

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

**Audited Financial Statements**

**March 31, 2022**

# Moose Jaw Military Family Resource Centre Inc.

For the Year Ended March 31, 2022

## CONTENTS

	<u>Page</u>
<b>Financial Statements</b>	
Auditors' Report	1
Statement of Financial Position	3
Statement of Operations	4
Statement of Net Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Schedules	13

PRIORITY ACCOUNTING SERVICES CPA PROF. CORP.  
2144 CORNWALL STREET  
REGINA, Saskatchewan S4P 2K7  
306-565-2777

## **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, 2022, 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, 2022 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 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 grants received.

### **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.

August 16, 2022

*Priority Accountants CPA*

**Chartered Professional Accountants**

# Moose Jaw Military Family Resource Centre Inc.

## Statement of Financial Position

As At March 31, 2022

	Note	2022	2021
<b>Assets</b>			
<b>Current Assets</b>			
Cash	2.	\$ 544,942	\$ 264,803
Accounts receivable, net of allowances	3.	3,296	2,421
Investments-GIC	4.	641,341	638,560
Prepaid insurance		8,695	8,005
<b>Total Current Assets</b>		<b>1,198,274</b>	<b>913,789</b>
<b>Total Assets</b>		<b>\$ 1,198,274</b>	<b>\$ 913,789</b>
<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	6.	\$ 1,385	\$ 1,266
Deferred income/revenue	7.	1,139,297	854,059
<b>Total Current Liabilities</b>		<b>1,140,682</b>	<b>855,325</b>
<b>Net Assets</b>			
Unrestricted Net Assets (deficit)		57,592	58,464
<b>Total Liabilities and Net Assets</b>		<b>\$ 1,198,274</b>	<b>\$ 913,789</b>

### Approved on Behalf of the Board:

Tammy Barclay Digitally signed by Tammy Barclay  
Date: 2022.08.15 14:46:30 -0600

*Joanne Ubell, Finance Chair*  
Joanne Ubell

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, 2022

	2022	2021
<b>Revenue</b>		
GBV Grant revenue	\$ 31,000	\$ 25,750
Other revenue	2,317	1,951
VFP Revenue	77,492	67,562
United Way	39	-
DMFS	991,958	941,252
Other grants	29,086	32,568
Donations	2,224	3,247
Programs for kids and youth	11,272	5,861
DND Funding	153,180	161,000
Interest income	5,339	6,278
<b>Total revenue</b>	<b>1,303,907</b>	<b>1,245,469</b>
<b>Expenses</b>		
Wages and benefits (Schedule 1)	968,386	1,042,525
Administrative expenses (Schedule 2)	98,765	97,834
Activity expense (Schedule 3)	237,627	105,616
<b>Total expenses</b>	<b>1,304,778</b>	<b>1,245,975</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ (871)</b>	<b>\$ (506)</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, 2022

	2022	2021
Unrestricted Net Assets	\$ 58,463	\$ 58,970
Excess (deficiency) of revenues over expenditures	(871)	(506)
<b>Unrestricted Net Assets</b>	<b>\$ 57,592</b>	<b>\$ 58,464</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, 2022

	Note	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Excess (deficiency) of revenues over expenditures		\$ (871)	\$ (506)
Trade accounts payable		119	654
Deferred liability		285,237	391,735
Increase (decrease) in receivables		(875)	2,741
Increase (decrease) in prepaid expense and other assets		(690)	1,420
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>282,920</b>	<b>396,044</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of investments		(2,781)	(230,774)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
<b>OTHER ACTIVITIES:</b>			
<b>Net cash increase (decreases) in cash and cash equivalents</b>		<b>280,139</b>	<b>165,270</b>
Cash and cash equivalents at beginning of period		264,803	99,533
<b>Cash and cash equivalents at end of period</b>		<b>\$ 544,942</b>	<b>\$ 264,803</b>

Cash and cash equivalents consist of the following:

Cash	2.	\$ 544,942	\$ 264,803
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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, 2022

### 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 are 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 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, 2022

### 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, 2022

### 2. Cash

#### a. Accounts by period

Cash and cash equivalents consist of the following:

	<b>2022</b>	<b>2021</b>
Petty cash	\$ 400	\$ 400
Equity cash available	20	20
Tangerine bank account	105,936	103,258
Conexus operating bank account	438,586	161,125
<b>Total</b>	<b>\$ 544,942</b>	<b>\$ 264,803</b>

### 3. Receivables

#### a. Accounts by period

Accounts receivable consist of the following:

	<b>2022</b>	<b>2021</b>
Taxes receivable-GST	\$ 2,898	\$ 1,361
Trade accounts receivable-ELC	398	1,060
<b>Total</b>	<b>\$ 3,296</b>	<b>\$ 2,421</b>

# Moose Jaw Military Family Resource Centre Inc.

## Notes to the Financial Statements

For the Year Ended March 31, 2022

### 4. Investments

#### a. Accounts by period

Investments consist of the following:

	2022	2021
<b>GIC</b>		
Conexus one year non redeemable term deposits maturing July 17, 2022. Interest paid annually @ 0.550%	252,250	-
Conexus one year non redeemable term deposits maturing January 26, 2023. Interest paid annually @ 0.850%	163,104	-
Tangerine one year non redeemable term deposits maturing January 26, 2023. Interest paid annually @ 0.850%	225,000	-
Tangerine business GIC 1 year term maturing Nov 04, 2021. Interest paid annually @ 0.8%	-	225,000
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
Accured interest receivable	987	1,590
<b>Total GIC investments</b>	<b>641,341</b>	<b>638,560</b>
<b>Total investments</b>	<b>\$ 641,341</b>	<b>\$ 638,560</b>

# Moose Jaw Military Family Resource Centre Inc.

## Notes to the Financial Statements

For the Year Ended March 31, 2022

### 5. Property, plant and equipment

#### a. Cost less accumulated depreciation/impairment - net book value by period

Property, plant and equipment consist of the following:

			2022	2021
	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>

### 6. Accounts payable

#### a. Accounts payable by period

Accounts payable consist of the following:

	2022	2021
Social fund payable	\$ 1,388	\$ 1,268
Group benefits payable	(3)	(2)
<b>Total</b>	<b>\$ 1,385</b>	<b>\$ 1,266</b>

#### b. Government remittances payable

### 7. Deferred projects

#### a. Funds have been received for projects that have yet to be completed

	2022	2021
Deferred projects/wages	\$ 1,139,297	\$ 462,325
CEWS received for wages	-	391,734
<b>Total</b>	<b>\$ 1,139,297</b>	<b>\$ 854,059</b>

# Moose Jaw Military Family Resource Centre Inc.

## Notes to the Financial Statements

For the Year Ended March 31, 2022

### 8. 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.

### 9. 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, 2022

## Schedule of Wages and benefits expenses

	2022	2021
Wages, ELC Transitional Childcare	\$ 41,866	\$ 43,838
Wages, Youth and other programs	4,321	1,525
Wages, ECC & ERCC	4,416	1,985
Wages, Non School Day/Break Prgm	3,639	3,355
Wages, Parenting Support & Ed.	2,021	465
Wages, VFP Coord	48,115	52,700
Wages, Volunteer Manage & Com Invol	52,235	55,250
Wages, Management & Admin.	129,903	110,784
Wages, Child & Youth Services	58,811	54,806
Wages, Family Sep. & Reunion Serv.	44,078	61,283
Wages, Info Ref & Com Int.	63,720	116,068
Wages, Prev. Sup. & Intervention	104,470	226,105
Wages, 3CFFTS Portage	46,000	54,396
Wages, FLO (IPSC)	76,500	75,000
CPP & EI Expense	44,687	47,789
Workers Compensation SK & MB	7,484	7,779
Group RRSP Expense	64,927	69,856
Group Benefit Premium	32,891	33,541
Group TFSA Expense	33,000	26,000
Wages, Transition Psychosocial Serv	104,175	-
Wages, CSCC	1,127	-
<b>Total operating expenses</b>	<b>\$ 968,386</b>	<b>\$ 1,042,525</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, 2022

## Schedule of Administrative expenses

	2022	2021
Professional Expense	\$ 14,574	\$ 5,875
Promotion & Advertising	4,727	6,541
Meetings	1,186	1,080
Membership, Fees, Dues	3,911	3,917
Third party liability Insurance	6,110	8,481
Write Off/ Bad Debt	-	693
Admin. & Logistical Support Exp.	2,535	1,295
Board Training & Development Exp.	9,506	5,525
Food & Beverage Expense	4,682	2,008
Staff Professional Development	25,917	23,492
Miscellaneous Expense	597	(50)
PST Expense	6,728	3,922
OH&S/PPE/Supplies exp	3,290	14,544
Information Technology Expense	10,170	17,289
GST Expense	3,357	2,265
Employee Benefit Insurance Exp.	1,475	957
<b>Total operating expenses</b>	<b>\$ 98,765</b>	<b>\$ 97,834</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, 2022

## Schedule of Activity expense

	2022	2021
FLO/IPSC PD & Resources	\$ 24,454	\$ 16,437
FLO/IPSC Travel	1,976	484
IPSC: Casualty Support Childcare	120	1,683
Emergency Respite Childcare Exp	2,148	1,844
3CFFTS Portage Travel, PD, Training	3,463	383
3CFFTS Portage Program & Resource	4,720	4,230
NYM - Leadership/Outdoor Adv. Exp.	11,985	1,721
GBV Expense	31,878	27,077
ELC Transitional Childcare Exp.	12,096	3,542
Kids Kloset Expense	14	539
Prev. Sup. Intervention Expense	25,190	9,550
Summer Fun Expense	(40)	-
Parenting Support & Ed. Expense	5,666	1,234
Community Integration Expense	40,095	6,886
Info & Referral Expense	1,848	-
Volunteer Sup. & Dev. Expense and childcare	6,531	7,046
SLT Expense	3,280	3,280
Family Sep. & Reunion Expense	13,424	904
Regina/Reserve Units Exp	24,459	1,932
VFP	13,695	11,614
SOT - Medical/Dental Travel	5,123	332
Vehicle Insurance/Main/Repair Exp.	2,951	3,250
Non School Day/Break Prgm Exp.	513	942
Emergency Childcare Expense	-	706
Projects Expense	2,038	-
<b>Total operating expenses</b>	<b>\$ 237,627</b>	<b>\$ 105,616</b>

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