

CANADIAN PARENTS FOR FRENCH, ALBERTA BRANCH
Financial Statements
Year Ended March 31, 2021

CANADIAN PARENTS FOR FRENCH, ALBERTA BRANCH
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Year Ended March 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of Canadian Parents For French, Alberta Branch

Opinion

We have audited the financial statements of Canadian Parents For French, Alberta Branch (the Organization), which comprise the statement of financial position as at March 31, 2021, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

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 Organization in accordance with 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.

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 ASNPO, 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.

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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 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 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 Organization 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.



Westlock, Alberta
October 10, 2021

FRIESEN VINEY STASIUK
CHARTERED PROFESSIONAL ACCOUNTANTS

CANADIAN PARENTS FOR FRENCH, ALBERTA BRANCH
Statement of Financial Position
March 31, 2021

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 249,560	\$ 167,123
Term deposits	-	66,001
Accounts receivable	26,206	4,099
Inventory	4,434	4,434
Goods and services tax recoverable	1,545	2,041
Prepaid expenses	4,300	4,942
	286,045	248,640
PROPERTY, PLANT AND EQUIPMENT <i>(Note 4)</i>	14,070	12,232
	\$ 300,115	\$ 260,872
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 15,590	\$ 10,731
Deposits received	-	8,500
Wages payable	5,636	-
Employee deductions payable	6,887	1,901
Deferred income <i>(Note 6)</i>	159,767	137,287
Funds held in trust	4,456	3,787
	192,336	162,206
NET ASSETS		
Invested in property, plant and equipment	14,070	12,232
Unrestricted fund	93,709	86,434
	107,779	98,666
	\$ 300,115	\$ 260,872
CONTINGENT LIABILITY <i>(Note 7)</i>		
LEASE COMMITMENTS <i>(Note 8)</i>		

APPROVED ON BEHALF OF BOARD

_____ Director

_____ Director

CANADIAN PARENTS FOR FRENCH, ALBERTA BRANCH
Statement of Revenues and Expenditures
Year Ended March 31, 2021

	2021	2020
REVENUE		
Grant revenues (Note 5)	\$ 228,000	\$ 238,378
Casino	30,933	17,255
Souvenir and book sales	22,850	1,425
Online tutoring program	17,375	-
Membership fees	1,397	7,923
Family Fun Weekend	1,050	18,480
Advertising fees	1,000	-
Other income	583	-
Interest income	542	10
Donations	325	164
	<u>304,055</u>	<u>283,635</u>
EXPENSES		
Advertising and promotion	1,629	2,125
Amortization	4,283	3,149
Bad debts	-	25
Employee benefits	18,622	11,714
Fees and grants to Chapters	1,831	7,215
Insurance	2,142	662
Interest and bank charges	2,306	1,766
Licenses, fees and dues	1,152	1,397
Meals and entertainment	72	22,455
Meeting - National	1,249	3,936
Meetings and conventions	2,235	6,783
Non-recoverable GST	1,342	2,572
Office	8,852	5,728
Printing and promotion	8,617	4,666
Professional fees	4,250	4,250
Rental	2,180	3,602
Salaries and wages	211,112	150,774
Special events	634	3,221
Sub-contracts	13,001	17,402
Telephone	1,911	3,533
Travel	6,786	35,952
Workers compensation	736	510
	<u>294,942</u>	<u>293,437</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS	9,113	(9,802)
OTHER INCOME		
Loss on disposal of property, plant and equipment	-	(344)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 9,113	\$ (10,146)

CANADIAN PARENTS FOR FRENCH, ALBERTA BRANCH
Statement of Changes in Net Assets
Year Ended March 31, 2021

	Unrestricted Fund	Invested in Property and Equipment	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 86,434	\$ 12,232	\$ 98,666	\$ 108,812
Excess of revenue over expenses	9,113	-	9,113	(10,146)
Additions in current year	(6,121)	6,121	-	-
Amortization	4,283	(4,283)	-	-
NET ASSETS - END OF YEAR	\$ 93,709	\$ 14,070	\$ 107,779	\$ 98,666

CANADIAN PARENTS FOR FRENCH, ALBERTA BRANCH
Statement of Cash Flows
Year Ended March 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 9,113	\$ (10,146)
Items not affecting cash:		
Amortization of property, plant and equipment	4,283	3,149
Loss on disposal of assets	-	344
	<u>13,396</u>	<u>(6,653)</u>
Changes in non-cash working capital:		
Accounts receivable	(22,107)	1,762
Inventory	-	72
GST payable (recoverable)	496	(155)
Prepaid expenses	642	(2,442)
Accounts payable	4,859	2,386
Deposits received	(8,500)	8,500
Wages payable	5,636	(1,525)
Employee deductions payable	4,986	76
Deferred income	22,480	(17,255)
Funds held in trust	669	341
	<u>9,161</u>	<u>(8,240)</u>
Cash flow from (used by) operating activities	<u>22,557</u>	<u>(14,893)</u>
INVESTING ACTIVITY		
Purchase of property, plant and equipment	<u>(6,121)</u>	<u>(8,296)</u>
INCREASE (DECREASE) IN CASH FLOW	16,436	(23,189)
CASH - BEGINNING OF YEAR	<u>233,124</u>	<u>256,313</u>
CASH - END OF YEAR	\$ 249,560	\$ 233,124
CASH CONSISTS OF:		
Cash	\$ 249,560	\$ 167,123
Term deposits	-	66,001
	<u>\$ 249,560</u>	<u>\$ 233,124</u>

CANADIAN PARENTS FOR FRENCH, ALBERTA BRANCH
Notes to Financial Statements
Year Ended March 31, 2021

1. PURPOSE OF THE ORGANIZATION

Canadian Parents for French, Alberta Branch is a provincial organization promoting and supporting educational opportunities for young Canadians to learn and use the French language. The organization was incorporated under the Alberta Societies Act in 1978 and is a registered charity under the Income Tax Act (Canada), and accordingly is exempt from income taxes and can issue donation receipts for income tax purposes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Financial instruments policy

The organization initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The organization subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in net income in the period incurred.

Financial assets measured at amortized cost on a straight-line basis includes cash, term deposits, accounts receivable.

Financial liabilities measured at amortized cost on a straight-line basis includes accounts payable, wages payable and funds in trust.

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in net income over the life of the instrument using the straight-line method.

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible impairment. When there is an indication of impairment and the organization determines that a significant adverse change has occurred during the period in the expected time or amount of the future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than 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 net income.

Inventory

Inventory is valued at the lower of cost and net realizable value.

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CANADIAN PARENTS FOR FRENCH, ALBERTA BRANCH
Notes to Financial Statements
Year Ended March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Cash and cash equivalents

There are no cash equivalents.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated amortization. Property, plant and equipment are amortized at the following rates and methods:

Equipment	20%	declining balance method
Furniture and fixtures	20%	declining balance method
Computer equipment	30%	declining balance method
Leasehold improvements	5 years	straight-line method

Items costing less than \$500 are charged directly to operations.

Revenue recognition

The Organization recognizes revenues when they are earned, specifically when all the following conditions are met:

- services are provided or products are delivered to customers
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured.

Contributed services

Because contributed services of volunteers and board members cannot be quantified in order to determine fair market value, those services are not recognized in the financial statements.

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

CANADIAN PARENTS FOR FRENCH, ALBERTA BRANCH
Notes to Financial Statements
Year Ended March 31, 2021

3. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Organization's risk exposure and concentration as of March 31, 2021.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization is exposed to credit risk from customers. In order to reduce its credit risk, the Organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Organization has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources and accounts payable.

Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant other price risks arising from these financial instruments.

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Equipment	\$ 18,233	\$ 16,262	\$ 1,971	\$ 2,464
Furniture and fixtures	14,056	13,587	469	586
Computer equipment	77,021	65,391	11,630	9,182
Leasehold improvements	2,446	2,446	-	-
	\$ 111,756	\$ 97,686	\$ 14,070	\$ 12,232

5. GRANT REVENUES

	2021	2020
Canadian Heritage Grant	\$ 227,000	\$ 227,148
Joyce Booth Legacy	1,000	1,000
Canada Summer Job/ Young Canada	-	10,230
	\$ 228,000	\$ 238,378

CANADIAN PARENTS FOR FRENCH, ALBERTA BRANCH
Notes to Financial Statements
Year Ended March 31, 2021

6. DEFERRED REVENUE

	<u>2021</u>	<u>2020</u>
Casino revenue	<u>\$ 159,767</u>	<u>\$ 137,287</u>

Deferred revenue is from the casino account. It can only be used for expenses approved by Alberta Gaming, Liquor & Cannabis and is restricted for operating expenses.

7. CONTINGENT LIABILITY

The Organization has a Visa card with a \$7,500 limit.

8. LEASE COMMITMENTS

The Organization has a lease agreement with the Edmonton Catholic School Division with a term ending May 31, 2021. Annual lease payments are \$3,876 plus GST for the duration of the lease.

9. SIGNIFICANT EVENTS

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

As at March 31, 2021, the Organization has made changes in its operations as a result of the COVID-19 crisis.

Management is uncertain of the long term effects of these changes on its operations and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, the potential impact on the Organization's future operations as at the date of these financial statements is unable to be determined.
