

**Georgian Triangle Lifelong Learning
Institute**

Financial Statements

For the Year Ended June 30, 2021

Georgian Triangle Lifelong Learning Institute
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Independent Auditor's Report

To the Board of Directors of Georgian Triangle Lifelong Learning

Institute Opinion

We have audited the financial statements of Georgian Triangle Lifelong Learning Institute (the Organization), which comprise the statement of financial position as at June 30, 2021, 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at June 30, 2021, and its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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 opinion.

First-time Adoption

We draw attention to Note 2 of the financial statements which describes that the Organization adopted Canadian accounting standards for not-for-profit organizations on July 1, 2020 with a transition date of July 1, 2019. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statements of financial position as at June 30, 2020 and July 1, 2019 and the statements of operations and changes in net assets, and cash flows for the year ended June 31, 2020 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is neither audited nor reviewed.



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.

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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Barrie, Ontario
October 3, 2021

**Georgian Triangle Lifelong Learning Institute
Statement of Financial Position**

June 30	June 30, 2021	June 30, 2020	July 1, 2019
		(Unaudited)	(Unaudited)
Assets			
Current			
Cash and cash equivalents (Note 3)	\$ 47,169	\$ 38,622	\$ 84,787
Prepaid expenses	4,719	3,750	
	\$ 51,888	\$ 42,372	\$ 84,787
 Liabilities and Net Assets			
Current			
Accounts payable and accrued liabilities (Note 4)	\$ 14,224	\$ 4,875	
Deferred revenue			76,903
			76,903
 Commitments (Note 6)			
Net Assets			
Unrestricted	37,664	37,497	7,884
	\$ 51,888	\$ 42,372	\$ 84,787

On behalf of the Board:

Director:

Director:

Georgian Triangle Lifelong Learning Institute Statement of Operations and Changes in Net Assets

For the year ended June 30	2021	2020
		(Unaudited)
Revenue		
Membership fees (Note 5)	\$ 6,843	\$ 22,274
Course fees (Note 5)	15,600	69,616
	22,443	91,890
Expenses		
Insurance	766	656
Miscellaneous (recoveries)	(1,054)	230
Office supplies	303	768
Professional fees	8,356	
Speaker fees and related expenses	4,500	37,204
Stripe service provider fees	889	3,022
Video and streaming costs	6,491	17,442
Website and communications	2,025	2,955
	22,276	62,277
Excess of revenues over expenses	167	29,613
Net assets , beginning of the year	37,497	7,884
Net assets , end of the year	\$ 37,664	\$ 37,497

The accompanying notes are an integral part of these financial statements.

Georgian Triangle Lifelong Learning Institute
Statement of Cash Flows

For the year ended June 30	2021	2020
Cash flows from operating activities		
Excess of revenues over expenses	\$ 167	\$ 29,613
Changes in non-cash working capital:		
Prepaid expenses	(969)	(3,750)
Accounts payable and accrued liabilities	9,349	4,875
Deferred contributions		(76,903)
	8,547	(46,165)
Net increase (decrease) in cash and cash equivalents	8,547	(46,165)
Cash and cash equivalents, beginning of the year	38,622	84,787
Cash and cash equivalents, end of the year	\$ 47,169	\$ 38,622

The accompanying notes are an integral part of these financial statements.

Georgian Triangle Lifelong Learning Institute Notes to Financial Statements

June 30, 2021

1. Significant Accounting Policies

Nature and Purpose of Organization	Georgian Triangle Lifelong Learning Institute (the "Organization") is an unincorporated not-for-profit organization. Since 1996, the Organization has been a member driven, all volunteer organization dedicated to providing university level lectures and presentations on a wide variety of topics to members of the Greater Georgian Triangle Community.
Basis of Accounting	The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.
Use of Estimates	The preparation of financial statements in accordance 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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements are accrued liabilities and the fair value of financial instruments. Actual results could differ from management's best estimates as additional information becomes available in the future.
Cash and Cash Equivalents	Cash and cash equivalents consists of cash on hand, bank balances, and guaranteed investment certificates readily convertible into cash.
Contributed Services	Volunteers contribute many hours per year to assist the Organization in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.
Revenue Recognition	<p>The Organization follows the deferral method of accounting for contributions.</p> <p>Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.</p> <p>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.</p> <p>Course fee revenues are recognized as revenue as the services are provided. Amounts received in advance of revenue recognition are treated as deferred revenue.</p>

Georgian Triangle Lifelong Learning Institute Notes to Financial Statements

June 30, 2021

1. Significant Accounting Policies (continued)

Financial Instruments

Financial instruments are recorded at fair value at initial recognition. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

Georgian Triangle Lifelong Learning Institute Notes to Financial Statements

June 30, 2021

2. First-time adoption of Canadian Accounting Standards for Not-for-Profit Organizations

Effective July 1, 2020, the Organization adopted the requirements of the accounting framework, Canadian Accounting Standards for Not-for-Profit Organization (ASNPO), or Part **III** of the requirements of the CPA Canada Handbook - Accounting. These are the Organization's first financial statements prepared in accordance with this framework and the transitional provisions of Section 1501, First-time adoption by not-for-profit organizations have been applied. The accounting policies set out in Note 1 - Significant Accounting Policies have been applied in preparing the financial statements for the year ended June 30, 2021, the comparative information presented in these financial statements for the year ended June 30, 2020 and in the preparation of an opening ASNPO statement of financial position at the date of transition of July 1, 2019.

The Organization issued financial statements for the year ended June 30, 2020 using the accrual basis of accounting. The adoption of ASNPO resulted in adjustments to the previously reported assets and net assets, excess of revenue over expenses and cash flows of the organization. All adjustments were charged to opening net assets. The charges to opening net assets at the date of transition of July 1, 2019 were as follows:

	<u>July 1, 2019</u> Notes	
Opening net assets, Pre-changeover Accounting Standards	<u>S</u>	7,884
Opening net assets, ASNPO	<u>S</u>	<u>7,884</u>

A reconciliation of the excess of revenue over expenses reported in the Organization's most recent previously issued financial statements to its excess of revenue over expenses under ASNPO for the same period is as follows:

	<u>June 30, 2020</u> Notes	
Excess of revenue over expenses, Pre-changeover Accounting Standards	\$ 24,863	
Miscellaneous (recoveries)	1,000	a
Speaker fees and related expenses	<u>3,750</u>	b
Excess of revenue over expenses, ASNPO	<u>\$ 29,613</u>	

These changes did not result in material adjustments to the statement of cash flows.

- (a) *under ASNPO the Organization is required to measure financial instruments at fair value at initial recognition and in subsequent periods at cost or amortized cost less impairment. This increased their value by \$1,000 at July 1, 2019.*
- (b) *Under ASNPO the Organization is required to recognize the items in the financial statements under the accrual basis of accounting. This increased the value of prepaid expenses by \$3,750 at June 30, 2020.*
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Georgian Triangle Lifelong Learning Institute Notes to Financial Statements

June 30, 2021

3. Cash and Cash Equivalents

	2021	2020
		(Unaudited)
Cash and bank	\$ 16,600	\$ 28,632
The Toronto Dominion Bank, Guaranteed Investment Certificates, 0.20%, maturing on September 2, 2021	10,569	
The Toronto Dominion Bank, Guaranteed Investment Certificates, 0.15%, maturing on August 5, 2021	20,000	20,000
The Toronto Dominion Bank, Guaranteed Investment Certificates, 0.20%, matured during the year		9,990
	\$ 47,169	\$ 38,622

The Organization's bank accounts are held at a chartered bank. The bank accounts earn interest at a variable rate dependent on the monthly minimum balance.

4. Accounts payable

During the year ended June 30, 2021, the Organization determined that it is required to retroactively register for HST. Professional assistance has been retained to assist with discussions with Canada Revenue Agency in order to determine the extent of any potential liability.

Included in accounts payable on the statement of financial position as at June 30, 2021 is an estimate of the amount of \$4,806 (2020 - \$4,874) representing the potential liability for unremitted HST. It is not possible at this time to determine the final outcome or whether any further liability will result.

5. Related Party Transactions

During the year ended June 30, 2021, the estimated amount of fees received from members of the Board of Directors for memberships and courses was \$1,400 (2020 - \$1,600). These transactions are in the normal course of operations and are measured at the exchange value (the amount of consideration established and agreed to by the related parties).

6. Commitments

The Organization has entered into various contracts for speaking and presentation services. The amount of the commitments related to these contracts are estimated as follows:

2022	\$ 10,443
2023	\$ 1,539
	\$ 11892

Georgian Triangle Lifelong Learning Institute Notes to Financial Statements

June 30, 2021

7. Financial Instrument

Liquidity risk

The Organization is exposed to liquidity risk from its accounts payable and accrued liabilities. The Organization's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash flows to fund its operations and to meet its liabilities when due, under both normal and stressed conditions.

Interest rate risk

The Organization is exposed to interest rate risk on the short-term investments arising from the possibility that changes in the interest rate will affect the value of these fixed income investments should the Organization sell the investments before maturity. The risk associated with investments is reduced to a minimum since these assets are invested in government securities and represent short-term maturities.

There have been no changes to the Organization's financial instrument risk exposure from the prior year.

8. Impact of COVID-19

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. Since then, the impact of COVID-19 in Canada and on the global economy has increased significantly. Due to both Federal and Provincial government restrictions put in place to mitigate the impact of this virus, the Organization had to cancel their live lectures for the Perspective and Fall series 2020 and has since continued to offer its lecture series virtually.

During the year ended June 30, 2021 the Organization experienced a decline in membership and course fees as a result of the impacts of COVID-19. However, the Organization also experienced cost savings related to facility rentals and honorarium. These cost savings offset the impact of the decline in membership and course fees.

If the effects of COVID-19 continue, there could be further impacts on the Organization. At this time, the full potential impact of COVID-19 on the Organization is not known.
