

**EVA'S INITIATIVES FOR HOMELESS YOUTH**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2015**

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## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS AND DIRECTORS OF EVA'S INITIATIVES FOR HOMELESS YOUTH

We have audited the accompanying financial statements of Eva's Initiatives for Homeless Youth, which comprise the statement of financial position as at December 31, 2015 and the statements of operations, 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.

### Auditor's 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 the auditor's 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, the auditor considers 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 qualified audit opinion.

### Basis for Qualified Opinion

In common with many similar organizations, Eva's Initiatives for Homeless Youth derives revenues from fund-raising events and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to revenues and deficiency of revenues over expenses for the year ended December 31, 2015 and assets and net assets as at December 31, 2015 and 2014.

### Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, if any, these financial statements present fairly, in all material respects, the financial position of Eva's Initiatives for Homeless Youth as at December 31, 2015 and 2014, and its financial performance and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Report on Other Legal and Regulatory Requirements

In accordance with the Corporations Act (Ontario), we report that the Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Toronto, Ontario  
June 29, 2016

*Clarke Henning LLP*

CHARTERED ACCOUNTANTS  
Licensed Public Accountants





# EVA'S INITIATIVES FOR HOMELESS YOUTH

## STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

|                                                      | 2015                 | 2014                |
|------------------------------------------------------|----------------------|---------------------|
| <b>ASSETS</b>                                        |                      |                     |
| Current assets                                       |                      |                     |
| Cash ( <i>notes 2 and 3</i> )                        | \$ 3,041,920         | \$ 932,386          |
| Short-term investments ( <i>notes 3 and 4</i> )      | 150,000              | 1,557,612           |
| Accounts receivable                                  | 493,118              | 608,820             |
| Prepaid expenses                                     | 80,651               | 94,459              |
|                                                      | <u>3,765,689</u>     | <u>3,193,277</u>    |
| Property and equipment ( <i>note 5</i> )             | 8,647,018            | 3,636,506           |
|                                                      | <u>12,412,707</u>    | <u>6,829,783</u>    |
| <b>LIABILITIES</b>                                   |                      |                     |
| Current liabilities                                  |                      |                     |
| Accounts payable and accrued liabilities             | 330,590              | 424,800             |
| Construction and holdback payable ( <i>note 12</i> ) | 1,770,810            | 848,418             |
| Deferred grants ( <i>note 6</i> )                    | 417,228              | 713,904             |
|                                                      | <u>2,518,628</u>     | <u>1,987,122</u>    |
| Deferred capital contributions ( <i>note 7</i> )     | 9,155,425            | 3,950,819           |
|                                                      | <u>11,674,053</u>    | <u>5,937,941</u>    |
| <b>NET ASSETS</b>                                    |                      |                     |
| Operating fund                                       | 738,654              | 891,842             |
|                                                      | <u>\$ 12,412,707</u> | <u>\$ 6,829,783</u> |

Approved on behalf of the Board:


 , President
 
 , Treasurer

# EVA'S INITIATIVES FOR HOMELESS YOUTH

## STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2015

|                                                                                       | 2015                | 2014               |
|---------------------------------------------------------------------------------------|---------------------|--------------------|
| <b>Revenues</b>                                                                       |                     |                    |
| Donations, fundraising and grants ( <i>Schedule</i> )                                 | \$ 4,739,124        | \$ 4,384,576       |
| Toronto Community Services per diem fees                                              | 2,496,570           | 2,492,258          |
| Phoenix Print Shop sales                                                              | 232,719             | 229,540            |
| Investment income                                                                     | 2,798               | 4,546              |
| Other                                                                                 | 17,090              | 29,744             |
|                                                                                       | <b>7,488,301</b>    | <b>7,140,664</b>   |
| <b>Expenses</b>                                                                       |                     |                    |
| Youth programs                                                                        | 3,084,563           | 2,996,572          |
| Shelter services                                                                      | 2,304,143           | 2,248,224          |
| Administration                                                                        | 881,824             | 775,082            |
| Building and property                                                                 | 544,368             | 540,187            |
| Fundraising and volunteer services                                                    | 785,718             | 588,047            |
|                                                                                       | <b>7,600,616</b>    | <b>7,148,112</b>   |
| Deficiency of revenues over expenses before depreciation and amortization             | <b>(112,315)</b>    | <b>(7,448)</b>     |
| Expenses related to property and equipment                                            |                     |                    |
| Depreciation of property and equipment                                                | 40,873              | 611,491            |
| Amortization of deferred capital contributions ( <i>note 7</i> )                      | -                   | (571,979)          |
|                                                                                       | <b>40,873</b>       | <b>39,512</b>      |
| Deficiency of revenues over expenses for the year after depreciation and amortization | <b>\$ (153,188)</b> | <b>\$ (46,960)</b> |

**EVA'S INITIATIVES FOR HOMELESS YOUTH**

**STATEMENT OF CHANGES IN NET ASSETS**

**YEAR ENDED DECEMBER 31, 2015**

|                                                   | <u>Operating Fund</u> |                   |
|---------------------------------------------------|-----------------------|-------------------|
|                                                   | <u>2015</u>           | <u>2014</u>       |
| Balance - at beginning of year                    | \$ 891,842            | \$ 938,802        |
| Deficiency of revenues over expenses for the year | (153,188)             | (46,960)          |
| Balance - at end of year                          | <u>\$ 738,654</u>     | <u>\$ 891,842</u> |

# EVA'S INITIATIVES FOR HOMELESS YOUTH

## STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2015

|                                                        | 2015                | 2014              |
|--------------------------------------------------------|---------------------|-------------------|
| Cash flows from operating activities                   |                     |                   |
| Deficiency of revenues over expenses for the year      | \$ (153,188)        | \$ (46,960)       |
| Items not affecting cash                               |                     |                   |
| Depreciation of property and equipment                 | 40,873              | 611,491           |
| Amortization of deferred capital contributions         | -                   | (571,978)         |
|                                                        | <u>(112,315)</u>    | <u>(7,447)</u>    |
| Change in non-cash working capital balances            |                     |                   |
| Decrease (increase) in short-term investments          | 1,407,612           | (1,183,204)       |
| Decrease (increase) in accounts receivable             | 115,702             | (27,955)          |
| Decrease (increase) in prepaid expenses                | 13,808              | (80,404)          |
| (Decrease) in accounts payable and accrued liabilities | (94,210)            | (15,083)          |
| Increase in construction and holdback payable          | 922,392             | 692,990           |
| (Decrease) increase in deferred grants                 | (296,676)           | 157,022           |
|                                                        | <u>2,068,628</u>    | <u>(456,634)</u>  |
| Cash flows from investing and financing activities     |                     |                   |
| Capital contributions received                         | 5,204,606           | 2,570,978         |
| Purchase of property and equipment                     | (5,051,385)         | (1,986,592)       |
|                                                        | <u>153,221</u>      | <u>584,386</u>    |
| Change in cash during the year                         | <u>2,109,534</u>    | <u>120,305</u>    |
| Cash - at beginning of year                            | 932,386             | 812,081           |
| Cash - at end of year                                  | <u>\$ 3,041,920</u> | <u>\$ 932,386</u> |

# EVA'S INITIATIVES FOR HOMELESS YOUTH

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

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The mission of Eva's Initiatives for Homeless Youth (the "Organization") is to work collaboratively with homeless and at-risk youth to help them reach their potential to lead productive, self-sufficient and healthy lives by providing safe shelter and a range of services, and to create long term solutions for homeless youth by developing and implementing proactive and progressive services.

The Organization operates three shelters for homeless youth as well as a youth training and employment readiness centre and provides a range of youth related programming. The Organization develops and implements innovative programs and services aimed at long-term solutions to youth homelessness, including a National Initiatives Program aimed at assisting organizations across Canada.

The Organization is a not-for-profit organization incorporated under the laws of the Province of Ontario on November 30, 1989 as a corporation without share capital. The Organization is generally exempt from income taxes as a registered charitable organization under the Income Tax Act (Canada).

### *1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

These financial statements have been prepared using Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

#### *Financial Assets and Liabilities*

The Organization initially measures its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets and liabilities measured at amortized cost include cash, short-term investments, accounts receivable, accounts payable and accrued liabilities and construction and holdback payable.

#### *Designated Funds*

##### *Operating Fund*

The operating fund is a board designated reserve to further operations.

#### *Short-Term investments*

Short term investments are comprised of guaranteed investment certificates and are recorded at amortized cost, which approximates fair value.

# EVA'S INITIATIVES FOR HOMELESS YOUTH

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### *Property and Equipment*

Property and equipment are recorded at cost. Depreciation is provided over their estimated useful lives. The annual depreciation rates and methods are as follow:

|                                                |                         |
|------------------------------------------------|-------------------------|
| Building - Eva's Place                         | - 4% declining balance  |
| Furniture and equipment                        | - 20% declining balance |
| Vehicle                                        | - 30% declining balance |
| Leasehold improvements - administrative office | - 2 years straight-line |

No depreciation has been recorded for Eva's Phoenix - 60 Brant as it is under construction.

The above rates are reviewed annually to ensure they are appropriate. Any changes are adjusted for on a prospective basis. If there is an indication that the assets may be impaired, an impairment test is performed that compares carrying amount to net recoverable amount. There were no impairment indicators in 2015

#### *Revenue Recognition*

##### *Contributions*

The Organization follows the deferral method of accounting for contributions which include donations, government grants and other contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Grants approved, but not received, at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

##### *Fund-Raising Revenues and Expenses*

Revenues and expenses from fund-raising events are recorded in the period in which the event takes place.

##### *Donations*

Donations are recorded when received. Donated goods and services are not recorded in the accounts, except when they are used in the normal course of business and when a fair value for such goods and services can be readily determined.

##### *Toronto Community Services Per Diem Fees*

Toronto Community Services per diem fees are recognized when the related shelter services are provided at the City of Toronto rates in effect at that time.

##### *Print Shop Sales*

Print shop sales are recognized as revenue when the goods are shipped and the customer takes ownership and assumes risk of loss, collection of the relevant receivable is probable and sale price is fixed and determinable.



# EVA'S INITIATIVES FOR HOMELESS YOUTH

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### *Revenue Recognition (continued)*

##### *Investment and Other Income*

Income from investments and other miscellaneous income are recorded in the accounts as earned.

##### *Contributed Services*

Volunteers contribute significant amounts of time to assist the Organization in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

##### *Deferred Capital Contributions*

Externally restricted contributions for the purchase of capital assets that will be amortized are deferred and amortized over the life of the related capital assets. Externally restricted contributions that have not been expended are recorded as part of deferral capital contributions on the statement of financial position.

#### *Allocation of Expenses*

The Organization serves homeless and at-risk youth and engages in providing youth programs, shelter services and fundraising and volunteer programs. The cost of programs includes direct salaries and benefits and other expenses that are directly related to providing the program services.

#### *Use of Estimates*

The preparation of financial statements in conformity 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.

Key areas of estimation where management has made difficult, complex or subjective judgments, often as a result of matters that are uncertain, include, among others, provisions for doubtful accounts receivable, useful lives for depreciation and amortization of property and equipment and other assets and liabilities valuations. Actual results could differ from these and other estimates, the impact of which would be recorded in future periods.

### 2. RESTRICTED CASH

The cash balance is made up of cash for operations and programs as well as restricted cash for the Eva's Phoenix - 60 Brant site construction (see *note 12*) of \$2,570,781 (\$340,975 in 2014).

# EVA'S INITIATIVES FOR HOMELESS YOUTH

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

### 3. CREDIT FACILITIES

The Organization has a line of credit with Scotia Bank of Canada to a maximum of \$150,000 and bears interest at the bank's prime lending rate plus 1.5%. A general security agreement covering all assets of the Organization, specifically short-term investments, has been pledged as security. There were no advances against the line of credit at December 31, 2015 (\$NIL - 2014).

### 4. SHORT-TERM INVESTMENTS

The short-term investments consist of a savings account and guaranteed investment certificates that bear interest at 1.56% (from 1.18% to 1.66% - 2014) and mature on April 18, 2016 (between February to July 2015 - 2014). The details of the Organization's investments are as follows:

|                                                                                      | 2015              | 2014                |
|--------------------------------------------------------------------------------------|-------------------|---------------------|
| Investments for operations and programs                                              |                   |                     |
| Cash                                                                                 | \$ -              | \$ 7,612            |
| Guaranteed investment certificates                                                   | 150,000           | 150,000             |
|                                                                                      | <b>150,000</b>    | 157,612             |
| Investments restricted for Eva's Phoenix - 60 Brant site relocation<br>(see note 12) |                   |                     |
| Guaranteed investment certificates                                                   | -                 | 1,400,000           |
|                                                                                      | <b>\$ 150,000</b> | <b>\$ 1,557,612</b> |

#### Investment Risk Management

Risk management relates to the understanding and active management of risks associated with all areas of the Organization's activities and operations. The Organization's investments are primarily exposed to interest rate risk. The Organization has formal policies and procedures for investment transactions and the majority of investments are made on the advice of the investment advisor.

### 5. PROPERTY AND EQUIPMENT

Details of property and equipment are as follows:

|                                                                 | Cost                 | Accumulated<br>Depreciation | Net Book Value      |                     |
|-----------------------------------------------------------------|----------------------|-----------------------------|---------------------|---------------------|
|                                                                 |                      |                             | 2015                | 2014                |
| Building - Eva's Place                                          | \$ 1,751,644         | \$ 1,024,684                | \$ 726,960          | \$ 758,567          |
| Furniture and equipment                                         | 252,531              | 252,531                     | -                   | 3,711               |
| Vehicle                                                         | 21,781               | 8,822                       | 12,959              | 18,514              |
| Eva's Phoenix - 60 Brant (note 12)                              | 7,907,099            | -                           | 7,907,099           | 2,855,714           |
| Leasehold improvements - Eva's Phoenix -<br>11 Ordnance         | 2,352,588            | 2,352,588                   | -                   | -                   |
| Leasehold improvements - administrative<br>office               | 67,537               | 67,537                      | -                   | -                   |
| Leasehold improvements - Buzz Hargrove<br>Youth Training Centre | 1,038,662            | 1,038,662                   | -                   | -                   |
|                                                                 | <b>\$ 13,391,842</b> | <b>\$ 4,744,824</b>         | <b>\$ 8,647,018</b> | <b>\$ 3,636,506</b> |

# EVA'S INITIATIVES FOR HOMELESS YOUTH

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

### 6. DEFERRED GRANTS

Details of deferred grants are as follows:

|                                            | 2015              | 2014              |
|--------------------------------------------|-------------------|-------------------|
| National Initiative                        | \$ 90,307         | \$ 337,067        |
| Family Reconnect                           | 34,561            | 57,177            |
| Harm Reduction                             | 56,693            | 89,746            |
| Independent Living Program                 | 89,982            | 69,505            |
| Education Program                          | 15,851            | -                 |
| City of Toronto Per Diem and other funding | 71,459            | -                 |
| Other                                      | 58,375            | 13,596            |
| Youth Succeeding in Employment             | -                 | 81,389            |
| Construction and Property Maintenance      | -                 | 65,424            |
|                                            | <b>\$ 417,228</b> | <b>\$ 713,904</b> |

### 7. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent contributions received that have not been expended and the unamortized amount of contributions received for the purchase of capital assets. The changes in deferred capital contributions are as follows:

|                                                | 2015                        |                                                           |                                | Total               |
|------------------------------------------------|-----------------------------|-----------------------------------------------------------|--------------------------------|---------------------|
|                                                | Eva's Phoenix -<br>60 Brant | Buzz Hargrove<br>Youth Training<br>& Employment<br>Centre | Eva's Phoenix -<br>11 Ordnance |                     |
| Balance - at beginning of year                 | \$ 3,950,819                | \$ -                                                      | \$ -                           | \$ 3,950,819        |
| Capital contributions for the year             | 5,204,606                   | -                                                         | -                              | 5,204,606           |
| Amortization of deferred capital contributions | -                           | -                                                         | -                              | -                   |
| Balance - at end of year                       | <b>\$ 9,155,425</b>         | <b>\$ -</b>                                               | <b>\$ -</b>                    | <b>\$ 9,155,425</b> |

|                                                | 2014                        |                                                           |                                | Total               |
|------------------------------------------------|-----------------------------|-----------------------------------------------------------|--------------------------------|---------------------|
|                                                | Eva's Phoenix -<br>60 Brant | Buzz Hargrove<br>Youth Training<br>& Employment<br>Centre | Eva's Phoenix -<br>11 Ordnance |                     |
| Balance - at beginning of year                 | \$ 1,379,841                | \$ 225,370                                                | \$ 346,609                     | \$ 1,951,820        |
| Capital contributions for the year             | 2,570,978                   | -                                                         | -                              | 2,570,978           |
| Amortization of deferred capital contributions | -                           | (225,370)                                                 | (346,609)                      | (571,979)           |
| Balance - at end of year                       | <b>\$ 3,950,819</b>         | <b>\$ -</b>                                               | <b>\$ -</b>                    | <b>\$ 3,950,819</b> |

# EVA'S INITIATIVES FOR HOMELESS YOUTH

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

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### 8. COMMITMENTS

Land at the Eva's Place location is leased from the City of Toronto up to and including the year 2031 (a 25 year lease with a 15 year option to renew) at a rate of \$1 per year. Lease payments to 2031 have been prepaid in full. There are no monetary lease commitments for the Satellite and Phoenix locations.

The Organization has entered into an agreement to lease space for the administrative office which expires December 31, 2017 and to lease equipment under operating leases which expire from May 2015 to September 2019. Minimum rental payments under the leases are as follows:

|      | <i>Premises</i>   | <i>Equipment</i>  | <i>Total</i>      |
|------|-------------------|-------------------|-------------------|
| 2016 | \$ 103,577        | \$ 41,842         | \$ 145,419        |
| 2017 | 112,993           | 37,241            | 150,234           |
| 2018 | -                 | 34,679            | 34,679            |
| 2019 | -                 | 22,939            | 22,939            |
|      | <u>\$ 216,570</u> | <u>\$ 136,701</u> | <u>\$ 353,271</u> |

In addition, the Organization is committed to pay its proportionate share of taxes, utilities and operating costs of the premises which, in 2015, amounted to approximately \$33,450 (\$32,000 in 2014).

### 9. FINANCIAL INSTRUMENTS AND RISK EXPOSURE

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure at the statement of financial position date.

#### *Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risks relate to accounts receivable. The Organization mitigates credit risk by performing credit checks and imposing credit limits. Management has included adequate provision for doubtful accounts receivable in these financial statements.

#### *Liquidity Risk*

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and commitments. The Organization expects to meet operating obligations as they come due by generating sufficient cash flow from operations. The Organization has accounts payable, construction and holdback payable and commitments for construction of Eva's Phoenix - 60 Brant (see *note 12* for details) and expects to meet capital commitments from funds raised, committed funding and through additional fundraising activities.

#### *Market Risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Organization is not exposed to significant currency or price risk, interest rate risk is disclosed in *note 4*.

# EVA'S INITIATIVES FOR HOMELESS YOUTH

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

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### 10. GUARANTEES AND INDEMNITIES

The Organization has indemnified its past, present and future directors, officers and volunteers against expenses (including legal expenses), judgments and any amount actually or reasonably incurred by them in connection with any action, suit or proceeding, subject to certain restrictions, in which they are sued as a result of their involvement with the Organization, if they acted honestly and in good faith with the best interest of the Organization. The Organization has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits and actions, but there is no guarantee that the coverage will be sufficient should any action arise.

In the normal course of business, the Organization has entered into agreements that include indemnities in favour of third parties, either express or implied, such as in service contracts, lease agreements or sales and purchase contracts. In these agreements, the Organization agrees to indemnify the counterparties in certain circumstances against losses or liabilities arising from the acts or omissions of the organization. The terms of these indemnities are not explicitly defined and the maximum amount of any potential liability cannot be reasonably estimated.

### 11. ADMINISTRATION EXPENSES

The Organization's administration, fundraising and volunteer services costs as a percentage of total expenses are as follows:

|                                       | 2015   | 2014   |
|---------------------------------------|--------|--------|
| Administration and volunteer services | 11.0 % | 10.9 % |
| Fundraising                           | 9.8 %  | 8.2 %  |

### 12. EVA'S PHOENIX

The Organization operates Eva's Phoenix, a Toronto shelter and print shop that prepares at-risk youth for jobs in the industry. Eva's Phoenix will move from its current location to a new city-owned heritage building at 60 Brant Street, Toronto by June 2016, after a Toronto council decision to sell the former location to a developer.

The new location will be leased from the City of Toronto for a minimum of 20 years with a rent of \$1 per year plus operating cost with four options to renew for further 5-year terms.

The Organization has an estimated budget of \$11.2 million for total construction costs. Construction began in April 2014. At December 31, 2015, the Organization has incurred \$7,907,000 (2014 - \$2,856,000) for the design and construction of the new Eva's Phoenix site.

At December 31, 2015, the total funds received towards the cost of relocation and construction are \$9,425,000 (2014 - \$4,082,000) with another \$219,000 (2014 - \$4,798,000) outstanding in committed funding, and \$222,000 confirmed towards a building reserve, with costs of \$269,500 (2014 - \$131,000) to raise this capital. The balance of the cost of the project will be funded through additional fundraising activities.

# EVA'S INITIATIVES FOR HOMELESS YOUTH

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2015

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### *13. LITIGATION*

The Organization is party to legal proceedings which arise from normal operating activities. Actual liabilities with respect to these actions and proceedings can not be determined, but management believes that any potential liability will not materially affect the Organization's financial position.

### *14. CHANGE IN YEAR END*

Subsequent to the year end, the Organization had been granted permission by the Canada Revenue Agency for the change in fiscal period end from December 31 to September 30.

### *15. COMPARATIVE FIGURES*

The comparative figures in the Statement of Net Assets have been reclassified to conform to the financial statement presentation adopted for the current year.

## EVA'S INITIATIVES FOR HOMELESS YOUTH

### SCHEDULE OF DONATIONS, FUNDRAISING AND GRANTS REVENUES

YEAR ENDED DECEMBER 31, 2015

|                                               | 2015                | 2014                |
|-----------------------------------------------|---------------------|---------------------|
| Revenues                                      |                     |                     |
| Unrestricted donations                        | \$ 1,750,970        | \$ 1,484,364        |
| National Initiative Program                   | 651,761             | 728,840             |
| Harm Reduction Program                        | 373,915             | 410,118             |
| Independent Living and Housing Help           | 354,582             | 371,013             |
| Family Reconnect Program                      | 296,293             | 364,048             |
| Youth Succeeding in Employment Program        | 389,153             | 239,812             |
| Phoenix Print Shop                            | 224,771             | 168,329             |
| Construction and Property Maintenance Program | 178,892             | 142,495             |
| AIDS Prevention and Drug Prevention           | 83,575              | 86,614              |
| Education Program                             | 108,888             | 71,000              |
| Non-Bed Services - Satellite                  | 55,707              | 55,707              |
| Community Outreach Program                    | 53,629              | 53,087              |
| Investing in Neighbourhoods                   | 44,244              | 52,715              |
| Recreation Program                            | 13,375              | 50,686              |
| Sales Training Program                        | 40,000              | 48,609              |
| Crisis Bed - Satellite                        | 26,587              | 26,587              |
| Other Restricted Grants                       | 92,782              | 30,552              |
|                                               | <b>\$ 4,739,124</b> | <b>\$ 4,384,576</b> |

# EVA'S INITIATIVES FOR HOMELESS YOUTH

## SCHEDULE OF SHELTER OPERATIONS AND HOUSING HELP FUNDING

YEAR ENDED DECEMBER 31, 2015

|                                                                                      | 2015              |                   |                   |                     | 2014                |
|--------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|
|                                                                                      | Phoenix           | Place             | Satellite         | Total               | Total               |
| <b>Expenses</b>                                                                      |                   |                   |                   |                     |                     |
| Salaries and benefits                                                                | \$ 998,914        | \$ 649,583        | \$ 689,888        | \$ 2,338,385        | \$ 2,721,066        |
| Shelter services                                                                     | 90,299            | 164,729           | 256,205           | 511,233             | 278,644             |
| Building and property                                                                | 118,454           | 144,162           | 145,098           | 407,714             | 368,152             |
| Depreciation                                                                         | 3,711             | 37,161            | -                 | 40,872              | 601,720             |
| Fundraising and administration                                                       | 153,647           | 211,795           | 246,275           | 611,717             | 719,999             |
|                                                                                      | <b>1,365,025</b>  | <b>1,207,430</b>  | <b>1,337,466</b>  | <b>3,909,921</b>    | <b>4,689,581</b>    |
| <b>Revenues</b>                                                                      |                   |                   |                   |                     |                     |
| Per diems                                                                            | 1,030,301         | 643,177           | 823,092           | 2,496,570           | 2,492,259           |
| Housing Help (City of Toronto) grant                                                 | 92,522            | 139,284           | 55,646            | 287,452             | 244,152             |
| Other government funding                                                             | -                 | -                 | 106,760           | 106,760             | 72,076              |
| Deferred capital contribution                                                        | -                 | -                 | -                 | -                   | 571,979             |
|                                                                                      | <b>1,122,823</b>  | <b>782,461</b>    | <b>985,498</b>    | <b>2,890,782</b>    | <b>3,380,466</b>    |
| Excess of expenses over revenues,<br>supported by fund-raising and other<br>revenues |                   |                   |                   |                     |                     |
|                                                                                      | <b>\$ 242,202</b> | <b>\$ 424,969</b> | <b>\$ 351,968</b> | <b>\$ 1,019,139</b> | <b>\$ 1,309,115</b> |

The City of Toronto provides financial support to the Organization on the basis of an approved operating budget for the year for shelter operations and housing help. The City of Toronto requires funded agencies to submit an annual statement of shelter operations, including funding and expenditures, as well as Housing Help funding provided by the City of Toronto, on a site by site basis.