

Unison
Choruses
Canada



Chœurs
Unisson
Canada



UNISON CHORUSES CANADA

FINANCIAL STATEMENTS

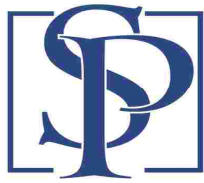
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

UNISON CHORUSES OF CANADA

September 30, 2022

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SCASE & PARTNER

CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BOARD UNISON CHORUSES CANADA

Qualified Opinion

We have audited the accompanying financial statements of the Unison Choruses Canada, which comprise the statement of financial position as at September 30, 2022 and statement of operations, changes in net financial assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the Basis of Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects the financial position of the Unison Choruses Canada as at September 30, 2022, the results of its operations, changes in its net financial assets 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 charitable organizations, Unison Choruses Canada derives income from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these incomes was limited to the amounts recorded in the records of Unison Choruses Canada. Therefore, we were not able to determine whether any adjustment might be necessary to recorded donations and fund raising revenue, excess of income over expenses, cash flows from operations for the year ended September 30, 2022 and September 30, 2021 and net assets as at October 1 and September 30 for both the 2022 and 2021 years. Our audit opinion on the financial statements for the year ended September 30, 2022 was modified accordingly because of the possible effects of this scope limitation.

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 Unison Choruses Canada 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.

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 the 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 Corporation'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 corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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:

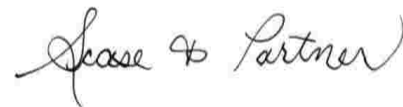
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 controls 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 Corporation's internal controls.
- 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 Corporation'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 Corporation 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.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Corporation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Corporation's audit. We remain solely responsible for our audit opinion.

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 controls that we identify during our audit.

The engagement partner on the audit resulting in this independent auditor's report is Darryl Scase.



Chartered Professional Accountants

Calgary, Alberta
March 15, 2023

UNISON CHORUSES OF CANADA

Statement of Financial Position

As at September 30, 2022

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Current Assets		
Cash - Restricted (note 2)	\$ 39,210	\$ 22,313
Cash - Unrestricted (note 2)	20,679	29,600
Accounts Receivable (note 3)	1,095	11,835
Sales Tax Recoverable (note 4)	774	294
Prepaid expenses (note 5)	2,835	11,366
Total Current Assets	<u>64,593</u>	<u>75,408</u>
<u>TOTAL ASSETS</u>	<u>\$ 64,593</u>	<u>\$ 75,408</u>
<u>LIABILITIES</u>		
Current Liabilities		
Accounts Payable (note 6)	\$ 3,478	\$ 5,847
Accrued Expenses (note 7)	3,900	2,500
Unison Legacy Fund (note 8)	837	3,410
Deferred revenue (note 9)	67,738	62,207
TOTAL LIABILITIES	<u>75,953</u>	<u>73,964</u>
<u>NET (DEFICIT) ASSETS</u>		
Unrestricted Net Assets	18,640	1,444
Restricted Net Assets	<u>(30,000)</u>	<u></u>
TOTAL NET (DEFICIT) ASSETS	<u>(11,360)</u>	<u>1,444</u>
<u>TOTAL LIABILITIES & NET (DEFICIT) ASSETS</u>	<u>\$ 64,593</u>	<u>\$ 75,408</u>

The accompanying notes are an integral part of these financial statements.

UNISON CHORUSES OF CANADA

Statement of Operations

For the year ending September 30, 2022

		<u>2022</u>	<u>2021</u>
<u>REVENUE</u>			
Festival Revenue			
Donations	(Note 11)	\$ 6,172	\$ -
Registrations		5,600	
Unison Legacy Fund		-	8,746
		<u>11,772</u>	<u>8,746</u>
National Organization			
Membership Dues		1,345	1,410
Donations		1,832	3,266
Grants		5,240	9,477
Other		168	1,120
		<u>8,585</u>	<u>15,273</u>
TOTAL REVENUE		<u>20,357</u>	<u>24,019</u>
<u>EXPENSES</u>			
Festival Expenses	(Note 12)	<u>10,967</u>	<u>8,746</u>
National Organization Expenses			
Administrator		4,931	7,594
Insurance		4,588	3,881
Professional fees		5,390	3,500
Office Expenses		950	660
Unison Services Expenses		-	138
Other General Operating Exp.		-	1,018
Bank charges		697	742
Translation		-	270
Commissions Project		5,240	9,477
Graphic & Web Design		398	398
		<u>22,194</u>	<u>27,678</u>
TOTAL EXPENSES		<u>33,161</u>	<u>36,424</u>
NET OPERATING LOSS		<u>\$ (12,804)</u>	<u>\$ (12,405)</u>

UNISON CHORUSES OF CANADA

Statement of Cash Flows

For the year ending September 30, 2022

	<u>2022</u>	<u>2021</u>
Operating Activities		
Net operating loss	\$ (12,804)	\$ (12,405)
Increase (Decrease) in Operating Assets		
Accounts Receivable	10,740	11,665
Sales Tax Recoverable	(480)	(222)
Prepaid expenses	8,531	(9,738)
Increase (Decrease) in Operating Liabilities		
Accounts Payable	(2,370)	2,631
Accrued Expenses	1,400	(3,620)
Deferred revenue	5,531	23,707
Cash Flow from (Used in) Operating Activities	<u>10,549</u>	<u>12,018</u>
Net Cash provided from Fundraising Activities		
Unison Legacy Fund	<u>(2,573)</u>	<u>(8,745)</u>
Net Increase in Cash and Cash Equivalents	7,976	3,273
Cash and Cash Equivalents - Beginning of Year	<u>51,913</u>	<u>48,640</u>
Cash and Cash Equivalents - End of Year	<u><u>\$ 59,889</u></u>	<u><u>\$ 51,913</u></u>
Cash and Cash Equivalents - End of Year is comprised of:		
Cash - Restricted (note 2)	\$ 39,210	\$ 22,313
Cash - Unrestricted (note 2)	20,679	29,600
	<u><u>\$ 59,889</u></u>	<u><u>\$ 51,913</u></u>

UNISON CHORUSES OF CANADA
Statement of Changes in Net (Deficit) Assets
For the year ending September 30, 2022

	2022			2021
	Restricted Net Assets	Unrestricted Net Assets	Total	Total
Net Assets - Beginning of Year	\$ -	\$ 1,444	\$ 1,444	\$ 13,849
Net Operating Loss		(12,804)	(12,804)	(12,405)
Transfer to Unrestricted Cash	(30,000)	30,000	-	
Net (Deficit) Assets - End of Year	<u>\$ (30,000)</u>	<u>\$ 18,640</u>	<u>\$ (11,360)</u>	<u>\$ 1,444</u>

UNISON CHORUSES OF CANADA

Notes to the Financial Statements

For the year ending September 30, 2022

Nature of Operations

Unison Choruses Canada ("the Corporation") was incorporated under the *Canada Corporations Act* on January 20, 2011 as a non-profit corporation. In 2020 the Corporation changed its operating name and increased its operating activities to become a National Organization created for the purpose of supporting Canadian 2SLGBTQIA+ choruses and operating a quadrennial festival for Canadian 2SLGBTQIA+ choirs that takes place in a different Canadian city each time.

The Corporation filed for continuance under the Canada Not-for-profit Corporations Act in the fall of 2014. The Corporation was granted charitable status by the Canada Revenue Agency on January 23, 2013. As a non-profit organization, the Corporation is exempt from paying income taxes under the Income Tax Act.

1. Summary Of Significant Accounting Policies

These financial statements have been prepared using the Canadian accounting standards for not-for-profit organization. These financial statements have, in management's opinion been properly prepared within the framework of the accounting policies summarize as follows:

a) Revenue Recognition

The Corporation follows the deferral method of accounting for contributions (donations, grants, sponsorships). Contributions that are explicitly or implicitly designated for a specific purpose are considered restricted contributions. Restricted contributions are earned and recognized as revenue when the conditions for their use are met.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. (1) Restricted contributions received for expenses expected to occur within the same year are recognized as revenue when received. (2) All other restricted contributions are recorded as deferred revenue (liability) when received. These contributions are recognized as revenue when related expenses are incurred.

Unrestricted contributions are recognized when received or when receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Other revenues are recognized as revenue when the services are provided. Fees collected in advance of the services being provided are recorded as deferred revenue.

b) Cash and cash equivalents

Cash and cash equivalents include unrestricted cash on hand, bank balances, Paypal account.

Restricted cash and cash equivalents are reported separately.

c) Restricted Cash

Restricted cash is money from donors and granting organizations that is restricted to specific types of expenses (externally restricted) or money that the Corporation has designated for specific purposes (internally restricted).

UNISON CHORUSES OF CANADA

Notes to the Financial Statements

For the year ending September 30, 2022

d) Property and equipment

A not-for-profit organization can expense capital assets as per CPA handbook when the average annual revenues recognized in the statement of operations for the current and preceding period of the organization and any entities it controls is less than \$500,000. During the current fiscal year, the average annual revenues for year 2022 was \$20,357 and there was no capital asset purchases in 2022.

e) Measurement uncertainty

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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are accounts receivable, property, plant and equipment, accounts payable and accrued liabilities, and in-kind donations.

f) Financial instruments

The Corporation initially measures its financial assets and financial liabilities at their fair value. The Corporation subsequently measures all its financial assets and financial liabilities at cost or amortized cost. Changes in fair value of these financial instruments are recognized in net income.

Financial instruments measured at amortized cost includes cash and cash equivalents, accounts receivable, investments and accounts payable.

g) Risk Management

The carrying value of cash, short term investments, accounts receivable, and accounts payable and accrued liabilities approximate their fair value because of the short-term maturity of these items. It is managements' opinion that the Corporation is not exposed to significant interest rate, currency, credit, or market risks arising from these financial instruments.

2. Cash and Cash Equivalents

Cash and cash equivalents as at September 30, 2022 were held in the following accounts:

	Account Balance	Restricted	Unrestricted
Chequing and savings accounts	\$ 59,016	\$ 39,210	\$ 19,806
PayPal/Stripe/Canada Helps Account	873	-	873
	<u>\$ 59,889</u>	<u>\$ 39,210</u>	<u>\$ 20,679</u>

Restricted cash at September 30, 2022 consists of the internally restricted Unison Legacy Fund of \$837 and the externally restricted LGBT Purge Fund Grant of \$38,373

The PayPal, Stripe and Canada Helps accounts are used to handle online sales and payments through the Integra Online Planner, such as Festival registrations, merchandise sales and payments to Integra. In non-festival years the balance is minimized.

UNISON CHORUSES OF CANADA

Notes to the Financial Statements

For the year ending September 30, 2022

3. Accounts Receivable

This amount represents money owed to the Corporation. The September 30, 2022 balance was from Festival Registrations not paid as of Year End in the amount of \$1,095 (2021- \$11,835)

4. Sales Tax Recoverable

Sales Tax Recoverable represents sales tax invoiced on sales less sales tax paid on expenses. At September 30, 2022 \$774 (2021 -294) is recoverable by the Corporation. The GST rebate factor for the Corporation is 50%.

5. Prepaid Expenses

This prepaid expense of \$2,835 (2021 - \$11,366) is for insurance premiums paid in advance for an entire year (\$2335) and advertising expenses (\$500) paid in advance. The prorated amount is expensed monthly. At year-end six months of the amount relates to insurance for the 2022-2023 year.

6. Accounts Payable

This amount represents bills or expenses incurred but not yet paid. There was \$3,478 (2021 - \$5,847) in outstanding accounts payable at year end.

7. Accrued Expenses

This amount \$3,900 (2021 - \$2,500) represents expenses incurred during the 2021-2022 year, but not invoiced as of September 30, 2022.

8. Unison Legacy Fund

Unison Legacy Fund contains the proceeds of specified donations made to the Corporation as of the end of the fiscal year September 30, 2018. These funds will be recognized as income to offset Festival expenses as they are incurred. In the fiscal year ending September 30, 2022, \$2,573 from the Legacy Fund was recorded as income to offset Halifax Festival expenses.

9. Deferred revenue

Deferred revenue is a liability on the Corporations statement of financial position that represents a prepayment by its customers for goods or services that have yet to be delivered. Deferred revenue is recognized as earned revenue on the statement of operations as the good or service is delivered to the customer. The balance at September 30, 2022 of \$67,738 (2021 - \$62,207) is deferred revenue from the LGBT Purge Fund Grant, \$38,373 and specified donations, \$29,365.

10. Net Assets

Net Assets are the Corporation's accumulated surplus or deficit: (assets minus liabilities). Unrestricted Net Assets reflects the difference between the Corporation's surplus and the Restricted Net Assets. These are the assets (cash and cash equivalents) available at year-end for the Corporation's operations and future investments. The current year deficit is the net loss from operation of the current fiscal year. The opening surplus (deficit) is a carry forward balance from inception up to prior year end's operating results.

UNISON CHORUSES OF CANADA

Notes to the Financial Statements

For the year ending September 30, 2022

11. Revenue

Revenue earned in the 2021-2022 consisted of donations, grants funding, membership dues, Festival registrations and ticket sales for Festival Events

Membership dues are annual dues paid by voting members of the Corporation.

Revenue - Festival:

Donations	\$ 6,172
Festival Registrations and Events	5,600
Unison Legacy Fund	-
	<u>\$ 11,772</u>

Revenue - National Organization:

Membership dues	1,345
Donations	1,832
Commission Project Grant	5,240
Other revenue	168
	<u>8,585</u>
	<u>\$ 20,357</u>

12. Expenses

Expenses for 2021-2022 year relate to operating the Corporation under the restructuring of Unison as a national organization and Festival Expenses which relate to Artistic and non-Artistic staff, event management software, and venue deposits.

National Organization Expenses

Administrator	\$ 4,931
Insurance	4,588
Professional fees	5,390
Advertsing and promotion	-
Office expenses	950
Unison Services	-
Commission Project	5,240
Other general operating expenses	398
Bank charges	697
Corporate Filings	-
Translation	-
	<u>22,194</u>

Festival Expenses	<u>10,967</u>
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Total Expenses	<u>\$ 33,161</u>
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UNISON CHORUSES OF CANADA

Notes to the Financial Statements

For the year ending September 30, 2022

13. Current Surplus (Deficit)

The Corporation's activities in the 2021-2022 focused on building Unison as a National Choral organization and Halifax 2023 Festival planning.

	<u>2022</u>	<u>2021</u>
Revenue	\$ 20,357	\$ 24,019
Expenses	<u>33,161</u>	<u>36,424</u>
Net Operating Loss	<u>\$ (12,804)</u>	<u>\$ (12,405)</u>