

# **Moose Jaw Military Family Resource Centre Inc.**

**Audited Financial Statements**

**March 31, 2021**

# Moose Jaw Military Family Resource Centre Inc.

For the Year Ended March 31, 2021

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PRIORITY ACCOUNTING SERVICES CPA PROF. CORP.  
2144 CORNWALL STREET  
REGINA, Saskatchewan S4P 2K7  
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## **Independent Auditors' Report**

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*To the Board of Directors of Moose Jaw Military Family Resource Centre Inc.*

### **Opinion**

We have audited the financial statements of Moose Jaw Military Family Resource Centre Inc., which comprise the statement of financial position as at March 31, 2021, and the statement of operations, statement of 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 our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 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 (ASNPO).

### **Basis for Qualified 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 Entity 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.

1. In common with many Non-for-Profit Organizations, the Organization derives revenue from donations and other fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues and was limited to a comparison of recorded revenue with bank deposits and we were unable to determine whether any adjustments might be necessary to revenue, excess of revenue, assets and net assets.

2. We were unable to determine whether any adjustments might be necessary to deferred income. The management of the organization has deferred unspent portion of wage subsidy.

### **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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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## **Independent Auditors' Report 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 Entity'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 Entity'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 Entity 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.

*Priority Accountants CPA*

**Chartered Professional Accountants**

August 19, 2021

# Moose Jaw Military Family Resource Centre Inc.

## Statement of Financial Position

As At March 31, 2021

	Note	2021	2020
<b>Assets</b>			
<b>Current Assets</b>			
Cash		\$ 264,803	\$ 99,534
Accounts receivable, net of allowances	2.	2,421	5,162
Other current assets		8,005	9,425
<b>Total Current Assets</b>		<b>275,229</b>	<b>114,121</b>
Long term investments	3.	638,560	407,786
<b>Total Assets</b>		<b>\$ 913,789</b>	<b>\$ 521,907</b>
<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	5.	\$ 1,266	\$ 612
Deferred income/revenue	6.	854,059	462,325
<b>Total Current Liabilities</b>		<b>855,325</b>	<b>462,937</b>
<b>Net Assets</b>			
Unrestricted Net Assets (deficit)		58,464	58,970
<b>Total Liabilities and Net Assets</b>		<b>\$ 913,789</b>	<b>\$ 521,907</b>

Approved on Behalf of the Board:

*Tammy Barclay* Board Chairperson

*Joanne Ubell* Joanne Ubell, Finance Chair

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

# Moose Jaw Military Family Resource Centre Inc.

## Statement of Operations

For the Year Ended March 31, 2021

	2021	2020
<b>Revenue</b>		
GBV Grant revenue	\$ 25,750	\$ -
Adjustment to prior year	-	672
Other revenue	1,951	15,136
VFP Revenue	67,562	114,551
United Way	-	1,121
DMFS	941,252	955,569
Other grants	32,568	28,903
Donations	3,247	12,089
Programs for kids and youth	5,861	56,081
DND Funding	161,000	150,959
Interest income	6,278	10,890
<b>Total revenue</b>	<b>1,245,469</b>	<b>1,345,971</b>
<b>Expenses</b>		
Wages and benefits (Schedule 1)	1,042,525	986,010
Administrative expenses (Schedule 2)	97,834	125,302
Activity expense (Schedule 3)	105,616	263,363
<b>Total expenses</b>	<b>1,245,975</b>	<b>1,374,675</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ (506)</b>	<b>\$ (28,704)</b>

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

# Moose Jaw Military Family Resource Centre Inc.

## Statement of Net Assets

For the Year Ended March 31, 2021

	2021	2020
Unrestricted Net Assets	\$ 58,970	\$ 87,674
Excess (deficiency) of revenues over expenditures	(506)	(28,704)
<b>Unrestricted Net Assets</b>	<b>\$ 58,464</b>	<b>\$ 58,970</b>

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

# Moose Jaw Military Family Resource Centre Inc.

## Statement of Cash Flows

For the Year Ended March 31, 2021

	Note	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Excess (deficiency) of revenues over expenditures		\$ (506)	\$ (28,704)
Trade accounts payable		654	(799)
Deferred liability		391,735	69,384
Increase (decrease) in receivables		2,740	(1,092)
Increase (decrease) in prepaid expense and other assets		1,420	(2,859)
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>396,043</b>	<b>35,930</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of long-term investments		(230,774)	(8,414)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
<b>OTHER ACTIVITIES:</b>			
<b>Net cash increase (decreases) in cash and cash equivalents</b>		<b>165,269</b>	<b>27,516</b>
Cash and cash equivalents at beginning of period		99,534	72,018
<b>Cash and cash equivalents at end of period</b>		<b>\$ 264,803</b>	<b>\$ 99,534</b>

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



# Moose Jaw Military Family Resource Centre Inc.

## Notes to the Financial Statements

For the Year Ended March 31, 2021

### 1. Significant Accounting Policies

#### a. Nature of business/basis of preparation

Moose Jaw Military Family Resource Centre Inc. (organization) is incorporated under the provincial business corporations act. The Moose Jaw Military Family Resource Centre Inc. operates as a non profit organization that provides support services to military members and families, as well as members and families of civilian partners and contractors. It operates core programs funded by the Department of National Defence. It also operates other programs internally funded.

The Organization is exempt from income taxes under paragraph 149(1)(l) of The Income tax Act.

These financial statements prepared in accordance with the Canadian Accounting Standards for Not-for-Profit organizations.

#### b. Cash and cash equivalents

Cash and cash equivalents includes short-term investments and highly liquid investments in money market instruments which are carried at the lower of cost and market value with a maturity date of three months or less from the acquisition date. These are valued at cost which approximates market value.

#### c. Property, plant and equipment

Capital assets are stated at cost and amortization is recorded at 1% per month.

Machinery, equipment, furniture and fixtures and other assets - 1% straight-line method

#### d. Impairment of long lived assets

In the event that facts and circumstances indicate that the organization 's long-lived assets may be impaired, an evaluation of recoverability would be performed. Such an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write down to market value or discounted cash flow value is required. The organization considers that no circumstances exist that would require such an evaluation.

#### e. Financial instruments

All financial instruments are measured at fair value on initial recognition. Measurement in subsequent periods depends on whether the financial instrument has been classified as held for trading, available for sale, held to maturity, loans and receivables, or other financial liabilities.

Investments are classified as held-for-trading and are recorded at fair market value.

Accounts receivable include financial instruments categorized as loans and receivables and are reported at amortized cost.

# Moose Jaw Military Family Resource Centre Inc.

## Notes to the Financial Statements

For the Year Ended March 31, 2021

### 1. Significant Accounting Policies

#### e. Financial instruments

Accounts payable include financial instruments categorized as other liabilities and are reported at amortized cost.

Transaction costs on acquisition, sale or issue of financial instruments are expensed when incurred.

#### f. Revenue recognition

Moose Jaw Military Family Resource Centre Inc. follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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. Investment income is recognized as revenue when earned.

#### *Contributed surplus*

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

#### g. 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 the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the the reporting period. Actual results could differ from those estimates and may have an impact on future periods.

#### h. Economic dependence

The Organization received approximately 75% of revenues for services from DMFS(Director of Military Family Services) funded by the Department of National Defence. These core programs operate on renewed contracts for services.

# Moose Jaw Military Family Resource Centre Inc.

## Notes to the Financial Statements

For the Year Ended March 31, 2021

### 2. Receivables

Accounts receivable consist of the following:

	2021	2020
Taxes receivable	\$ 1,361	\$ 3,279
Trade accounts receivable	1,060	1,883
<b>Total</b>	<b>\$ 2,421</b>	<b>\$ 5,162</b>

### 3. Investments

Investments consist of the following:

	2021	2020
<b>GIC</b>		
Conexus one year non redeemable term deposits maturing January 19, 2021. Interest paid annually @ 2.10%	-	158,630
Conexus one year non redeemable term deposits maturing May 6, 2020. Interest paid annually @ 2.20%	-	244,282
Conexus redeemable term sub number 017 maturing Jul 17 2021. Interest paid annually @ 0.900%	250,000	-
Conexus 1 year non-redeemable term sub number 019 maturing Jan 26, 2022. Interest paid annually @ 0.700%	161,970	-
Tangerine business GIC 1 year term maturing Nov 04, 2021. Interest paid annually @ 0.8%	225,000	-
Accured interest receivable	1,590	4,874
<b>Total other investments</b>	<b>638,560</b>	<b>407,786</b>
<b>Total investments</b>	<b>\$ 638,560</b>	<b>\$ 407,786</b>

# Moose Jaw Military Family Resource Centre Inc.

## Notes to the Financial Statements

For the Year Ended March 31, 2021

### 4. Property, plant and equipment

Property, plant and equipment consist of the following:

			2021	2020
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Toy lending library	\$ 947	\$ (947)	\$ -	\$ -
English library	550	(550)	-	-
Machinery, equipment, furniture and fixtures	80,760	(80,760)	-	-
French Resources	2,101	(2,101)	-	-
<b>Total</b>	<b>\$ 84,358</b>	<b>\$ (84,358)</b>	<b>\$ -</b>	<b>\$ -</b>

### 5. Accounts payable

Accounts payable consist of the following:

	2021	2020
Trade accounts payable	\$ -	\$ 612
Social fund payable	1,268	-
Group benefits payable	(2)	-
<b>Total</b>	<b>\$ 1,266</b>	<b>\$ 612</b>

### 6. Deferred projects

	2021	2020
Deferred projects/wages	\$ 462,325	\$ 462,235
CEWS received for wages	391,734	-
<b>Total</b>	<b>\$ 854,059</b>	<b>\$ 462,235</b>

# Moose Jaw Military Family Resource Centre Inc.

## Notes to the Financial Statements

For the Year Ended March 31, 2021

### 7. Credit risk

#### a. No significant credit risk exposure

Exposure to credit risk, interest rate risk and liquidity risk arise in the normal course of the Organization's operations.

#### (a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization's principal financial assets are cash, accrued interest receivable and guaranteed investment certificates. The carrying amounts of financial assets in the statement of financial position represent the Organization's maximum credit exposure at the balance sheet date. The amounts disclosed in the statement of financial position are net of allowance for doubtful accounts, estimated based on previous experience and an assessment of the current economic environment. The Organization does not have significant exposure to any individual customer and has not incurred any significant bad debts during the year. Dealing with institutions that have strong credit ratings minimizes credit risk related to cash and guaranteed investment certificates.

#### (b) Liquidity risk:

Liquidity risk is the risk that the Organization will not be able to meet a demand for cash or fund its obligations as they come due. Liquidity risk also includes the risk of the Organization not being able to liquidate assets in a timely manner at a reasonable price. The Organization monitors its cash flow throughout the year to ensure its revenue collecting practices take into account the timing and level of its cash obligations. The Organization has sufficient funds from which to operate and this risk is considered to be low.

### 8. Subsequent events

#### a. COVID-19

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. The Organization is dependent on its workforce to deliver its services on behalf of the Department of National Defence. If significant portions of the Organization's workforce are unable to work effectively, or if operations are curtailed due to illness, quarantines, or other restrictions in connection with the COVID-19 pandemic, the Organization's operation will likely be impacted and costs may increase.

Management has applied to wage subsidy program offered by the Federal government for COVID relief. The Organization had to cancel some of the programs during lockdown times and continues to monitor the situation in order to mitigate the risks relating to COVID-19.

# Moose Jaw Military Family Resource Centre Inc.

For the Year Ended March 31, 2021

## Schedule of Wages and benefits expenses

	2021	2020
Wages, ELC Transitional Childcare	\$ 43,838	\$ 37,321
Wages, Youth and other programs	1,525	23,190
Wages, Summer Fun	-	46,468
Wages, ECC & ERCC	1,985	16,205
Wages, Non School Day/Break Prgm	3,355	10,428
Wages, Parenting Support & Ed.	465	3,851
Wages, VFP Coord	52,700	57,648
Wages, Volunteer Manage & Com Invol	55,250	67,477
Wages, VFP Admin	-	13,646
Wages, Management & Admin.	110,784	108,905
Wages, Child & Youth Services	54,806	65,686
Wages, Family Sep. & Reunion Serv.	61,283	49,688
Wages, Info Ref & Com Int.	116,068	58,396
Wages, Prev. Sup. & Intervention	226,105	155,725
Wages, 3CFFTS Portage	54,396	35,938
Wages, FLO (IPSC)	75,000	70,250
Wage benefits (CPP and EI)	47,789	47,297
Workers Compensation SK & MB	7,779	7,258
Group RRSP Expense	69,856	64,228
Group Benefit Premium	33,541	27,905
Group TFSA Expense	26,000	18,500
<b>Total operating expenses</b>	<b>\$ 1,042,525</b>	<b>\$ 986,010</b>

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

# Moose Jaw Military Family Resource Centre Inc.

For the Year Ended March 31, 2021

## Schedule of Administrative expenses

	2021	2020
Professional Expense	\$ 5,875	\$ 5,750
Promotion & Advertising	6,541	29,637
Meetings	1,080	15
Membership, Fees, Dues	3,917	4,388
Third party liability Insurance	8,481	7,776
Write Off/ Bad Debt	693	-
Admin. & Logistical Support Exp.	1,295	5,686
Board Training & Development Exp.	5,525	11,884
Staff Professional Development	23,492	33,545
Food & Beverage Expense	2,008	7,818
PST Expense	3,922	7,064
Miscellaneous Expense	(50)	138
OH&S/PPE/Supplies exp	14,544	616
Information Technology Expense	17,289	-
GST Expense	2,265	5,356
Employee Benefit Insurance Exp.	957	957
Conference Expense	-	4,672
<b>Total operating expenses</b>	<b>\$ 97,834</b>	<b>\$ 125,302</b>

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

# Moose Jaw Military Family Resource Centre Inc.

For the Year Ended March 31, 2021

## Schedule of Activity expense

	2021	2020
FLO/IPSC PD & Resources	\$ 16,437	\$ 6,165
FLO/IPSC Travel	484	2,718
IPSC: Casualty Support Childcare	1,683	3,308
Emergency Respite Childcare Exp	1,844	3,269
3CFFTS Portage Travel, PD, Training	383	10,142
3CFFTS Portage Program & Resource	4,230	14,631
NYM - Leadership/Outdoor Adv. Exp.	1,721	14,871
GBV Expense	27,077	20,842
ELC Transitional Childcare Exp.	3,542	4,181
Youth Centre Expense	-	11,201
Kids Kloset Expense	539	92
Prev. Sup. Intervention Expense	9,550	28,217
Summer Fun Expense	-	26,907
Parenting Support & Ed. Expense	1,234	1,513
Community Integration Expense	6,886	12,840
Info & Referral Expense	-	5,382
Volunteer Sup. & Dev. Expense and childcare	7,046	10,023
SLT Expense	3,280	4,480
Family Sep. & Reunion Expense	904	7,188
Regina/Reserve Units Exp	1,932	48,111
VFP	11,614	17,982
SOT - Medical/Dental Travel	332	3,141
Vehicle Insurance/Main/Repair Exp.	3,250	4,050
Non School Day/Break Prgm Exp.	942	1,222
Emergency Childcare Expense	706	887
<b>Total operating expenses</b>	<b>\$ 105,616</b>	<b>\$ 263,363</b>

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