

CENTRE FOR DIVERSE LEARNERS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023



BROWNLOW PARTNERS

CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of
Centre for Diverse Learners

Opinion

We have audited the financial statements of Centre for Diverse Learners (the Organization), which comprise the statement of financial position as at March 31, 2023, and the statements of revenues and expenditures, operating fund and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with .

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 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.

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 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.



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As part of the 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.

Ancaster, Ontario
August 28, 2023

Brownlow Partners

Chartered Professional Accountants
Licensed Public Accountants

CENTRE FOR DIVERSE LEARNERS
(Corporation without share capital)
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

ASSETS		2023	2022
CURRENT ASSETS			
Cash	\$	133,635	\$ 51,192
Accounts receivable		78,500	16,588
Government remittances receivable		2,635	4,426
Due from related party (note 4)		29,660	-
	\$	244,430	\$ 72,206
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LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	\$	42,188	\$ 10,531
Government remittances payable		5,275	-
Deferred contributions (note 5)		153,022	52,327
Current portion of long term liabilities		40,000	-
		240,485	62,858
LONG TERM DEBT (note 3)		-	40,000
		240,485	102,858
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FUND BALANCE			
OPERATING FUND		3,945	(30,652)
	\$	244,430	\$ 72,206
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Approved by the Board

Alison Brindle

Director

Director

(The accompanying notes form an integral part of these financial statements)

CENTRE FOR DIVERSE LEARNERS
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022
Revenue		
Programs	\$ 191,063	\$ 293,578
School Board	546,098	3,000
Events	43,662	33,108
Donations	29,269	31,507
Grant income	485,546	340,451
Memberships	2,860	2,534
	<u>1,298,498</u>	<u>704,178</u>
Expenditures		
EDI Research Project	148,808	-
Events	13,153	9,847
Fundraising	1,176	60,308
Insurance	4,461	1,683
Interest and bank charges	3,205	5,720
Office	21,816	11,280
Professional fees	66,651	9,128
Programs	456,667	443,314
Rent	20,965	20,137
Salaries and wages	132,654	216,564
School Board	393,166	-
Telephone	1,179	850
	<u>1,263,901</u>	<u>778,831</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 34,597	\$ (74,653)

CENTRE FOR DIVERSE LEARNERS
STATEMENT OF OPERATING FUND
FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022
OPERATING FUND AT BEGINNING OF THE YEAR	\$ (30,652)	\$ 44,001
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	34,597	(74,653)
OPERATING FUND AT END OF THE YEAR	\$ 3,945	\$ (30,652)

CENTRE FOR DIVERSE LEARNERS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net change in operating fund for the year	\$ 34,597	\$ (74,653)
Net changes in working capital balances		
- accounts receivable	(61,912)	9,213
- government remittances receivable	1,791	(810)
- accounts payable and accrued liabilities	31,657	(27,979)
- government remittances payable	5,275	-
- deferred contributions	100,695	(21,385)
- due from related party	(29,660)	-
- current portion of long term debt	40,000	-
	87,846	(40,961)
	122,443	(115,614)
FINANCING ACTIVITY		
Decrease in long term debt	(40,000)	-
INCREASE (DECREASE) IN CASH DURING THE YEAR	82,443	(115,614)
CASH AT BEGINNING OF THE YEAR	51,192	166,806
CASH AT END OF THE YEAR	\$ 133,635	\$ 51,192

CENTRE FOR DIVERSE LEARNERS
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2023

1. PURPOSE OF ORGANIZATION

Centre for Diverse Learners is a registered charity dedicated to providing information, referral and support to individuals and families of children with learning disabilities. The Organization is incorporated under the Canada Corporations Act as a not-for-profit organization. The Organization is a registered charity and is exempt from tax under the Income Tax Act of Canada.

The Organization assists those with learning disabilities and their families by providing direct services to parents, individuals and children with learning disabilities, community professionals, organizations, schools and educators through education on the many aspects of learning disabilities, individual support, remedial tutoring, career counselling and skills training. Additional services include public meetings with speakers and support groups, individual support and group training in advocacy, remediation/tutoring programs and skills training in literacy, numeracy, social skills, self-advocacy, executive functioning, assistive technology, and stress management.

The Organization further aims to increase community outreach and awareness by distribution of information through print and electronic media, community displays, public awareness through media, workshops, conferences and participation in community and school-based committees and round-tables.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

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

(b) Cash and Cash Equivalents

The Organization's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition.

(c) 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates include accruals. Actual results may vary from the current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

(d) Revenue Recognition

Donation and non-donation revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Grant revenue is recognized in revenue as related expenses are incurred. Any excess of grants received over expenses incurred is deferred on the balance sheet.

CENTRE FOR DIVERSE LEARNERS
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Fund Accounting

The Organization follows the deferral method for accounting for its receipts and disbursements.

(f) Contributed Materials and Services

These financial statements do not account for the significant amount of volunteer services and time contributed to the operations of the Organization.

(g) Government Assistance

Government Assistance is recognized in revenue when the qualifying expenses have been incurred. During the year, the Organization received nil (2022: \$18,959) of the Canada Training Grant and \$14,520 (2022: \$22,195) of the Canada Summer Job Grant which are recorded in grant income.

(h) Measurement of Financial Instruments

The Organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

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 net income.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

3. LONG TERM DEBT

	2023	2022
Canada Emergency Business Account loan, 0% interest until January 1, 2024, no fixed repayment terms		
\$20,000 loan forgiveness if paid by December 31, 2023	\$ 40,000	\$ 40,000
Less: Current portion of long term debt	(40,000)	-
	\$ -	\$ 40,000

CENTRE FOR DIVERSE LEARNERS
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2023

4. DUE FROM ELEVATE LEARNING CENTRE

The Organization launched Elevate Learning Centre as a small charitable private school that became a separate legal entity in June 2022. The Organization is the sole member of Elevate. During the year, the Organization loaned Elevate \$29,660 (2022: nil).

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 by the related parties.

5. DEFERRED CONTRIBUTIONS

The organization has deferred contributions that primarily arise from externally restricted grant receipts. Changes in deferred contributions for the period are as follows:

	2023	2022
Deferred contributions, beginning of year	\$ 52,327	\$ 73,712
Contributions received:		
Ontario Trillium Foundation	307,400	137,400
Resource Facilitation	-	94,295
Hamilton Community Foundation	48,000	-
Halton Region	98,444	-
Other	132,398	65,294
	<u>586,242</u>	<u>296,989</u>
Amount of grants recognized as revenue:		
Ontario Trillium Foundation	(261,056)	(158,533)
Resource Facilitation	(45,906)	-
Hamilton Community Foundation	(72,190)	-
Halton Region	-	(76,249)
Other	(106,395)	(83,592)
	<u>(485,547)</u>	<u>(318,374)</u>
Deferred contributions, end of year	<u>\$ 153,022</u>	<u>\$ 52,327</u>

6. COMMITMENTS

The Organization has the following annual commitment to pay rent:

2024	\$ <u>13,646</u>
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7. RECLASSIFICATION

Certain 2022 comparative amounts were reclassified to conform to the current year's financial statement presentation.

CENTRE FOR DIVERSE LEARNERS
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2023

8. FINANCIAL INSTRUMENTS

Risks and Concentrations

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure and concentrations at March 31, 2023.

(a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risks relate to its accounts receivable. The Organization provides credit to its clients in the normal course of its operations.