of \$40,000, and in fiscal 2021, the Organization applied for the additional loan amount available of \$20,000. CEBA is non-interest bearing up to the initial term date of December 31, 2022. From the period commencing December 31, 2022 to the extended term date of December 31, 2025, the loan bears an annual interest rate of 5%.

Based on the CEBA Term Loan Agreement, if at least \$40,000 of the loan is repaid by December 31, 2022, the remaining \$20,000 balance will be forgiven.

8. OPERATING RESERVE FUND

During the fiscal year, the Board of Directors established the Operating Reserve Fund, to help ensure the long term financial stability of the Organization and position it to respond to varying economic conditions and changes affecting the Organization's financial position and the ability of the Organization to continuously carry out its mission.

The amount transferred into the Operating Reserve Fund was \$250,000, representing approximately 25% of annual operating expenses or about 3 months of expenses, on average. The amount was invested in a GIC (*Note 3*). The level of the reserve will be reviewed by the Board of Directors on an annual basis.

9. LEASE COMMITMENT

The Organization has a lease commitment with respect to its premises until January 31, 2022. Future minimum lease payments as at July 31, 2021 are \$10,614.

10. CAPACITY-BUILDING SUPPORT

During fiscal 2021, substantial in-kind Boston Consulting services were provided to the Organization for impact evaluation.

Commencing in Fall 2019, the Organization became a portfolio venture with LEAP | Pecaut Centre for Social Impact, a leader in venture philanthropy. Through this partnership, LEAP provides the Organization with substantial capacity-building support through growth strategy development, coaching, impact evaluation, and project implementation, in collaboration with sector partners.

The substantial value of capacity-building support has not been recognized in the financial statements.

UP WITH WOMEN
Notes to Financial Statements
Year Ended July 31, 2021

11. FINANCIAL RISKS

It is management's opinion that the Organization is not exposed to significant credit, liquidity, or market risks arising from its financial instruments.
