Centre Communautaire Wakefield La Peche, Coop De Solidatrie

Financial Statements

Year Ended March 31, 2019

(Unaudited - See Independent Practitioner's Review Engagement Report)

CENTRE COMMUNAUTAIRE WAKEFIELD LA PECHE, COOP DE SOLIDATRIE

Index to Financial Statements

Year Ended March 31, 2019

(Unaudited - See Independent Practitioner's Review Engagement Report)

ABFK
Chartered Professional Accountants
Professional Corporation

Ottawa • Toronto

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Centre Communautaire Wakefield La Peche, Coop De Solidatrie

We have reviewed the accompanying financial statements of Centre Communautaire Wakefield La Peche, Coop De Solidatrie that comprise the statement of financial position as at March 31, 2019 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

(continues)

Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

1354 WELLINTON STREET W., OTTAWA, ONTARIO K1Y 3C3
TEL1: 613-729-5154 TEL2: 613-244-5103 FAX1: 613-729-8249 FAX2: 613-244-0831
WWW.ABFK.CA

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Centre Communautaire Wakefield La Peche, Coop De Solidatrie as at March 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

Ottawa, Ontario
September 20, 2019

ABFK Chartered Professional Accountants
Professional Corporation

Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

CENTRE COMMUNAUTAIRE WAKEFIELD LA PECHE, COOP DE SOLIDATRIE

Statement of Financial Position

March 31, 2019

(Unaudited - See Independent Practitioner's Review Engagement Report)

	2019	2018
Assets		
Current		
Cash	**$ 80,985**	$ 82,414
Accounts receivable	**19,673**	17,357
Inventory	**2,664**	2,430
Income taxes recoverable	**6,527**	3,717
Prepaid expense	**-**	22,872
	109,849	128,790
Long term		
Property, plant and equipment *(Note 4)*	**4,565,187**	4,710,751
	$ 4,675,036	$ 4,839,541
Liabilities and Net assets		
Current		
Accounts payable	**$ 19,740**	$ 27,873
Current portion of long term debt *(Note 5)*	**1,195,940**	205,473
	1,215,680	233,346
Long term		
Long term debt *(Note 5)*	**395,189**	1,603,621
	1,610,869	1,836,967
Net assets	**3,064,167**	3,002,574
	$ 4,675,036	$ 4,839,541

ON BEHALF OF THE BOARD

______________________________ *Director*

______________________________ *Director*

CENTRE COMMUNAUTAIRE WAKEFIELD LA PECHE, COOP DE SOLIDATRIE

Statement of Revenues and Expenditures

Year Ended March 31, 2019

(Unaudited - See Independent Practitioner's Review Engagement Report)

		2019		2018
Revenues				
Grants	**$**	**307,348**	$	320,593
Bar Sales		**25,157**		25,706
Event Revenue		**7,860**		9,615
Membership Fees		**1,760**		2,545
Programming Income		**57,586**		75,821
Rental Revenue		**73,458**		86,807
Summer Camp Revenue		**49,318**		43,785
TCCC Income		**3,602**		17,408
Public Contributions		**16,016**		22,443
		542,105		604,723
Expenses				
Advertising and promotion		**8,945**		6,689
Amortization		**146,269**		148,092
Insurance		**24,393**		24,835
Interest and bank charges		**78,863**		84,638
Office		**2,248**		1,477
Other operating expenses *(Note 6)*		**105,967**		98,687
Professional fees		**20,742**		19,462
Rental		**32,543**		20,847
Repairs and maintenance		**35,346**		20,309
Salaries and wages		**452**		9,192
Sub-contracts		**-**		2,650
Bar Supplies		**8,255**		12,133
Utilities		**16,736**		16,190
		480,759		465,201
Excess Of Revenues Over Expenses from operations		**61,346**		139,522
Other income				
Dividend income		**-**		2,203
Interest income		**247**		330
		247		2,533
Excess of revenues over expenses	**$**	**61,593**	$	142,055

CENTRE COMMUNAUTAIRE WAKEFIELD LA PECHE, COOP DE SOLIDATRIE

Statement of Changes in Net Assets

Year Ended March 31, 2019

(Unaudited - See Independent Practitioner's Review Engagement Report)

	Invested in Net Assets	Table de coordination culturelle des Collines	Unrestricted	**2019 Total**	2018 Total
Net assets - beginning of year	$ 2,901,657	$ -	$ 100,917	**$ 3,002,574**	$ 2,860,519
Excess of revenues over expenses	-	-	61,593	**61,593**	142,055
Transfer to invested in net assets	72,401	-	(72,401)	**-**	-
Net assets - end of year	$ 2,974,058	$ -	$ 90,109	**$ 3,064,167**	$ 3,002,574

Statement of Cash Flows

Year Ended March 31, 2019

(Unaudited - See Independent Practitioner's Review Engagement Report)

		2019		2018
Operating activities				
Excess Of Revenues Over Expenses	**$**	**61,593**	$	142,055
Item not affecting cash:				
Amortization of property, plant and equipment		**146,269**		148,092
		207,862		290,147
Changes in non-cash working capital:				
Accounts receivable		**(2,316)**		4,046
Inventory		**(234)**		(733)
Income taxes payable		**(2,811)**		291
Prepaid expense		**22,872**		6,501
Accounts payable		**(8,132)**		(63,846)
		9,379		(53,741)
Cash flow from operating activities		**217,241**		236,406
Investing activity				
Purchase of property, plant and equipment		**(704)**		-
Cash flow from (used by) investing activity		**(704)**		-
Financing activity				
Repayment of long term debt		**(217,966)**		(211,772)
Cash flow used by financing activity		**(217,966)**		(211,772)
Increase (decrease) in cash flow		**(1,429)**		24,634
Cash - beginning of year		**82,414**		57,781
Cash - end of year		**80,985**		82,415
Cash flows supplementary information				
Interest received	**$**	**(247)**	$	(330)
Interest paid	**$**	**78,864**	$	84,637
Income taxes recovered	**$**	**2,810**	$	(292)

1. PURPOSE OF THE ORGANIZATION

The Centre Communautaire Wakefield La Peche, Coop De Solidatrie (The Center) was established on August 4 2006 under the Quebec Not-for-profit Corporations Act. The Center's objective is to create a community center and green space in the heart of Wakefield that welcomes and inspires all members of the community. The Center is a non-government, non-profit organization and is exempt from Income Tax Act (Canada) (the "Act") under the section 149(1)(1).

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).

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.

Revenue recognition

The Center follows the deferral method of accounting for revenue. Restricted funds are recognized when the expenditure incurred for related projects. Unrestricted funds are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(continues)

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

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization. Property, plant and equipment is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Buildings	1/40	straight-line method
Equipment	20%	diminishing balance method

The organization regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

The property, plant and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

One-half of the above rates is applied in the year of acquisition. Canadian accounting standards for not-for-profit organizations require that grant revenue received towards property, plant and equipment either be applied against the cost of the property, plant and equipment or be deferred and amortized to income on the same basis as the related property, plant and equipment is amortized. The Center has reported this grant revenue as income. Excess of revenue over expenses would have decreased by $307,348 ($320,593 in 2018), property, plant and equipment would have decreased by $307,348 ($320,593 in 2018) and net assets would have been decreased by $307,348 ($320,593 in 2018) had Canadian accounting standards for not-for-profit organization been applied.

3. Accounts payable

	2019	2018
Trade and accrued liabilities	**$ 19,693**	$ 12,485
Deferred revenue	**(114)**	(548)
Money in trust	**(566)**	11,553
Short term debt	**(54)**	2,308
Other short term liabilities	**783**	2,073
	$ 19,742	$ 27,871

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	**2019 Net book value**	2018 Net book value
Buildings	$ 5,528,656	$ 996,439	**$ 4,532,217**	$ 4,670,433
Equipment	138,053	105,083	**32,970**	40,318
	$ 5,666,709	$ 1,101,522	**$ 4,565,187**	$ 4,710,751

5. LONG TERM DEBT

	2019	2018
Desjardins loan bearing interest at 3.95% per annum, repayable in monthly blended payments of $6,975. The loan matures on March 10, 2020 and is secured by Secured by a Government gurantee under MAMROT program.	**$ 1,012,293**	$ 1,055,269
Desjardins prime plus loan bearing interest at 1.85% per annum, repayable in monthly blended payments of $-. The loan matures on January 19, 2022 and is secured by Secured by a Government gurantee under MAMROT program.	**578,836**	753,825
	1,591,129	1,809,094
Amounts payable within one year	**(1,195,940)**	(205,473)
	$ 395,189	$ 1,603,621

Principal repayment terms are approximately:

2020	$ 1,195,940
2021	192,754
2022	202,435
	$ 1,591,129

6. Other operating expenses

		2019		2018
Cash over/short	$	**158**	$	(155)
Events expenses		**3,039**		4,204
Licenses, fees and dues		**1,978**		1,944
Summer camp expenses		**27,107**		31,410
Programming expenses		**43,682**		38,884
TCCC expenses		**28,854**		21,587
Volunteer retention		**1,151**		814
	$	**105,969**	$	98,688

7. 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, 2019.

(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, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk.

(continues)

7. FINANCIAL INSTRUMENTS *(continued)*

(d) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

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