

CENTRE FOR TREATMENT OF SEXUAL ABUSE AND CHILDHOOD TRAUMA
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Independent Practitioner's Review Engagement Report
Statement of Financial Position
Statement of Revenue and Expenses and Changes in Net Assets
Statement of Cash Flows
Notes to Financial Statements



To the members of:
Centre for Treatment of Sexual Abuse and Childhood Trauma
Ottawa

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

We have reviewed the statement of assets and liabilities of Centre for Treatment of Sexual Abuse and Childhood Trauma as at September 30, 2020 and the statements of revenues and expenditures and changes in net assets and cash flows for the year then ended, and 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis for Qualified Conclusion

In common with many not-for-profit organizations, Centre for Treatment of Sexual Abuse and Childhood Trauma derives revenue from donations and cash receipts, the completeness of which is not susceptible to satisfactory review procedures. Accordingly, review of these revenues was limited to the amounts recorded in the records of Centre for Treatment of Sexual Abuse and Childhood Trauma. Therefore, we were not able to determine whether any adjustments might be necessary to cash donation revenues, internship and supervision revenues and excess of revenues over expenses for the year ended September 30, 2020, as well as current assets and net assets as at September 30, 2020.

Qualified Conclusion

Based on our review, except for the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in black ink, appearing to read "Frouin Group".

Frouin Group Professional Corporation
Ottawa, Ontario
February 25, 2021

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

CENTRE FOR TREATMENT OF SEXUAL ABUSE AND CHILDHOOD TRAUMA
UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

	<u>Restricted Funds</u>			<u>Total</u>	
	<u>Subsidy Fund</u>	<u>Endowment Fund</u>	<u>General Fund</u>	<u>2020</u>	<u>2019</u>
CURRENT ASSETS					
Cash	\$ 6,300	\$ 68	\$ 72,824	\$ 79,192	\$ 86,908
Term deposits (Note 4)	0	7,108	0	7,108	6,932
HST receivable	0	0	4,271	4,271	3,999
Government wage subsidy receivable	0	0	6,152	6,152	0
Accounts receivable	0	0	450	450	0
Due from General Fund	25,427	0	0	25,427	25,427
Prepaid expenses	<u>0</u>	<u>0</u>	<u>3,377</u>	<u>3,377</u>	<u>3,338</u>
TOTAL ASSETS	<u>\$ 31,727</u>	<u>\$ 7,176</u>	<u>\$ 87,074</u>	<u>\$ 125,977</u>	<u>\$ 126,604</u>
CURRENT LIABILITIES					
Accounts payable & accrued liabilities	\$ 0	\$ 0	\$ 2,712	\$ 2,712	\$ 2,715
Government remittances	0	0	728	728	307
Due to Subsidy Fund	0	0	25,427	25,427	25,427
Deferred revenue (Note 6)	<u>0</u>	<u>0</u>	<u>17,797</u>	<u>17,797</u>	<u>23,285</u>
	<u>0</u>	<u>0</u>	<u>46,664</u>	<u>46,664</u>	<u>51,734</u>
NET ASSETS (Note 7)					
Externally- restricted	0	7,176	0	7,176	7,000
Internally- restricted	31,727	0	0	31,727	31,727
Unrestricted	<u>0</u>	<u>0</u>	<u>40,410</u>	<u>40,410</u>	<u>36,143</u>
	<u>31,727</u>	<u>7,176</u>	<u>40,410</u>	<u>79,313</u>	<u>74,870</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 31,727</u>	<u>\$ 7,176</u>	<u>\$ 87,074</u>	<u>\$ 125,977</u>	<u>\$ 126,604</u>

APPROVED ON BEHALF OF THE BOARD:

Director _____

Director _____

(See accompanying Notes to Financial Statements)

CENTRE FOR TREATMENT OF SEXUAL ABUSE AND CHILDHOOD TRAUMA
UNAUDITED STATEMENT OF REVENUE AND EXPENSES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Restricted Funds			Total	
	Subsidy Fund	Endowment Fund	General Fund	2020	2019
REVENUE					
Associates' contributions - rental income	\$ 0	\$ 0	\$ 51,666	\$ 51,666	\$ 59,181
Conferences and workshops	0	0	1,475	1,475	29,222
Fundraising: third parties	0	0	0	0	23,509
Fundraising: events	0	0	1,775	1,775	3,532
Grant revenues (Note 10)	0	0	8,965	8,965	10,000
Memberships	0	0	567	567	0
Cash donations	0	0	4,327	4,327	3,640
Admin fee - group therapy	0	0	550	550	300
Non-associate rental revenue	0	0	2,050	2,050	2,611
Internship and supervision	0	0	18,157	18,157	7,366
Government wage subsidies	0	0	6,152	6,152	0
Interest	0	0	176	176	0
TOTAL REVENUE	<u>0</u>	<u>0</u>	<u>95,860</u>	<u>95,860</u>	<u>139,361</u>
EXPENSES					
Rent	0	0	44,956	44,956	46,045
Conferences and workshops	0	0	636	636	14,825
Wages	0	0	25,419	25,419	15,989
Professional fees	0	0	2,600	2,600	2,500
Fundraising expenses	0	0	9	9	8
Office	0	0	1,204	1,204	2,113
Telephone	0	0	501	501	408
Insurance	0	0	3,953	3,953	3,756
Groups (Note 10)	0	0	8,965	8,965	10,000
Internet	0	0	728	728	709
Bank charges	0	0	590	590	1,307
Advertising and promotion	0	0	0	0	278
Group manual	0	0	0	0	0
Non-refundable portion of HST	0	0	1,856	1,856	1,878
TOTAL EXPENSES	<u>0</u>	<u>0</u>	<u>91,417</u>	<u>91,417</u>	<u>99,816</u>
EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENSES					
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,443</u>	<u>\$ 4,443</u>	<u>\$ 39,545</u>
Balance, beginning of the year	\$ 31,727	\$ 7,000	\$ 36,143	\$ 74,870	\$ 35,325
Excess/(Deficiency) of revenue over expenses	0	0	4,443	4,443	39,545
Interfund transfer	0	176	(176)	0	0
Balance, end of the year	<u>\$ 31,727</u>	<u>\$ 7,176</u>	<u>\$ 40,410</u>	<u>\$ 79,313</u>	<u>\$ 74,870</u>

(See accompanying Notes to Financial Statements)

CENTRE FOR TREATMENT OF SEXUAL ABUSE AND CHILDHOOD TRAUMA

UNAUDITED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	2020	2019
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Excess/(Deficiency) of revenue over expenses	\$ 4,443	\$ 39,545
Cash flows from current operating items	<u>(11,983)</u>	<u>3,029</u>
	(7,540)	42,574
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
(Increase)/decrease in term deposits	<u>(176)</u>	<u>0</u>
INCREASE / (DECREASE) IN CASH	(7,716)	42,574
CASH, beginning of year	<u>86,908</u>	<u>44,334</u>
CASH, end of year	\$ <u>79,192</u>	\$ <u>86,908</u>
REPRESENTED BY:		
Cash	\$ <u>79,192</u>	\$ <u>86,908</u>

(See accompanying Notes to Financial Statements)

CENTRE FOR TREATMENT OF SEXUAL ABUSE AND CHILDHOOD TRAUMA
NOTES TO UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. ORGANIZATION

The Centre for Treatment of Sexual Abuse and Childhood Trauma (the Centre) is a non-profit, charitable organization, incorporated November 30, 2002 without share capital, designed to provide comprehensive services for individuals who have experienced sexual abuse or other childhood trauma. The Centre also subsidizes the therapy of certain clients who are unable to meet the financial cost and this amount is reflected in the financial statements. The Centre is exempt from income taxes under Section 149 of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

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

a. Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenditures during the reporting period. Actual results may differ from management's best estimates as additional information becomes available in the future

b. Term deposits

Term deposits are reported at fair value.

c. Fund accounting

The General Fund accounts for the Centre's administration, workshop and conference expenses, group therapy services and reports the investment in capital assets.

The Subsidy Fund accounts for restricted donations received by the Centre for the purpose of subsidizing therapy and the therapy delivered to clients approved for subsidy by the Centre.

The Endowment Fund reports resources contributed to the endowment. Investment income earned on the resources of the Endowment Fund is reported in the General Fund or Subsidy Fund depending on the nature of any restrictions imposed by contributors of the funds for the endowment.

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NOTES TO UNAUDITED FINANCIAL STATEMENTS
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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Revenue recognition

The Centre follows the restricted fund method of accounting for contributions. Restricted contributions for which there is a corresponding restricted fund are recognized as revenue of that fund when received or receivable. Restricted contributions for which there is no corresponding restricted fund are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions from donations and events are recognized as revenue when received or receivable if the amounts to be received can be reasonably estimated and collection is reasonably assured. Conference and workshop revenue is recognized when the event is held. Investment income is recognized as revenue when earned.

e. Capital assets

Capital assets are recorded at cost. Amortization is recorded on a straight-line basis over the estimated useful life of five years, except in the year of acquisition, when a half year of amortization is taken.

f. Contributed materials and services

Contributions received in the form of materials and services are recorded at fair value at the date of contribution when the fair value can be reasonably estimated and when the materials and services are used in the normal course of operations.

3. FINANCIAL INSTRUMENTS

The carrying value of cash, term deposits, accounts receivable, accounts payable and accrued liabilities, approximate their fair value because of the relatively short period to maturity of the instruments. It is management's opinion that the Centre is not exposed to significant interest, currency or credit risks.

4. TERM DEPOSITS

The term deposits consist of a Guaranteed Investment Certificate, maturing in May 2021 bearing interest at 1.30%.

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NOTES TO UNAUDITED FINANCIAL STATEMENTS
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5. PROPERTY & EQUIPMENT

All property and equipment has been fully-amortized in prior years and no new additions have been made in the current or prior year.

	Cost	Accumulated Amortization	Net Book Value 2020	Net Book Value 2019
Furniture and Fixtures	\$ 2,548	\$ (2,548)	\$ 0	\$ 0
Computer	5,381	(5,381)	0	0
Projector	800	(800)	0	0
Website	2,100	(2,100)	0	0
TOTAL	\$ 10,829	\$ (10,829)	\$ 0	\$ 0

6. DEFERRED REVENUE

Deferred revenue consists of grant amounts, memberships, workshop fees and lease inducement.

Grants and workshop revenues will be recognized in the year in which the services are performed. Membership revenue will be recognized over the term of the membership, generally one year.

Lease inducements are accounted for as a reduction of the lease expense over the term of the lease.

7. NET ASSETS

Internally-Restricted

Restricted donations received by the Centre for the purpose of subsidizing therapy are reported in the Subsidy Fund. Interest income earned on Subsidy Fund assets is reported as an increase to the Subsidy Fund.

Externally-Restricted

Contributions (nil in 2020 and also in 2019) are reported as increases to the Endowment Fund. Interest on Endowment Fund investments is reported as interest revenue in the General Fund.

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NOTES TO UNAUDITED FINANCIAL STATEMENTS
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8. FINANCIAL RISK MANAGEMENT POLICY

The Centre is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at September 30, 2020:

a) Credit risk

Cash and term deposits are held with Canadian chartered banks. Credit risk associated with receivables is minimal since they primarily consist of HST rebates receivables which are expected to be fully collectible. Consequently, the overall exposure to credit risk is considered to be low.

b) Currency risk

The Centre's functional currency is the Canadian dollar. The Centre does not enter into foreign currency transactions and does not use foreign exchange forward contracts.

c) Liquidity risk

The Centre manages its liquidity risk by regularly monitoring forecasted and actual cash flow and financial liability maturities, and by holding assets that can be readily converted into cash. Accounts payable are normally paid within 30 days.

d) Interest rate risk

The Centre is exposed to interest rate risk with regards to its cash and investments. The Centre has no interest-bearing liability. Fluctuations in market rates of interest on cash do not have a significant impact on the organization's results of operations. Term deposits are not exposed to significant interest rate risk due to their short-term nature.

e) Market risk

The market risk associated with term deposits is minimal since these assets are invested in short-term Guaranteed Investment Certificates.

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9. CONTRACTUAL OBLIGATIONS

The Centre has entered a lease agreement to rent its premises starting August 15, 2016 which expires March 14, 2022. The lease obligation is reduced by associate contributions received from associates of the Centre for their part time use of office space. The future minimum rent payments, without taking into account the sublease payments received from associates of the Centre totals \$62,016 and include the following payments over the next 2 years:

Year	Rent Payment
2021	42,525
2022	<u>19,491</u>
Total	<u>\$ 62,016</u>

The associate contributions are an estimate and may fluctuate depending on the associates' commitment to leasing office space from the Centre, therefore they are not reflected above. Should the associates decide to end their lease with the Centre, the Centre is still committed to the above future minimum rent payments.

During the year, the Centre engaged a contractor to complete group manuals for the organization. As of year end, this project is still in progress and \$4,000 remains to be paid on the contract.

10. GROUPS

The Centre received grant funding from the City of Ottawa which was used to run trauma-related groups during the current year. Along with \$1,000 paid for group manuals, the Centre paid \$7,926 of facilitator fees to run these groups. Of this amount, \$3,509 was paid to board members for their work performed as associate therapists with these groups. The transaction was done at the exchange amount and was in the normal course of operations.

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11. COVID-19 AND CURRENT OPERATIONS

The declaration of the COVID-19 pandemic in March 2020 has had an impact on the Centre's operations in the current fiscal year and beyond due to government-mandated closures and policies.

The Centre discontinued group services in May and cancelled services in September. Training has been moved to a subsequent period and there has been a reduction in both associates and students due to the move to virtual operations. Management is shifting operations and budgets to accommodate for these changes.

12. SUBSEQUENT GRANT APPROVALS

Subsequent to the current year end, the Centre has secured the following grant amounts for the upcoming fiscal year:

Minto Foundation Inc. HALO Fund: \$15,000

These funds will be used to operate the men's, women's and LGBTQ+, 14-week Trauma Processing Group.

Ottawa Community Foundation: \$15,000

These funds will be used to operate the men's, women's and LGBTQ+, 14-week Trauma Processing Group.

City of Ottawa COVID-19 Pandemic Social Services Relief Fund: \$50,000

These funds will be designated to personal protective equipment (PPE), cleaning supplies and services and additional staffing costs.