

Lesbian Gay Bi Trans Youth Line

Financial Statements

March 31, 2024



Clarkson Rouble LLP
Chartered Professional Accountants

Independent Auditors' Report

To the Members of

Lesbian Gay Bi Trans Youth Line

Qualified Opinion

We have audited the financial statements of **Lesbian Gay Bi Trans Youth Line** (the Organization), which comprise the statement of financial position as at **March 31, 2024**, 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.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2024, and its financial performance 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, **Lesbian Gay Bi Trans Youth Line** derives revenue from 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. Therefore, we were not able to determine whether any adjustments might be necessary to the donation and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023, and net assets as at April 1 and March 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended March 31, 2023 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 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.

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.

Lesbian Gay Bi Trans Youth Line

Independent Auditors' Report

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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.

Clarkson Rouble LLP

Mississauga, Ontario
September 16, 2024

Clarkson Rouble LLP
Chartered Professional Accountants
Licensed Public Accountants



Lesbian Gay Bi Trans Youth Line

Statement of Financial Position As at March 31

| | 2024 | 2023 |
|-----------------------------------|-------------------|-------------------|
| Assets | | |
| Current | | |
| Cash | \$ 543,656 | \$ 777,742 |
| Guaranteed Investment Certificate | 11,036 | 10,000 |
| Accounts receivable | 4,984 | 34,464 |
| HST rebate receivable | 10,742 | 7,528 |
| | \$ 570,418 | \$ 829,734 |

Liabilities

| | | |
|--|----------------|----------------|
| Current | | |
| Accounts payable and accrued liabilities | \$ 72,149 | \$ 58,682 |
| Deferred revenue (Note 3) | 86,259 | 97,877 |
| | 158,408 | 156,559 |

Net Assets

| | | |
|-----------------------------------|-------------------|-------------------|
| Reserve Fund | 70,000 | - |
| Program Development Fund (Note 4) | - | 45,000 |
| Capital Fund (Note 5) | - | 25,000 |
| Unrestricted | 342,010 | 603,175 |
| | 412,010 | 673,175 |
| | \$ 570,418 | \$ 829,734 |

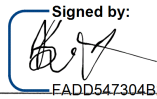
See accompanying notes to financial statements

On behalf of the Board:

Signed by:

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Director

Signed by:

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Director

Lesbian Gay Bi Trans Youth Line

Statement of Operations Year Ended March 31

| | 2024 | 2023 |
|--|---------------------|------------------|
| Revenue | | |
| Corporation and foundation grants (Note 2) | \$ 336,069 | \$ 258,736 |
| Ministry of Health | 89,606 | 87,685 |
| City of Toronto grant | 51,042 | 70,142 |
| Employment grants | 40,622 | 52,753 |
| Federal grants | 23,900 | 286,324 |
| Donations | 202,147 | 187,058 |
| Fundraising | 27,559 | 17,656 |
| Other income | 3,867 | 3,446 |
| Ontario Trillium Foundation | 197,463 | 243,976 |
| | <u>972,275</u> | <u>1,207,776</u> |
| Expenses | | |
| Charitable activities expenses (Schedule 1) | <u>1,022,082</u> | <u>956,934</u> |
| Administration expenses | | |
| Accounting and audit | 6,261 | 15,036 |
| Board of directors costs, insurance | 3,226 | 3,825 |
| Office supplies, bank charges and other | 35,289 | 31,117 |
| Salaries, benefits and related costs | 166,582 | 175,532 |
| | <u>211,358</u> | <u>225,510</u> |
| | <u>1,233,440</u> | <u>1,182,444</u> |
| (Deficiency) excess of revenue over expenses for the year | <u>\$ (261,165)</u> | <u>\$ 25,332</u> |

See accompanying notes to financial statements

Lesbian Gay Bi Trans Youth Line

Statement of Changes in Net Assets Year Ended March 31

| | Reserve Fund | Capital Fund | Program Development Fund | Unrestricted | 2024 Total | 2023 Total |
|---|------------------|-----------------|--------------------------------|-------------------|-------------------|-------------------|
| Balance, beginning of year | \$ - | \$ 45,000 | \$ 25,000 | \$ 603,175 | \$ 673,175 | \$ 647,843 |
| Excess (deficiency) of revenue over expenses | - | - | - | (261,165) | (261,165) | 25,332 |
| Transfer of funds | 70,000 | (45,000) | (25,000) | - | - | - |
| Balance, end of year | \$ 70,000 | \$ - | \$ - | \$ 342,010 | \$ 412,010 | \$ 673,175 |

See accompanying notes to financial statements

Lesbian Gay Bi Trans Youth Line

Statement of Cash Flows Year Ended March 31

| | 2024 | 2023 |
|---|--------------|------------|
| Cash provided by operating activities | | |
| (Deficiency) excess of revenue over expenses for the year | \$ (261,165) | \$ 25,332 |
| Changes in working capital | | |
| Accounts receivable | 29,480 | 43,216 |
| HST rebate receivable | (3,214) | 2,302 |
| Accounts payable and accrued liabilities | 13,467 | (31,534) |
| Deferred revenue | (11,618) | (395,304) |
| Decrease from operating activities | (233,050) | (355,988) |
| Decrease in cash | (233,050) | (355,988) |
| Cash, beginning of year | 787,742 | 1,143,730 |
| Cash, end of year | \$ 554,692 | \$ 787,742 |
| Represented by: | | |
| Cash in bank | \$ 543,656 | \$ 777,742 |
| Guaranteed Investment Certificate | 11,036 | 10,000 |
| | \$ 554,692 | \$ 787,742 |

See accompanying notes to financial statements

Lesbian Gay Bi Trans Youth Line

Notes to Financial Statements

March 31, 2024

Lesbian Gay Bi Trans Youth Line was incorporated on September 12, 1995 under the Canada Corporations Act as a corporation without share capital to provide peer support and peer counselling to and/or about lesbian, gay, bisexual, two-spirited and transgendered youth. The organization is a registered charity, as described in Section 149(1)(f) of the Income Tax Act, and therefore is not subject to either federal or provincial income tax.

1. Significant accounting policies

These financial statements are prepared by management in accordance with Canadian Accounting Standards for not-for-profit organizations in Part III of the CPA Canada Handbook.

a) Fund accounting

The organization's accounts are maintained in accordance with the principle of fund accounting. The general fund reports contributions and expenses related to the operations and administration of the organization.

b) Revenue recognition

The organization follows the deferral method of accounting for donations. Unrestricted donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted donations are recognized as revenue in the year in which the related expenses are incurred.

Special events revenue is recognized on completion of the event.

c) Donations in kind

Donations in kind are recorded only if a tax receipt is issued. Tax receipts are issued for gifts in kind if requested by the donor and if the fair market value of the gift is readily determinable. The total amount of gift in kind tax receipt is included in both the revenue and expense.

From time to time, the organization receives donations of art and graphic design services at no cost. These are recorded at market value and included in donations in kind revenue.

d) Donated services

The organization derives a significant benefit from members acting as volunteers and directors. Since these services are not normally purchased by the organization and because of the difficulty of determining the fair market value, the value of these donated services is not recorded in these financial statements.

Lesbian Gay Bi Trans Youth Line

Notes to Financial Statements

March 31, 2024

1. Significant accounting policies (continued)

e) Equipment

Equipment is recorded at cost. The organization provides for amortization using the following methods at rates designed to amortize the cost of the equipment over its estimated useful life. The annual amortization rates and methods are as follows:

| Asset | Rate |
|---------------------|-----------------------|
| Computer equipment | 3 years straight line |
| Telephone equipment | 5 years straight line |

f) Measurement uncertainty

The preparation of Organization's financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Areas of measurement uncertainty include the valuation of donations in kind and the allocation of costs between charitable activities and administrative activities.

g) Financial instruments

Financial instruments

The organization initially measures its financial assets and liabilities at fair value. The organization subsequently measures all its financial assets and liabilities at amortized cost, with the exception of investments, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, short term investments and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable, accrued liabilities and deferred revenue.

The organization has no financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

Lesbian Gay Bi Trans Youth Line

Notes to Financial Statements

March 31, 2024

1. Significant accounting policies (continued)

g) Financial instruments (continued)

Transaction costs

The organization recognizes its transaction costs in net income in the period incurred except for financial instruments that will not be subsequently measured at fair value. The carrying amounts of these instruments are adjusted by the transaction costs that are directly attributable to their issuance.

2. Funding from Corporation and foundation grants

| | 2024 | 2023 |
|---|-------------------|-------------------|
| Desjardins Group | \$ 80,000 | \$ 80,000 |
| Fidelity Canada | - | 25,000 |
| FitzHenry Family Foundation via Aqueduct Foundation | 40,000 | - |
| TD Bank | 28,125 | 62,500 |
| Sovereign General Insurance Co. | 70,000 | - |
| Lululemon via Charities Aid Foundation Canada | 66,900 | - |
| Definity Foundation | 10,000 | 20,000 |
| RBC Foundation | 10,000 | 10,000 |
| Dawn Tattle Family Foundation | 10,000 | 15,000 |
| Finastra | - | 17,000 |
| Walmart Canada | - | 20,000 |
| Other | 21,044 | 9,236 |
| | \$ 336,069 | \$ 258,736 |

3. Deferred revenue

Deferred revenue is comprised of the following:

| | 2024 | 2023 |
|----------------------------------|------------------|------------------|
| Ontario Trillium Foundation | \$ 14,714 | \$ 17,877 |
| Women and Gender Equality Canada | 10,896 | - |
| TD Bank Financial Group | 39,375 | - |
| Desjardins | - | 80,000 |
| City of Toronto | 21,274 | - |
| | \$ 86,259 | \$ 97,877 |

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4. Program Development Fund

The Program Development Fund is an internally restricted and designated fund, to be used for future large infrastructure changes to HelpLine operations such as technology, remote service delivery, program evaluation. During the year, the balance of this Fund was transferred to the Reserve Fund.

5. Capital Fund

The Capital Fund is an internally restricted and designated fund, to be used for operational infrastructure changes such as website, office space and internal systems upgrades. During the year, the balance of this Fund was transferred to the Reserve Fund.

6. Financial instruments 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 and concentrations 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, however the risk is limited due to the nature of its accounts receivable. Contributions are not recorded in receivables unless collection is reasonably assured. The organization has not had issues with these collections over the past several years. The allowance for doubtful accounts is \$Nil (2023 - \$Nil).

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. The organization expects to meet these obligations as they come due through sufficient cash flow from operations. The organization has not had issues with meeting obligations in the past several years.

Lesbian Gay Bi Trans Youth Line

Schedule of Charitable Activities Expenses Year Ended March 31

Schedule 1

| | 2024 | 2023 |
|--------------------------------------|---------------------|-------------------|
| Operations | | |
| Events | \$ 1,325 | \$ 35 |
| Occupancy | 10,305 | 10,120 |
| Promotional materials | 7,450 | 2,812 |
| Strategic planning | 26,439 | 38,750 |
| Salaries, benefits and related costs | 857,895 | 648,192 |
| Telephone, internet and website | 27,518 | 24,036 |
| Travel | 3,075 | 279 |
| Volunteer training and support | 30,574 | 43,885 |
| Provincial Ambassador Project | 50,552 | 177,523 |
| Partners expenses | 6,949 | 11,302 |
| | \$ 1,022,082 | \$ 956,934 |