

Canadian Centre for Gender and Sexual Diversity
Financial Statements
March 31, 2019

Independent Auditor's Report

To the Members of
Canadian Centre for Gender and Sexual Diversity

Opinion

I have audited the financial statements of Canadian Centre for Gender and Sexual Diversity, which comprise the statement of financial position as at March 31, 2019, and the statements of operations and changes in net assets and cash flows for the period from April 1, 2018 to March 31, 2019, and notes to the financial statements, including a summary of significant accounting policies.

Except as noted in the following paragraph, in my opinion, the financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2019 and the results of its operations and its cash flows for the period from April 1, 2018 to March 31, 2019 in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

In common with many not-for-profit organizations, the organization derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, I were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2019 and 2018, current assets as at March 31, 2019 and 2018, and net assets as at April 1 and March 31 for both the 2019 and 2018 years. My audit opinion on the financial statements for the year ended March 31, 2019 was modified accordingly because of the possible effects of this limitation in scope.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 ASNPO, 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 related 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.

Independent Auditor's Report, continued

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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. 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 organization'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 organization's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the organization 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.

I 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 I identify during my audit.

Numeris CPA

Numeris CPA Professional Corporation
Chartered Professional Accountant
Licensed Public Accountant


Ottawa, ON
December 19, 2019


**Canadian Centre for Gender and Sexual Diversity
Statement of Financial Position
As at March 31, 2019**

	2019	2018
Assets		
Current		
Cash	\$ 1,287,513	\$ 247,882
Accounts receivable	152,478	414,266
Prepaid expenses	16,030	30,842
	1,456,021	692,990
Investments	155,836	155,296
Capital assets (note 3)	857	1,122
	\$ 1,612,714	\$ 849,408

Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 144,648	\$ 69,052
Unearned revenue (note 4)	482,184	67,148
Government remittances payable	11,760	10,665
	638,592	146,865
Balance	974,122	702,543
	\$ 1,612,714	\$ 849,408

On behalf of the Board


_____ Member


_____ Member

**Canadian Centre for Gender and Sexual Diversity
Statement of Operations
and Changes in Net Assets
Period from April 1, 2018 to March 31, 2019**

	2019	For the 9 months 9 days ending March 31, 2018
Revenues		
Grants	\$ 938,881	\$ 565,839
Contributions	169,369	168,526
Sales	75,525	13,676
Miscellaneous income	5,580	588
Sponsorships and fundraising	5,000	-
Program and Speaking Revenue	1,157	1,400
Interest income	850	5,137
	<u>1,196,362</u>	<u>755,166</u>
Expenditures		
Salaries and related benefits	448,691	272,142
Events and program costs	258,360	82,796
Professional fees	72,223	20,233
Travel	63,020	39,698
Bookkeeping fees	31,962	22,469
Honoraria	16,321	16,617
Rent	16,214	11,822
Office	9,618	11,068
Interest and bank charges	3,063	817
Insurance	1,817	1,727
Advertising and promotion	1,591	3,222
Research	1,039	-
Miscellaneous	600	-
Amortization	264	235
	<u>924,783</u>	<u>482,846</u>
Excess of revenues over expenditures	271,579	272,320
Balance, beginning of period	<u>702,543</u>	<u>430,223</u>
Balance, end of period	<u>\$ 974,122</u>	<u>\$ 702,543</u>

Canadian Centre for Gender and Sexual Diversity
Statement of Cash Flows
Period from April 1, 2018 to March 31, 2019

	2019	2018
Operating activities		
Excess of revenues over expenditures	\$ 271,579	\$ 272,320
Adjustment for		
Amortization	264	235
	271,843	272,555
Change in non-cash working capital items		
Accounts receivable	261,788	(359,928)
Prepaid expenses	14,812	(28,002)
Accounts payable and accrued liabilities	75,597	(1,156)
Unearned revenue	415,036	(22,352)
Government remittances payable	1,095	8,390
	1,040,171	(130,493)
Investing activity		
Increase in investments	(540)	(50,073)
Net increase (decrease) in cash	1,039,631	(180,566)
Cash, beginning of period	247,882	428,448
Cash, end of period	\$ 1,287,513	\$ 247,882

Canadian Centre for Gender and Sexual Diversity
Notes to the Financial Statements
March 31, 2019

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.

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, 2019

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

	<u>2019</u>		<u>2018</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net</u>	<u>Net</u>
Furniture and fixtures	\$ 4,143	\$ 3,286	\$ 857	\$ 1,072
Computer equipment	<u>3,792</u>	<u>3,792</u>	<u>-</u>	<u>50</u>
	<u>\$ 7,935</u>	<u>\$ 7,078</u>	<u>\$ 857</u>	<u>\$ 1,122</u>

4. Unearned revenue

	<u>2019</u>	<u>2018</u>
Public Health - Hepatitis C	\$ 67,148	\$ 67,148
Public Health - HIV/Hepatitis C Action Fund	393,036	-
City of Ottawa	19,000	-
Ministry of Tourism, Sport and Culture	<u>3,000</u>	<u>-</u>
	<u>\$ 482,184</u>	<u>\$ 67,148</u>

Canadian Centre for Gender and Sexual Diversity
Notes to the Financial Statements
March 31, 2019

5. Grant revenue

	2019	For the 9 months 9 days ending March 31, 2018
Federal Government	\$ 528,672	\$ 194,610
Province of Ontario	342,000	354,941
City of Ottawa	-	5,000
Other	61,667	11,288
Public Health Agency of Canada	<u>6,542</u>	<u>-</u>
	<u>\$ 938,881</u>	<u>\$ 565,839</u>

6. Change in year-end

In 2018 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.

7. 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.

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.
