

**Canadian Centre for Gender and Sexual Diversity**  
**Financial Statements**  
March 31, 2018

## Independent Auditor's Report

To the Members of  
Canadian Centre for Gender and Sexual Diversity

I have audited the accompanying financial statements of Canadian Centre for Gender and Sexual Diversity, which comprise the statement of financial position as at March 31, 2018, and the statements of operations and changes in net assets and cash flows for the period from June 21, 2017 to March 31, 2018, 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 organization'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 organization'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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

### Basis for Qualified Opinion

In common with many charitable organizations, Canadian Centre for Gender and Sexual Diversity derives revenue from donations and fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly my verification of these revenues was limited to the amounts recorded in the records of Canadian Centre for Gender and Sexual Diversity and I was not able to determine whether any adjustments might be necessary to donation and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the period ended March 31, 2018, current assets, current liabilities and net assets as at March 31, 2018.

### Qualified Opinion

Except as noted in the above paragraph, in my opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2018 and the results of its operations and its cash flows for the period from June 21, 2017 to March 31, 2018 in accordance with Canadian accounting standards for not-for-profit organizations.

*Numeris CPA*

**Numeris CPA**

Chartered Professional Accountant  
Licensed Public Accountant


Ottawa, ON  
October 12, 2018

**Canadian Centre for Gender and Sexual Diversity  
Statement of Financial Position  
As at March 31, 2018**

|                                          | <u>March 31<br/>2018</u> | <u>June 21,<br/>2017</u> |
|------------------------------------------|--------------------------|--------------------------|
| <b>Assets</b>                            |                          |                          |
| <b>Current</b>                           |                          |                          |
| Cash                                     | \$ 247,882               | \$ 428,448               |
| Accounts receivable                      | 414,266                  | 54,338                   |
| Prepaid expenses                         | <u>30,842</u>            | <u>2,840</u>             |
|                                          | 692,990                  | 485,626                  |
| <b>Investments</b>                       | 155,296                  | 105,223                  |
| <b>Capital assets (note 3)</b>           | <u>1,122</u>             | <u>1,356</u>             |
|                                          | <u>\$ 849,408</u>        | <u>\$ 592,205</u>        |
| <b>Liabilities</b>                       |                          |                          |
| <b>Current</b>                           |                          |                          |
| Accounts payable and accrued liabilities | \$ 69,052                | \$ 70,207                |
| Unearned revenue                         | 67,148                   | 89,500                   |
| Government remittances payable           | <u>10,665</u>            | <u>2,275</u>             |
|                                          | 146,865                  | 161,982                  |
| <b>Balance</b>                           | <u>702,543</u>           | <u>430,223</u>           |
|                                          | <u>\$ 849,408</u>        | <u>\$ 592,205</u>        |

On behalf of the Board

  
\_\_\_\_\_ Member

  
\_\_\_\_\_ Member

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**Canadian Centre for Gender and Sexual Diversity**  
**Statement of Operations**  
**and Changes in Net Assets**  
**Period ended March 31, 2018**

|                                             | For the 9<br>months 9 days<br>ending March<br>31,<br>2018 | For the 12<br>months<br>ending June<br>21,<br>2017 |
|---------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|
|                                             | <u>          </u>                                         | <u>          </u>                                  |
| <b>Revenues</b>                             |                                                           |                                                    |
| Grants                                      | \$ 565,839                                                | \$ 594,477                                         |
| Contributions                               | 168,526                                                   | 183,970                                            |
| Sales                                       | 13,676                                                    | 25,791                                             |
| Interest income                             | 5,137                                                     | 256                                                |
| Program and Speaking Revenue                | 1,400                                                     | 10,050                                             |
| Miscellaneous income                        | 588                                                       | 6,106                                              |
| Fundraising                                 | -                                                         | 1,101                                              |
|                                             | <u>755,166</u>                                            | <u>821,751</u>                                     |
| <b>Expenditures</b>                         |                                                           |                                                    |
| Salaries and related benefits               | 272,142                                                   | 311,412                                            |
| Events and program costs                    | 82,796                                                    | 184,385                                            |
| Travel                                      | 39,698                                                    | 137,265                                            |
| Bookkeeping fees                            | 22,469                                                    | 58,206                                             |
| Professional fees                           | 20,233                                                    | 67,231                                             |
| Honoraria                                   | 16,617                                                    | 10,627                                             |
| Rent                                        | 11,822                                                    | 14,456                                             |
| Office                                      | 11,104                                                    | 18,671                                             |
| Advertising and promotion                   | 3,222                                                     | 6,276                                              |
| Insurance                                   | 1,727                                                     | 1,696                                              |
| Interest and bank charges                   | 781                                                       | 1,840                                              |
| Amortization                                | 235                                                       | 424                                                |
|                                             | <u>482,846</u>                                            | <u>812,489</u>                                     |
| <b>Excess of revenues over expenditures</b> | 272,320                                                   | 9,262                                              |
| <b>Balance, beginning of period</b>         | <u>430,223</u>                                            | <u>420,961</u>                                     |
| <b>Balance, end of period</b>               | <u>\$ 702,543</u>                                         | <u>\$ 430,223</u>                                  |

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See accompanying notes to the financial statements

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**Canadian Centre for Gender and Sexual Diversity  
Statement of Cash Flows  
Period from June 21, 2017 to March 31, 2018**

|                                          | For the 9<br>months 9 days<br>ending March<br>31,<br><u>2018</u> | For the 12<br>months<br>ending June<br>21,<br><u>2017</u> |
|------------------------------------------|------------------------------------------------------------------|-----------------------------------------------------------|
| <b>Operating activities</b>              |                                                                  |                                                           |
| Excess of revenues over expenditures     | \$ 272,320                                                       | \$ 9,262                                                  |
| Adjustment for<br>Amortization           | <u>235</u>                                                       | <u>424</u>                                                |
|                                          | 272,555                                                          | 9,686                                                     |
| Change in non-cash working capital items |                                                                  |                                                           |
| Accounts receivable                      | (359,928)                                                        | 49,353                                                    |
| Prepaid expenses                         | (28,002)                                                         | 3,641                                                     |
| Accounts payable and accrued liabilities | (1,156)                                                          | (14,711)                                                  |
| Unearned revenue                         | (22,352)                                                         | 5,665                                                     |
| Government remittances payable           | <u>8,390</u>                                                     | <u>(312)</u>                                              |
|                                          | <u>(130,493)</u>                                                 | <u>53,322</u>                                             |
| <b>Investing activities</b>              |                                                                  |                                                           |
| Purchase of investments                  | -                                                                | 38,321                                                    |
| Proceeds on sale of investments          | <u>(50,073)</u>                                                  | <u>-</u>                                                  |
|                                          | <u>(50,073)</u>                                                  | <u>38,321</u>                                             |
| <b>Net (decrease) increase in cash</b>   | (180,566)                                                        | 91,643                                                    |
| <b>Cash, beginning of period</b>         | <u>428,448</u>                                                   | <u>336,805</u>                                            |
| <b>Cash, end of period</b>               | <u>\$ 247,882</u>                                                | <u>\$ 428,448</u>                                         |

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See accompanying notes to the financial statements

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**Canadian Centre for Gender and Sexual Diversity**  
**Notes to the Financial Statements**  
**March 31, 2018**

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**1. Nature of operations**

Canadian Centre for Gender and Sexual Diversity was incorporated on August 1, 2008 under Part II of the Canada Corporations Act as Jer's Vision: Canada's Youth Diversity initiative. The corporation was continued under the Canada Not-for-profit Corporations Act on September 5, 2012. The organization was granted its charitable status on February 1, 2005 and as such qualifies for tax exempt status.

Canadian Centre for Gender and Sexual Diversity was established by Jeremy Dias to address discrimination and promote diversity by providing educational programs helping people make a difference; arts programs that use art as a tool to immerse and engage; community involvement through participation in events and social networks; and supporting youth ideas by giving support through funding and organizational support to youth seeking to improve their schools and communities.

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**2. Significant accounting policies**

The organization applies the Canadian accounting standards for not-for-profit organizations.

**(a) 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 as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Externally restricted contributions for the purchase of capital assets that will be amortized are recorded as deferred capital contributions and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets. Externally restricted contributions for the purchase of capital assets that will not be amortized are recognized as direct increases in net assets to the Investment in Capital Assets balance.

**(b) Capital assets**

Capital assets are recorded at cost. The organization provides for amortization using the declining balance method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

|                        |     |
|------------------------|-----|
| Furniture and fixtures | 20% |
| Computer equipment     | 55% |

Donated capital assets are recorded at their fair value at the date of contribution.

**Canadian Centre for Gender and Sexual Diversity**  
**Notes to the Financial Statements**  
**March 31, 2018**

**2. Significant accounting policies, continued**

**(c) Financial instruments**

The organization's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. Unless otherwise noted it is management's opinion that the organization is not exposed to significant interest, currency or credit risks.

**(d) Measurement uncertainty**

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 and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

**(e) Contributed services**

Volunteers contribute a substantial number of hours to assist the organization in carrying out its vision and programs. While these services benefit the organization considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

**3. Capital assets**

|                        |                 |                             | March 31<br>2018 | June 21,<br>2017 |
|------------------------|-----------------|-----------------------------|------------------|------------------|
|                        | Cost            | Accumulated<br>amortization | Net              | Net              |
| Furniture and fixtures | \$ 4,143        | \$ 3,071                    | \$ 1,072         | \$ 1,269         |
| Computer equipment     | <u>3,792</u>    | <u>3,742</u>                | <u>50</u>        | <u>87</u>        |
|                        | <u>\$ 7,935</u> | <u>\$ 6,813</u>             | <u>\$ 1,122</u>  | <u>\$ 1,356</u>  |

**4. Grant revenue**

|                     | For the 9<br>months 9 days<br>ending March<br>31,<br>2018 | For the 12<br>months<br>ending June<br>21,<br>2017 |
|---------------------|-----------------------------------------------------------|----------------------------------------------------|
| Federal Government  | \$ 194,610                                                | \$ 322,036                                         |
| Province of Ontario | 354,941                                                   | 179,650                                            |
| City of Ottawa      | 5,000                                                     | 5,500                                              |
| Other               | <u>11,288</u>                                             | <u>87,291</u>                                      |
|                     | <u>\$ 565,839</u>                                         | <u>\$ 594,477</u>                                  |

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**Canadian Centre for Gender and Sexual Diversity**  
**Notes to the Financial Statements**  
**March 31, 2018**

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**5. Change in year-end**

The organization changed its fiscal year-end from June 21 to March 31. The fiscal period ending March 31, 2018 represents nine months 9 days of operations.

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**6. Economic dependence**

The organization receives the majority of its revenue in the form of grants from the Government of Canada and the Province of Ontario. The organization's continued operations are dependent on the continuation of these grants.

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**7. Subsequent event**

Subsequent to March 31, 2018, the organization paid \$7,500.00 in resolution of an outstanding legal matter.

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**8. Financial instruments**

The organization's financial instruments consist of cash, accounts receivable, investments, accounts payable and accrued liabilities. It is management's opinion that the organization is not exposed to significant interest rate, market, currency, credit, liquidity or cash flow risks arising from these financial instruments and that the fair value of these financial instruments approximate their carrying values.

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