
CAPITAL PRIDE
LA FIERTÉ DANS LA CAPITALE

FINANCIAL STATEMENTS

NOVEMBER 30, 2015

CAPITAL PRIDE LA FIERTÉ DANS LA CAPITALE

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INDEPENDENT AUDITORS' REPORT

To the Members of
Capital Pride/La Fierté Dans La Capitale:

Report on the Financial Statements

We have audited the accompanying financial statements of Capital Pride/La Fierté Dans La Capitale (the "Organization"), which comprise the statement of financial position as at November 30, 2015, and the statements of revenue, expenditures and changes in net assets, and cash flows for the period from date of incorporation, November 26, 2014 to November 30, 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFP") 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Organization's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

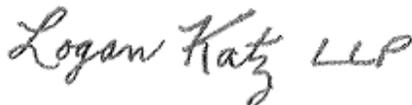
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

The Organization derives revenue from events and donations, sponsorships and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization, and we were not able to determine whether any adjustments might be necessary to revenues from events and donations and fundraising, excess of revenue over expenditures, assets and net assets.

Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the statement of financial position of Capital Pride/La Fierté Dans La Capitale as at November 30, 2015, and the results of its operations and its cash flows for the period from date of incorporation, November 26, 2014 to November 30, 2015 in accordance with ASNFP.



Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Canada
February 23, 2016

**CAPITAL PRIDE
LA FIERTÉ DANS LA CAPITALE**

STATEMENT OF FINANCIAL POSITION

AS AT NOVEMBER 30, 2015

ASSETS

CURRENT ASSETS

Cash	\$	35,171
Prepaid expenses		2,825

\$ 37,996

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$	12,782
Government remittances payable		1,739

14,521

NET ASSETS

Unrestricted		23,475
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\$ 37,996

Financial instruments (Note 4)

ON BEHALF OF THE BOARD:

_____, Director

_____, Director

CAPITAL PRIDE LA FIERTÉ DANS LA CAPITALE

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN NET ASSETS

FOR THE PERIOD FROM DATE OF INCORPORATION,
NOVEMBER 26, 2014 TO NOVEMBER 30, 2015

REVENUE

Sponsorship (Note 3)	\$ 141,567
Grants (Note 2)	36,000
Events	56,132
Media and guides	6,850
Donations and fundraising (Note 3)	14,145
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	254,694

EXPENDITURES

Advertising and promotion (Note 3)	92,482
Communications and security	14,830
Events	51,166
Insurance	1,863
Occupancy (Note 3)	15,189
Office and administration	5,217
Professional fees	50,472
	<hr/>
	231,219

EXCESS OF REVENUE OVER EXPENDITURES, being

Net assets at end of period	\$ 23,475
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CAPITAL PRIDE LA FIERTÉ DANS LA CAPITALE

STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM DATE OF INCORPORATION,
NOVEMBER 26, 2014 TO NOVEMBER 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

Excess of revenue over expenditures	\$ 23,475
Changes in operating components of working capital:	
Prepaid expenses	(2,825)
Accounts payable and accrued liabilities	12,782
Government remittances payable	1,739
INCREASE IN CASH, being cash at end of period	\$ 35,171

CAPITAL PRIDE LA FIERTÉ DANS LA CAPITALE

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD FROM DATE OF INCORPORATION,
NOVEMBER 26, 2014 TO NOVEMBER 30, 2015

GENERAL

Capital Pride/La Fierté Dans La Capitale (the "Organization") was incorporated without share capital under the Canada Not-for-profit Corporations Act on November 26, 2014. The Organization's mission is to create an environment for advocacy, education and the fostering of a strong and vibrant Rainbow Community within the Nation's Capital region through an annual event, *Fierté dans la Capital(e) Pride festival*, where it welcomes everyone to participate, celebrate and experience being part of the Rainbow Community.

The Organization is a not-for-profit organization and, as such, is exempt from income taxes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFPO") and include the following significant accounting policies:

Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount receivable can be reasonably estimated and its collection is reasonably assured.

Sponsorship, events, and media and guides revenue are recognized in the period in which the event occurs. Receipts of these revenues which relate to the subsequent fiscal year are recorded as deferred revenue on the statement of financial position.

Grants revenue represents funds received from federal, provincial, and/or municipal governments for specific initiatives administered by the Organization. Grants are recognized as revenue when costs are incurred towards the initiative. Grants that have not been fully spent at year end are reported as deferred contributions.

Donations and fundraising are recognized as revenue when the amount to be received can be reasonably estimated and collection is ultimately assured.

CAPITAL PRIDE LA FIERTÉ DANS LA CAPITALE

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD FROM DATE OF INCORPORATION,
NOVEMBER 26, 2014 TO NOVEMBER 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and held on deposit with a Canadian chartered bank.

Contributed Services and In-Kind

Volunteers contribute countless hours per year to assist the Organization in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed volunteer services are not recognized in the financial statements.

Use of Estimates

These financial statements have been prepared by management in accordance with ASNFPO and accordingly, require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from these estimates. The significant estimates in the financial statements include the estimated amount of certain accrued liabilities.

Financial Instruments

Measurement of 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.

Financial assets measured at amortized cost include cash.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

CAPITAL PRIDE LA FIERTÉ DANS LA CAPITALE

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD FROM DATE OF INCORPORATION,
NOVEMBER 26, 2014 TO NOVEMBER 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of revenue, expenditures and changes in net assets. 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 the statement of revenue, expenditures and changes in net assets.

Transaction costs

The Organization recognizes its transaction costs in the statement of revenue, expenditures and changes in net assets in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

2. GOVERNMENT ASSISTANCE

During the year, the City of Ottawa provided the Organization with one-time funding in the form of a \$36,000 grant to run and administrate numerous events, information sessions, advocacy and associated actions in support of the Organization's mission. The total amount has been recorded as grant revenue in the statement of revenue, expenditures and changes in net assets for the year.

3. NON-MONETARY TRANSACTIONS

During the year, the Organization received various advertising and promotional services for their annual event without monetary consideration. These services were recorded in the statement of revenue, expenditures and changes in net assets at fair value as sponsorship revenue and advertising and promotion expenses. Fair value is the amount of consideration agreed to between the parties who are transacting at arm's length. The amount recognized for these transactions totaled \$73,761.

CAPITAL PRIDE LA FIERTÉ DANS LA CAPITALE

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD FROM DATE OF INCORPORATION,
NOVEMBER 26, 2014 TO NOVEMBER 30, 2015

3. NON-MONETARY TRANSACTIONS (continued)

In addition, the Organization was granted use of office space and related occupancy expenses for the current year without monetary consideration. These services were recorded in the statement of revenue, expenditures and changes in net assets at fair value as donations and fundraising revenue and occupancy expenses. Fair value is the amount of consideration agreed to between the parties who are transacting at arm's length. The amount recognized for this transaction was \$12,142.

4. FINANCIAL INSTRUMENTS

Risks and Concentrations

The Organization is exposed to various risks through its financial instruments, without being exposed to market, interest rate, currency, credit or concentrations of credit risk. The following analysis presents the Organization's exposure to significant risks at the reporting date.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Organization manages its liquidity risk by monitoring its requirements through use of budgets and cash forecast.