

Leadership Saskatoon Inc.

FINANCIAL STATEMENTS

June 30, 2024



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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

I have reviewed the accompanying financial statements of **Leadership Saskatoon Inc.** that comprise the statement of financial position as at June 30, 2024 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

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me 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, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that these financial statements do not present fairly, in all material respects, the financial position of **Leadership Saskatoon Inc.** as at June 30, 2024, 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.

H. Bryce Groenwold

Saskatoon, Saskatchewan
November 5, 2024

Chartered Professional Accountant
Groenwold CPA Prof. Corp.

Leadership Saskatoon Inc.

STATEMENT OF FINANCIAL POSITION

as at June 30, 2024

Unaudited

	<u>2024</u>	<u>2023</u>
ASSETS		
Current Assets		
Cash	\$ 19,326	\$ 72,585
Term deposits (Note 3)	79,006	31,563
Accounts receivable	3,180	7,789
Prepaid expenses	<u>5,796</u>	<u>-</u>
	107,308	111,937
Term deposits (Note 3)	<u>-</u>	<u>36,531</u>
	<u><u>\$ 107,308</u></u>	<u><u>\$ 148,468</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 230	\$ 13,275
Deferred income (Note 5)	17,500	12,250
Current portion of loan payable	<u>-</u>	<u>30,000</u>
	17,730	55,525
Net Assets	<u>89,578</u>	<u>92,943</u>
	<u><u>\$ 107,308</u></u>	<u><u>\$ 148,468</u></u>

On behalf of the Board:

Director 

Director 

Leadership Saskatoon Inc.

STATEMENT OF OPERATIONS

for the year ended June 30, 2024

Unaudited

	<u>2024</u>	<u>2023</u>
Revenues		
Alumni events	\$ 527	\$ 258
Donations	3,104	2,939
Donations in kind (Note 6)	-	5,350
Founding member contributions	22,500	12,150
Sponsorship	22,500	12,000
Tuition	<u>125,750</u>	<u>105,500</u>
	<u>174,381</u>	<u>138,197</u>
Operating expenses		
Accounting fees	6,773	5,226
Advertising and promotion	513	79
Alumni events	1,132	182
Bursaries and awards	75	75
Insurance	1,193	1,193
Meetings	492	269
Office expenses - Schedule 1	7,689	19,055
Program delivery costs - Schedule 2	48,237	46,203
Sub-contracts	<u>113,766</u>	<u>97,434</u>
	<u>179,870</u>	<u>169,716</u>
(Deficiency) excess of revenues over operating expenses	(5,489)	(31,519)
Other income		
Interest	<u>2,124</u>	<u>2,567</u>
(Deficiency) excess of revenues over expenses	<u><u>\$ (3,365)</u></u>	<u><u>\$ (28,952)</u></u>

Leadership Saskatoon Inc.

STATEMENT OF CHANGES IN NET ASSETS for the year ended June 30, 2024

Unaudited

	<u>2024</u>	<u>2023</u>
Net assets, beginning of year	\$ 92,943	\$ 121,895
(Deficiency) excess of revenues over expenses	<u>(3,365)</u>	<u>(28,952)</u>
Net assets, end of year	<u><u>\$ 89,578</u></u>	<u><u>\$ 92,943</u></u>

Leadership Saskatoon Inc.

STATEMENT OF CASH FLOWS for the year ended June 30, 2024

Unaudited

	<u>2024</u>	<u>2023</u>
CASH RESOURCES FROM OPERATING ACTIVITIES		
(Deficiency) excess of revenues over expenses	\$ <u>(3,365)</u>	\$ <u>(28,952)</u>
Change in non-cash working capital balances related to operations		
Accounts receivable	4,609	4,841
Prepaid expenses	(5,796)	-
Accounts payable and accrued liabilities	(13,045)	11,585
Deferred income	<u>5,250</u>	<u>1,930</u>
	<u>(8,982)</u>	<u>18,356</u>
Cash resources used in operations	<u>(12,347)</u>	<u>(10,596)</u>
CASH RESOURCES FROM INVESTING ACTIVITIES		
Term deposits	<u>(10,912)</u>	<u>17,839</u>
Cash resources (used in) from investing activities	<u>(10,912)</u>	<u>17,839</u>
CASH RESOURCES FROM FINANCING ACTIVITIES		
Loan payable repayment	<u>(30,000)</u>	<u>-</u>
Cash resources (used in) from financing activities	<u>(30,000)</u>	<u>-</u>
Net change in cash resources during the year	(53,259)	7,243
Cash resources, beginning of year	<u>72,585</u>	<u>65,342</u>
Cash resources, end of year	<u>\$ 19,326</u>	<u>\$ 72,585</u>

Leadership Saskatoon Inc.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended June 30, 2024

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 are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

Accounting estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically and are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Cash resources

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

Property, plant and equipment

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

Revenue recognition

The company follows the deferral method of accounting for contributions. Restricted contributions, which consists of founding member contributions and sponsorship are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions, which consists of donations and donations in kind are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Alumni events revenue is recognized in the year in which the related expenses are incurred. Tuition revenue is recognized in the year in which the educational program is delivered. Interest income is recognized as revenue when earned.

Leadership Saskatoon Inc.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended June 30, 2024

Unaudited

2 Significant accounting policies, continued

Donations in kind

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.

Income taxes

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

Financial instruments

Measurement of financial instruments

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

The organization 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 the loan payable.

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

Leadership Saskatoon Inc.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended June 30, 2024

Unaudited

3 Term deposits

Term deposits consist of Guaranteed Investment Certificates with rates ranging between 2.0% and 4.8%. The certificates mature between February 25, 2025 and March 19, 2025.

4 Property, plant and equipment purchases charged to the statement of operations

Included in website development and maintenance expense is \$Nil (2023 - \$5,000) for website design. The cost of property, plant and equipment held by the entity are as follows:

Office equipment - \$2,900 (2023 - \$2,900)

Website - \$5,000 (2023 - \$5,000)

5 Deferred income

	<u>2023</u>	<u>2022</u>
Beginning balance	\$ 12,250	\$ 10,320
Less: amounts recognized as revenue in the year	(12,250)	(10,320)
Add: Tuition, Founding member contributions and Tuition Grants (2023 - Founding member contributions and Tuition Grants) received relating to the following year	17,500	12,250
	<u>-</u>	<u>-</u>
	<u><u>\$ 17,500</u></u>	<u><u>\$ 12,250</u></u>

Leadership Saskatoon Inc.

NOTES TO THE FINANCIAL STATEMENTS for the year ended June 30, 2024

Unaudited

6 Donations in kind

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

	<u>2024</u>	<u>2023</u>
Donations in kind - revenue	<u>\$ -</u>	<u>\$ 5,350</u>
	<u>2024</u>	<u>2023</u>
Website development and maintenance	<u>\$ -</u>	<u>\$ 5,350</u>

Leadership Saskatoon Inc.

NOTES TO THE FINANCIAL STATEMENTS for the year ended June 30, 2024

Unaudited

7 Financial instruments

The organization is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis describes the organization's risk exposure as at June 30, 2024.

(a) Credit risk

The organization is exposed to this risk mainly in respect of its accounts receivable.

(b) Interest rate risk

The organization is exposed to interest rate risk on its fixed-rate financial instruments which consist solely of term deposits. Fixed-rate instruments subject the organization to risk of changes in fair value.

(c) Liquidity risk

The organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and its loan payable.

Leadership Saskatoon Inc.

SCHEDULES TO THE FINANCIAL STATEMENTS for the year ended June 30, 2024

Unaudited

Schedule of office expenses

Schedule 1

	<u>2024</u>	<u>2023</u>
Bad debts	\$ -	\$ 5,000
GST	3,994	3,530
Insurance	1,232	1,082
Interest and bank charges	511	526
Office supplies	1,843	3,221
Telephone	-	258
Travel and parking	109	88
Website development and maintenance (Notes 4 and 6)	-	5,350
	<u>\$ 7,689</u>	<u>\$ 19,055</u>

Schedule of program delivery costs

Schedule 2

	<u>2024</u>	<u>2023</u>
Challenge days	\$ 13,812	\$ 10,025
Graduation	6,477	10,646
Mentorship meet and greet	638	621
Opening retreat	12,266	12,482
Orientation	1,077	478
Program materials	13,967	11,951
	<u>\$ 48,237</u>	<u>\$ 46,203</u>