

Centre Communautaire Wakefield La Peche, Coop De Solidarite  
Financial Statements  
Year Ended March 31, 2020  
(Unaudited - See Independent Practitioner's Review Engagement Report)

Centre Communautaire Wakefield La Peche, Coop De Solidarite  
Index to Financial Statements  
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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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

We have reviewed the accompanying financial statements of Centre Communautaire Wakefield La Peche, Coop De Solidarite that comprise the statement of financial position as at March 31, 2020 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.

### Basis for Qualified Conclusion

In common with many not-for-profit organizations, the Centre Communautaire Wakefield La Peche, Coop De Solidarite derives revenue from donations and fundraising activities the completeness of which is not susceptible to satisfactory of our review. Accordingly, review of these revenues was limited to the amounts recorded in the records

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Independent Practitioner's Review Engagement Report to the Members of Centre Communautaire Wakefield La Peche, Coop De Solidarite *(continued)*

of the organization. Therefore, we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess (deficiency) of revenue over expenses, and cash flows from operations for the years ended March 31, 2020 and March 31, 2019, current assets as at March 31, 2020 and March 31, 2019, and net assets as at March 31, 2020 and March 31, 2019 years. Our conclusion on the financial statements for the year ended March 31, 2019 was modified accordingly because of the possible effects of this limitation in scope.

#### 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 Solidarite as at March 31, 2020, 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.

*ABFK Chartered Professional Accountants*

Ottawa, Ontario  
September 19, 2020

ABFK Chartered Professional Accountants  
Professional Corporation

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## Centre Communautaire Wakefield La Peche, Coop De Solidarite

## Statement of Financial Position

March 31, 2020

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

	2020	2019
<b>Assets</b>		
Current		
Cash	\$ 60,609	\$ 80,985
Accounts receivable	39,373	19,673
Inventory	2,671	2,664
GST/QST recoverable	6,478	6,527
	<b>109,131</b>	109,849
Long term		
Property, plant and equipment <i>(Note 6)</i>	4,424,871	4,565,187
	<b>\$ 4,534,002</b>	<b>\$ 4,675,036</b>
<b>Liabilities and Net assets</b>		
Current		
Accounts payable	\$ 11,997	\$ 19,742
Current portion of long term debt <i>(Note 7)</i>	1,163,093	1,195,940
	<b>1,175,090</b>	1,215,682
Long term		
Long term debt <i>(Note 7)</i>	202,420	395,189
Deferred Grant Income	134,117	66,579
	<b>1,511,627</b>	1,677,450
<b>Net assets</b>	<b>3,022,375</b>	<b>2,997,586</b>
	<b>\$ 4,534,002</b>	<b>\$ 4,675,036</b>

**ON BEHALF OF THE BOARD**\_\_\_\_\_ *Director*\_\_\_\_\_ *Director*

Centre Communautaire Wakefield La Peche, Coop De Solidarite  
Statement of Revenues and Expenditures  
Year Ended March 31, 2020  
(Unaudited - See Independent Practitioner's Review Engagement Report)

	2020	2019
<b>Revenues</b>		
Grants	\$ 245,165	\$ 240,769
Bar Sales	17,261	25,157
Event Revenue	9,278	7,860
Membership Fees	1,890	1,760
Programming Income	53,625	57,586
Rental Revenue	79,190	73,458
Summer Camp Revenue	41,029	49,318
Miscellaneous Income	863	1,723
Public Contributions	25,558	16,016
	<b>473,859</b>	<b>473,647</b>
<b>Expenses</b>		
Advertising and promotion	10,160	8,945
Amortization	145,310	146,269
Bad debts	5,000	-
Bar Supplies	7,007	8,255
Insurance	20,909	24,393
Interest and bank charges	76,767	78,862
Office	1,419	2,248
Other operating expenses (Note 8)	2,266	3,287
Professional fees	21,090	20,742
Programming expenses	36,470	43,682
Rental and event expenses	27,222	35,581
Repairs and maintenance	22,605	35,346
Salaries and wages	10,322	452
Summer Camp Expenses	29,264	27,107
Technical Expenses	20,850	28,854
Utilities	14,003	16,736
	<b>450,664</b>	<b>480,759</b>
<b>Excess (deficiency) Of Revenues Over Expenses from operations</b>	<b>23,195</b>	<b>(7,112)</b>
Other income		
Dividend income	1,435	1,879
Interest income	159	247
	<b>1,594</b>	<b>2,126</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$ 24,789</b>	<b>\$ (4,986)</b>

Centre Communautaire Wakefield La Peche, Coop De Solidarite

Statement of Changes in Net Assets

Year Ended March 31, 2020

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

	Invested in Net Assets	Unrestricted	2020 Total	2019 Total
<b>Net assets - beginning of year</b>				
As previously reported	\$ 2,974,058	\$ 90,107	\$ 3,064,165	\$ 3,002,574
Prior period adjustments	-	(66,579)	(66,579)	-
As restated	2,974,058	23,528	2,997,586	3,002,574
Excess of revenues over expenses	-	24,789	24,789	(4,988)
Transfer to invested in net assets	85,300	(85,300)	-	-
<b>Net assets - end of year</b>	<b>\$ 3,059,358</b>	<b>\$ (36,983)</b>	<b>\$ 3,022,375</b>	<b>\$ 2,997,586</b>

Centre Communautaire Wakefield La Peche, Coop De Solidarite  
Statement of Cash Flows  
Year Ended March 31, 2020  
(Unaudited - See Independent Practitioner's Review Engagement Report)

	2020	2019
<b>Operating activities</b>		
Excess (deficiency) of revenues	\$ 24,789	\$ (4,986)
Item not affecting cash:		
Amortization of property, plant and equipment	145,310	146,269
	<b>170,099</b>	141,283
Changes in non-cash working capital:		
Accounts receivable	(19,700)	(2,316)
Inventory	(7)	(234)
Goods and services tax payable	49	(2,810)
Prepaid expense	-	22,872
Accounts payable	(7,744)	(8,132)
	<b>(27,402)</b>	9,380
Cash flow from operating activities	<b>142,697</b>	150,663
<b>Investing activity</b>		
Purchase of property, plant and equipment	(4,995)	(705)
Cash flow used by investing activity	<b>(4,995)</b>	(705)
<b>Financing activities</b>		
Deferred Grant Income	67,538	66,579
Repayment of long term debt	(225,616)	(217,966)
Cash flow used by financing activities	<b>(158,078)</b>	(151,387)
<b>Decrease in cash flow</b>	<b>(20,376)</b>	(1,429)
Cash - beginning of year	<b>80,985</b>	82,414
<b>Cash - end of year</b>	<b>60,609</b>	80,985
<b>Cash flows supplementary information</b>		
Interest received	\$ (159)	\$ (247)
Interest paid	\$ 76,767	\$ 78,864



1. PURPOSE OF THE ORGANIZATION

The Centre Communautaire Wakefield La Peche, Coop De Solidarite (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. CHANGE IN ACCOUNTING POLICY

Recently, the board of directors has changed its policy of the recognition of provincial grants. In accordance with ASNFPPO guidelines, grants that were received from provincial government are classified as deferred grant revenue and grant revenue is to be recognized equivalent of the amortization of property, plant and equipment

3. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

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.

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

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4. 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.

Net assets

- a) Net assets invested in property and equipment represents the organization's net investment in property and equipment which is comprised of the unamortized amount of property and equipment purchased with restricted funds.
- b) Internally restricted net assets are funds which have been designated for a specific purpose by the organization's Board of Directors.
- c) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, not of transfers, and are available for general purposes.

5. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2020.

**(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.

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5. FINANCIAL INSTRUMENTS *(continued)*

*(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.

*(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.

6. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Buildings	\$ 5,528,656	\$ 1,134,656	\$ 4,394,000	\$ 4,532,217
Equipment	143,047	112,176	30,871	32,970
	\$ 5,671,703	\$ 1,246,832	\$ 4,424,871	\$ 4,565,187

7. LONG TERM DEBT

	2020	2019
Desjardins loan bearing interest at 3.72% per annum, repayable in monthly blended payments of \$6,740. The loan matures on March 10, 2021 and is secured by Secured by a Government guarantee under MAMROT program.	\$ 970,339	\$ 1,012,293

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Centre Communautaire Wakefield La Peche, Coop De Solidarite  
Notes to Financial Statements  
Year Ended March 31, 2020  
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7. LONG TERM DEBT *(continued)*

	2020	2019
Desjardins prime plus loan bearing interest at 1.85% per annum, repayable annully in a blended payment of \$212,848. The loan matures on January 19, 2022 and is secured by Secured by a Government gurantee under MAMROT program.	<b>395,174</b>	578,836
	<b>1,365,513</b>	1,591,129
Amounts payable within one year	<b>(1,163,093)</b>	(1,195,940)
	<b>\$ 202,420</b>	\$ 395,189

Principal repayment terms are approximately:

2021	\$ 1,163,093
2022	<u>202,420</u>
	<b><u>\$ 1,365,513</u></b>

8. OTHER OPERATING EXPENSES

	2020	2019
Cash over/short	\$ 203	\$ 158
Licenses, fees and dues	1,413	1,978
Volunteer retention	650	1,151
	<b>\$ 2,266</b>	\$ 3,287