

The Canadian Parents for French (New Brunswick) Inc.
Financial Statements
March 31, 2023

The Canadian Parents for French (New Brunswick) Inc.
Table of Contents
March 31, 2023

	Page
Independent Auditor's report	
Financial Statements	
Statement of Financial Position	1
Statement of Operations	2
Statement of Changes in Net Assets	3
Statement of Cash Flows	4
Notes to the Financial Statements	5 - 7

Independent Auditor's report

To the Board of Directors of
The Canadian Parents for French (New Brunswick) Inc.

Opinion

I have audited the financial statements of The Canadian Parents for French (New Brunswick) Inc., which comprise the statement of financial position as at March 31, 2023, and the statements of operations, 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 my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with ASNPO.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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.

Independent Auditor's report, continued

Auditors' Responsibilities for the Audit of the Financial Statements

My 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 auditors' report that includes my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditors' 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.

I 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 I identify during my audit.

Donna L. Floyd Hanson

Donna L. Floyd, CPA Professional
Corporation
Chartered Professional Accountant

Sussex, New Brunswick
September 29, 2023

DONNA L. FLOYD, CPA
PROFESSIONAL CORP.



The Canadian Parents for French (New Brunswick) Inc.
Statement of Financial Position
As at March 31, 2023

	2023	2022
Assets		
Current assets		
Cash	\$ 5,306	\$ 25,417
Accounts receivable	4,719	-
Prepaid expenses	12,829	12,806
HST receivable	14,756	4,187
	37,610	42,410
Property, plant and equipment (Note 3)	886	1,550
	\$ 38,496	\$ 43,960
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 17,113	\$ 12,251
Salaries payable	1,599	6,444
	18,712	18,695
Balance	19,784	25,265
	\$ 38,496	\$ 43,960

Approved on behalf of the board

_____ Director

_____ Director

See accompanying notes
Subject to audit report dated September 29, 2023

The Canadian Parents for French (New Brunswick) Inc.
Statement of Operations
Year ended March 31, 2023

	2023 Budget	2023 Actual	2022 Actual
Revenues			
Grants	\$ 226,478	\$ 236,478	\$ 176,478
Sponsorships	73,000	42,600	3,800
Other income	10,000	16,425	7,863
Membership fees	-	1,121	513
Government assistance (Note 4)	-	-	10,000
Donations	-	-	184
	309,478	296,624	198,838
Expenditures			
Salaries and related benefits	138,478	132,071	156,303
Program expenses	71,500	97,116	60,653
Advertising and promotion	2,000	32,370	2,480
Professional fees	6,000	14,376	14,101
Travel and conferences	11,500	13,225	1,759
Office	30,000	10,784	17,814
Interest and bank charges	-	1,149	1,268
Amortization	-	663	1,271
Subscriptions, permits and licenses	-	351	1,806
Honorariums and awards	-	-	1,000
Memberships	-	-	275
	259,478	302,105	258,730
Excess (deficiency) of revenues over expenditures	\$ 50,000	\$ (5,481)	\$ (59,892)

See accompanying notes
Subject to audit report dated September 29, 2023

The Canadian Parents for French (New Brunswick) Inc.
Statement of Changes in Net Assets
Year ended March 31, 2023

	Balance
Balance, April 1, 2022	\$ 25,265
Deficiency of revenues over expenditures	<u>(5,481)</u>
Balance, March 31, 2023	<u>19,784</u>
Balance, March 31, 2021	85,157
Deficiency of revenues over expenditures	<u>(59,892)</u>
Balance, March 31, 2022	<u>\$ 25,265</u>

See accompanying notes
Subject to audit report dated September 29, 2023

The Canadian Parents for French (New Brunswick) Inc.
Statement of Cash Flows
Year ended March 31, 2023

	2023	2022
Operating activities		
Deficiency of revenues over expenditures	\$ (5,481)	\$ (59,892)
Adjustment for Amortization	<u>663</u>	<u>1,271</u>
	(4,818)	(58,621)
Change in non-cash working capital items		
Increase in accounts receivable	(4,719)	-
(Increase) decrease in prepaid expenses	(23)	75
(Increase) decrease in HST	(10,569)	5,719
Increase in accounts payable and accrued liabilities	4,863	10,256
(Decrease) increase in salaries payable	(4,845)	4,385
Decrease in deferred revenue	<u>-</u>	<u>(1,000)</u>
Decrease in cash	(20,111)	(39,186)
Cash, beginning of year	<u>25,417</u>	<u>64,603</u>
Cash, end of year	<u>\$ 5,306</u>	<u>\$ 25,417</u>

See accompanying notes
Subject to audit report dated September 29, 2023

The Canadian Parents for French (New Brunswick) Inc.
Notes to the Financial Statements
March 31, 2023

1. **Nature of operations**

The Canadian Parents for French (New Brunswick) Inc. was incorporated under the Business Corporations Act of New Brunswick on January 19, 1984 as a corporation without share capital. The organization was incorporated to provide the opportunity for each student to acquire the knowledge of the French language and culture and to provide French learning opportunities. The corporation has been granted tax-exempt status as a registered charity under paragraph 149(1) of the *Income Tax Act*.

2. **Significant accounting policies**

The organization applies the Canadian accounting standards for not-for-profit organizations.

(a) **Cash**

Cash consists of cash on hand and bank balances.

(b) **Financial instruments**

The organization's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted it is management's opinion that the organization is not exposed to significant interest, currency or credit risks.

(c) **Property, plant and equipment**

Property, plant and equipment are recorded at cost. The organization provides for amortization using the following methods at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. The annual amortization rates and methods are as follows:

Equipment	20% Declining balance
Computer equipment	50% Declining balance

(d) **Revenue recognition**

Revenue is generated from various sources and is recognized as follows:

- (i) Government funding is recognized as revenue for the period to which it relates.
- (ii) Revenue generated from grants is recorded as revenue for the period to which it relates.
- (iii) Contributions, including charitable donations, are accounted for using the deferral method whereby unrestricted contributions are recognized as revenue in the year they are received. Pledges are not recognized as revenue until they are received.
- (iv) Membership fees are recognized as revenue for the period to which they relate.

The Canadian Parents for French (New Brunswick) Inc.
Notes to the Financial Statements
March 31, 2023

2. Significant accounting policies, continued

(e) Contributed goods and services

Directors, committee members and community residents volunteer their time to assist in the corporation's activities. While these services benefit the corporation considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements. During the year \$0 in goods were donated.

(f) Government assistance

Government grants related to property, plant and equipment are accounted for as deferred government assistance and amortized on the same basis as the related property, plant and equipment. Operating grants are accounted for as a reduction of operating expenses. Government assistance related to COVID-19 measures is disclosed separately in Note 4 of these financial statements.

(g) Management estimates

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 amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3. Property, plant and equipment

	2023		2022	
	Cost	Accumulated amortization	Net	Net
Equipment	\$ 15,050	\$ 14,753	\$ 297	\$ 372
Computer equipment	19,924	19,335	589	1,178
	\$ 34,974	\$ 34,088	\$ 886	\$ 1,550

Subject to audit report dated September 29, 2023

The Canadian Parents for French (New Brunswick) Inc.

Notes to the Financial Statements

March 31, 2023

4. Government assistance

Government assistance consists of various federal government measures introduced as a result of the global COVID-19 pandemic.

	<u>2023</u>	<u>2022</u>
Forgivable portion Canada Emergency Business Account	\$ -	\$ 10,000

5. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates. The fair value of long-term financial liabilities approximates their carrying value based on the presumption that the organization is a going concern and thus expects to fully repay the outstanding amounts.

(b) Credit risk

The organization does have credit risk in accounts receivable of \$4,719 (2022 - \$-). Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. In the opinion of management the credit risk exposure to the organization is low and is not material as the majority of accounts receivable relates to agreed government funding.

(c) Liquidity risk

The organization does have a liquidity risk in the accounts payable and accrued liabilities of \$17,113 (2021 - \$12,251). Liquidity risk is the risk that the organization cannot repay its obligations when they become due to its creditors. The organization reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due; maintains an adequate line of credit to repay trade creditors and repays long term debt interest and principal as they become due. In the opinion of management the liquidity risk exposure to the organization is low and is not material.