



## Financial Statements

Engage Nova Scotia Civic Engagement  
Society

March 31, 2022

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# Independent Practitioner's Review Engagement Report

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To the Board of Directors of  
[Engage Nova Scotia Civic Engagement Society](#)

We have reviewed the accompanying financial statements of Engage Nova Scotia Civic Engagement Society that comprise the statement of financial position as at March 31, 2022, and the statements of operations, 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.

# Independent Practitioner's Review Engagement Report (continued)

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Engage Nova Scotia Civic Engagement Society as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Halifax, Canada  
July 12, 2022

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants

# Engage Nova Scotia Civic Engagement Society

## Statement of Operations

Year ended March 31	2022	2021
Revenues		
Government grants	\$ 739,251	\$ 600,000
Donations and other grants	29,702	55,209
Fees for service	800	2,675
Miscellaneous income	431	998
In-kind revenue	-	28,380
	<b>770,184</b>	<b>687,262</b>
Expenditures		
Amortization	4,540	4,490
Consulting fees	14,752	5,375
Do a Thing Initiative	17,298	-
From Me To You Initiative	-	14,808
In-kind expenses	-	28,380
Insurance	4,269	2,968
Interest and bank charges	254	138
Meetings and conferences	16,441	4,491
Office	24,156	4,714
Professional fees	27,461	10,034
Quality of Life Initiative	35,230	23,239
Rent	41,388	-
Salaries and wages	640,185	577,655
Telephone	6,099	5,261
Travel	2,185	555
Web services	20,639	3,389
	<b>854,897</b>	<b>685,497</b>
(Deficiency) excess of revenues over expenditures	<b>\$ (84,713)</b>	<b>\$ 1,765</b>

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## Engage Nova Scotia Civic Engagement Society

### Statement of Changes in Net Assets

Year ended March 31	2022	2021
Surplus, beginning of year	\$ 189,727	\$ 187,962
(Deficiency) excess of revenues over expenditures	<u>(84,713)</u>	<u>1,765</u>
Surplus, end of year	<u>\$ 105,014</u>	<u>\$ 189,727</u>

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# Engage Nova Scotia Civic Engagement Society

## Statement of Financial Position

March 31

2022

2021

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### Assets

#### Current

Cash and cash equivalents	\$ 250,243	\$ 186,331
Receivables	-	87,540
Prepays	2,297	2,013
Harmonized sales tax receivable	11,704	3,311
	<u>264,244</u>	<u>279,195</u>

Furniture and equipment (Note 4)

7,373                      9,446

\$ 271,617                      \$ 288,641

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### Liabilities

#### Current

Payables and accruals	\$ 19,270	\$ 33,914
Unearned revenue	147,333	65,000
	<u>166,603</u>	<u>98,914</u>

Surplus

105,014                      189,727

\$ 271,617                      \$ 288,641

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Economic dependence (Note 6)

Lease commitment (Note 5)

On behalf of the Board

\_\_\_\_\_ Director

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## Engage Nova Scotia Civic Engagement Society

### Statement of Cash Flows

Year ended March 31

2022

2021

Increase (decrease) in cash and cash equivalents

**Operating**

(Deficiency) excess of revenues over expenditures	\$ (84,713)	\$ 1,765
Item not affecting cash		
Amortization	4,540	4,490
	(80,173)	6,255
Change in non-cash working capital items		
Receivables	87,540	(27,462)
Prepays	(284)	(194)
Harmonized sales tax receivable	(8,393)	4,618
Payables and accruals	(14,644)	7,894
Unearned revenue	82,333	65,000
	66,379	56,111

**Investing**

Purchase of furniture and equipment	(2,467)	(6,242)
Increase in cash and cash equivalents	63,912	49,869
Cash and cash equivalents		
Beginning of year	186,331	136,462
End of year	\$ 250,243	\$ 186,331

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# Engage Nova Scotia Civic Engagement Society

## Notes to the Financial Statements

March 31, 2022

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### 1. Nature of operations

Engage Nova Scotia Civic Engagement Society ("the Society") exists to promote and advance a province-wide culture of collaboration, innovation and self-reliance. The Society was federally incorporated as a non-profit organization under section 149.1 (1) of the Income Tax Act and is therefore not subject to income taxes.

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### 2. Significant accounting policies

#### Basis of presentation

The Society has prepared these financial statements in accordance with Canadian accounting standards for not-for-profit enterprises (ASNPO).

#### Cash and cash equivalents

Cash and cash equivalents are defined as cash on hand and balances with banks or other financial institutions.

#### Furniture and equipment

Furniture and equipment are carried at cost less, where applicable, any accumulated amortization and impairment losses. The Society recognizes one half year's amortization during the year of acquisition.

The amortization rates used for each class of furniture and equipment are:

Computer equipment	50%
Office furniture and equipment	20%

#### Revenue recognition

The deferral method of accounting is used by the Society. Unrestricted operating grants and donations are recognized as revenue in the period received. Restricted contributions are deferred and recognized in the statements of operations as per the terms of the agreement.

Revenue from event registrations is recognized in the period in which the event occurs.

Other revenue is recognized when received.

#### Contributed services

Donated services in the form of rent, seconded employees and capital assets. These in-kind contributions are recognized in the financial statements at their fair value, less any amortized costs.

In-kind rent and secondments revenues are fully offset by corresponding expenses. In-kind equipment revenue will be offset by amortization expense over the useful life of the equipment.

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# Engage Nova Scotia Civic Engagement Society

## Notes to the Financial Statements

March 31, 2022

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### 2. Significant accounting policies (continued)

#### Use of estimates

Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to net income as appropriate in the year they become known.

#### Financial instruments

The Society considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Society accounts for the following as financial instruments:

- cash and cash equivalents
- receivables
- payables
- unearned revenue

A financial asset or liability is recognized when the Society becomes party to contractual provisions of the instrument.

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

The Society subsequently measures all of its financial assets and financial liabilities at amortized cost.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

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# Engage Nova Scotia Civic Engagement Society

## Notes to the Financial Statements

March 31, 2022

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### 3. In-kind revenue and expenses

	<u>2022</u>	<u>2021</u>
Rent	\$ -	\$ 28,380

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### 4. Furniture and equipment

	<u>2022</u>	<u>2021</u>		
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer equipment	\$ 26,652	\$ 21,628	\$ 5,024	\$ 6,999
Office furniture and equipment	<u>6,501</u>	<u>4,152</u>	<u>2,349</u>	<u>2,447</u>
	<u>\$ 33,153</u>	<u>\$ 25,780</u>	<u>\$ 7,373</u>	<u>\$ 9,446</u>

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### 5. Lease commitment

The Society has entered into a lease agreement for their occupancy. The lease term expires December 31, 2022.

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### 6. Economic dependence

The Society relies extensively on provincial funding to support its operations. Government continues to restrict funding in many areas. The board and staff work to maintain ongoing relationships with the Society's funding partners.

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### 7. Financial instruments

The Society is exposed to various risks through its financial instruments. The following analysis provides a measure of the Society's risk exposures and concentrations at March 31, 2022.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Society's main credit risks relate to its receivables. There are no identified receivables at year end.

(b) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting the obligations associated with its financial liabilities. The Society is exposed to this risk mainly in respect of its payables. The Society has a current funding agreement with a commitment for funding through fiscal 2023.