

**IT GETS BETTER CANADA (IGB – CSA CANADA)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022**

**(Prepared – Independent Auditor's Report)
NICHOLAS VAN SANTVOORT PROFESSIONAL CORPORATION
CHARTERED ACCOUNTANT**

**IT GETS BETTER CANADA (IGB – CSA CANADA)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022**

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INDEPENDENT AUDITOR'S REPORT

To the Members of
IT GETS BETTER CANADA (IGB – CSA CANADA)

Opinion

I have audited the financial statements of It Gets Better Canada (IGB – CSA Canada) (the "Organization"), which comprise of the Statement of Financial Position as at March 31, 2022 and the Statements of Operations and Changes in Net Assets, Schedule of Expenditure Allocation, and Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Accounting Standards for Not-for-profit Organization (ASNPO).

Basis for Opinion

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 Statement* 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 my 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.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 of 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 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.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether or not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

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:

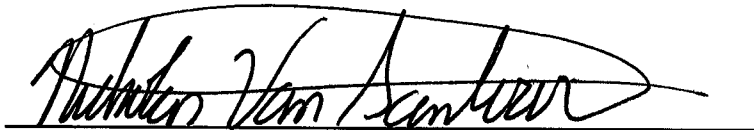
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting 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 achieve fair presentation.

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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 we identify during my audit.

HAMILTON, Ontario
August 18, 2022



NICHOLAS VAN SANTVOORT, CPA, CA, PROFESSIONAL CORPORATION
LICENSED PUBLIC ACCOUNTANT, AUTHORIZED TO PRACTISE PUBLIC
ACCOUNTING BY THE CHARTERED PROFESSIONAL ACCOUNTANTS OF
ONTARIO.

IT GETS BETTER CANADA (IGB – CSA CANADA)
 STATEMENT OF FINANCIAL POSITION
 AS AT MARCH 31, 2022

	2022	2021
	\$	\$
ASSETS		
CURRENT		
Cash	93,159	47,657
Short Term Investments	1,500	1,500
Accounts Receivable	10,153	NIL
Government Rebates Receivable	1,891	995
Prepays and Deposits	<u>60</u>	<u>60</u>
	<u>106,763</u>	<u>50,212</u>
LIABILITIES		
CURRENT		
Accounts Payable and Accrued Liabilities	16,534	11,890
Deferred Revenue	NIL	3,969
Loan to Founder (Note 3)	<u>13,224</u>	<u>16,224</u>
	<u>29,758</u>	<u>32,083</u>
NET ASSETS		
NET ASSETS (Page 7)	<u>77,005</u>	<u>18,129</u>
	<u>106,763</u>	<u>50,212</u>

APPROVED BY:

**IT GETS BETTER CANADA (IGB – CSA CANADA)
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2022**

	2022	2021
	\$	\$
REVENUE		
Grants	34,456	29,234
Sponsorships	55,000	30,000
Donations	<u>34,962</u>	<u>4,282</u>
	<u>124,418</u>	<u>63,516</u>
EXPENSES		
Charitable Activities (Page 8)	40,110	17,745
Fundraising Activities (Page 8)	1,528	171
Management and Administration (Page 8)	<u>23,904</u>	<u>11,523</u>
	<u>65,542</u>	<u>29,439</u>
EXCESS OF REVENUE OVER EXPENSE	58,876	34,077
Net Assets/(Deficit), Beginning of Year	<u>18,129</u>	<u>(15,948)</u>
NET ASSETS, END OF YEAR	<u><u>77,005</u></u>	<u><u>18,129</u></u>

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CHARTERED ACCOUNTANT

IT GETS BETTER CANADA (IGB – CSA CANADA)
SCHEDULE OF EXPENDITURE ALLOCATION
FOR THE YEAR ENDED MARCH 31, 2022

	Charitable Activities	Fundraising Activities	Management and Administration	Total
For the period ending March 31, 2022				
Advertising and Promotion	2,271	256	NIL	2,527
Bank Charges	NIL	NIL	170	170
Insurance	NIL	NIL	2,166	2,166
Management Fees	NIL	NIL	12,733	12,733
Membership Dues and Fees	NIL	NIL	162	162
Office and General Administration	NIL	NIL	1,389	1,389
Office Rent	NIL	NIL	399	399
Professional Fees	NIL	NIL	6,885	6,885
Service Fees	NIL	1,272	NIL	1,272
Social Media	37,199	NIL	NIL	37,199
Website	<u>640</u>	<u>NIL</u>	<u>NIL</u>	<u>640</u>
	<u>40,110</u>	<u>1,528</u>	<u>23,904</u>	<u>65,542</u>
For the period ending March 31, 2021				
Advertising and Promotion	271	27	NIL	298
Bank Charges	NIL	NIL	220	220
Insurance	NIL	NIL	1,535	1,535
Membership Dues and Fees	NIL	NIL	162	162
Office and General Administration	NIL	NIL	1,678	1,678
Office Rent	NIL	NIL	261	261
Professional Fees	NIL	NIL	7,667	7,667
Service Fees	NIL	144	NIL	144
Social Media	17,312	NIL	NIL	17,312
Website	<u>162</u>	<u>NIL</u>	<u>NIL</u>	<u>162</u>
	<u>17,745</u>	<u>171</u>	<u>11,523</u>	<u>29,439</u>

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IT GETS BETTER CANADA (IGB – CSA CANADA)
 STATEMENT OF CASH FLOW
 FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
	\$	\$
CASH PROVIDED/(USED)		
Operations		
Excess of Revenue Over Expenses	58,876	34,077
Changes In Working Capital		
Prepays and Deposits	NIL	425
Government Rebates Receivable	(896)	(995)
Accounts Receivable	(10,153)	NIL
Accounts Payable and Accrued Liabilities	4,644	11,600
Deferred Revenue	<u>(3,969)</u>	<u>3,969</u>
	<u>48,502</u>	<u>49,076</u>
INVESTING		
Purchase of Investments	<u>NIL</u>	<u>(1,500)</u>
FINANCING		
Repayments of Loan to Founder	<u>(3,000)</u>	<u>NIL</u>
CASH USED	45,502	47,576
BANK, OPENING BALANCE	<u>47,657</u>	<u>81</u>
BANK, CLOSING BALANCE	<u><u>93,159</u></u>	<u><u>47,657</u></u>

**IT GETS BETTER CANADA (IGB – CSA CANADA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022**

NOTE 1 – PURPOSE OF THE ORGANIZATION

It Gets Better Canada (IGB-CSA Canada) (the "Organization") was created with a primary mandate to use social media, peer-to-peer interactions and live events to connect LGBTQ2+ youth to the following:

- Positive stories and messages that inspire hope;
- Practical tools and resources that help youth address the challenges of growing up LGBTQ2+; and
- A broader community of peers and caring adults to support youth as they strive to express and celebrate their authentic selves.

The Organization is a not-for-profit organization and was incorporated on September 23, 2016 under the Canada Not-for-Profit Corporations Act, and was subsequently granted registered charity status on September 30, 2020. Accordingly, the Organization was exempt from income taxes, initially under Section 149 of the Income Tax Act and then by virtue of its registered charity status.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Financial Instruments

Financial instruments are initially recognized at fair value when the Organization becomes a party to the contractual provisions of the financial instrument. In subsequent periods, financial instruments are measured at cost or amortized cost less impairment, if applicable. Financial instruments are tested for impairment when changes in circumstances indicate the asset could be impaired.

Transaction costs are added to the carrying value of the financial asset or netted against the carrying value of the financial liability.

Short Term Investments

Short term investments are recorded at cost and have a maturity period of one year or less from the date of acquisition.

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**IT GETS BETTER CANADA (IGB – CSA CANADA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenue Recognition

The Organization follows the deferral method of accounting for contributions.

Unrestricted grants, sponsorships and donations are recognized as revenue in the year earned if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted grants, sponsorships and donations are recognized as revenue in the year in which the related expenses are incurred if the amount to be received can be reasonably estimated and collection is reasonably assured. Contributions related to future periods are deferred until the related expenses are incurred.

Volunteer Service

The programs and services of the Organization are dependent on the voluntary services of many individuals. Since these services are not normally purchased by the Organization and because of the difficulty of determining their fair market value, donated services are not recognized in these financial statements.

Use of Estimates

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, disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenditures during the period reported. Actual results may differ from those estimates.

NOTE 3 – LOAN TO FOUNDER

Loan to Founder is non-interest bearing, with no set terms of repayment. The balance as at March 31, 2022 was \$13,224 (2021 – \$16,224).

**IT GETS BETTER CANADA (IGB – CSA CANADA)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022**

NOTE 4– RELATED PARTY TRANSACTIONS

During the year the Organization paid management fees totaling \$12,733 (2021 – NIL) to the Executive Director of the Organization.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

NOTE 5 – FINANCIAL INSTRUMENTS

Credit Risk

Credit risk refers to the risk that a counter party may default on its contractual obligations resulting in a financial loss. Financial instruments which are potentially exposed to credit risk include cash and accounts receivable. Management considers its exposure to credit risk to be trivial as the Organization holds cash at one major Canadian chartered bank and funds are fully insured. In addition, accounts receivable are held with reputable funding corporations and receivables are reviewed for collectability on a regular basis.

Liquidity Risk

Liquidity risk is the risk that the Organization will be unable to fulfil its obligations on a timely basis or at a reasonable cost. The Organization has taken steps to ensure that it has sufficient working capital available to meet its requirements including annual budgeting.

Currency Risk

The Organization is not exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. The Organization does not transact in foreign denominations.

Interest Rate Risk

The Organization is not exposed to interest rate risk arising from fluctuations in prevailing market interest rates as the Organization does not have any interest-bearing debt and investments bear interest at fixed interest rates.