

# **Lesbian Gay Bi Trans Youth Line**

**Financial Statements**

**March 31, 2016**



## **Independent Auditors' Report**

To the Members,

### **Lesbian Gay Bi Trans Youth Line**

#### **Report of the financial statements**

We have audited the accompanying financial statements of **Lesbian Gay Bi Trans Youth Line** which comprise the statement of financial position as at **March 31, 2016** 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.

#### **Managements'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 audits. We conducted our audits 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 in our audits is sufficient and appropriate to provide a basis for our qualified audit opinion.



# Lesbian Gay Bi Trans Youth Line

## Independent Auditors' Report

Page 2

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### Basis for Qualified Opinion

In common with many not-for-profit organizations, the organization derives revenue from donations and 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 organization's records. 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, 2016 and 2015, current assets as at March 31, 2016 and 2015, and net assets as at April 1 and March 31 for both the 2016 and 2015 years. Our audit opinion on the financial statements for the year ended March 31, 2015 was modified accordingly because of the possible effects of this limitation in scope.

### Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the organization as at **March 31, 2016** and the results of its operations and the changes in its financial position for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

*Clarkson Rouble LLP*

Mississauga, Ontario  
August 27, 2016

**Clarkson Rouble LLP**  
Chartered Professional Accountants  
Licensed Public Accountants

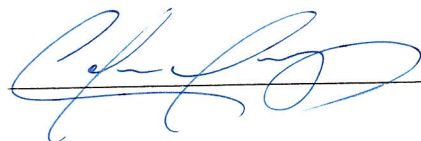
# Lesbian Gay Bi Trans Youth Line

## Statement of Financial Position As at March 31

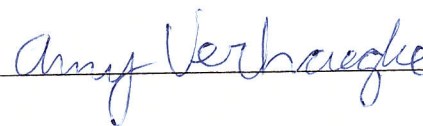
|  | 2016              | 2015              |
|--|-------------------|-------------------|
| <b>Assets</b>                            |                   |                   |
| <b>Current</b>                           |                   |                   |
| Cash                                     | \$ 124,679        | \$ 74,036         |
| Guaranteed Investment Certificate        | 10,000            | 10,000            |
| Accounts receivable                      | 2,020             | 19,980            |
| HST rebate receivable                    | 7,008             | 9,663             |
|  | <u>143,707</u>    | <u>113,679</u>    |
| <b>Equipment (Note 2)</b>                | <u>2,615</u>      | <u>5,230</u>      |
|  | <b>\$ 146,322</b> | <b>\$ 118,909</b> |
| <b>Liabilities</b>                       |                   |                   |
| <b>Current</b>                           |                   |                   |
| Accounts payable and accrued liabilities | \$ 12,337         | \$ 7,811          |
| Deferred revenue                         | 33,560            | 13,500            |
|  | <u>45,897</u>     | <u>21,311</u>     |
| <b>Net Assets</b>                        | <u>100,425</u>    | <u>97,598</u>     |
|  | <b>\$ 146,322</b> | <b>\$ 118,909</b> |

See accompanying notes to financial statements

On behalf of the Board:



Director



Director



# Lesbian Gay Bi Trans Youth Line

## Statement of Operations and Changes in Net Assets Year Ended March 31

|  | 2016              | 2015             |
|--|-------------------|------------------|
| <b>Revenue</b>   |                   |                  |
| Corporation and foundation grants (Note 3)                       | \$ 68,500         | \$ 64,550        |
| Ministry of Health   | 86,160            | 86,160           |
| City of Toronto grant  | 41,790            | 40,925           |
| Canada Summer Jobs grant   | 7,031             | 5,150            |
| Donations  | 113,127           | 34,668           |
| Fundraising  | 11,188            | 19,055           |
| Other income   | 682               | 3,069            |
|  | <b>328,478</b>    | <b>253,577</b>   |
| <b>Expenses</b>  |                   |                  |
| <b>Charitable activities expenses (Schedule 1)</b>               | 217,991           | 196,250          |
| <b>Administration expenses</b>                                   |                   |                  |
| Accounting and audit   | 12,345            | 13,816           |
| Amortization   | 2,615             | 2,829            |
| Board of directors costs, insurance                              | 3,203             | 2,718            |
| Office supplies, bank charges and other                          | 37,748            | 10,549           |
| Salaries, benefits and related costs                             | 51,749            | 49,196           |
| Special projects   | -                 | 707              |
|  | <b>107,660</b>    | <b>79,815</b>    |
|  | <b>325,651</b>    | <b>276,065</b>   |
| <b>Excess (deficiency) of revenue over expenses for the year</b> | <b>2,827</b>      | <b>(22,488)</b>  |
| <b>Net Assets, beginning of year</b>                             | 97,598            | 120,086          |
| <b>Net Assets, end of year</b>                                   | <b>\$ 100,425</b> | <b>\$ 97,598</b> |

*See accompanying notes to financial statements*

# Lesbian Gay Bi Trans Youth Line

## Statement of Cash Flows Year Ended March 31

|   | 2016              | 2015             |
|---|-------------------|------------------|
| <b>Cash provided by operating activities</b>              |                   |                  |
| Excess (deficiency) of revenue over expenses for the year | \$ 2,827          | \$ (22,488)      |
| Items not requiring an outlay of cash                     |                   |                  |
| Amortization  | 2,615             | 2,829            |
|   | <u>5,442</u>      | <u>(19,659)</u>  |
| <b>Changes in working capital</b>                         |                   |                  |
| Accounts receivable                                       | 17,960            | (771)            |
| HST rebate receivable                                     | 2,655             | (5,396)          |
| Accounts payable and accrued liabilities                  | 4,526             | (436)            |
| Deferred revenue  | 20,060            | 6,000            |
|   | <u>50,643</u>     | <u>(20,262)</u>  |
| <b>Increase (decrease) from operating activities</b>      |                   |                  |
|   | 50,643            | (20,262)         |
| <b>Investing activity</b>                                 |                   |                  |
| Purchase of equipment                                     | -                 | (7,844)          |
|   | <u>-</u>          | <u>(7,844)</u>   |
| <b>Increase (decrease) in cash</b>                        | <b>50,643</b>     | <b>(28,106)</b>  |
| <b>Cash, beginning of year</b>                            | 84,036            | 112,142          |
|   | <u>84,036</u>     | <u>112,142</u>   |
| <b>Cash, end of year</b>                                  | <b>\$ 134,679</b> | <b>\$ 84,036</b> |
|   | <u>\$ 134,679</u> | <u>\$ 84,036</u> |
| <b>Represented by:</b>                                    |                   |                  |
| Cash in bank  | \$ 124,679        | \$ 74,036        |
| Guaranteed Investment Certificate                         | 10,000            | 10,000           |
|   | <u>\$ 134,679</u> | <u>\$ 84,036</u> |

*See accompanying notes to financial statements*

# Lesbian Gay Bi Trans Youth Line

## Notes to Financial Statements

March 31, 2016

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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. Summary of significant accounting policies

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

#### 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 and deferred revenue

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.

#### 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, 2016

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### 1. Summary of 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) Measurement of financial instruments

The organization's financial instruments consist of cash and short-term investments, accounts receivable, accounts payable, accrued liabilities and deferred revenue.

The face value of the short term investments plus accrued interest approximates the fair value of these investments.

The carrying values of all other financial instruments approximates their fair values because they are receivable or payable on demand.



# Lesbian Gay Bi Trans Youth Line

Notes to Financial Statements  
March 31, 2016

## 2. Equipment

|                     | 2016             |                          |                 | 2015            |  |
|---------------------|------------------|--------------------------|-----------------|-----------------|--|
|                     | Cost             | Accumulated Amortization | Net Book Value  | Net Book Value  |  |
| Computer equipment  | \$ 8,489         | \$ 5,874                 | \$ 2,615        | \$ 5,230        |  |
| Telephone equipment | 10,018           | 10,018                   | -               | -               |  |
|                     | <b>\$ 18,507</b> | <b>\$ 15,892</b>         | <b>\$ 2,615</b> | <b>\$ 5,230</b> |  |

## 3. Funding from Corporation and foundation grants

|  | 2016             | 2015             |
|--|------------------|------------------|
| Canada Post Community Foundation           | \$ 6,000         | \$ 19,000        |
| Elementary Teachers' Federation of Ontario | -                | 2,000            |
| Planned Parenthood                         | 17,500           | -                |
| TD Bank Financial Group                    | 25,000           | 25,000           |
| The Geoffrey H. Wood Foundation            | 4,000            | 1,000            |
| The Yonge Street Mission                   | -                | 7,436            |
| Virgin Unite (Canada), Inc.                | -                | 10,000           |
| Toronto Foundation - Vital Ideas           | 15,000           | -                |
| Others                                     | 1,000            | 114              |
|  | <b>\$ 68,500</b> | <b>\$ 64,550</b> |

# Lesbian Gay Bi Trans Youth Line

## Schedule of Charitable Activities Expenses Year Ended March 31

## Schedule 1

|                                       | 2016                    | 2015                    |
|---------------------------------------|-------------------------|-------------------------|
| <b>Operations</b>                     |                         |                         |
| Events                                | \$ 3,492                | \$ 5,000                |
| Occupancy                             | 9,908                   | 9,908                   |
| Promotional materials                 | 4,099                   | 3,061                   |
| Salaries, benefits and related costs  | 156,582                 | 151,214                 |
| Telephone, internet and website       | 15,621                  | 12,094                  |
| Travel                                | 651                     | 730                     |
| Volunteer training and support        | 12,482                  | 12,143                  |
| Special projects                      | 15,156                  | -                       |
|                                       | <hr/> 217,991           | <hr/> 194,150           |
| <b>Pride and Remembrance Expenses</b> |                         |                         |
| Retreat                               | -                       | 656                     |
| Salary                                | -                       | 460                     |
| Travel expense                        | -                       | 963                     |
| Promotional                           | -                       | 21                      |
|                                       | <hr/> -                 | <hr/> 2,100             |
|                                       | <hr/> <b>\$ 217,991</b> | <hr/> <b>\$ 196,250</b> |