

COMMUNITY LINKS
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Year Ended March 31, 2020

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Community Links

We have reviewed the accompanying financial statements of Community Links (the Organization) that comprise the statement of financial position as at March 31, 2020, and the statements of revenues and expenditures, 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 (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.

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.

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 Community Links as at March 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

A handwritten signature in blue ink that reads 'Sutherland Watt'.

Halifax, Nova Scotia
October 30, 2020

Sutherland Watt CPAs Inc.
Chartered Professional Accountants

COMMUNITY LINKS
Statement of Revenues and Expenditures
Year Ended March 31, 2020

	Budget 2020	Total 2020	Total 2019
Revenues			
Nova Scotia Department of Seniors Grant	\$ 264,000	\$ 264,000	\$ 264,000
New Horizons Grant - Rural Communities in Motion (<i>Note 5</i>)	24,667	24,667	-
Graduate to Opportunity Grant	9,750	9,750	-
Age Friendly Calendar Fundraising / Grant	15,000	6,850	2,850
Summer Jobs Canada	4,620	3,095	2,946
Age Friendly communications Development/content	25,000	-	20,000
General fundraising	2,000	-	-
Investment income	-	-	148
	<u>345,037</u>	<u>308,362</u>	<u>289,944</u>
Project expenses			
New Horizons Rural Communities in Motion	24,667	16,410	452
Age Friendly Calendar Costs	15,000	9,810	9,670
Age Friendly Communications Development/Content	25,000	-	6,854
	<u>64,667</u>	<u>26,220</u>	<u>16,976</u>
Revenue after project costs	<u>280,370</u>	<u>282,142</u>	<u>272,968</u>
Expenses			
Amortization	-	475	280
Board and staff retreat	6,800	10,932	-
Board expenses	13,500	7,346	13,240
Communications	3,000	2,101	1,564
Office expenses	21,810	20,158	19,581
Other (insurance, fees, memberships, licenses)	8,238	6,230	5,178
Personnel	251,229	231,000	187,681
Programs, meetings and workshops	7,000	5,554	3,724
Recruitment expenses	-	788	1,307
Travel and accommodations	19,000	12,456	12,278
	<u>330,577</u>	<u>297,040</u>	<u>244,833</u>
Excess (deficiency) of revenues over expenses	\$ (50,207)	\$ (14,898)	\$ 28,135

See notes to financial statements

COMMUNITY LINKS
Statement of Financial Position
March 31, 2020

	2020	2019
ASSETS		
Current		
Cash	\$ 115,858	\$ 129,754
Accounts receivable	-	129
Prepaid expenses	1,495	1,383
Harmonized sales tax recoverable	2,869	2,511
	<u>120,222</u>	133,777
Equipment (Note 4)	1,841	1,204
Restricted cash (Note 3)	50,662	29,667
	<u>\$ 172,725</u>	<u>\$ 164,648</u>
LIABILITIES		
Current		
Accounts payable	\$ 12,782	\$ 10,712
Employee deductions payable	-	90
	<u>12,782</u>	10,802
Deferred contributions	50,000	24,667
Amounts held in Trust	662	5,000
	<u>63,444</u>	40,469
Net assets		
General fund	107,440	122,976
Net assets invested in capital assets fund	1,841	1,203
	<u>109,281</u>	124,179
	<u>\$ 172,725</u>	<u>\$ 164,648</u>

ON BEHALF OF THE BOARD

_____ Director
 _____ Director

COMMUNITY LINKS
Statement of Changes in Net Assets
Year Ended March 31, 2020

	General Fund	Net Assets Invested in Capital Assets Fund	2020	2019
Net assets - beginning of year	\$ 122,976	\$ 1,203	\$ 124,179	\$ 96,044
Deficiency of revenues over expenses	(14,898)	-	(14,898)	28,135
Amortization	475	(475)	-	-
Purchase of equipment	(1,113)	1,113	-	-
Net assets - end of year	\$ 107,440	\$ 1,841	\$ 109,281	\$ 124,179

COMMUNITY LINKS**Statement of Cash Flows
Year Ended March 31, 2020**

	2020	2019
Operating activities		
Cash receipts from contributors	\$ 329,486	\$ 284,815
Cash paid to suppliers and employees	(320,916)	(266,040)
Goods and services tax	(357)	1,034
	<hr/>	<hr/>
Cash flow from operating activities	8,213	19,809
Investing activity		
Purchase of equipment	(1,114)	(657)
	<hr/>	<hr/>
Cash flow used by investing activity	(1,114)	(657)
Increase in cash flow	7,099	19,152
Cash - beginning of year	159,421	140,269
	<hr/>	<hr/>
Cash - end of year	\$ 166,520	\$ 159,421
Cash consists of:		
Cash	\$ 115,858	\$ 129,754
Restricted cash	50,662	29,667
	<hr/>	<hr/>
	\$ 166,520	\$ 159,421
	<hr/>	<hr/>

COMMUNITY LINKS
Notes to Financial Statements
Year Ended March 31, 2020

1. Description of operations

Community Links is a registered charitable organization founded in 1992. The organization receives core funding from NS Department of Seniors to enhance the quality of life for seniors and others in rural Nova Scotia through community development and volunteer action.

2. Summary of significant accounting policies

Basis of presentation

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

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are short term investments with maturity dates less than one year. The carrying amounts approximate fair value.

Revenue recognition

Community Links follows the deferral method of accounting for contributions.

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. 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.

Revenue from sale of goods and services is recognized as the title is transferred or the service is provided.

Revenue from grants is recorded as the grant becomes due according to the contract.

Donation revenue is recorded as it is received or in the case of pledges if the amount can be determined and collectability can be reasonably assured then it will be recorded at that time.

Equipment

Equipment is stated at cost less accumulated amortization. Items under \$500 are expensed. Equipment is amortized over their estimated useful lives at the following rates and methods:

Furniture & equipment	20%	declining balance method
Computer equipment	30%	declining balance method

The organization regularly reviews its capital assets to eliminate obsolete items.

(continues)

COMMUNITY LINKS
Notes to Financial Statements
Year Ended March 31, 2020

2. Summary of significant accounting policies (*continued*)

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 include providing for amortization of equipment. Actual results could differ from these estimates.

Financial instruments policy

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.

3. Restricted cash

The restricted cash of \$50,000 has been restricted for use to fulfil project completion and match with deferred revenue on such projects. Restricted cash of \$662 is being held for a project being completed by the NS Gov Lab group.

4. Equipment

	Cost	Accumulated Amortization	2020 Net Book Value	2019 Net Book Value
Computer equipment	\$ 12,723	\$ 11,611	\$ 1,112	\$ 676
Computer software	361	54	307	-
Furniture and fixtures	11,054	10,632	422	528
	\$ 24,138	\$ 22,297	\$ 1,841	\$ 1,204

COMMUNITY LINKS
Notes to Financial Statements
Year Ended March 31, 2020

5. Deferred contributions

New Horizons Grant - Rural Communities in Motion

During the 2017 fiscal year, the organization received \$24,667 from Department of Employment and Social Development Canada to be used to for the "Rural Communities in Motion" project. As of March 31, 2020, the full amount of the funding has been spent and is included in income, therefore none remains in deferred revenue. As of March 31, 2020, this project is complete.

Nova Scotia Department of Seniors Grant

During this fiscal year, the organization received \$50,000 from the Nova Scotia Department of Seniors to be used as emergency funding for COVID-19 Vulnerable Older Adults Response project. As of March 31, 2020, the full amount of the funding of \$50,000, had not been spent and is included in deferred revenue.

6. Amounts held for NS GovLab

During the 2019 fiscal year, the organization received an amount of \$5,000 from the Department of Seniors which is to be held to administer funds to be used by the NS GovLab. \$4,338 was used in 2019/2020 fiscal year for expenses incurred by NS GovLab. \$662 remains unspent as of March 31, 2020.

7. Commitments

During the fiscal year, the organization has leased office space at a monthly rate of \$857.24 inclusive of HST. This lease expired on April 30, 2020, but was extended for one month into May due to the COVID-19 pandemic. The organization has moved to a new space with a new lease with a monthly rate of \$914.88 inclusive of HST. This lease expires February 28th, 2021.

8. Economic dependence

The organization is dependent on government funding to carry out its mandate. At present, this funding is committed to March 31, 2021.

COMMUNITY LINKS
Notes to Financial Statements
Year Ended March 31, 2020

9. Subsequent events

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

As at October 16, 2020, the organization is aware of changes in its operations as a result of the COVID-19 crisis, including the closure of its offices during the lockdown period.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the organization's operations as at the date of these financial statements