

Canadian Centre for Gender and Sexual Diversity
Financial Statements
March 31, 2023

Independent Auditor's Report

To the members of
Canadian Centre for Gender and Sexual Diversity

Qualified Opinion

We have audited the financial statements of Canadian Centre for Gender and Sexual Diversity, which comprise the statement of financial position as at March 31, 2023, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Except as noted in the following paragraph, in our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified 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, we 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, 2023 and 2022, current assets as at March 31, 2023 and 2022, and net assets as at April 1 and March 31 for both the 2023 and 2022 years. Our audit opinion on the financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ottawa, ON
November 23, 2023

Numeris CPA Professional Corporation
Chartered Professional Accountant
Licensed Public Accountant

**Canadian Centre for Gender and Sexual Diversity
Statement of Financial Position
As at March 31, 2023**

	2023	2022
Assets		
Current		
Cash	\$ 540,700	\$ 331,397
Short term investment (note 3)	103,723	123,872
Accounts receivable	54,302	226,115
Prepaid expenses	7,769	5,023
	706,494	686,407
Capital assets (note 4)	12,025	954
	\$ 718,519	\$ 687,361

Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 165,691	\$ 82,882
Deferred grants (note 5)	91,366	77,000
Government remittances payable	18,535	10,197
	275,592	170,079
Balance	442,927	517,282
	\$ 718,519	\$ 687,361

On behalf of the Board


_____ Member


_____ Member

Canadian Centre for Gender and Sexual Diversity
Statement of Operations
and Changes in Net Assets
Year ended March 31, 2023

	<u>2023</u>	<u>2022</u>
Revenues		
Grants	\$ 1,034,483	\$ 402,527
Contributions	90,364	165,743
Sponsorships and fundraising	82,232	14,250
Miscellaneous income	33,214	21,063
Interest income	9,303	759
BLKGURL	6,210	12,165
Program and Speaking Revenue	<u>1,500</u>	<u>1,000</u>
	<u>1,257,306</u>	<u>617,507</u>
Expenditures		
Salaries and related benefits	794,787	471,156
Events and program costs	230,794	51,107
Honoraria	70,703	10,594
Travel	64,489	1,122
Bookkeeping fees	50,088	52,027
Professional fees	41,698	26,672
Office	36,753	12,733
Meals and entertainment	11,585	-
Advertising and promotion	10,289	3,258
Rent	4,997	4,722
Amortization	4,711	739
Insurance	2,589	2,589
Miscellaneous	2,465	165
Wages and benefits	2,108	-
Interest and bank charges	1,990	1,030
Taxes and licenses	<u>146</u>	<u>-</u>
	1,330,192	637,914
Expense recoveries	<u>(1,469)</u>	<u>(2,089)</u>
	<u>1,331,661</u>	<u>640,003</u>
Deficiency of revenues over expenditures	(74,355)	(22,496)
Balance, beginning of year	<u>517,282</u>	<u>539,778</u>
Balance, end of year	<u>\$ 442,927</u>	<u>\$ 517,282</u>

Canadian Centre for Gender and Sexual Diversity
Statement of Cash Flows
Year ended March 31, 2023

	<u>2023</u>	<u>2022</u>
Operating activities		
Deficiency of revenues over expenditures	\$ (74,355)	\$ (22,496)
Adjustment for		
Amortization	<u>4,711</u>	<u>739</u>
	(69,644)	(21,757)
Change in non-cash working capital items		
Accounts receivable	171,813	(128,114)
Prepaid expenses	(2,746)	(1,752)
Accounts payable and accrued liabilities	82,809	(30,531)
Deferred grants	14,366	58,000
Government remittances payable	<u>8,338</u>	<u>(8,184)</u>
	<u>204,936</u>	<u>(132,338)</u>
Investing activities		
Short term investment	20,149	(412)
Purchase of capital assets	<u>(15,782)</u>	<u>-</u>
	<u>4,367</u>	<u>(412)</u>
Net increase (decrease) in cash	209,303	(132,750)
Cash, beginning of year	<u>331,397</u>	<u>464,147</u>
Cash, end of year	<u>\$ 540,700</u>	<u>\$ 331,397</u>

Canadian Centre for Gender and Sexual Diversity
Notes to the Financial Statements
March 31, 2023

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, 2023

2. Significant accounting policies, continued

(c) Financial instruments

The organization's financial instruments consist of cash, term deposits, accounts receivable, accrued interest 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 arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

(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. Short term investment

GICs mature between February 27, 2023 and May 9, 2024. The interest rates vary from 0.39% to 0.80%.

4. Capital assets

	2023		2022	
	Cost	Accumulated amortization	Net	Net
Furniture and fixtures	\$ 4,143	\$ 3,792	\$ 351	\$ 439
Computer equipment	19,287	7,613	11,674	515
	\$ 23,430	\$ 11,405	\$ 12,025	\$ 954

Canadian Centre for Gender and Sexual Diversity
Notes to the Financial Statements
March 31, 2023

5. Deferred grants

	2023	2022
Dept of Justice	\$ -	\$ 77,000
Canada Heritage - Youth Take Charge	44,138	-
Community Foundation of Canada	18,000	-
City of Ottawa	15,000	-
Health CND - Not Just The Tip	7,495	-
Ministry of Education - Dare to Stand Out	6,033	-
CND Race Relations Foundation	700	-
	\$ 91,366	\$ 77,000

6. Grant revenue

	2023	2022
Federal Government	\$ 804,006	\$ 98,527
Province of Ontario	129,417	275,000
Canadian Women's Foundation	84,260	-
Ottawa Community Foundation	15,000	10,000
Canadian Race Relations	1,800	-
City of Ottawa	-	19,000
	\$ 1,034,483	\$ 402,527

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.
