

CENTRE FOR INQUIRY CANADA / LE CENTRE POUR L'ENQUETE

FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

UNAUDITED

CENTRE FOR INQUIRY CANADA / LE CENTRE POUR L'ENQUETE

FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

UNAUDITED

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INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT

To the Members of
Centre for Inquiry Canada / Le Centre pour L'enquete

Report on the Financial Statements

We have reviewed the accompanying financial statements of Centre for Inquiry Canada / Le Centre pour L'enquete that comprise the statement of financial position as at September 30, 2021 and the statements of operations and net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.



INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT (Continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Centre for Inquiry Canada / Le Centre pour L'enquete as at September 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.

KRIENS-LAROSE, LLP
Kriens - Larose, LLP
Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
February 16, 2022

CENTRE FOR INQUIRY CANADA / LE CENTRE POUR L'ENQUETE
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2021

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	2021	2020
	\$	\$
ASSETS		
CURRENT		
Cash	23,011	18,196
Accounts receivable	119	16,263
Prepaid expenses	1,900	1,540
HST recoverable	2,869	2,770
	27,899	38,769
EQUIPMENT (Note 2)	1,048	1,313
	28,947	40,082
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	6,505	19,829
Deferred revenue (Note 3)	6,139	1,222
	12,644	21,051
NET ASSETS		
Unrestricted net assets	16,303	19,031
	28,947	40,082

APPROVED ON BEHALF OF THE BOARD:

_____, Director

_____, Director

UNAUDITED; Refer to attached Independent Practitioners' Review Engagement Report dated
February 16, 2022

CENTRE FOR INQUIRY CANADA / LE CENTRE POUR L'ENQUETE
STATEMENT OF OPERATIONS AND NET ASSETS
 FOR THE YEAR ENDED SEPTEMBER 30, 2021

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	2021	2020
	\$	\$
REVENUES		
Donations	66,953	71,352
Membership fees	10,085	9,428
Events	3,185	2,201
TOTAL REVENUES	80,223	82,981
EXPENSES		
Subcontractors	46,064	42,989
Occupancy	15,840	15,840
Program	11,163	10,791
Professional fees	3,114	3,065
Office	2,250	2,975
Insurance	2,451	2,203
Fundraising	1,804	4,228
Amortization	265	334
TOTAL EXPENSES	82,951	82,425
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(2,728)	556
Net assets, beginning of year	19,031	18,475
Net assets, end of year	16,303	19,031

UNAUDITED; Refer to attached Independent Practitioners' Review Engagement Report dated
 February 16, 2022

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

	2021	2020
	\$	\$
CASH WAS PROVIDED BY (USED IN):		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from memberships	10,085	9,428
Cash receipts from donations	88,014	52,503
Cash receipts from events	3,185	2,201
Cash (paid to) suppliers	(96,469)	(65,759)
Change in cash	4,815	(1,627)
Cash, beginning of year	18,196	19,823
Cash, end of year	23,011	18,196

PURPOSE OF THE ORGANIZATION

The Centre For Inquiry Canada/Le Centre pour L'Enquete was incorporated under the Canada Corporation Act on September 20, 2007, is a registered charity under the Income Tax Act (Canada), and as such is exempt from the payment of income taxes under section 149(1)(l) of the Income Tax Act (Canada).

The Centre For Inquiry Canada/Le Centre Pour L'Enquete educates and provides training to the public in the application of skeptical, secular, rational, and humanistic enquiry through conferences, symposia, lectures, published works and the maintenance of a library and meeting facilities.

The Centre is financially dependent on their donors as the donations represent 84% (2020: 86%) of their total revenue. In addition, 43% of the Centre's donations were received from one donor (2020: 25%).

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook and include the following significant accounting policies:

Financial Instruments

The Centre initially measures its financial assets and liabilities at fair value. The Centre subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and accounts receivable.
Financial liabilities measured at amortized cost include accounts payable and deferred revenue.

Use of Estimates

The preparation of financial statements in accordance 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 reporting date and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations in the year they become known.

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and fixed income investments with maturities of less than 90 days.

Prepaid Expenses

Prepaid expenses are recorded for goods and services to be received in the next fiscal year, which were paid for in the current fiscal year.

Equipment and Amortization

Equipment is recorded at acquisition cost.

Amortization is calculated on a declining balance as following:

Furniture & equipment	20% declining balance
Computer equipment	55% declining balance

Where equipment no longer has any long-term service potential to the Centre, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

Revenue Recognition

The Centre follows the deferral method of accounting for contributions. All revenues are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured, except for funds received in advance of the year, which are deferred to the year the service is provided.

Membership fees

Membership fees are considered contributions. Membership fees are recognized in the year when an individual member has paid the necessary fees.

Donations

Donations are recognized as revenue when received.

Events

Event revenues are recognized in the period that the event occurs.

Donated Property and Services

During the year, voluntary services were provided. Because these services are not normally purchased by the Centre, and because of the difficulty of determining their fair value, donated services are not recognized in these statements.

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2. EQUIPMENT

	2021		2020	
	Cost \$	Accumulated amortization \$	Cost \$	Accumulated amortization \$
Computer equipment	8,491	8,488	8,491	8,484
Equipment	13,703	12,658	13,703	12,397
	22,194	21,146	22,194	20,881
Net book value	1,048		1,313	

3. DEFERRED REVENUE

Deferred revenue represents externally restricted donations. Deferred revenue consists of the following:

	2021 \$	2020 \$
Assistance for Apostates fund	6,068	1,157
Ottawa Secular Community Network fund	71	65
	6,139	1,222

The changes in the deferred revenue balance under the Assistance for Apostates fund are as follows:

	2021 \$	2020 \$
Balance, beginning of year	1,157	-
Contributions received during the year	12,537	5,495
Amounts recognized as revenue during the year	(7,626)	(4,338)
Balance, end of year	6,068	1,157

Continued...

3. DEFERRED REVENUE (Continued)

The changes in the deferred revenue balance under the Ottawa Secular Community Network fund are as follows:

	2021	2020
	\$	\$
Balance, beginning of year	65	365
Contributions received during the year	595	540
Amounts recognized as revenue during the year	(589)	(840)
<hr/>		
Balance, end of year	71	65

4. FINANCIAL INSTRUMENTS

The Centre is exposed to various risks through its financial instruments. The following presents the Centre's risk exposures and concentrations at September 30, 2021.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Centre's main credit risk relate to accounts receivable. Actual exposure to credit losses has been minimal in prior years. The allowance for doubtful accounts is \$0 (2020: \$0).

Liquidity Risk

Liquidity risk is the risk that the Centre will encounter difficulty in meeting obligations associated with financial liabilities. The Centre is exposed to this risk as it depends on donations and membership fees for its operations. In order to reduce its liquidity risk, the Centre seeks to continue to receive donations and membership fees on an annual basis, and manages its cash flow and set aside idle funds to fulfill its obligations.

Continued...

4. FINANCIAL INSTRUMENTS (Continued)

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 comprises three types of risks: currency risk, interest rate risk and other price risk.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Centre is not exposed to foreign currency risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Centre has a low interest rate risk.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Centre is not exposed to other price risk.

5. FINANCIAL IMPACT OF THE NOVEL CORONAVIRUS (COVID-19)

In March 2020, the World Health Organization declared a global pandemic due to the outbreak of the novel Coronavirus ("COVID-19"). The situation is continuously developing and the economic impact has been substantial to both Canada and the globe. As at February 16, 2022, the Centre is aware of the changes in its operations as a result of the pandemic, including in person events have been cancelled and meetings being held virtually.

The Centre is not able to fully estimate the impact of COVID-19 on operations at this time given the continuous evolution of the pandemic and the global responses thereon to mitigate the spread.