



Financial Statements

2-Spirited People of the 1st Nations

March 31, 2020

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Independent Auditor's Report

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To the Directors of
2-Spirited People of the 1st Nations

Qualified opinion

We have audited the financial statements of 2-Spirited People of the 1st Nations, (the Organization), which comprise the statement of financial position as at March 31, 2020, and the statements of operating fund, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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, 2020, and its results of operations 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, the Organization derives donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, 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 donation and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2020 and 2019, current assets as at March 31, 2020 and 2019, and net assets as at April 1 and March 31 for both the 2020 and 2019 years. Our audit opinion on the financial statements for the year ended March 31, 2019 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.

Other matter

The financial statements of 2-Spirited People of the 1st Nations for the year ended March 31, 2019, were audited by Millard, DesLauriers & Shoemaker LLP Chartered Professional Accountants who expressed a qualified opinion on those statements on August 22, 2019 for the reason described above in the Basis for qualified opinion section of our report. The partners and staff of Millard, DesLauriers & Shoemaker LLP Chartered Professional Accountants joined Grant Thornton LLP subsequent to September 30, 2019.

Independent Auditor's Report (continued)

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 entity 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 entity'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 entity'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 entity 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.

Independent Auditor's Report (continued)

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.

Grant Thornton LLP

Toronto, Canada
July 30, 2020

Chartered Professional Accountants
Licensed Public Accountants

2-Spirited People of the 1st Nations Statement of Financial Position

As at March 31

2020

2019

Assets

Current

| | | | | |
|---------------------|----|----------------|----|--------|
| Cash | \$ | - | \$ | 42,522 |
| HST receivable | | 45,353 | | 10,990 |
| Accounts receivable | | 256,949 | | - |
| Prepaid expenses | | 29,501 | | 11,840 |
| | | 331,803 | | 65,352 |

Equipment and leasehold improvements (Note 4)

35,721 14,320

Cash - restricted (Note 5)

58,348 33,390

\$ 425,872 **\$ 113,062**

Liabilities

Current

| | | | | |
|--|----|----------------|----|--------|
| Bank indebtedness (Note 7) | \$ | 151,684 | \$ | - |
| Accounts payable and accrued liabilities | | 80,616 | | 50,776 |
| Deferred revenue (Note 8) | | 89,023 | | 23,392 |
| Deferred capital contributions (Note 6) | | 35,721 | | 14,519 |
| | | 357,044 | | 88,687 |

Funds held in trust (Note 5)

58,348 33,390

415,392 122,077

Operating fund surplus (deficit)

10,480 (9,015)

\$ 425,872 **\$ 113,062**

Approved on behalf of the Board:

Director

Director

2-Spirited People of the 1st Nations Statement of Operating Fund

For the Year Ended March 31

2020

2019

| | | |
|--|------------|-------------|
| Operating Fund (deficit) - beginning of the year | \$ (9,015) | \$ (31,623) |
| Excess of revenue over expenses for the year | 19,495 | 28,424 |
| Repayment of prior year surplus | - | (5,816) |
| | <hr/> | <hr/> |
| Operating Fund (deficit) - end of the year | \$ 10,480 | \$ (9,015) |

2-Spirited People of the 1st Nations Statement of Operations

For the Year Ended March 31

| | 2020 | 2019 |
|--|------------------|------------------|
| Revenue | | |
| Ontario Ministry of Health | \$ 489,952 | \$ 456,361 |
| Women and Gender Equity Canada | 195,499 | - |
| Crown-Indigenous Relations and Northern Affairs Canada | 174,528 | - |
| City of Toronto | 17,223 | - |
| Fundraising | 14,372 | 7,010 |
| Other grant revenue | 38,485 | - |
| Amortization of deferred capital contributions | 13,634 | 7,053 |
| | <u>943,693</u> | <u>470,424</u> |
| Expenses | | |
| Advertising and promotion | 75 | 597 |
| Bank charges and interest | 1,811 | 1,918 |
| Consultants | 82,634 | 26,230 |
| Depreciation | 13,434 | 8,099 |
| Elders honorarium | 13,489 | - |
| Insurance | 8,104 | 6,191 |
| Miscellaneous expense (recovery) | - | (5,000) |
| Nutritional breaks | - | 1,243 |
| Office supplies and printing | 53,850 | 13,991 |
| Ontario Aids Network | 1,270 | 1,271 |
| Postage | 28 | 15 |
| Project expenditures | 56,088 | - |
| Rent and utilities | 78,459 | 66,320 |
| Resource materials | 7,872 | 5,133 |
| Telephone | 18,312 | 5,804 |
| Training and instructors | 1,088 | 1,000 |
| Travel, workshops, conference and meetings | 148,894 | 8,953 |
| Volunteer appreciation | 3,879 | 540 |
| Wages and benefits | 434,911 | 299,695 |
| | <u>924,198</u> | <u>442,000</u> |
| Excess of revenue over expenses | <u>\$ 19,495</u> | <u>\$ 28,424</u> |

2-Spirited People of the 1st Nations Statement of Cash Flows

For the Year Ended March 31

| | 2020 | 2019 |
|---|------------------|------------------|
| Cash flows from (for) operating activities | | |
| Excess of revenue over expenses for the year | \$ 19,495 | \$ 28,424 |
| Repayment of prior year surplus | - | (5,816) |
| Items not requiring an outlay of cash: | | |
| Depreciation | 13,434 | 8,099 |
| Amortization of deferred capital contributions | (13,634) | (7,053) |
| Deferred revenue | (23,392) | - |
| | <u>(4,097)</u> | <u>23,654</u> |
| Changes in non-cash working capital balances related to operations: | | |
| Accounts receivable | (256,949) | - |
| HST receivable | (34,363) | (885) |
| Prepaid expenses | (17,662) | 2,050 |
| Accounts payable and accrued liabilities | 29,842 | (6,709) |
| Deferred revenue | 89,023 | 23,392 |
| | <u>(194,206)</u> | <u>41,502</u> |
| Cash flows from (for) investing activities | | |
| Additions to equipment and leasehold improvements (net) | (34,836) | 6,572 |
| Funds held in trust | 24,958 | 33,390 |
| | <u>(9,878)</u> | <u>39,962</u> |
| Cash flows from financing activities | | |
| Bank indebtedness | 151,684 | - |
| Deferred capital contributions | 34,836 | (6,572) |
| | <u>186,520</u> | <u>(6,572)</u> |
| (Decrease) increase in cash for the year | (17,564) | 74,892 |
| Cash, beginning of the year | 75,912 | 1,020 |
| Cash, end of the year | <u>\$ 58,348</u> | <u>\$ 75,912</u> |
| Cash consists of: | | |
| Cash | \$ - | \$ 42,522 |
| Funds held in trust | 58,348 | 33,390 |
| | <u>\$ 58,348</u> | <u>\$ 75,912</u> |
| Supplementary Information | | |
| Interest paid | <u>\$ -</u> | <u>\$ 609</u> |

See accompanying notes to the financial statements.

2-Spirited People of the 1st Nations

Notes to Financial Statements

March 31, 2020

1. Nature of operations

2-Spirited People of the 1st Nations (the "Organization") is an incorporated organization in Toronto, Ontario, providing direct services on social issues dealing with Aboriginal people living with HIV/AIDS. Effective August 1, 2002 the Organization became a registered charity.

2. Significant accounting policies

The Organization has prepared these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). The significant accounting policies used are as follows:

Fund description

The Operating Fund accounts for the Organization's operating and administrative activities. This fund reports the unrestricted resources and operating grants.

Revenue recognition

The Organization follows the deferral method of accounting for contributions which include donations and government grants.

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. Contributions received for which related expenses have not been incurred are classified as deferred revenue.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from fundraising is recognized on a cash basis, with no accrual being made for amounts pledged but not received.

Equipment and leasehold improvements and deferred capital contributions

Equipment and leasehold improvements are recorded at cost. Contributed equipment is recorded at fair value at the date of the gift.

Equipment and leasehold improvements are depreciated on a straight-line basis over their estimated useful lives as follows:

| | | |
|-------------------------------|---|---------|
| Office equipment and software | - | 3 years |
| Leasehold improvements | - | 5 years |
| Automobile | - | 6 years |

One-half the normal rate of amortization is recorded in the year of acquisition.

Grants received for the purpose of funding property and equipment acquisitions are recorded as deferred capital contributions. The amortization of deferred capital contributions is recorded as revenue in the Statement of Operations in an amount equal to amortization recorded on the equipment and leasehold improvements funded.

Long-lived assets are reviewed for impairment at least annually, or whenever events or changes in circumstances indicate that the asset no longer contributes to the Organization's ability to provide goods and services, or that the future economic benefit or service potential associated with the asset is less than its net carrying amount. Other factors that may indicate impairment are expected future asset utilization and economic outlook.

2-Spirited People of the 1st Nations

Notes to Financial Statements

March 31, 2020

2. Significant accounting policies (continued)

Bank indebtedness

Cash consists of bank deposits held with financial institutions. Bank indebtedness, as it occurs, consists of bank overdraft and cheques written on the account in excess of available funds. Restrictions on cash are described in Note 5.

Donated materials and services

Donations of materials and services, including volunteer services, not normally paid for by the Organization are not recorded in the accounts, as it would be difficult to determine their fair value.

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 amount of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.

Significant estimates made by management include amortization and impairment of equipment and leasehold improvements and accrued liabilities.

Financial instruments

The Organization initially measures its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in operations.

3. Adoption of new standards

On April 1, 2019, the Organization adopted new accounting standard Section 4433 Tangible capital assets held by not-for-profit organizations (the "standard"). The most significant requirements include:

- tangible capital assets must be separated into their component parts, where practicable; and when estimates can be made of the lives of the separate components;
- tangible capital assets are written down to fair value or replacement cost to reflect partial impairments when conditions indicate that the assets no longer contribute to an organization's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the tangible capital assets are less than their carrying amounts; and additional disclosures when an impairment has occurred.

The adoption of the new accounting standards was applied prospectively, except the Organization was permitted to recognize an adjustment to opening net assets at April 1, 2019 to reflect the partial impairments of tangible and intangible assets existing at that date. The adoption of these standards did not have any impact on the statement of financial position as at April 1, 2019 or the statement of operations and fund balances for the current period.

2-Spirited People of the 1st Nations Notes to Financial Statements

March 31, 2020

4. Equipment and leasehold improvements

| | 2020 | | |
|-------------------------------|-------------------|-------------------------------------|---------------------------|
| | <u>Cost</u> | <u>Accumulated Amortization</u> | <u>Net Book Value</u> |
| Office equipment and software | \$ 115,798 | \$ 81,277 | \$ 34,521 |
| Leasehold improvements | 4,000 | 2,800 | 1,200 |
| Automobile | 12,557 | 12,557 | - |
| | <u>\$ 132,355</u> | <u>\$ 96,634</u> | <u>\$ 35,721</u> |
| | 2019 | | |
| | <u>Cost</u> | <u>Accumulated Amortization</u> | <u>Net Book Value</u> |
| Office equipment and software | \$ 80,963 | \$ 67,843 | \$ 13,120 |
| Leasehold improvements | 4,000 | 2,800 | 1,200 |
| Automobile | 12,557 | 12,557 | - |
| | <u>\$ 97,520</u> | <u>\$ 83,200</u> | <u>\$ 14,320</u> |

5. Funds held in trust

(a) Two Spirit Youth Mental Health and Wellness

The Organization was named as trustee in a funding agreement between Two Spirit Youth Mental Health and Wellness Team and the City of Toronto in the amount of \$33,390. As part of this agreement, the Organization received the funding and is responsible for the disbursement of the funds to Two Spirit Youth Mental Health and Wellness Team. At March 31, 2020, \$10,778 (2019 - \$Nil) was spent on this project. The remaining cash relating to this agreement has been identified as restricted on the statement of financial position.

(b) 2 Spirits in Motion

During the year, the Organization was named as a financial host in a funding agreement between 2 Spirits in Motion and Women and Gender Equity Canada in the amount of \$250,000. As part of this agreement, the Organization would receive the funds and is responsible for the disbursement of the funds to cover approved expenditures. At March 31, 2020, \$230,000 of the total funding had been received, of which \$195,499 had been spent on approved expenditures and \$35,736 has been identified as restricted on the statement of financial position. The Organization earned \$32,045 in administration fees for the services provided under this agreement.

The Organization was also named during the year as a financial host in a funding agreement between 2 Spirits in Motion and Crown-Indigenous Relations and Northern Affairs Canada in the amount of \$218,845. As part of this agreement, the Organization would receive the funds and is responsible for the disbursement of the funds to cover approved expenditures. At March 31, 2020, none of the funding had been received and \$175,527 had been spent on approved expenditures. The full amount of funding was received subsequent to year end. The Organization earned \$28,545 in administration fees for the services provided under this agreement.

2-Spirited People of the 1st Nations

Notes to Financial Statements

March 31, 2020

6. Deferred capital contributions

Deferred capital contributions consist of:

| | <u>2020</u> | <u>2019</u> |
|------------------------------|------------------|------------------|
| Opening balance | \$ 14,519 | \$ 28,145 |
| Current year additions (net) | 34,836 | (6,573) |
| Amortization | <u>(13,634)</u> | <u>(7,053)</u> |
| | <u>\$ 35,721</u> | <u>\$ 14,519</u> |

7. Bank indebtedness

During the year, the Organization made available to it an operating line of credit with the Bank of Montreal (the "Bank") up to a maximum amount of \$200,000.

The operating line of credit bears interest at Bank prime plus 1%, with interest payable monthly. It is secured by equipment, an assignment of deposits in the amount of \$25,000 and a general assignment of debts. As at March 31, 2020, the Organization had drawn upon \$47,564 (2019 - \$Nil) of its available limit. The effective interest rate at year end was 3.95%.

8. Deferred revenue

| | <u>2020</u> | <u>2019</u> |
|-----------------------------|------------------|------------------|
| Opening balance | \$ 23,392 | \$ - |
| Current year additions | 90,258 | 23,392 |
| Amounts brought into income | <u>(23,392)</u> | <u>-</u> |
| | <u>\$ 90,258</u> | <u>\$ 23,392</u> |

Deferred revenue consists primarily of program funding received in advance of the service being provided.

9. Financial risk management

The significant financial risks to which the Organization is exposed to are credit risk, liquidity risk and market risk. Market risk consists of currency risk, interest rate risk, and other price risk. There have been no changes to the risk exposures of the Organization from the prior year.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss or the other party by failing to discharge an obligation. The Organization is not subject to credit risk through accounts receivable. Accounts receivable are subject to normal government funding policies.

The Organization performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable, when considered appropriate.

2-Spirited People of the 1st Nations

Notes to Financial Statements

March 31, 2020

9. Financial risk management (continued)

(b) 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's exposure to liquidity risk is dependent on its ability to meet the requirements set out by the funders in order to continue receiving funds from various funders to fulfil commitments and sustain operations. Cash flow from operations provides a substantial portion of the Organization's cash requirements. Additional cash requirements are met with the use of an available operating line of credit. The Organization's primary lender is a single federally regulated Canadian financial institution.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Organization is not subject to foreign exchange risk as none of its financial instruments are denominated in foreign currencies.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is exposed to interest rate risk arising from fluctuations in interest rates on its bank indebtedness as described in Note 7.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization is not subject to other price risk.

10. Lease commitments

The Organization leases its premises under an operating lease with an expiry date of May, 2020. Future minimum annual payments (excluding taxes, insurance and maintenance costs) under the leases are as follows:

| | |
|------------|----------|
| 2021 | \$80,647 |
| 2022 | 83,980 |
| 2023 | 83,980 |
| 2024 | 87,663 |
| 2025 | 88,400 |
| Thereafter | 14,733 |

2-Spirited People of the 1st Nations

Notes to Financial Statements

March 31, 2020

11. Economic dependency

The Organization is dependent on the Ontario Ministry of Health and Long-Term Care (the "Ministry") for funding of a significant portion of operations. Funding is provided each fiscal year based on an operating budget for the year approved by the Ministry. The Ministry approved funding of \$399,337 (2019 - \$324,337) with respect to the operating budget for the fiscal year ending March 31, 2020.

12. Amounts repayable to funders

The Organization receives funding from government agencies based on specific program needs and budgets. In certain circumstances, the Organization provides allocations from current year general program funding to ensure programs do not generate a deficit. In addition, management makes estimates to allocate certain administrative expenses according to the activity to which they benefit. The funding agent has the right to review the accounting records to ensure compliance with the terms and conditions of their programs. The management of the Organization feels that their expenses are fair and accurate in the circumstances. At this time no estimate of the requirements, if any, to reimburse the agencies can be made.

There were no amounts repaid to the funders in the current year. In the prior year, the Organization was advised by the Ontario Ministry of Health and Long-Term Care that amounts were payable to the Ministry totaling \$5,816 relating to a surplus in both the Core and Long-Term Care Programs for the 2017 fiscal period. This was paid in the prior year.

13. Capital disclosures

The Organization considers its Capital to be the balance maintained in its Operating Fund account. The balance on March 31, 2020 is \$9,245 (2019 - deficit of \$9,015). The primary objective of the Organization is to invest its Capital in a manner that will allow it to continue as a going concern and comply with its stated objectives. Capital is invested under the direction of the Board of Directors of the Organization with the objective of providing a reasonable rate of return, minimizing risk and ensuring adequate liquid investments are on hand for current cash flow requirements. The Organization is not subject to any externally imposed requirements on its Capital.

14. Subsequent event

Since January 1, 2020, the spread of COVID-19 has severely impacted many local economies worldwide. In many countries, including Canada, businesses are being forced to cease or limit operations for extended or indefinite periods. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize financial conditions.

Based on Management's assessment, these events have not had a significant financial impact on the Organization's Statement of Financial Position as of March 31, 2020, or on its Statement of Operations and Fund Balance and Statement of Cash Flows for the year ended March 31, 2020. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences as well as their potential impact on the financial position and results of the Organization, if any, for future periods. In the meantime, management continues to manage the budget and provide continuing levels of operations and service.

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**ADDITIONAL COMMENTS OF AUDITORS ON SUPPLEMENTARY
SCHEDULE FOR THE YEAR ENDED MARCH 31, 2020**

The accompanying schedule is presented as supplementary information only and is intended to provide readers with detailed information regarding revenue and expenses on a program basis. In this respect, it does not form part of the financial statements of 2-Spirited People of the 1st Nations as at March 31, 2020 and for the year then ended and hence is excluded from the opinion in our report dated July 30, 2020 to the directors on such financial statements. The information in this schedule has been subject to audit procedures only to the extent necessary to express an opinion on the financial statements of 2-Spirited People of the 1st Nations and, in our opinion, is fairly presented in all respects material to those financial statements.

Grant Thornton LLP

Toronto, Canada
July 30, 2020

Chartered Professional Accountants
Licensed Public Accountants

2-Spirited People of the 1st Nations
Schedule of Revenue and Expenses by Program

(Unaudited)

For the Year Ended March 31

| | <u>MOH</u> | <u>Long Term Care</u> | <u>2 Spirited in Motion</u> | <u>2 Spirited in Motion - 2nd Wind Forum</u> | <u>Other</u> | <u>2020</u> | <u>2019</u> |
|---|----------------|---------------------------|---------------------------------|--|---------------|----------------|----------------|
| Revenue | | | | | | | |
| Ontario Ministry of Health | \$ 325,739 | \$ 124,526 | \$ - | \$ - | \$ - | \$ 450,265 | \$ 456,361 |
| Women and Gender Equity Canada | - | - | 195,499 | - | - | 195,499 | - |
| Crown-Indigenous Relations and Northern Affairs Canada | - | - | - | 174,528 | - | 174,528 | - |
| MOH - Harm reduction | 39,687 | - | - | - | - | 39,687 | - |
| Other grant revenue | - | - | - | - | 38,485 | 38,485 | - |
| City of Toronto | - | - | - | - | 17,223 | 17,223 | - |
| Fundraising | - | - | - | - | 14,372 | 14,372 | 7,010 |
| Amortization of deferred capital contributions | 13,634 | - | - | - | - | 13,634 | 7,053 |
| | <u>379,060</u> | <u>124,526</u> | <u>195,499</u> | <u>174,528</u> | <u>70,080</u> | <u>943,693</u> | <u>470,424</u> |
| Expenses | | | | | | | |
| Advertising and promotion | 75 | - | - | - | - | 75 | 597 |
| Bank charges and interest | 1,231 | - | 580 | - | - | 1,811 | 1,918 |
| Consultants | 11,202 | 7,500 | 50,932 | 13,000 | - | 82,634 | 26,230 |
| Depreciation | 13,434 | - | - | - | - | 13,434 | 8,099 |
| Elders honorarium | 780 | 800 | 479 | 4,600 | 6,830 | 13,489 | - |
| Insurance | 6,604 | 1,500 | - | - | - | 8,104 | 6,191 |
| Miscellaneous expense (recovery) | - | - | - | - | - | - | (5,000) |
| Nutritional breaks | - | - | - | - | - | - | 1,243 |
| Office supplies and printing | 13,568 | 13,960 | 15,304 | 208 | 10,810 | 53,850 | 13,991 |
| Ontario Aids Network | 1,270 | - | - | - | - | 1,270 | 1,271 |
| Postage | 28 | - | - | - | - | 28 | 15 |
| Project expenditures | - | - | 39,280 | 3,374 | 13,434 | 56,088 | - |
| Rent and utilities | 51,400 | 17,822 | 6,600 | 2,637 | - | 78,459 | 66,320 |
| Resource materials | 1,296 | 874 | 3,223 | - | 2,479 | 7,872 | 5,133 |
| Telephone | 12,508 | 5,804 | - | - | - | 18,312 | 5,804 |
| Training and instructors | 1,088 | - | - | - | - | 1,088 | 1,000 |
| Travel, workshops, conference and meetings | 8,903 | 5,168 | 21,748 | 112,302 | 773 | 148,894 | 8,953 |
| Volunteer appreciation | 3,800 | 79 | - | - | - | 3,879 | 540 |
| Wages and benefits | 260,376 | 71,019 | 57,353 | 38,407 | 7,756 | 434,911 | 299,695 |
| | <u>387,563</u> | <u>124,526</u> | <u>195,499</u> | <u>174,528</u> | <u>42,082</u> | <u>924,198</u> | <u>442,000</u> |
| Excess (deficiency) of revenue over expenses | \$ (8,503) | \$ - | \$ - | \$ - | \$ 27,998 | \$ 19,495 | \$ 28,424 |