

UP WITH WOMEN
Financial Statements
July 31, 2020

UP WITH WOMEN
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Year Ended July 31, 2020

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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, 2020, and the statements of operations and 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, 2020, 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 22, 2020

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

UP WITH WOMEN
Statement of Financial Position
As at July 31, 2020

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 436,655	\$ 135,172
Grants and other receivables (Note 3)	3,877	65,869
Prepaid expenses	4,250	4,174
	444,782	205,215
CAPITAL ASSETS (Note 4)	9,567	7,264
	\$ 454,349	\$ 212,479
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	\$ 34,237	\$ 20,261
Deferred revenues (Note 6)	129,311	-
	163,548	20,261
LOAN PAYABLE (Note 7)	40,000	-
	203,548	20,261
NET ASSETS		
UNRESTRICTED	250,801	192,218
	\$ 454,349	\$ 212,479

COMMITMENTS (Note 8)

APPROVED ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

See the accompanying notes to these financial statements

UP WITH WOMEN
Statement of Operations and Changes in Net Assets
Year Ended July 31, 2020

	2020	2019
REVENUES		
Donations		
Individual	\$ 157,261	\$ 56,708
Corporate	143,029	134,298
Foundation grants	206,130	323,600
Canada Emergency Wage Subsidy	62,370	-
Government grants	29,856	57,279
	<u>598,646</u>	<u>571,885</u>
EXPENSES		
Program costs		
Human resources	402,364	338,179
Technology	13,906	10,545
Professional fees	8,375	24,544
Travel	7,110	7,833
Workshops and conferences	7,065	21,585
Other program costs	6,173	12,671
Promotion	5,412	17,149
Impact evaluation (<i>Note 9</i>)	2,429	15,853
General and administrative	87,229	55,792
	<u>540,063</u>	<u>504,151</u>
EXCESS OF REVENUES OVER EXPENSES	58,583	67,734
NET ASSETS - BEGINNING OF YEAR	<u>192,218</u>	<u>124,484</u>
NET ASSETS - END OF YEAR	<u>\$ 250,801</u>	<u>\$ 192,218</u>

See the accompanying notes to these financial statements

UP WITH WOMEN
Statement of Cash Flows
Year Ended July 31, 2020

	2020	2019
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 58,583	\$ 67,734
Item not affecting cash:		
Amortization of capital assets	2,999	556
	<u>61,582</u>	<u>68,290</u>
Changes in non-cash working capital:		
Grants and other receivables	61,992	(57,397)
Prepaid expenses	(76)	(2,181)
Accounts payable and accrued liabilities	13,976	10,627
Deferred revenues	129,311	(51,500)
	<u>205,203</u>	<u>(100,451)</u>
Cash flows from (used by) operating activities	<u>266,785</u>	<u>(32,161)</u>
INVESTING ACTIVITY		
Purchase of capital assets and cash flows used by investing activity	<u>(5,302)</u>	<u>(7,820)</u>
FINANCING ACTIVITY		
Proceeds from loan payable and cash flows from financing activity	<u>40,000</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	301,483	(39,981)
CASH - BEGINNING OF YEAR	<u>135,172</u>	<u>175,153</u>
CASH - END OF YEAR	<u>\$ 436,655</u>	<u>\$ 135,172</u>

See the accompanying notes to these financial statements

UP WITH WOMEN
Notes to Financial Statements
Year Ended July 31, 2020

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 eight regions in three provinces (the Greater Toronto Area, Ottawa, London, Kitchener-Waterloo, Hamilton, Guelph, Montréal, 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 has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus.

The Organization continues to closely monitor and assess the impact on operations, and make adjustments accordingly. It is the opinion of management that the Organization will have sufficient resources to mitigate any potential negative impact that may occur in fiscal 2021.

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.

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.

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.

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

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UP WITH WOMEN
Notes to Financial Statements
Year Ended July 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

The Organization's financial instruments consists of cash, grants and other receivables, accounts payable, and 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 amount 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. GRANTS AND OTHER RECEIVABLES

Included in grants and other receivables is \$Nil (2019 - \$53,558) in grants receivable for program expenses incurred to year-end.

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Equipment	\$ 5,301	\$ 883	\$ 4,418	\$ -
Furniture and fixtures	3,682	1,007	2,675	3,411
Computer equipment	4,138	1,664	2,474	3,853
	<u>\$ 13,121</u>	<u>\$ 3,554</u>	<u>\$ 9,567</u>	<u>\$ 7,264</u>

5. GOVERNMENT REMITTANCES PAYABLE

Accounts payable and accrued liabilities as at July 31, 2020 include government remittances payable of \$11,664 (2019 - \$10,859).

6. DEFERRED REVENUES

Deferred revenues at year end are comprised of funds received for specific purposes to be fulfilled in the next following year.

The continuity of deferred revenues is:

	2020	2019
Balance, beginning of year	\$ -	\$ 51,500
Add: Amounts received during the year	365,297	-
Less: Amounts recognized as revenues during the year	<u>(235,986)</u>	<u>(51,500)</u>
Balance, end of year	<u>\$ 129,311</u>	<u>\$ -</u>

UP WITH WOMEN
Notes to Financial Statements
Year Ended July 31, 2020

7. LOAN PAYABLE

During the year, the Organization obtained the Canada Emergency Business Account ("CEBA") loan of \$40,000. 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 75% of the loan amount is repaid by December 31, 2022, the remaining balance will be forgiven.

8. COMMITMENTS

The Organization has a long-term lease with respect to its premises until January 31, 2022. Future minimum lease payments as at July 31, 2020, are as follows:

2021	\$	21,228
2022		10,614

9. LEAP Partnership

Starting in Fall 2019, Up With Women/Exponenti'elles 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 our sector partners.

10. FINANCIAL RISKS

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

11. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.
