

# Cyber-Seniors:Connecting Generations

Financial Statements

For the year ended December 31, 2021



## Independent Auditor's Report

To the Board of Directors of Cyber-Seniors:Connecting Generations

### *Qualified Opinion*

I have audited the financial statements of Cyber-Seniors:Connecting Generations ("the Organization") which comprise the statement of financial position as at December 31, 2021, and the statement of operations and changes in net assets, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the 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 December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Accounting Standards for Not-for-Profit Organizations (ASNPOs).

### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, the Organization derives revenue from donations and grants, the completeness of which is not susceptible to satisfactory audit verification. Accordingly my verification of these revenues was limited to the amounts recorded in the records of the Organization and I was not able to determine whether any adjustments might be necessary to donation or grants, excess of revenue over expenditures and cash flows from operations for the year ended December 31, 2021, current assets and net assets as at December 31, 2021.

I conducted my audit in accordance Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### ***Other Matters***

The comparative financial statements which comprise the statement of financial position as at December 31, 2021, and the statement of operations and changes in net assets, and statement of cash flows for the year then ended were not audited.

### ***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 ASNPOs, 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***

My 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 my 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.

A further description of the auditor's responsibilities for the audit of the financial statements is located in the attached Appendix to the Auditor's Report. This description forms part of my auditor's report.

*Edmonds Professional Corporation*

Authorized to practice public accounting by the  
Chartered Professional Accountants of Ontario  
Toronto, Canada  
July 20, 2022

## Appendix to the Auditor's Report

As part of an audit in accordance with CASs, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

I 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 I identify during my audit.

**Cyber-Seniors:Connecting Generations**  
**Statement of Financial Position**  
**As at December 31,**

	2021	2020 (unaudited)
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 534,155	\$ 109,048
Accounts receivable	571	5,828
HST recoverable	4,120	39,475
Due from related parties (Note 3)	25,223	-
	<b>564,069</b>	<b>154,351</b>
<b>Website (Note 4)</b>	<b>148,629</b>	<b>150,215</b>
	<b>712,698</b>	<b>304,566</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 5)	73,618	45,115
Source deductions payable	24,621	10,072
Deferred contributions (Note 6)	382,434	94,495
	<b>480,673</b>	<b>149,682</b>
<b>Long term loan (Note 7)</b>	<b>40,000</b>	<b>40,000</b>
	<b>520,673</b>	<b>189,682</b>
<b>Net assets</b>	<b>192,025</b>	<b>114,884</b>
	<b>\$ 712,698</b>	<b>\$ 304,566</b>

Contingent liability (Note 8)

APPROVED ON BEHALF OF THE BOARD:

  
 \_\_\_\_\_, Director

**Cyber-Seniors:Connecting Generations**  
**Statement of Operations and Changes in Net Assets**  
**For the year ended December 31,**

	2021	2020 (unaudited)
<b>Revenue</b>	<b>\$ 937,701</b>	<b>\$ 676,730</b>
<b>Expenses</b>		
Advertising and promotion	14,852	15,750
Consultants	71,434	22,283
Contractors	295,654	319,567
Fiscal sponsorship fees	36,475	24,537
Insurance	1,188	810
Interest and bank charges	8,288	6,441
Office and general	48,921	141,449
Professional fees	8,206	20,384
Programs and food	349,966	103,725
Travel	348	2,395
Amortization	21,448	18,352
	<b>856,780</b>	<b>675,693</b>
<b>Earnings before foreign exchange loss</b>	<b>80,921</b>	<b>1,037</b>
Foreign exchange loss	3,780	11,876
<b>Excess (deficiency) of revenue over expenditures for the year</b>	<b>77,141</b>	<b>(10,839)</b>
Net assets, beginning of year	114,884	125,723
<b>Net assets, end of year</b>	<b>\$ 192,025</b>	<b>\$ 114,884</b>

**Cyber-Seniors:Connecting Generations**  
**Statement of Cash Flows**  
**For the year ended December 31,**

	2021	2020 (unaudited)
<b>Cash provided by (used in)</b>		
<b>Operations</b>		
Excess (deficiency) of revenue over expenditures for the year	\$ 77,141	\$ (10,839)
Items not affecting cash		
Amortization	21,448	18,352
	<b>98,589</b>	<b>7,513</b>
Net changes in non-cash working capital		
Accounts receivable	5,257	121,996
HST recoverable	35,355	(22,737)
Accounts payable and accrued liabilities	28,503	(12,388)
Source deduction payable	14,549	3,299
Due to from related parties	(25,223)	(63,331)
Deferred contributions	287,939	94,495
	<b>444,969</b>	<b>128,847</b>
<b>Investing</b>		
Website development costs (Note 4)	(19,862)	(26,832)
<b>Financing</b>		
Government loan (Note 7)	-	40,000
<b>Net change in cash</b>	<b>425,107</b>	<b>142,015</b>
Cash, beginning of year	109,048	(32,967)
<b>Cash, end of year</b>	<b>\$ 534,155</b>	<b>\$ 109,048</b>



**Cyber-Seniors:Connecting Generations**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2021**

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**1. NATURE OF THE ORGANIZATION**

Cyber-Seniors:Connecting Generations ("the Organization") was incorporated by Ontario Letters Patent without share capital on December 19, 2014 under the Canada Not-for-profit Corporations Act. The Organization is exempt from income taxes under the Income Tax Act.

Cyber-Seniors:Connecting Generations is a non-profit organization that provides senior citizens with technology training using an intergenerational, volunteer model. Programs are offered through young digital mentors who help senior citizens gain access to effective technology training and to become socially connected and engaged to evolving technology trends.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant for the Organization.

**Revenue Recognition**

The Organization uses the deferral method of accounting for donations. Restricted donations are deferred and recognized into revenue when related expenses are incurred. Government grants are recorded when there is a reasonable assurance that the Organization has complied with and will continue to comply with all the necessary conditions of the grant. Training fees are recognized as revenue when related services are completed.

All other revenues are recognized on the accrual basis.

**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 amounts reported in the financial statements and accompanying notes. Management believes that the estimates used in preparing its financial statements are reasonable and prudent. Actual results could differ from those estimates.

Significant areas requiring the use of management estimates relate to amortization of capital assets.

**Cyber-Seniors:Connecting Generations**  
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**2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**Website**

Website costs are recorded at cost less accumulated amortization. When a website no longer contributes to the Organization's ability to provide services, its carrying amount is written down to its residual value.

The Organization amortizes its website on the straight-line method.

**Financial Instruments**

The Organization initially measures its financial assets and liabilities at fair value.

The Organization subsequently measures its financial assets and financial liabilities at amortized cost using the straight-line method.

Financial assets measured at amortized cost include accounts receivable. Financial liabilities measured at amortized cost include accounts payable, accrued liabilities and long term loans.

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down, if any, is recognized in excess of expenses over revenue. Reversals of impairment are recorded to the extent that the value has increased, up to 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 excess of expenses over revenue.

**Donated Services**

Volunteers have donated time and services to assist the Organization in the delivery of activities. Because of the difficulty of determining their fair value, donated services are not recognized in the financial statements. The Organization recorded 10,187 volunteer hours in 2021 (2020 - 4,761).

Cyber-Seniors:Connecting Generations  
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3. DUE FROM RELATED PARTY

Due from related party consists of amounts owed from Cyber-Seniors U.S., a common management non-for-profit organization located in the United States. The amounts due from related parties represent funding towards normal operations, specifically legal and professional fees paid by the Organization. Management regularly assesses impairment whenever events indicate that the carrying value value exceeds the realizable value. Management has asserted that no such events exist for 2021.

4. WEBSITE

	Accumulated Cost Amortization	2021 Net Book Value	2020 Net Book Value (unaudited)	
Website	\$ 211,348	\$ 62,719	\$ 148,629	\$ 150,215

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are the amounts payable in respect to government remittances of \$Nil (2020 - \$Nil).

**Cyber-Seniors:Connecting Generations**  
Notes to the Financial Statements  
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**6. DEFERRED CONTRIBUTIONS**

Deferred contributions reported in 2021 consisted of unspent grant revenue from the Best Buy National Partner Grant (\$30,807), the Best Buy Blue Gives Back (\$249,554), and the Public Health Agency of Canada Dementia Awareness Program (\$102,073). These contributions will be recorded as revenue when the related expenses are recognized.

	2021	2020 (unaudited)
Balance, beginning of year	\$ 94,495	\$ -
Contributions received during the year	996,198	94,495
Contributions expensed during the year	(708,259)	-
<b>Balance, end of year</b>	<b>\$ 382,434</b>	<b>\$ 94,495</b>

**7. LONG TERM LOAN**

During 2020, the Organization obtained a \$40,000 loan through the Canada Emergency Business Account. The loan is non-interest bearing until December 31, 2023. Repayment of \$30,000 on the outstanding balance on or before this date will result in loan forgiveness of \$10,000 (25%). If not fully repaid by December 31, 2023, the loan will be converted into a new loan with the Organization's financial institution with an annual fixed interest rate of 5%, beginning January 1, 2024. Interest payment frequency and length of the loan will be determined by the financial institution.

**8. CONTINGENT LIABILITY**

The Organization is contingently liable to return all or a portion of grants received for expenditures should it not use the grant funds as set out in the terms of the respective agreements. The amount of any such losses or repayments are not currently anticipated or determinable. In the event of repayment of a grant, the losses will be recorded if and when it becomes anticipated and determinable.

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For the year ended December 31, 2021

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9. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation. Excess of revenue over expenses reported previously has not been affected by this reclassification.