

**ENGAGE NOVA SCOTIA CIVIC ENGAGEMENT SOCIETY**

**FINANCIAL STATEMENTS**

**MARCH 31, 2019**

**ENGAGE NOVA SCOTIA CIVIC ENGAGEMENT SOCIETY  
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MARCH 31, 2019**

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## **INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT**

To the Members 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, 2019 and the statements of operations and 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.

### **Practitioners' 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.

## 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, 2019, 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.

*Baker Tilly Nova Scotia Inc*

Dartmouth, Nova Scotia  
June 14, 2019

**Chartered Professional Accountants  
Licensed Public Accountants**

**ENGAGE NOVA SCOTIA CIVIC ENGAGEMENT SOCIETY**  
**STATEMENT OF OPERATIONS AND NET ASSETS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

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	<b>12 Months</b>	<b>15 Months</b>
	<b>Mar</b>	<b>Mar</b>
	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>REVENUES</b>		
Grants	402,500	355,300
In-kind revenue (Note 6)	153,622	347,549
Donations	43,749	120,000
Registration	<u>-</u>	<u>550</u>
	<b><u>599,871</u></b>	<b><u>823,399</u></b>
<b>EXPENSES</b>		
Advertising and promotion	1,466	18,323
Amortization	2,840	4,313
In-kind expenses (Note 6)	153,622	347,549
Insurance	3,054	5,491
Interest and bank charges	120	105
Meetings and conference	10,468	17,332
Office	5,270	5,770
Professional fees	9,782	243,142
Projects (Note 7)	30,366	145,918
Salaries and wages	284,845	134,076
Strategic partnership	-	635
Telephone	7,010	5,502
Travel	19,420	13,646
Web services	<u>3,423</u>	<u>4,528</u>
	<b><u>531,686</u></b>	<b><u>946,330</u></b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>68,185</b>	<b>( 122,931)</b>
NET ASSETS - beginning of year	<u>157,893</u>	<u>280,824</u>
NET ASSETS - end of year	<b><u>226,078</u></b>	<b><u>157,893</u></b>

**ENGAGE NOVA SCOTIA CIVIC ENGAGEMENT SOCIETY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2019**

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	2019	2018
	\$	\$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	202,865	113,153
Accounts receivable (Note 3)	23,673	78,369
Prepays	<u>1,001</u>	<u>-</u>
	227,539	191,522
<b>CAPITAL ASSETS (Note 4)</b>	<u>4,693</u>	<u>7,019</u>
	<u><u>232,232</u></u>	<u><u>198,541</u></u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 5)	<u>6,154</u>	<u>40,648</u>
<b>NET ASSETS</b>		
<b>UNRESTRICTED</b>	<u>226,078</u>	<u>157,893</u>
	<u><u>232,232</u></u>	<u><u>198,541</u></u>

Approved by the Board

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**ENGAGE NOVA SCOTIA CIVIC ENGAGEMENT SOCIETY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

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	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>CASH PROVIDED BY (USED FOR):</b>		
<b>OPERATING</b>		
Excess (deficiency) of revenues over expenses	<b>68,185</b>	( 122,931)
Item not affecting cash		
Amortization	<u>2,840</u>	<u>4,313</u>
	<b>71,025</b>	( 118,618)
Changes in non-cash working capital items		
Accounts receivable	<b>54,696</b>	2,020
Prepays	( 1,001)	-
Accounts payable and accrued liabilities	<u>( 34,494)</u>	<u>36,149</u>
	<u>90,226</u>	( 80,449)
<b>INVESTING</b>		
Acquisition of capital assets	<u>( 514)</u>	<u>( 1,920)</u>
<b>CHANGE IN CASH</b>	<b>89,712</b>	( 82,369)
<b>CASH - beginning of year</b>	<u>113,153</u>	<u>195,522</u>
<b>CASH - end of year</b>	<u><u>202,865</u></u>	<u><u>113,153</u></u>

## 1. 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.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### Basis of accounting

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

### Cash

Cash consists of bank balances held with a financial institution.

### Capital assets

Capital assets are recorded at cost. Amortization is provided for using the following rates and method over the estimated useful lives as follows:

Computer equipment	50%	Diminishing balance
Furniture and fixtures	20%	Diminishing balance

One half year's amortization is taken in the year of acquisition.

### Revenue recognition

The Society recognizes grants and donation revenue when the amount is fixed or determinable and collection is reasonably assured. Registration revenue is recognized in the period in which the related event occurs. All other revenue is recognized when received.

### Contributed services

The Society benefits from donated services in the form of office space and seconded employees. These in-kind services have been recognized in the financial statements at their fair value.



## 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 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 disclosure of contingencies at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for items and matters such as useful lives of capital assets and certain accrued liabilities. Actual results could differ from those estimates.

### Financial instruments

#### *Measurement of financial instruments*

The Society initially measures its financial assets and financial liabilities at fair value.

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

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

#### *Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write down is recognized in the excess of revenues over expenses. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of a reversal is recognized in the excess of revenues over expenses.

**ENGAGE NOVA SCOTIA CIVIC ENGAGEMENT SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

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<b>3. ACCOUNTS RECEIVABLE</b>	<b>2019</b>	<b>2018</b>
	\$	\$
Accounts receivable	<b>20,000</b>	70,000
HST rebate receivable	<u><b>3,673</b></u>	<u>8,369</u>
	<u><b>23,673</b></u>	<u>78,369</u>

**4. CAPITAL ASSETS**

	Cost	Accumulated Amortization	Net 2019	Net 2018
	\$	\$	\$	\$
Computer equipment	13,906	11,341	<b>2,565</b>	4,359
Furniture and fixtures	<u>4,560</u>	<u>2,432</u>	<u><b>2,128</b></u>	<u>2,660</u>
	<u><b>18,466</b></u>	<u>13,773</u>	<u><b>4,693</b></u>	<u>7,019</u>

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>2019</b>	<b>2018</b>
	\$	\$
Trade payables	<b>725</b>	36,148
Accrued liabilities	<u><b>5,429</b></u>	<u>4,500</u>
	<u><b>6,154</b></u>	<u>40,648</u>

**6. IN-KIND REVENUES AND EXPENSES**

	<b>2019</b>	<b>2018</b>
	\$	\$
Province of Nova Scotia secondments	<b>125,242</b>	312,074
World Trade Convention Centre office space	<u><b>28,380</b></u>	<u>35,475</u>
	<u><b>153,622</b></u>	<u>347,549</u>

**ENGAGE NOVA SCOTIA CIVIC ENGAGEMENT SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

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<b>7. PROJECTS</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Wellbeing Index & Survey	<b>17,539</b>	115,845
Municipalities	<b>1,558</b>	16,725
Stepping Up Network	-	7,763
Share Thanksgiving	<b>647</b>	4,399
Voices	-	1,186
Learning Events	<b>2,252</b>	-
Community Visioning Event	<b>71</b>	-
Conferences	<u><b>8,299</b></u>	<u>-</u>
	<u><b>30,366</b></u>	<u><b>145,918</b></u>

**8. FINANCIAL INSTRUMENTS**

*Risks and concentrations*

The Society is exposed to various risks through its financial instruments. The following analysis provides a measure of the Society's risk exposure and concentrations at March 31, 2019.

It is management's opinion that the Society is not exposed to significant market, currency, interest rate or price risks from its financial instruments. The risks arising on financial instruments are limited to the following:

*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 financial instruments that potentially subject the Society to concentrations of credit risk consists of cash and accounts receivable. The Society deposits its cash in a reputable financial institution and therefore believes the risk of loss to be remote. The Society does not believe is exposed to credit risk from accounts receivable as they are held with the government and therefore the risk of non-collection is remote.

*Liquidity risk*

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Society has sufficient cash flow from the government to fund operations and to meet its financial obligations.