

SPECTRUM Waterloo Region's Rainbow Community Space
Statement of Activities
For the Year Ending July 31, 2022

	<u>2022</u>	<u>2021</u>
REVENUES		
Donations	\$ 61,510	\$ 40,009
Federal grants	169,711	180,821
Municipal grants	15,290	6,650
United Way grant	60,000	75,000
Other grants	27,709	37,500
Fundraising income	25,997	-
Interest income	50	197
Training and other income	19,504	2,461
Sales tax rebate recovery	5,087	3,898
Total Revenues	\$384,858	\$346,536
EXPENSES		
Grant expenses	214,515	237,986
Program costs	103,961	36,599
Fundraising	18,217	-
Rental	11,433	5,236
Audit Fees	5,000	5,000
Insurance	804	1,393
Interest and bank charges	1,352	744
Website	783	522
Leasehold improvements	3,368	465
Office	1,326	359
Miscellaneous	3,729	246
Memberships	265	200
Marketing and promotion	5,120	85
TOTAL EXPENSES	\$369,874	\$288,835
EXCESS OF REVENUES OVER EXPENSES FOR THE YEAR	\$14,984	\$57,701
Opening Net Assets	\$231,450	\$87,053
Closing Net Assets	\$219,192	\$231,450
<i>Restricted Funds included in Current Year Revenue</i>		
Mental Health Memorial Fund	\$13,269	\$19,665
<i>Less: Restricted Funds expended included in Current Year Expenses</i>		
Mental Health Memorial Fund (KW Counselling Client Sponsorship)	\$12,365	\$19,665
Net Change Mental Fund	\$904	\$0
Restricted Mental Health Fund Balance		\$5,851

See accompanying notes to financial statements

SPECTRUM Waterloo Region's Rainbow Community Space
Statement of Financial Position
For the Year Ending July 31, 2022

	<u>2022</u>	<u>2021</u>
Assets		
Current Assets		
Cash	\$190,343	\$223,052
Term deposits (GIC)	17,499	17,419
Accounts Receivable	22,677	1,193
Grants Receivable	6,223	-
Prepaid Expense	1,077	930
Sales rebate recovery	5,087	3,898
Total Assets	\$242,906	\$246,492
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued liabilities	\$23,714	\$15,041
Net Assets		
Without Donor Restriction	105,908	97,009
With Donor Restriction	5,851	4,947
Restricted Grants	107,432	129,495
Total Net Assets	219,192	231,450
Total Liabilities and Net Assets	\$242,906	\$246,492

See accompanying notes to financial statements

SPECTRUM WATERLOO REGION'S RAINBOW COMMUNITY SPACE
Notes to Financial Statements
Year Ended July 31, 2022

1. PURPOSE OF THE ORGANIZATION

SPECTRUM Waterloo Region's Rainbow Community Space (the "organization") is a not-for-profit organization incorporated provincially under the Not-for-profit Corporations Act of Ontario. As a registered charity the organization is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The organization serves, affirms, and supports the well-being of 2SLGBTQ+ individuals in Waterloo Region and the broader community through peer support, community partnerships, education and training, resources, and events.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Revenue recognition

SPECTRUM Waterloo Region's Rainbow Community Space follows the deferral method of accounting for contributions.

Restricted contributions and grants are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions and grants are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue when it is earned.

Training and presentation fees are recognized as revenue when the events are held.

Capital assets

Capital assets are expensed in the year in which they are purchased. In the current year \$3,368 (2021- \$465) of capital assets were included in leasehold improvements.

Deferred revenue

Funding and program fees received before July 31 that relate to services and programs for the time periods after July 31, are deferred to future periods and presented as deferred revenue on the statement of financial position.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. TERM DEPOSITS

Term deposits are guaranteed investment certificates (GICs) maturing between August 2023 and January 2024. They bear interest at rates between 1.0% and 0.7%. The fair value of these investments are 17,499.

4. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of July 31, 2022.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization meets its liquidity requirements by monitoring the cash flow from operations.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The organization is mainly exposed to interest risk through its term deposits as outlined in Note 3.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other risks arising from these financial instruments.

#