

Leadership Saskatoon Inc.

FINANCIAL STATEMENTS

June 30, 2016

REVIEW ENGAGEMENT REPORT

**To the Members of
Leadership Saskatoon Inc.**

We have reviewed the statement of financial position of **Leadership Saskatoon Inc.** as at June 30, 2016 and the statements of operations, changes in net assets, and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the management.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Saskatoon, Saskatchewan
September 26, 2016



Chartered Professional Accountants


Leadership Saskatoon Inc.

STATEMENT OF FINANCIAL POSITION as at June 30, 2016

Unaudited

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash	\$ 73,061	\$ 103,695
Term deposits	31,140	27,067
Accounts receivable	6,817	2,602
Prepaid expenses	<u>-</u>	<u>2,500</u>
	111,018	135,864
Term deposits	<u>60,334</u>	<u>62,753</u>
	<u>\$ 171,352</u>	<u>\$ 198,617</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 1,142	\$ 39
Deferred income (Note 3)	<u>31,350</u>	<u>72,350</u>
	32,492	72,389
Net Assets	<u>138,860</u>	<u>126,228</u>
	<u>\$ 171,352</u>	<u>\$ 198,617</u>

On behalf of the Board:

Director 

Giselle Howard, Board Chair

Director 

Frank Hounjet, Board Treasurer

Leadership Saskatoon Inc.

STATEMENT OF OPERATIONS for the year ended June 30, 2016

Unaudited

	<u>2016</u>	<u>2015</u>
Revenues		
Alumni seminar series	\$ 3,254	\$ -
Donations	1,709	2,679
Donations in kind (Note 4)	21,670	22,000
Founding member contributions	13,850	13,500
Grants	24,850	24,700
Sponsorship	29,950	33,100
Tuition	<u>103,950</u>	<u>108,500</u>
	<u>199,233</u>	<u>204,479</u>
Operating expenses		
Accounting fees (Note 4)	2,612	3,582
Advertising and promotion (Note 4)	17,030	17,323
Alumni events	317	289
Bursaries and awards	19,414	24,314
Fundraising materials	536	374
Insurance	775	1,550
Meetings and conferences	2,463	2,892
Office expenses - Schedule 1	9,221	7,158
Professional development	60	-
Program delivery costs - Schedule 2	38,461	34,220
Recruitment and volunteers	388	618
Rent	1,920	1,920
Salaries and wages	28,269	27,672
Sub-contracts	<u>67,850</u>	<u>65,850</u>
	<u>189,316</u>	<u>187,762</u>
Excess of revenues over operating expenses	9,917	16,717
Interest income	<u>2,715</u>	<u>2,460</u>
Excess of revenues over expenses	<u>\$ 12,632</u>	<u>\$ 19,177</u>

Leadership Saskatoon Inc.

STATEMENT OF CHANGES IN NET ASSETS
for the year ended June 30, 2016

Unaudited

	<u>2016</u>	<u>2015</u>
Net assets, beginning of year	\$ 126,228	\$ 107,051
Excess of revenues over expenses	<u>12,632</u>	<u>19,177</u>
Net assets, end of year	<u>\$ 138,860</u>	<u>\$ 126,228</u>

Leadership Saskatoon Inc.

STATEMENT OF CASH FLOWS for the year ended June 30, 2016

Unaudited

	<u>2016</u>	<u>2015</u>
CASH RESOURCES FROM OPERATING ACTIVITIES		
Excess of revenues over expenses	<u>\$ 12,632</u>	<u>\$ 19,177</u>
Change in non-cash working capital balances related to operations		
Term deposits	(4,073)	(11,566)
Accounts receivable	(4,215)	515
Prepaid expenses	2,500	-
Accounts payable and accrued liabilities	1,103	38
Deferred income	<u>(41,000)</u>	<u>21,250</u>
	<u>(45,685)</u>	<u>10,237</u>
Cash resources (used in) from operations	<u>(33,053)</u>	<u>29,414</u>
CASH RESOURCES FROM INVESTING ACTIVITIES		
Term deposits	<u>2,419</u>	<u>16,567</u>
Cash resources from investing activities	<u>2,419</u>	<u>16,567</u>
Net change in cash resources during the year	(30,634)	45,981
Cash resources, beginning of year	<u>103,695</u>	<u>57,714</u>
Cash resources, end of year	<u>\$ 73,061</u>	<u>\$ 103,695</u>

Leadership Saskatoon Inc.

NOTES TO THE FINANCIAL STATEMENTS for the year ended June 30, 2016

Unaudited

1 Description of organization

Leadership Saskatoon Inc. is a local organization operating programs aimed at educating and training the future leaders of Saskatoon. Leadership Saskatoon Inc. was incorporated on December 18, 2002 under the Saskatchewan Non-Profit Corporations Act, 1995 and is a registered charity under the Income Tax Act.

2 Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. Actual results may differ from those estimates.

The financial statements reflect the following significant accounting policies:

Revenue recognition

The company follows the deferral method of accounting for contributions. Restricted contributions, which consists of donations, founding member contributions, grants, sponsorships, and tuition revenues are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions, which consists of donations and other revenues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Property, plant and equipment

Property, plant and equipment are expensed when acquired as the organization has less than \$500,000 in average annual revenue.

Donated goods and services

The organization benefits from the donation of goods and services from individuals, corporations and other organizations. Accounting recognition is given to the value of the goods or services donated to the organization where a fair market value can be reasonably estimated.

Leadership Saskatoon Inc.

NOTES TO THE FINANCIAL STATEMENTS for the year ended June 30, 2016

Unaudited

2 Significant accounting policies, continued

Income taxes

The company is exempt from income tax as a Non-Profit Charitable Corporation.

Financial instruments

Measurement of financial instruments

The corporation initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The corporation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

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

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

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The 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 the reversal is recognized in net income.

Transaction costs

The entity recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption

Cash resources

The corporation's policy is to disclose bank balances under cash resources, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn.

Leadership Saskatoon Inc.

NOTES TO THE FINANCIAL STATEMENTS for the year ended June 30, 2016

Unaudited

3 Deferred income

	<u>2016</u>	<u>2015</u>
Beginning balance	\$ 72,350	\$ 34,500
Less: amounts recognized as revenue in the year	(72,350)	(34,500)
Add: grants/sponsorships received relating to the following year	27,500	49,250
Add: tuition received relating to the following year	<u>3,850</u>	<u>23,100</u>
	<u>\$ 31,350</u>	<u>\$ 72,350</u>

4 Donated goods and services

Included in the Statement of Operations are the following donated goods and services:

	<u>2016</u>	<u>2015</u>
Donations in kind	<u>\$ 21,670</u>	<u>\$ 22,000</u>

	<u>2016</u>	<u>2015</u>
Accounting fees	\$ -	\$ 1,600
Advertising and promotions	16,000	16,000
Program delivery costs - Challenge days	<u>5,670</u>	<u>4,400</u>
	<u>\$ 21,670</u>	<u>\$ 22,000</u>

5 Financial instruments

The corporation, as part of its operations, carries a number of financial instruments. It is management's opinion that the corporation is not exposed to significant credit, currency, interest rate, liquidity, market or other price risks arising from these financial instruments except as otherwise disclosed.

Leadership Saskatoon Inc.

SCHEDULES TO THE FINANCIAL STATEMENTS for the year ended June 30, 2016

Unaudited

Schedule of office expenses	Schedule 1	
	2016	2015
GST	\$ 1,902	\$ 1,935
Insurance	775	775
Interest and bank charges	11	30
Office equipment	-	84
Office supplies	3,407	1,151
Postage and courier	276	312
Telephone	1,376	1,423
Travel and parking	660	631
Website development and maintenance	814	817
	<u>\$ 9,221</u>	<u>\$ 7,158</u>

Schedule of program delivery costs	Schedule 2	
	2016	2015
Challenge days (Note 4)	\$ 11,905	\$ 11,830
Fireside chats	(20)	2
Graduation	698	1,627
Mentorship meet and greet	1,250	1,666
Opening retreat	14,793	10,853
Orientation	239	302
Program materials	8,201	7,940
Alumni seminar series	1,395	-
	<u>\$ 38,461</u>	<u>\$ 34,220</u>