

**BLACK CANADIAN WOMEN IN ACTION SOCIETY**

**FINANCIAL STATEMENTS**

**MARCH 31, 2021**



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# ST. ARNAUD PINSENT STEMAN

CHARTERED PROFESSIONAL ACCOUNTANTS

Daniel J. St. Arnaud, CPA, CA\*\*  
John H.C. Pinsent, FCPA, FCA, ICD.D\*\*  
Benardus C. Steman, CPA, CA, CFA\*\*

## INDEPENDENT AUDITOR'S REPORT

To the Board of the Black Canadian Women in Action Society:

### *Qualified Opinion*

We have audited the accompanying financial statements of the Black Canadian Women in Action Society (the "Society"), which comprise the balance sheet as at March 31, 2021, and the statements of changes in net assets, operations 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 for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of Black Canadian Women in Action Society as at March 31, 2021, and its financial performance 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 not-for-profit organizations, the Society derives revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to donations, receipts, deferred contributions, excess of revenue over expenditures, current assets or net assets related to these revenues.

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 Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other 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.

### *Other Matter*

The financial statements for the year ended March 31, 2020 were neither audited nor reviewed. The predecessor accountant did not issue an opinion on those financial statements.

### *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 controls 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 Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concerns and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 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 expressing an opinion on the effectiveness of the Society'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 Society'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 Society 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. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

*John H.C. Pinsent Professional Corporation*

December 15, 2021  
Edmonton, Alberta

John H. C. Pinsent Professional Corp.  
Chartered Professional Accountant



**BLACK CANADIAN WOMEN IN ACTION SOCIETY**

**STATEMENT OF FINANCIAL POSITION**

**AS AT MARCH 31, 2021**

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 259,436	\$ 44,019
<b>EQUIPMENT (note 3)</b>	<u>2,766</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u><u>262,202</u></u>	<u><u>44,019</u></u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	15,775	1,021
Payroll liabilities	5,579	-
Deferred revenue (note 4)	<u>268,187</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	289,541	1,021
<b>COMMITMENTS (note 5)</b>		
<b>NET ASSETS</b>		
<b>INVESTMENT IN CAPITAL ASSETS</b>	2,766	-
<b>UNRESTRICTED NET ASSETS (DEFICIENCY)</b>	<u>(30,105)</u>	<u>42,998</u>
	<u>(27,339)</u>	<u>42,998</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>262,202</u></u>	<u><u>44,019</u></u>

On behalf of the board:

Jeanne Lehman  
Director

  
Director

*See accompanying notes to financial statements*



**BLACK CANADIAN WOMEN IN ACTION SOCIETY**

**STATEMENT OF CHANGES IN NET ASSETS**

**FOR THE YEAR ENDED MARCH 31, 2021**

	<u>Invested in Capital Assets</u>	<u>Unrestricted Net Assets</u>	<u>2021 Total</u>	<u>2020 Total</u>
Balance, beginning of year	\$ -	\$ 42,998	\$ 42,998	\$ (32)
Excess (deficiency) of revenues over expenses	-	(70,337)	(70,337)	43,030
Investment in equipment	3,073	(3,073)	-	-
Amortization of equipment	<u>(307)</u>	<u>307</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>2,766</u>	<u>(30,105)</u>	<u>(27,339)</u>	<u>42,998</u>

*See accompanying notes to financial statements*



# BLACK CANADIAN WOMEN IN ACTION SOCIETY

## STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2021

	<u>2021</u>	<u>2020</u>
<b>REVENUES</b>		
Government grants	\$ 172,524	\$ 71,189
Program income and membership fees	12,538	6,007
Donations	<u>4,354</u>	<u>2,534</u>
	<u>189,416</u>	<u>79,730</u>
<b>EXPENSES</b>		
Advertising and promotion	5,289	700
Amortization	307	-
Dues, fees and subscriptions	3,194	-
Honorarium	15,730	-
Insurance	2,355	-
Interest and bank charges	1,487	190
Professional development	11,940	-
Professional fees	42,359	-
Rent	13,455	10,846
Salaries and wages	85,324	-
Subcontract	3,572	6,289
Supplies	64,909	4,969
Telephone and utilities	1,136	1,338
Travel	1,500	-
Venue and equipment rental	<u>7,196</u>	<u>12,368</u>
	<u>259,753</u>	<u>36,700</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FOR THE YEAR</b>	<u>(70,337)</u>	<u>43,030</u>

See accompanying notes to financial statements



**BLACK CANADIAN WOMEN IN ACTION SOCIETY**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED MARCH 31, 2021**

	<u>2021</u>	<u>2020</u>
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses for the year	\$ (70,337)	\$ 43,030
Items not affecting cash flow:		
Amortization of capital assets	<u>307</u>	<u>-</u>
	(70,030)	43,030
<b>Changes in non-cash working capital balances</b>		
Accounts receivable	-	(130)
Accounts payable and accrued liabilities	14,754	(1,331)
Payroll liabilities	5,579	-
Deferred revenue	<u>268,187</u>	<u>-</u>
	<u>288,520</u>	<u>(1,461)</u>
	218,490	41,569
<b>CASH USED IN INVESTING ACTIVITIES</b>		
Purchase of equipment	<u>(3,073)</u>	<u>-</u>
	(3,073)	-
<b>Net increase in cash during the year</b>	215,417	41,569
<b>CASH - beginning of year</b>	<u>44,019</u>	<u>2,450</u>
<b>CASH - end of year</b>	<u><u>259,436</u></u>	<u><u>44,019</u></u>

*See accompanying notes to financial statements*





# **BLACK CANADIAN WOMEN IN ACTION SOCIETY**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2021**

### **1. NATURE OF OPERATIONS**

Black Canadian Women in Action Society (the "Society") is a non-profit organization incorporated under the Societies Act of Alberta for the purpose of making a difference in the lives of families in Black Canadian communities living in Western Canada.

### **2. ACCOUNTING POLICIES**

#### **Basis of Presentation**

The Society prepares its financial statements in accordance with Canadian accounting standards for not-for-profit organizations. These financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

#### **Measurement Uncertainty**

In preparing the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, management must make estimates such as the useful life and amortization of capital assets. The precise determination of many assets and liabilities presented in these financial statements are dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations that have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies.

#### **Financial Instruments**

The Society's financial instruments consist of cash and accounts payable. The Society initially measures its financial assets and liabilities at cost. The Society subsequently measures all its financial assets and liabilities at cost or amortized cost. The fair value of these financial instruments approximate their carrying value due to the relatively short periods to maturity.

It is management's opinion that the Society is not exposed to any significant credit, currency, interest rate, liquidity, market or price risk arising from their financial instruments.

#### **Contributed Services**

Contributed services are not recorded in these financial statements. Volunteers contribute hours each year to assist the Society in carrying out its services. Because of the difficulty of determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in these financial statements.



# BLACK CANADIAN WOMEN IN ACTION SOCIETY

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2021

### 2. ACCOUNTING POLICIES (CONTINUED)

#### Revenue Recognition

The Society follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred and the year end balance of unexpended restricted contributions is recorded as deferred revenue. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### Cash

Cash consists of bank balances with a maturity period of one year or less from the date of acquisition, less cheques issued and outstanding.

#### Income Taxes

The Society is a not-for-profit organization and as such is exempt from income taxes.

#### Equipment

Equipment is recorded at cost less accumulated amortization. Equipment is amortized over its estimated useful life using the following annual rate and method:

Furniture and equipment      20%      declining balance method

### 3. EQUIPMENT

	<u>2021</u>			<u>2020</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Furniture and equipment	\$ <u>3,073</u>	\$ <u>307</u>	\$ <u>2,766</u>	\$ <u>-</u>



# BLACK CANADIAN WOMEN IN ACTION SOCIETY

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED MARCH 31, 2021

#### 4. DEFERRED REVENUE

Deferred revenue consists of grant funding received from various organizations and government agencies to be used for specific future Society activities.

	<u>2021</u>	<u>2020</u>
Deferred revenue, beginning of year	\$ -	\$ -
Add: Funding received during the year	440,711	-
Less: Funding recognized as revenue during the year	<u>(172,524)</u>	<u>-</u>
Deferred revenue, end of year	<u>268,187</u>	<u>-</u>

#### 5. COMMITMENTS

The Society has a lease with respect to its premises which expires on August 31, 2022. The lease contains renewal options and provides for payment of operating and maintenance costs. Future minimum lease payments as at year end are as follows:

2022	\$ 13,764
2023	<u>5,850</u>
	<u>19,614</u>

#### 6. COVID-19 PANDEMIC

On March 17, 2020; the Government of Alberta declared a public health emergency in response to the COVID-19 global pandemic. The financial impact of this public health emergency has been continually evolving, which precludes a reasonable estimate of the overall financial or operational impact on the Society.

#### 7. COMPARATIVE FIGURES

The comparative information presented for fiscal 2020 was compiled by other chartered professional accountants and was neither audited nor reviewed. The presentation of the comparative figures may not be consistent with the prior year presentation.

