

FINANCIAL STATEMENTS
For
iSISTERS TECHNOLOGY MENTORING INC.
For year ended
APRIL 30, 2023

INDEPENDENT AUDITOR'S REPORT

To the directors of

ISISTERS TECHNOLOGY MENTORING INC.

Opinion

We have audited the financial statements of iSisters Technology Mentoring Inc., which comprise the statement of financial position as at April 30, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and 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 iSisters Technology Mentoring Inc., as at April 30, 2023 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis of 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 iSisters Technology Mentoring Inc. 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 these 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 iSisters Technology Mentoring Inc.'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 iSisters Technology Mentoring Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing iSisters Technology Mentoring Inc.'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 iSisters Technology Mentoring Inc.'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 iSisters Technology Mentoring Inc.'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 iSisters Technology Mentoring Inc. 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.



Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
September 19, 2023.

Welch LLP[®]

ISISTERS TECHNOLOGY MENTORING INC.

STATEMENT OF FINANCIAL POSITION

APRIL 30, 2023

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 46,074	\$ 61,223
Short-term investments (note 6)	103,565	102,660
Accounts receivable	4,712	4,060
Prepaid expenses	<u>2,361</u>	<u>2,010</u>
	156,712	169,953
TANGIBLE CAPITAL ASSETS (note 4)	<u>9,068</u>	<u>19,950</u>
	<u>\$ 165,780</u>	<u>\$ 189,903</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 24,133	\$ 24,855
Deferred contributions (note 5)	<u>61,230</u>	<u>74,922</u>
	85,363	99,777
DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS (note 4)	<u>9,068</u>	<u>19,950</u>
	<u>94,431</u>	<u>119,727</u>
NET ASSETS		
Unrestricted	31,349	30,176
Contingency - internally restricted	<u>40,000</u>	<u>40,000</u>
	<u>71,349</u>	<u>70,176</u>
	<u>\$ 165,780</u>	<u>\$ 189,903</u>

Approved by the Board:

..... Chair

..... Treasurer

(See accompanying notes)

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iSISTERS TECHNOLOGY MENTORING INC.**STATEMENT OF OPERATIONS****YEAR ENDED APRIL 30, 2023**

	<u>2023</u>	<u>2022</u>
Revenue		
Grants	\$ 264,690	\$ 97,821
Donations	24,984	24,881
Exchange loss and other revenue	<u>(453)</u>	<u>(945)</u>
	<u>289,221</u>	<u>121,757</u>
Expenses		
Programs	179,900	122,424
Administration	100,741	82,235
Professional fees	5,183	4,827
Insurance	<u>2,224</u>	<u>2,070</u>
	<u>288,048</u>	<u>211,556</u>
Excess of revenue over expenses (expenses over revenue)	<u>\$ 1,173</u>	<u>\$ (89,799)</u>

(See accompanying notes)

iSISTERS TECHNOLOGY MENTORING INC.
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED APRIL 30, 2023

	<u>Unrestricted</u>	<u>Contingency - Internally restricted</u>	<u>2023 Total</u>	<u>2022 Total</u>
Balance, beginning of year	\$ 30,176	\$ 40,000	\$ 70,176	159,975
Revenue over expenses (expenses over revenue)	<u>1,173</u>	<u>-</u>	<u>1,173</u>	<u>(89,799)</u>
Balance, end of year	<u>\$ 31,349</u>	<u>\$ 40,000</u>	<u>\$ 71,349</u>	<u>\$ 70,176</u>

(See accompanying notes)

ISISTERS TECHNOLOGY MENTORING INC.

STATEMENT OF CASH FLOWS

YEAR ENDED APRIL 30, 2023

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM (USED IN)		
OPERATING ACTIVITIES		
Excess of revenue over expenses (expenses over revenue)	\$ 1,173	\$ (89,799)
Items not involving cash:		
Amortization of deferred contributions related to tangible capital assets	(10,882)	(1,814)
Amortization of tangible capital assets	10,882	1,814
Changes in non-cash working capital components:		
Accounts receivable	(651)	(358)
Prepaid expenses	(351)	39
Accounts payable and accrued liabilities	(723)	(491)
Deferred contributions	<u>(13,692)</u>	<u>53,957</u>
	<u>(14,244)</u>	<u>(36,652)</u>
INVESTING ACTIVITIES		
Purchase of investments	(905)	(500)
Purchase of tangible capital assets	<u>-</u>	<u>(21,764)</u>
	<u>(905)</u>	<u>(22,264)</u>
FINANCING ACTIVITIES		
Deferred contribution received for purchase of tangible capital assets	<u>-</u>	<u>21,764</u>
DECREASE IN CASH	(15,149)	(37,152)
CASH, BEGINNING OF YEAR	<u>61,223</u>	<u>98,375</u>
CASH, END OF YEAR	\$ <u>46,074</u>	\$ <u>61,223</u>

(See accompanying notes)

ISISTERS TECHNOLOGY MENTORING INC.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED APRIL 30, 2023

1. NATURE OF OPERATIONS

iSisters Technology Mentoring Inc. ("the organization" or "iSisters") was founded to connect women in need with technology through mentoring. As a leader in technology learning and development, iSisters helps empower women in need to live better lives, create brighter futures and build stronger communities.

The organization was incorporated under the Canada Corporations Act on December 13, 2001 without share capital as a not-for-profit organization and was continued under the Canada Not-for-profit Corporations Act on October 15, 2014. The organization is also a registered charity and is exempt from paying income taxes pursuant to Section 149 of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and the following is a summary of the significant accounting policies used in the preparation of these financial statements:

Financial instruments

All financial assets and liabilities are initially recognized at fair value and are subsequently measured at cost or amortized cost.

Tangible capital assets

Tangible capital assets greater than \$500 are recorded at acquisition cost. iSisters provides amortization using the following methods at rates designated to amortize the cost of the tangible capital assets over their estimated useful lives. The annual amortization rate and method is as follows:

Computer equipment	2 years
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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 and donations are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed materials and services

Contributed materials and services are not recognized in these financial statements.

Volunteers contribute a significant number of hours per year to assist the organization in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services for volunteers are not recognized in the financial statements.

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 and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Items requiring the use of significant estimates include determining the estimated lives of tangible capital assets and the amount of accrued liabilities. Actual results could differ from these estimates and adjustments are made to the statement of operations as appropriate in the year they become known.

ISISTERS TECHNOLOGY MENTORING INC.
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED APRIL 30, 2023

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.

Credit risk

The organization is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The corporation's maximum exposure to credit risk is the sum of the carrying value of its cash and its accounts receivable. The organization's cash is deposited with a Canadian chartered bank and as a result, management believes the risk of loss on cash to be remote. The organization manages its credit risk by reviewing accounts receivable aging monthly and following up on outstanding amounts. Management believes that all accounts receivable at year end will be collected and that no provision for uncollectible amounts is necessary.

Liquidity risk

Liquidity risk is the risk that the organization cannot meet a demand for cash or fund its obligations as they become due. The organization meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flows from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash.

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.

i) *Currency risk*

Currency risk refers to 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's financial instruments are all denominated in Canadian dollars and it transacts primarily in Canadian dollars. As a result, management does not believe it is exposed to significant currency risk.

ii) *Interest rate risk*

Interest rate risk refers to 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's exposure to interest rate risk is limited to its investment in a guaranteed investment certificate which earns interest at market rates.

iii) *Other price risk*

Other price risk refers to 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 instrument or its issuer or factors affecting all similar instruments traded in the market.

Since the organization does not have any investments in publicly traded securities, it is not exposed to other price risk.

Changes in risk

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

ISISISTERS TECHNOLOGY MENTORING INC.
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED APRIL 30, 2023

4. TANGIBLE CAPITAL ASSETS

Tangible capital assets consist of the following:

	<u>2023</u>		<u>2022</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Cost</u>	<u>Accumulated amortization</u>
Computer	\$ 21,764	\$ 12,696	\$ 21,764	\$ 1,814
Accumulated amortization	<u>12,696</u>		<u>1,814</u>	
	<u>\$ 9,068</u>		<u>\$ 19,950</u>	

Amortization expense of \$10,882 is included in programs expense on the statement of operations.

5. DEFERRED CONTRIBUTIONS

Deferred contributions consist of unspent externally restricted contributions received for expenditures to be incurred in a future year. The activity in the deferred contributions balance is summarized as follows:

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 74,922	\$ 20,966
Amounts received in the year	163,994	169,455
Recognized as revenue	<u>(177,686)</u>	<u>(115,499)</u>
Balance, end of year	<u>\$ 61,230</u>	<u>\$ 74,922</u>

6. SHORT-TERM INVESTMENT

Investments consist of the following:

	<u>2023</u>	<u>2022</u>
Term certificate, maturing March 19, 2024 with an interest rate of 0.80%	\$ 101,405	\$ 100,500
Cash earning 6% interest	<u>2,160</u>	<u>2,160</u>
	<u>\$ 103,565</u>	<u>\$ 102,660</u>

7. COMPARATIVE FIGURES

Certain comparative have been reclassified to be consistent with the current year's presentation.