

FINANCIAL STATEMENTS
For
ACTION CANADA FOR SEXUAL HEALTH & RIGHTS
For year ended
JUNE 30, 2021

INDEPENDENT AUDITOR'S REPORT

To the directors of

ACTION CANADA FOR SEXUAL HEALTH & RIGHTS*Qualified Opinion*

We have audited the financial statements of Action Canada for Sexual Health & Rights (the Organization), which comprise the statement of financial position as at June 30, 2021, and the statements of operations, 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, except for the possible 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 June 30, 2021 and the results of its 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 revenue from fundraising activities, 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 fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended June 30, 2021 and 2020, current assets as at June 30, 2021 and 2020, and net assets as at July 1 and June 30 for both the 2021 and 2020 years.

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 qualified audit opinion.

Other Matter

The financial statements of the Organization for the year ended June 30, 2020 were audited by another auditor who expressed an unmodified opinion on those financial statements.

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.

Welch LLP

Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
November 15, 2021.

Welch LLP[®]

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ACTION CANADA FOR SEXUAL HEALTH & RIGHTS

BALANCE SHEET

JUNE 30, 2021

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 3,056,110	\$ 2,544,544
Short-term investments (note 4)	311,395	307,552
Accounts receivable	79,643	380,969
Advances to partner organizations (note 9)	321,489	359,076
Prepaid expense	<u>154,944</u>	<u>172,321</u>
	3,923,581	3,764,462
INVESTMENTS (note 4)	75,033	75,033
CAPITAL ASSETS (note 5)	<u>-</u>	<u>4,356</u>
	<u>\$ 3,998,614</u>	<u>\$ 3,843,851</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 158,149	\$ 140,266
Deferred contributions (note 7)	<u>3,060,364</u>	<u>2,927,327</u>
	<u>3,218,513</u>	<u>3,067,593</u>
NET ASSETS		
Internally restricted for contingencies	500,000	500,000
Invested in capital assets	-	4,356
Unrestricted	<u>280,101</u>	<u>271,902</u>
	<u>780,101</u>	<u>776,258</u>
	<u>\$ 3,998,614</u>	<u>\$ 3,843,851</u>

Approved by the Board:



..... Director



..... Director

(See accompanying notes)

ACTION CANADA FOR SEXUAL HEALTH & RIGHTS

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2021

	<u>Internally restricted for contingencies</u>	<u>Invested in capital assets</u>	<u>Unrestricted</u>	<u>2021 Total</u>	<u>2020 Total</u>
Balance, beginning of year	\$ 500,000	\$ 4,356	\$ 271,902	\$ 776,258	\$ 746,985
Net revenue for the year	-	-	3,843	3,843	29,273
Amortization of capital assets	<u>-</u>	<u>(4,356)</u>	<u>4,356</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ 280,101</u>	<u>\$ 780,101</u>	<u>\$ 776,258</u>

(See accompanying notes)

ACTION CANADA FOR SEXUAL HEALTH & RIGHTS

STATEMENT OF OPERATIONS

YEAR ENDED JUNE 30, 2021

	<u>Chernos</u>	<u>Wellspring</u>	<u>GAC-RFTS</u>	<u>PHAC</u>	<u>Gates</u>	<u>Amplify Change</u>	<u>Dutch</u>	<u>Danish</u>	<u>Oxfam</u>	<u>UNFPA</u>	<u>General</u>	<u>2021 Total</u>	<u>2020 Total</u>
Revenue													
Donations (note 7)	\$ 101,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 319,463	\$ 420,723	\$ 426,949
Received from other charities	-	-	-	-	-	-	-	-	-	-	-	-	54,749
Grants (note 7)	-	131,340	963,480	581,103	134,066	34,283	1,463,706	54,327	87,878	116,218	25,000	3,591,401	2,931,199
Scholarships and awards	-	-	-	-	-	-	-	-	-	-	-	-	16,600
Other income (note 10)	2,135	-	13,251	-	-	4,619	-	-	-	-	161,677	181,682	76,768
	<u>103,395</u>	<u>131,340</u>	<u>976,731</u>	<u>581,103</u>	<u>134,066</u>	<u>38,902</u>	<u>1,463,706</u>	<u>54,327</u>	<u>87,878</u>	<u>116,218</u>	<u>506,140</u>	<u>4,193,806</u>	<u>3,506,265</u>
Expenditures													
Administrative expenses	2,000	12,800	4,263	27,814	7,050	4,384	95,107	5,500	85	6,134	111,487	276,624	210,740
Amortization	-	-	-	-	-	-	-	-	-	-	4,356	4,356	2,860
Governance	-	-	-	-	-	-	-	-	-	-	-	-	14,816
Fundraising expenses	-	-	-	-	-	-	11,000	-	-	-	60,821	71,821	28,991
Program activities	49,768	27,597	147,093	235,869	9,880	30,481	407,768	29,927	36,022	16,070	72,985	1,063,460	1,014,467
Salaries, benefits and contracts	51,627	90,943	284,816	317,420	117,136	4,037	949,831	18,900	51,771	94,014	235,388	2,215,883	2,205,118
Awards and scholarship	-	-	-	-	-	-	-	-	-	-	17,260	17,260	-
Partners expenditures (note 9)	-	-	540,559	-	-	-	-	-	-	-	-	540,559	-
	<u>103,395</u>	<u>131,340</u>	<u>976,731</u>	<u>581,103</u>	<u>134,066</u>	<u>38,902</u>	<u>1,463,706</u>	<u>54,327</u>	<u>87,878</u>	<u>116,218</u>	<u>502,297</u>	<u>4,189,963</u>	<u>3,476,992</u>
Net revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,843	\$ 3,843	\$ 29,273

(See accompanying notes)

ACTION CANADA FOR SEXUAL HEALTH & RIGHTS

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2021

	<u>2021</u>	<u>2020</u>
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net revenue for the year	\$ 3,843	\$ 29,273
Adjustment for amortization	<u>4,356</u>	<u>2,860</u>
	8,199	32,133
Changes in non-cash working capital items:		
Accounts receivable	301,326	560,837
Prepaid expenses	17,377	(71,326)
Advances to partner organizations	37,587	(359,076)
Accounts payable	17,883	(67,931)
Deferred contributions	<u>133,037</u>	<u>1,288,556</u>
	<u>515,409</u>	<u>1,383,193</u>
INVESTING ACTIVITIES		
Net change in investments	<u>(3,843)</u>	<u>73,013</u>
INCREASE IN CASH	511,566	1,456,206
CASH AT BEGINNING OF YEAR	<u>2,544,544</u>	<u>1,088,338</u>
CASH AT END OF YEAR	<u>\$ 3,056,110</u>	<u>\$ 2,544,544</u>

(See accompanying notes)

ACTION CANADA FOR SEXUAL HEALTH & RIGHTS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

1. NATURE OF OPERATIONS

Action Canada for Sexual Health & Rights was incorporated without share capital under the Canada Corporation Act on November 1, 2014. The organization is a progressive, pro-choice charitable organization committed to advancing and upholding sexual and reproductive health and rights in Canada and globally.

The Organization is a registered Canadian charity and as such is not subject to income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations 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, amounts received from other charities, grants, scholarship and awards, and other income are recognized as revenue when they are received or receivable if the amount receivable can be reasonably estimated and its collection is reasonably assured.

Contributed services

Volunteers contribute many hours per year to assist the organization in carrying out its mission. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Use of estimates

The preparation of these 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 and 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. Actual results could differ from those estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

Management makes accounting estimates when determining the useful life of the Organization's capital assets, the net realizable value of its accounts receivable and in determining certain accrued liabilities. Actual results could differ from these estimates.

Capital assets

Capital assets are recorded at cost. Amortization is provided at the following rates:

Computer equipment	55%
Office equipment	20%
Network equipment	30%
Leasehold improvements	Straight line, over three years

Financial instruments

The Organization's cash is initially recognized and subsequently measured at fair value. All other financial instruments are initially recognized at fair value and are subsequently measured at cost, or amortized cost at the date of the statement of financial position.

ACTION CANADA FOR SEXUAL HEALTH & RIGHTS
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED JUNE 30, 2021

2 SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate in effect at the statement of financial position date, whereas other assets and liabilities are translated at the exchange rate in effect at the transaction date. Revenues and expenses denominated in foreign currency are translated at the rate in effect on the transaction date. Realized gains and losses are included in investment income for the year.

Government assistance - Canada Emergency Wage Subsidy

The Canada Emergency Wage Subsidy (CEWS), a form of temporary government assistance introduced in response to the COVID-19 pandemic, was a subsidy initiated by the federal government to enable employers to re-hire workers previously laid off and to retain those who were already on payroll. The subsidy was calculated as a percentage of eligible remuneration paid by those who experienced a certain level of revenue decline during the program periods.

The subsidies have been recorded in the period to which they relate as long as the amount of the subsidy could be reasonably estimated at that point in time. The amount of the assistance received is reported as other income in the applicable period.

3. FINANCIAL INSTRUMENTS

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.

There have been no significant changes in the Organization's risk exposures from the prior year.

Credit risk

Credit risk is the risk that parties will cause financial loss by failing to discharge their obligations. The Organization is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The Organization's cash, short-term investments, accounts receivable, and advances to partner organizations give rise to credit risk. The Organization's cash and short-term investments are held with a Canadian chartered bank and as a result, management believes the risk of loss on this item to be unlikely. A significant portion of the Organization's accounts receivable are from government sources, and the Organization's advances to partner organizations represents funds to be ultimately spent by these organizations in accordance with the terms and conditions of subagreements with these partners. As such, the Organization's management believes the credit risk with respect to accounts receivable and advances to partner organizations is limited and the Organization has not provided for uncollectible amounts.

Liquidity risk

Liquidity risk is the risk that the Organization is unable to meet financial obligations as they become due by not being able to liquidate assets in a timely manner. The Organization manages this risk by establishing budgets and cash estimates to ensure it has funds available to fulfil its obligations.

ACTION CANADA FOR SEXUAL HEALTH & RIGHTS
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED JUNE 30, 2021

3. FINANCIAL INSTRUMENTS - Cont'd.

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 is comprised of currency risk, interest rate risk and other price risk. The Organization is not subject to market risk.

i) *Currency risk*

Currency risk is the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The organization is exposed to currency risk by virtue of the fact that it transacts in currencies other than the Canadian dollar and holds amounts in foreign currencies. This exposure is limited to the extent that these currencies fluctuate between the dates that transactions are made and settlement occurs and also to the extent of amounts held in foreign currencies.

ii) *Interest rate risk*

Interest rate risk is the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

The Organization does not hold any investments subject to interest at market rates, nor does it carry any interest-bearing debt financial instruments. As such the Organization is not exposed to significant interest rate risk.

iii) *Other price risk*

Other price risk is the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of the changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar instruments traded in the market. As the Organization does not have financial instruments that are quoted in an active market, management does not believe the Organization is exposed to significant other price risk.

4. INVESTMENTS

Investments consist of cashable guaranteed investment certificates with interest rates ranging from 0.65% to 0.75%, and maturity dates between November 1, 2021 and November 7, 2022.

5. CAPITAL ASSETS

The Organization's capital assets consist of the following:

	2021			2020
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net</u>	<u>Net</u>
Computer equipment	\$ 23,375	\$ 23,375	\$ -	\$ 1,715
Office equipment	12,714	12,714	-	2,065
Network equipment	<u>8,731</u>	<u>8,731</u>	<u>-</u>	<u>576</u>
	<u>\$ 44,820</u>	<u>\$ 44,820</u>	<u>\$ -</u>	<u>\$ 4,356</u>

6. PENSION PLAN

The Organization contributes to a defined contribution pension plan in the form of a contribution of a percentage of its employees' wages to an RRSP on behalf of the employees. During the current fiscal year, the employer contributions amounted to \$62,101 (2020 - \$50,303).

ACTION CANADA FOR SEXUAL HEALTH & RIGHTS

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JUNE 30, 2021

7. DEFERRED CONTRIBUTIONS

Deferred contributions relate to restricted operating funding received in the current period pertaining to activities, projects, and therefore expenses to be incurred in the subsequent year. Changes in the deferred contributions balance are as follows:

	Balance, beginning <u>of year</u>	Amounts received <u>in the year</u>	Revenue recognized <u>in the year</u>	Balance, end <u>of year</u>
i) Beverley Chernos Fund	\$ 101,260	\$ 15,000	\$ (101,260)	\$ 15,000
ii) Wellspring Philanthropic Fund	199,080	-	(131,340)	67,740
iii) Global Affairs Canada	833,462	788,313	(976,731)	645,044
iv) Public Health Agency of Canada	303,253	630,552	(581,103)	352,702
v) Bill and Melinda Gates Foundation	-	497,063	(134,066)	362,997
vi) The Governments of the Netherlands and Denmark	1,273,060	1,682,424	(1,518,033)	1,437,451
vii) United Nations Population Fund	70,379	112,500	(116,218)	66,661
viii) Bentley Awards	16,600	16,600	(10,500)	22,700
ix) Edmonton Community Foundation	4,027	-	-	4,027
x) Other Funds	<u>126,206</u>	<u>80,206</u>	<u>(120,370)</u>	<u>86,042</u>
	<u>\$ 2,927,327</u>	<u>\$ 3,822,658</u>	<u>\$(3,689,621)</u>	<u>\$ 3,060,364</u>

Deferred contributions consist of unearned grants and donations revenue, arising from externally restricted funding received from government and government agencies as well as from other funders, partners and suppliers that are related to expenditures to be incurred in subsequent years.

The following provides additional details regarding the ongoing significant agreements of the Organization:

i) *Beverly Chernos Fund*

The Organization and Beverley Chernos signed a Memorandum of Understanding on September 10, 2019. Under the agreement, the support allows the Organization to expand and strengthen towards the Access Line program and the Norma Scarborough Emergency Fund, with total funding is \$101,260. The \$15,000 received in fiscal 2021 was a gift from the fund, and the details are to be finalized after the date of financial statement release.

ii) *Wellspring Philanthropic Fund ("WPF")*

The Organization and WPF entered into an agreement on June 4, 2020 to support to the general operations of the Organization to continue promoting and advocating sexual and reproductive health and rights. Total funding available under this agreement is \$300,000 USD, paid in installments of \$150,000 USD per year.

iii) *Global Affairs Canada ("GAC")*

The Organization and GAC entered into a Contribution Agreement on January 30, 2020 for the purpose of improving comprehensive sexual and reproductive health and fulfillment of sexual and reproductive rights of young people in districts in Bolivia, Ecuador, Guyana, Peru. Maximum funding available to the Organization under the agreement is \$10,887,328 over the project period, ending January 31, 2024.

ACTION CANADA FOR SEXUAL HEALTH & RIGHTS

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JUNE 30, 2021

7. DEFERRED CONTRIBUTIONS - Cont'd.

iv) *Public Health Agency of Canada ("PHAC")*

The Organization and PHAC entered into a 5-year Contribution Agreement on April 1, 2017 for the purpose of the Organization to carry out project activities for the Project called *Preventing STBBIs Among Marginalized Youth: A System and Individual Level Behaviour Change*. Total funding available to the Organization under this project is \$3,363,341 over the 5-year project period ending March 31, 2022.

v) *Bill and Melinda Gates Foundation*

The Organization and the Bill and Melinda Gates foundation entered into an agreement on October 2, 2020 for the purpose of providing support for Family Planning advocacy coordination in Canada. The grant agreement ends on March 31, 2022 and is for up to \$458,260 USD.

vi) *Supporting the Sexual Rights Initiative - The Governments of the Netherlands and Denmark*

The Organization entered into a partnership with the Governments of the Netherlands and Denmark in 2017 for the purpose of *Supporting the Sexual Rights Initiative* (SRI). The initial partnership grant expired on March 31, 2021 and a new agreement was entered into effective from April 1, 2021 until March 31, 2026. The purpose of this partnership is to forging alliances and expanding knowledge bases and expertise and ensure the SRI Geneva office is well supported to carry out the planned work. The funding available to the Organization under the new project agreement is \$5,674,829 over the five year period.

vii) *United Nations Population Fund*

The Organization signed into an agreement on January 1, 2020 to December 31, 2020 and renewed the agreement for another calendar year. The primary objective is to provide support to the Organization to achieve four key objectives: strategic advocacy, capacity building and awareness raising on reproductive and maternal health worldwide. Total funding available to the Organization each year is \$90,000 USD, ending December 31, 2021.

viii) *Bentley Awards*

The Organization and the Helen and Fred Bentley Awards for Excellence of Achievement entered into an agreement in January 2007 for the purpose of supporting an affiliate for excellence of achievement as well as innovation and leadership that enhances the lives of adults and youth or children in Canada.

ix) *Edmonton Community Foundation*

The Phyliss Harris scholarship was received from the Edmonton Community Foundation in an agreement signed on June 15, 1994. The funds are to be used for scholarships awarded to citizens and permanent residents of Canada who have volunteered or been employed in the general field of human sexuality.

8. ALLOCATION OF EXPENSES

The organization engages in various projects. The costs of each project include expenses directly related to the project. The organization also incurs a number of general and administrative support expenses that are common to the administration of the organization and of its projects.

The organization has a relatively small complement of staff, some of whom support more than one of the projects. In order to ensure that each project bears its share of the cost of delivering the project, the costs of the administrative staff that provide service to more than one project are allocated to each of those areas in an amount that is proportional to the services provided. Similarly, certain common overhead expenses such as rent are proportionally allocated to the projects where allowable under the contribution agreements.

ACTION CANADA FOR SEXUAL HEALTH & RIGHTS
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED JUNE 30, 2021

9. ADVANCES TO PARTNER ORGANIZATIONS

In carrying out certain projects (outlined in Note 7), the Organization enters into subagreements with international partner organizations. Advances to partner organizations represents funds sent to such organizations for which eligible project expenses have not yet been incurred. The Organization reconciles on an ongoing basis its advances to each partner organization against their eligible project expenditures incurred and requires that any unspent funds at the end of the agreement be returned to the Organization.

10. COVID-19

In March of 2020, the Government of Canada announced that they would be providing emergency funding in response to required measures to limit the spread of the COVID-19 pandemic. The amount of Canada Emergency Wage Subsidy (CEWS) provided by the Federal Government of Canada attributable to the Organization's June 30, 2021 fiscal year totaled \$17,890 (2020 - \$53,978) and the amount of the Canada Emergency Rent Subsidy attributable to the Organization's June 30, 2021 fiscal year totaled \$4,820 (2020 - nil).

As a result of the ongoing global pandemic, the Organization has also had to cancel in-person events and training, and travel. The pandemic continues to create ongoing economic and operational uncertainty, however the Organization monitors ongoing developments and adapts new operational approaches, as required, to respond. At the time of issuance of these financial statements, the effect of the ongoing pandemic and its impact on the Organization's assets, liabilities, net assets, revenues and expenses are not yet known.

11. COMMITMENTS

The Organization has a lease commitment for office space in Geneva which expires January 2023. Annual lease payments including operating costs are approximately 36,000 CHF (Switzerland Franc).

The Organization also has a lease commitment for office space in Ottawa for the period of December 2019 to February 2025. Minimum annual lease payments are approximately \$52,000 for the first three years and \$56,000 for remainder of the lease. The Organization is subject to maintenance, operating costs, and realty tax apportionments in addition to the base rent payments.

12. SUBSEQUENT EVENT

Subsequent to the year end the Organization's employees signed an agreement to unionize the workforce of the organization. Management is currently in the process of negotiations of contracts and as at the date of the financial statement release the economic impact to the organization is uncertain.

13. COMPARATIVE FIGURES

Comparative figures have been audited by another auditor and have been reclassified where necessary to conform to the presentation adopted in the current year.

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