GIRLS E-MENTORSHIP

FINANCIAL STATEMENTS

JUNE 30, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members,
Girls E-Mentorship

Opinion

We have audited the financial statements of Girls E-Mentorship which comprise the statement of financial position as at June 30, 2021, and the statements of operations and 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, the accompanying financial statements present fairly, in all material respects, the financial position of Girls E-Mentorship 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 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 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 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 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 Girls E-Mentorship'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 Girls E-Mentorship or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Girls E-Mentorship'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 Girls E-Mentorship'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 Girls E-Mentorship's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw your 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 Girls E-Mentorship 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.

Other Matter
The financial statements of Girls E-Mentorship as at and for the year ended June 30, 2020 were audited by another auditor who expressed an unqualified opinion on those financial statements on November 9, 2020.

Pennylegion Chung LLP

Chartered Professional Accountants
Licensed Public Accountants

September 27, 2021
Toronto, Ontario

GIRLS E-MENTORSHIP

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

	2021	2020
ASSETS		
Current assets		
Cash	$ 647,156	$ 506,684
Accounts receivable	2,572	9,354
HST rebate recoverable	13,947	13,269
	$ 663,675	$ 529,307
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	$ 25,467	$ 13,043
Deferred contributions (note 3)	12,032	2,032
	37,499	15,075
Net assets		
Designated (note 4)	100,000	-
Unrestricted	526,176	514,232
	626,176	514,232
	$ 663,675	$ 529,307

Approved on behalf of the Board:

_____, Director

_____, Director

see accompanying notes

GIRLS E-MENTORSHIP

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
REVENUE		
Contributions (note 5)	$ 451,196	$ 510,603
Interest	69	18
	451,265	510,621
EXPENSES		
Personnel		
Program	246,737	233,350
Administrative	48,771	23,196
Scholarship awards	16,500	20,000
Occupancy	9,894	18,229
Office and general	9,135	6,992
Professional fees	8,284	12,629
Program and events	-	4,186
	339,321	318,582
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	111,944	192,039
Net assets, beginning of year	514,232	322,193
NET ASSETS, END OF YEAR	$ 626,176	$ 514,232

see accompanying notes

GIRLS E-MENTORSHIP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	$ 111,944	$ 192,039
Net change in non-cash working capital items (see below)	28,528	6,599
NET INCREASE IN CASH FOR THE YEAR	140,472	198,638
Cash, beginning of year	506,684	308,046
CASH, END OF YEAR	$ 647,156	$ 506,684

Net change in non-cash working capital items:

Decrease (increase) in current assets-		
Accounts receivable	$ 6,782	$ 5,646
HST rebate recoverable	(678)	4,777
Increase (decrease) in current liabilities-		
Accounts payable and accrued liabilities	12,424	(3,824)
Deferred contributions	10,000	
	$ 28,528	$ 6,599

see accompanying notes

Girls E-Mentorship (the organization) is incorporated without share capital under the Canada Not-for-profit Corporations Act. The organization is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

The organization's principal activities include providing electronic and in-person mentorship to at-risk girls in grades 11 and 12 by connecting them with female professional mentors in the Greater Toronto Area.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant:

Revenue recognition
The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

i) The organization follows the deferral method of revenue recognition for contributions, which include grants and donations. Contributions related to current expenses are recognized as revenue in the current year. Contributions received in the year for expenses to be incurred in the following fiscal year are recorded as deferred contributions. Contributions related to the purchase of capital assets are recorded as revenue in the same period the related assets are charged to operations. Fundraising revenue is recorded when funds are received.

ii) Donated materials and services which are normally purchased by the organization are not recorded in the accounts.

iii) Interest income is recognized as revenue in the year earned.

Allocation of personnel expenses
The organization allocates personnel expenses between program and administrative functions based on time spent.

2. FINANCIAL INSTRUMENTS

The organization records financial instruments, which include cash, accounts receivable and accounts payable and accrued liabilities, initially at fair value and subsequently net of any provisions for impairment in value.

3. DEFERRED CONTRIBUTIONS

Continuity of deferred contributions for the year is as follows:

	2021	2020
Deferred contributions, beginning of year	$ 2,032	$ 2,032
Add cash received from grants	461,196	510,603
Less contribution revenue recognized (note 5)	(451,196)	(510,603)
Deferred contributions, end of year	$ 12,032	$ 2,032

4. DESIGNATED NET ASSETS

During the year, the Board of Directors designated net assets in the amount of $100,000 for an emergency reserve fund.

5. CONTRIBUTIONS

Contribution revenue recognized in the year was as follows:

	2021	2020
Individuals and corporations	$ 289,056	$ 501,316
Not-for-profit organizations	147,630	-
Government	14,510	9,287
	$ 451,196	$ 510,603

6. LEASE COMMITMENT

The organization leases office space on a month-to-month basis in Toronto, Ontario. Minimum monthly cost under the terms of the lease is $1,670.

7. COMPARATIVE FINANCIAL INFORMATION

Expenses for the year ended June 30, 2020 have been reclassified to conform with the basis of presentation adopted for the year ended June 30, 2021.