

# **Jack.org**

Financial Statements  
**June 30, 2018**



September 19, 2018

## **Independent Auditor's Report**

**To the Directors of  
Jack.org**

We have audited the accompanying financial statements of Jack.org, which comprise the statement of financial position as a June 30, 2018 and the statements of operations, changes in fund balances and cash flows for the year then ended, and the related notes, which comprise 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.

### **Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

---

*PricewaterhouseCoopers LLP*  
99 Bank Street, Suite 710, Ottawa, Ontario, Canada K1P 1E4  
T: +1 613 237 3702, F: +1 613 237 3963



**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Jack.org as at June 30, 2018 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.

*PricewaterhouseCoopers LLP*

**Chartered Professional Accountants, Licensed Public Accountants**

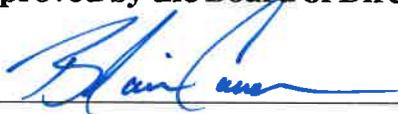
# Jack.org

## Statement of Financial Position

As at June 30, 2018

	2018 \$	2017 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash	277,129	298,909
Short-term investments (note 3)	2,334,741	1,243,893
Accounts and other receivables	82,949	17,701
Sponsorship receivable	82,424	51,908
HST receivable	90,148	58,575
Prepaid expenses	32,268	11,397
	<u>2,899,659</u>	<u>1,682,383</u>
<b>Tangible capital assets</b> (note 4)	26,525	25,848
<b>Intangible assets</b> (note 4)	73,699	16,272
	<u>2,999,883</u>	<u>1,724,503</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	51,510	23,227
Deferred contributions (note 5)	450,169	62,210
	<u>501,679</u>	<u>85,437</u>
<b>Fund Balances</b>		
<b>Unrestricted</b>	1,880,782	1,639,066
<b>Internally restricted</b> - legacy fund (note 10)	617,422	-
	<u>2,498,204</u>	<u>1,639,066</u>
	<u>2,999,883</u>	<u>1,724,503</u>
<b>Commitments</b> (note 6)		

Approved by the Board of Directors



Director



Director

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

# Jack.org

## Statement of Changes in Fund Balances

For the year ended June 30, 2018

---

			2018	2017
	Unrestricted fund \$	Legacy fund \$ (note 10)	Total \$	Total \$
<b>Balance - Beginning of year</b>	1,639,066	-	1,639,066	1,143,049
Excess of revenues over expenses	241,716	-	241,716	496,017
Transfer of net assets				
Healthy Minds Canada - Bonne Santé Mentale au Canada	-	442,042	442,042	-
Partners for Mental Health Inc.	-	174,121	174,121	-
Investment income earned	-	1,259	1,259	-
<b>Balance - End of year</b>	<u>1,880,782</u>	<u>617,422</u>	<u>2,498,204</u>	<u>1,639,066</u>

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

# Jack.org

## Statement of Operations - Unrestricted Fund

For the year ended June 30, 2018

---

	2018 \$	2017 \$
<b>Revenue</b>		
Foundations	597,917	456,432
Donations	1,605,784	1,275,829
Corporate sponsorship	351,263	279,383
In-kind revenue	42,738	36,808
Event registration	84,475	51,570
Speaker fees	50,922	40,250
Interest	10,583	6,218
Government funding	18,798	-
Grant from related party (note 7)	-	25,000
	<hr/> 2,762,480	<hr/> 2,171,490
<b>Expenses</b> (note 8)		
National student summit (Jack Summit)	523,387	408,123
School and community outreach (Jack Talks)	328,524	175,505
Campus-based activities (Jack Chapters)	424,327	298,083
Mental health collaboration activities	255,391	121,023
Marketing	216,148	95,735
Finance and administration	287,107	198,296
Fundraising	485,880	378,708
	<hr/> 2,520,764	<hr/> 1,675,473
<b>Net revenue for the year</b>	<hr/> 241,716	<hr/> 496,017

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

# Jack.org

## Statement of Cash Flows

For the year ended June 30, 2018

---

	2018 \$	2017 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Net revenue for the year	241,716	496,017
Items not affecting cash		
Receivable from gift agreement	62,042	-
Amortization of tangible capital assets	13,344	6,053
Loss on disposal of tangible capital assets	135	-
Changes in non-cash working capital items		
Accounts and other receivables	(65,248)	(1,524)
Sponsorship receivable	(30,516)	13,930
HST receivable	(31,573)	(25,322)
Interest receivable	(7,035)	-
Prepaid expenses	(20,871)	582
Accounts payable and accrued liabilities	28,283	15,244
Deferred contributions	387,959	29,210
	<hr/> 578,236	<hr/> 534,190
<b>Investing activities</b>		
Acquisition of tangible capital assets	(14,156)	(20,192)
Acquisition of intangible assets	(57,427)	-
Purchase of short-term investments	(2,413,813)	(751,853)
Proceeds from sale of investments	1,330,000	410,000
	<hr/> (1,155,396)	<hr/> (362,045)
<b>Cash transferred from gift agreements (note 9)</b>	<hr/> 555,380	<hr/> -
<b>Net change in cash during the year</b>	(21,780)	172,145
<b>Cash - Beginning of year</b>	<hr/> 298,909	<hr/> 126,764
<b>Cash - End of year</b>	<hr/> <hr/> 277,129	<hr/> <hr/> 298,909

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

## 1 Description of organization

Jack.org (the organization) was created in memory of Jack Windeler, a student at Queen's University (Queen's) who tragically and unexpectedly died by suicide. Co-founded by Jack's parents, Eric Windeler and Sandra Hanington, the organization trains and empowers young leaders who are working to revolutionize mental health for their generation and beyond. To Jack.org, revolution means a Canada where every young person is comfortable talking about their mental health, and those that need it get the help they deserve. The organization puts youth at the centre of all its programs, which include, but are not limited to:

- Jack Talks - Informed by youth and delivered by professionally trained young speakers, Jack Talks initiate conversations on mental health in schools and communities across Canada;
- Jack Summit and Regional Summits - Youth led summits inspiring change and action at national and local levels; and
- Jack Chapters - Trained youth led groups working year-round to identify and break down barriers to positive mental health in their communities.

Through these programs, Jack.org is working towards a Canada where all young people:

- are comfortable talking about mental health;
- prioritize their own mental health;
- are informed and equipped to take care of themselves and look out for their peers; and
- receive the community support or professional help they deserve.

During the year, the assets of two national charities were merged into Jack.org by way of gift agreements. These organizations are as follows: Healthy Minds Canada - Bonne Santé Mentale au Canada (HMC) and Partners for Mental Health Inc. (PFMH). These organizations transferred programs, resources and financial assets to Jack.org. Jack.org established the Legacy Fund to house these and potential future legacy gifts (note 10).

Within the Jack.org legacy fund there now exists The Healthy Minds Canada Fund, which has been established to support the expansion of Jack.org's work in the area of community, parent and caregiver engagement in youth mental health (note 10).

The organization is a charitable organization registered under the Income Tax Act (Canada) and, as such, is exempt from income taxes and able to issue donation receipts for income tax purposes.

## 2 Summary of significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). The significant accounting policies are as follows.

**Revenue recognition**

The organization uses the deferral method of accounting for contributions. Unrestricted contributions and pledges are recognized as revenue when received. Unrestricted corporate sponsorships are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Restricted contributions, arising primarily from grants, are initially deferred and recognized as revenue in the year in which the related expenses are incurred.

**Capital and intangible assets**

Capital and intangible assets are recorded at cost, net of accumulated amortization. Amortization is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold improvements	Shorter of expected useful life or the term of lease
Furniture and equipment	5 to 7 years
Computer equipment	3 years
Website	3 years

Indefinite lifetime intangible assets are not amortized and are examined for impairment in accordance with ASNPO. The organization has an indefinite life intangible asset, which is a domain name.

**Allocated expenses**

Personnel and rent expenses are allocated to programs and support categories based on management’s best estimate of time spent on each program or support category.

**Contributed materials and services**

The organization recognizes contributed materials and services greater than \$5,000 to the extent that fair value can be reasonably estimated and the materials and services are used in the normal course of the organization’s operations and would have otherwise been purchased. During the prior year, the organization received discounted rental space valued at \$29,789, which was recorded as in-kind revenue in the statement of operations. No rent reductions were received in the current year. The organization also received contributed materials and services in the amount of \$42,738 (2017 - \$36,808) in the current year.

Volunteers make a substantial contribution of time each year to assist the organization in carrying out its activities. Due to the difficulty in determining the fair value of such services, they are not recognized in these financial statements.

**Financial instruments**

The organization initially measures its financial assets and financial liabilities at fair value, except related party transactions, which are recorded at their exchange amount. The organization subsequently measures all its financial assets and financial liabilities at amortized cost.

**Use of estimates**

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**3 Short-term investments**

The organization's short-term investments consist of guaranteed investment certificates (GICs) with maturity dates ranging between February 2019 and June 2020 (2017 - February 2019 and June 2020) held with the Bank of Montreal (BMO). The table below shows the amounts of GICs held by type and interest rate (please note that the BMO prime rate as at June 30, 2018 was 3.45%):

<b>Investment type</b>	<b>Description</b>	<b>Total \$</b>
Restricted	Prime(P) minus(-) 2.1%	10,000
Variable rate	Variable, from P-2.4% to P-2.6%	350,656
Fixed rate	Fixed, from 0.65% to 1.7%	<u>1,962,310</u>
		2,322,966
	Accrued interest	<u>11,775</u>
		<u>2,334,741</u>

# Jack.org

## Notes to Financial Statements

June 30, 2018

---

### 4 Capital assets

			<u>2018</u>	<u>2017</u>
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Tangible capital assets				
Computers	33,443	18,159	15,284	12,981
Furniture	12,769	2,528	10,241	7,867
Leasehold improvements	5,000	4,000	1,000	5,000
	<u>51,212</u>	<u>24,687</u>	<u>26,525</u>	<u>25,848</u>
Intangible assets				
Domain	16,272	-	16,272	16,272
Website	57,427	-	57,427	-
	<u>73,699</u>	<u>-</u>	<u>73,699</u>	<u>16,272</u>
	<u>124,911</u>	<u>24,687</u>	<u>100,224</u>	<u>42,120</u>

### 5 Deferred contributions

	<u>2018</u>	<u>2017</u>
	\$	\$
Balance - Beginning of year	62,210	25,000
Funds received	450,169	62,210
Amounts recognized as revenue	<u>(62,210)</u>	<u>(25,000)</u>
Balance - End of year	<u>450,169</u>	<u>62,210</u>

### 6 Commitments

The organization is committed to the following future annual payments under existing operating leases for business premises and other operating activities as at June 30, 2018:

	\$
2019	113,198
2020	32,335
2021	<u>900</u>
	<u>146,433</u>

# Jack.org

## Notes to Financial Statements

June 30, 2018

---

### 7 Related party balances and transactions

During the year, the organization received \$34,746 (2017 - \$37,778) from management and board members.

Jack.org/Queen's Student Initiative Fund is a segregated fund managed by Queen's. It is a legacy to the relationship between Jack.org and Queen's (which assisted with the launch of Jack.org as an independent charity). Separate but complementary to the Jack Chapter at Queen's, the fund serves to fund a wide range of student initiatives related to mental health on campus. Final decisions on all expenditures lie with the Provost of Queen's.

### 8 Allocation of expenses

Personnel and rent expenses were allocated by the organization as follows:

	2018		2017	
	Personnel costs \$	Rent \$	Personnel costs \$	Rent \$
Jack Summit (national student summit)	191,205	18,067	128,781	11,445
Jack Talks (school and community outreach)	251,939	19,018	143,979	8,584
Jack Chapters (campus-based activities)	267,236	22,792	186,439	8,584
Mental health collaboration activities	187,610	9,538	83,595	-
Marketing	84,527	5,705	54,038	-
Finance and administration	70,975	2,853	64,967	28,614
Fundraising	208,712	17,116	160,582	-
	<u>1,262,204</u>	<u>95,089</u>	<u>822,381</u>	<u>57,227</u>

### 9 Transfers of net assets through gift agreements

During the year, the organization entered in to gift agreements with HMC and PFMH whereby their respective net assets were transferred to the organization as follows:

	HMC \$	PFMH \$	Total \$
Cash	380,000	174,121	554,121
Accounts receivable	62,042	-	62,042
	<u>442,042</u>	<u>174,121</u>	<u>616,163</u>

In addition to the above, Jack.org earned \$1,259 in interest on the invested assets in the year. The total net asset transfers of \$616,163 with the interest earned of \$1,259 make up the total per the statement of financial position for the legacy fund of \$617,422.

**10 Internally restricted net assets - legacy fund**

During the year, the organization internally restricted net assets to support the expansion of the organization's work in the area of community, parent and caregiver engagement in youth mental health.

**11 Comparative figures**

Certain comparative figures have been reclassified in order to conform to the current year's presentation.