

**NORTHWEST CENTRAL ALBERTA FASD SERVICES NETWORK SOCIETY**

**Financial Statements**

**Year Ended March 31, 2021**

**NORTHWEST CENTRAL ALBERTA FASD SERVICES NETWORK SOCIETY**

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**Year Ended March 31, 2021**

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# JOSEPH S. GREILACH PROFESSIONAL CORPORATION CHARTERED PROFESSIONAL ACCOUNTANT

Joseph S. Greilach, CPA, CA Jeffery T. Toivonen, CPA, CA, Associate Bradley G. Lussier, CPA, Associate

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Northwest Central Alberta FASD Services Network Society

### *Opinion*

We have audited the financial statements of Northwest Central Alberta FASD Services Network Society (the society), which comprise the statement of financial position as at March 31, 2021, and the statements of changes in net assets, revenues and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the society as at March 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the society in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 society'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 society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the society's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our 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 auditor's report that includes our 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.

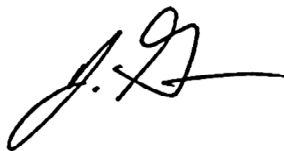
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Independent Auditor's Report to the Members of Northwest Central Alberta FASD Services Network Society  
(continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 society'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 society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the society 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.

We 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 we identify during our audit.



Joseph S. Greilach Professional Corporation  
Chartered Professional Accountants

Barrhead, Alberta  
June 3, 2021

**NORTHWEST CENTRAL ALBERTA FASD SERVICES NETWORK SOCIETY**

**Statement of Financial Position**

**March 31, 2021**

	2021	2020
<b>FINANCIAL ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents	306,926	113,983
Accounts receivable	29,854	16,075
Goods and services tax recoverable	2,170	3,788
Prepaid expenses	2,331	-
	<u>341,281</u>	<u>133,846</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 3)	93,178	79,846
Deferred revenue (Note 4)	168,065	-
	<u>261,243</u>	<u>79,846</u>
<b>NET ASSETS</b>	<u>80,038</u>	<u>54,000</u>
	<u>341,281</u>	<u>133,846</u>

**APPROVED ON BEHALF OF THE BOARD**

*Vera Wtken* Chair

*Angela Kemble* Director

**NORTHWEST CENTRAL ALBERTA FASD SERVICES NETWORK SOCIETY**

**Statement of Changes in Net Assets**

**Year Ended March 31, 2021**

	<b>2021</b>	2020
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>54,000</b>	40,455
Excess of revenues over expenditures	<u><b>26,038</b></u>	<u>13,545</u>
<b>NET ASSETS - END OF YEAR</b>	<u><b>80,038</b></u>	<u>54,000</u>

**NORTHWEST CENTRAL ALBERTA FASD SERVICES NETWORK SOCIETY**

**Statement of Revenues and Expenditures**

**Year Ended March 31, 2021**

	Budget (Unaudited)	2021	2020
<b>REVENUES</b>			
Alberta Children & Youth Services	1,524,746	<b>1,485,195</b>	1,354,810
Edmonton Community Foundation grant	50,000	<b>50,000</b>	40,000
Other	15,000	<b>15,563</b>	50,789
Government of Alberta Covid-19 grant	-	<b>15,000</b>	-
First Nations Health Service grant	16,075	<b>10,475</b>	37,935
	<u>1,605,821</u>	<u><b>1,576,233</b></u>	<u>1,483,534</u>
<b>EXPENDITURES</b>			
<b>Staffing</b>			
Wages and benefits	484,075	<b>491,884</b>	472,104
<b>Program Delivery</b>			
Contracted support	575,078	<b>529,271</b>	417,919
Program delivery	185,000	<b>209,455</b>	174,487
Diagnostic and assessment services	175,000	<b>175,148</b>	169,545
Travel and subsistence	70,000	<b>35,563</b>	96,391
Professional development	4,862	<b>17,655</b>	34,747
Insurance	2,173	<b>2,244</b>	-
	<u>1,012,113</u>	<u><b>969,336</b></u>	<u>893,089</u>
<b>Office</b>			
Office	6,620	<b>23,340</b>	3,697
IT support	17,653	<b>20,675</b>	15,796
Telephone	6,600	<b>12,307</b>	23,762
	<u>30,873</u>	<u><b>56,322</b></u>	<u>43,255</u>
<b>Administrative</b>			
Contracted bookkeeping	12,600	<b>12,810</b>	13,889
Rental	11,160	<b>9,491</b>	7,663
Professional fees	4,500	<b>4,302</b>	4,305
Program advertising	-	<b>4,046</b>	32,649
Interest and bank charges	500	<b>2,004</b>	2,080
Annual general meeting	-	<b>-</b>	955
	<u>28,760</u>	<u><b>32,653</b></u>	<u>61,541</u>
	<u>1,555,821</u>	<u><b>1,550,195</b></u>	<u>1,469,989</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>50,000</u>	<u><b>26,038</b></u>	<u>13,545</u>

**NORTHWEST CENTRAL ALBERTA FASD SERVICES NETWORK SOCIETY****Statement of Cash Flows****Year Ended March 31, 2021**

	<b>2021</b>	2020
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenditures	<u>26,038</u>	13,545
Changes in non-cash working capital:		
Accounts receivable	(13,777)	(16,076)
Accounts payable and accrued liabilities	13,330	(16,018)
Deferred revenue	168,065	(50,000)
Prepaid expenses	(2,331)	2,100
Goods and services tax payable	<u>1,618</u>	(1,446)
	<u>166,905</u>	(81,440)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>192,943</b>	(67,895)
Cash - beginning of year	<u>113,983</u>	181,878
<b>CASH - END OF YEAR</b>	<u><b>306,926</b></u>	113,983



# NORTHWEST CENTRAL ALBERTA FASD SERVICES NETWORK SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2021

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### 1. PURPOSE OF THE SOCIETY

Northwest Central Alberta FASD Services Network Society (the "society") is a not-for-profit organization incorporated provincially under the Societies Act of Alberta. As a registered charity the society is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

Through the society, individuals and families have an organized and centralized resource that assists in accessing relevant services and programs. The society collaborates with its community partners to ensure FASD promising practices are supported in serving the population of the Alberta Northwest Central region.

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

##### (a) Financial statement presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO), unless otherwise noted.

##### (b) Continuity of operations and subsequent events

On March 11, 2020, the World Health Organization declared the Coronavirus COVID-19 (COVID-19) outbreak a pandemic. This has resulted in governments worldwide, including the Canadian and Alberta governments, enacting emergency measures to combat the spread of the virus. Approximately 94% of the organization's revenue (2020 - 91%) comes from funding received by the Province of Alberta through Alberta Children and Youth Services. The organization is economically dependent on funding received from the Province of Alberta. .

At the reporting date, the society has determined that the COVID-19 situation had no impact on its significant accounting policies, timing of revenue recognition, or assessment of contingent liabilities, contract and agreements.

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term investments with maturities of less than three months.

#### Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at amortized cost on a straight line basis include accounts receivable.

Financial liabilities measured at amortized cost on a straight line basis include accounts payable and accrued liabilities and deferred revenue.

#### Capital assets

Capital assets costing less than \$5,000 are expensed in the year of acquisition. Capital assets costing more than \$5,000 are capitalized but not amortized. This follows the accounting policy set out by Alberta Children and Youth Services. This policy is not in agreement with Canadian accounting standards for not-for-profit organizations, whereby capital assets would be capitalized and amortized over their useful life.

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# NORTHWEST CENTRAL ALBERTA FASD SERVICES NETWORK SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2021

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

#### Revenue recognition

Northwest Central Alberta FASD Services Network Society follows the deferral method of accounting. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### Contributed services

The board members of the society are all volunteers that contribute a significant amount of their time each year. Contributed services are not recognized in the financial statements due to the difficulty in measuring the fair value.

#### 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.

### 3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
Trade accounts payable and accrued liabilities	49,535	50,573
Source deductions payable	10,343	10,041
Employee vacation payable	25,380	19,232
Contracted services - Blue Heron Support Services Association	7,920	-
	93,178	79,846

### 4. DEFERRED REVENUE

	2021	2020
Government of Alberta April 2021 funding	113,517	-
Government of Alberta unexpended funds	39,548	-
Covid-19	15,000	-
	168,065	-

Deferred revenue consists of unspent contributions externally restricted for various programs and restricted operating funding received in the current year that is related to the subsequent year. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made.

### 5. ECONOMIC DEPENDENCE

The society derives 94% (2020 - 91%) of revenue from provincial government funding. The continued viability of the organization depends on the continuation of this funding.

**NORTHWEST CENTRAL ALBERTA FASD SERVICES NETWORK SOCIETY**

**Notes to Financial Statements**

**Year Ended March 31, 2021**

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**6. COMPARATIVE FIGURES**

The prior year comparative figures were audited by another Chartered Professional Accountant. Some comparative figures have been reclassified to conform to the current years presentation.

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