

Saskatchewan Council for International Cooperation

Financial Statements

March 31, 2021

Saskatchewan Council for International Cooperation

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Independent Auditors' Report

To the Members of Saskatchewan Council for International Cooperation

Opinion

We have audited the financial statements of Saskatchewan Council for International Cooperation, which comprise the statement of financial position as at March 31, 2021 and the statement of operations, statement of changes in net assets and statement of 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 Organization as at March 31, 2021 and its financial performance and its cash flows for the year then ended in accordance with accounting standards for not-for-profit organizations (ASNPO).

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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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. 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 Entity'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 Entity'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 Entity 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.

Priority Accounting Services CPA Prof. Corp.
Chartered Professional Accountants

Regina, Saskatchewan
September 14, 2021

Saskatchewan Council for International Cooperation

Statement of Financial Position

March 31, 2021

	Note	2021	2020
Assets			
Current Assets			
Cash		\$ 136,943	\$ 136,606
Accounts receivable	3.	19,113	5,787
Total Current Assets		156,056	142,393
Long term investments	4.	82,622	81,478
Property, plant and equipment, net of accumulated amortization	5.	1,743	2,927
Total Assets		\$ 240,421	\$ 226,798
Liabilities and Shareholders' Equity			
Current Liabilities			
Accounts payable and accrued liabilities	6.	\$ 36,148	\$ 17,403
Government remittances payable		1,409	7,180
Deferred revenue	7.	27,828	84,422
Total Current Liabilities		65,385	109,005
Canadian Emergency Business Account Loan	9.	40,000	-
Total Liabilities		105,385	109,005
Net Assets			
Operating fund		17,243	(28,341)
Contingency reserve fund	8.	78,702	115,185
Severance reserve fund	10.	39,091	30,949
Total Net Assets		135,036	117,793
Total Liabilities and Net Assets		\$ 240,421	\$ 226,798

Approved on Behalf of the Board:

The accompanying notes are an integral part of these financial statements.

Saskatchewan Council for International Cooperation

Statement of Operations

For the Year Ended March 31, 2021

	2021	2020
Revenue		
General Operations (Schedule 1)	\$ 529,004	\$ 472,583
Operating expenses		
General Operations (Schedule 2)	511,761	500,924
	17,243	(28,341)
Revenues (deficiencies) over expenses	\$ 17,243	\$ (28,341)

The accompanying notes are an integral part of these financial statements.

Saskatchewan Council for International Cooperation

Statement of Changes in Net Assets

For the Year Ended March 31, 2021

	2021	2020
Net assets (deficit), beginning of year	\$ 117,793	\$ 182,003
Excess (deficiency) of revenue over expenditures - current year	17,243	(28,341)
Payout of severance during the year	-	(35,869)
Net assets (deficit), end of year	\$ 135,036	\$ 117,793

The accompanying notes are an integral part of these financial statements.

Saskatchewan Council for International Cooperation

Statement of Cash Flows

For the Year Ended March 31, 2021

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Revenues (deficiencies) over expenses	\$ 17,245	\$ (28,341)
Amortization	1,184	729
(Increase) decrease in receivables	(13,326)	(1,028)
(Increase) decrease in long-term investments	(1,146)	113,876
Increase (decrease) in accounts payable	18,745	(15,617)
Increase (decrease) in government remittances payable	(5,771)	1,764
Increase (decrease) in deferred revenue	(56,594)	(14,278)
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	(39,663)	57,105
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments to acquire property, plant, and equipment	-	(3,487)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Transfer (to) from reserve funds	-	(35,870)
Canadian Emergency Business Account Loan	40,000	-
OTHER ACTIVITIES:		
Net cash increase (decreases) in cash and cash equivalents	337	17,748
Cash and cash equivalents at beginning of period	136,606	118,858
Cash and cash equivalents at end of period	\$ 136,943	\$ 136,606

The accompanying notes are an integral part of these financial statements.

Saskatchewan Council for International Cooperation

Notes to the Financial Statements

For the Year Ended March 31, 2021

1. Nature of Operations

Saskatchewan Council for International Cooperation is a coalition involved in international development and committed to the recognition of the dignity of all people and their right to self-determination, to the protection of the world's fragile environment, and to the promotion of global understanding, cooperation, peace and justice.

2. Significant Accounting Policies

a. Cash and cash equivalents

Cash and cash equivalents includes short-term investments and highly liquid investments in money market instruments which are carried at the lower of cost and market value with a maturity date of three months or less from the acquisition date. These are valued at cost which approximates market value.

b. Property, plant and equipment

Property, plant and equipment is carried at cost. Depreciation is calculated using the straight-line method over estimated useful lives ranging from 3-10 years. Depreciation expense for March 31, 2021 was \$ 1,184 (2020 - \$ 729).

c. Commitments

At March 31 the Council records committed expenditures for projects that will not be fully completed until the next fiscal period in order to show related expenditures within the time frame in which the activity was to have taken place.

d. Financial instruments

The organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash, investments and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable, commitments and deferred revenue.

e. Revenue recognition

Saskatchewan Council for International Cooperation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses have incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collections are reasonably assured. Unrestricted investment income is recognized as revenue when earned.

f. Contributed services

The operations of the Council are partially dependent on volunteer time spent by the board and committee members for attending meetings, conferences and other activities which support the organization and its objectives. These contributed services are not recognized in the financial statements.

Saskatchewan Council for International Cooperation

Notes to the Financial Statements

For the Year Ended March 31, 2021

2. Significant Accounting Policies

g. Management 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 contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

3. Accounts receivable

	2021	2020
Accounts receivable	\$ 4,830	\$ 4,875
Interest receivable	719	912
CEBA Forgivable Loan Portion	10,000	-
Government of Canada	2,943	-
Receiver General	621	-
Total	\$ 19,113	\$ 5,787

4. Investment

The investment consists of \$82,622, 2 year non-redeemable GIC, with an annual interest rate of 1.1%, which matures June 13, 2022

5. Property, plant and equipment

	2021		2020	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Computer equipment	\$ 20,163	\$ (18,420)	\$ 1,743	\$ 2,856
Office equipment	13,564	(13,564)	-	71
Leasehold improvements	12,247	(12,247)	-	-
Total	\$ 45,974	\$ (44,231)	\$ 1,743	\$ 2,927

Saskatchewan Council for International Cooperation

Notes to the Financial Statements

For the Year Ended March 31, 2021

6. Accounts payable

	2021	2020
Accrued expenses payable	\$ 8,356	\$ 1,906
Accrual for overtime	5,160	1,747
Commitment - Dev. ED projects	-	676
MasterCard payable	5,214	856
RRSP payable	560	3,377
Solidarity fund payable	13	16
Union dues payable	60	-
Vacation payable	15,636	8,825
Wages payable	1,149	-
Total	\$ 36,148	\$ 17,403

7. Deferred revenue

	2021	2020
SDG Grant, Global Affairs Canada	\$ 25,378	\$ 84,422
Deferred Generating Momentum	2,300	-
Deferred Membership Revenue	150	-
Total	\$ 27,828	\$ 84,422

8. Contingency reserve fund

According to the bylaws SCIC is to internally restrict funds to ensure there is adequate funding should the Council have to terminate. The contingency reserve fund is to be divided into two parts:

(a) an amount necessary to cover core operations in the event of a wind-down and

(b) an operating reserve fund which will accumulate deficits and surpluses, the contingency reserve fund which will accumulate deficits and surpluses. The contingency reserve fund is to cover two months of operations in preparation of the office's closure and employees' severance in accordance with the collective agreement.

The allocation of the balance to the contingency reserve fund is recommended by the treasurer and approved at a board meeting according to the bylaw.

Saskatchewan Council for International Cooperation

Notes to the Financial Statements

For the Year Ended March 31, 2021

9. Canadian Emergency Account (CEBA) Loan

SCIC applied for Canada Emergency Business Account program, which provides interest-free loans of up to \$60,000 for not-for-profits. Repaying the balance of the loan on or before December 31, 2022 will result in loan forgiveness of 33% (up to \$20,000). SCIC applied for a \$40,000 loan, therefore forgivable portion of government loan was recorded as revenue in amount of \$10,000.

10. Severance reserve fund

As per the collective agreement SCIC is obliged to internally restrict funds for severance for employees should employees become redundant. As per collective agreement an individual employee that becomes redundant is to receive three weeks' salary for every year of employment up to a maximum of five months' salary. Weekly salary shall be the average weekly salary of the employee in the previous five years. This benefit is to be pro-rated for parttime employees.

11. Economic dependence

SCIC continues to be dependent upon Global Affairs Canada for its revenue and enabling operations. SCIC entered into a 4 year contract with Global Affairs Canada effective May 15, 2019 that ends July 31, 2023.

12. Financial instruments

SCIC is exposed to various risks through its financial instruments. The following analysis provides a measure of the Saskatchewan Council for International Cooperation's exposure and concentrations at March 31, 2021

Credit risk

Credit risk arises from the potential that a party may default on their financial obligations, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the Council could incur a financial loss. The Council is exposed to credit risk with respect to cash, investments and accounts receivable. The Council manages its credit risk by placing cash and investments with major financial institutions. Credit risk for accounts receivable is managed by the credit quality and diverse debtor base and creating an allowance for bad debts where applicable. There has been no change from credit risk exposure from 2020.

Liquidity risk

Liquidity risk is the risk that the Council may not be able to meet a demand for cash or fund its obligations as they come due or not being able to liquidate assets in a timely manner at a reasonable price. The Council is exposed to liquidity risk with respect to its investments and accounts payable but manages its liquidity risk by holding assets that can be readily converted into cash. There has been no change from liquidity risk exposure from 2020.

Interest rate risk

Interest rate risk is a type of market risk that refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The Council is exposed to interest rate risk with respect to its cash and investments and its effect on interest income. Fluctuations in interest rates do not have a significant effect on cash due to the fact that interest income is not a major percentage of total revenue. There has been no change from interest risk exposure from 2020.

Saskatchewan Council for International Cooperation

Notes to the Financial Statements

For the Year Ended March 31, 2021

13. Significant Event

The global pandemic declared by the World Health Organization on March 11, 2020 due to the outbreak of COVID-19 has cast uncertainty on the estimates, assumptions and critical judgement exercised by management. Continuing public health restrictions indicate that the pandemic will continue to impact the Canadian economy for the foreseeable future. The main effects of the COVID-19 pandemic on the Organization's financial statements for the year ended March 30, 2021 are as follows:

- SCIC qualified for certain government assistance:
 - Wage Subsidy
 - CEBA Loan

Saskatchewan Council for International Cooperation

For the Year Ended March 31, 2021

Schedule 1 General Operations

	2021	2020
Revenue		
Federal Revenue		
Global Affairs Canada	\$ 484,081	\$ 362,815
Government of Canada - Sustainable Development Grant	-	98,600
CEBA forgivable loan portion	10,000	-
Total Revenue - Federal	494,081	461,415
Other Revenue		
Annual general meeting registrations	-	360
Covid 19 Wage Subsidy	8,397	-
Donations	395	1,431
ECMF administration	1,200	1,200
Generating Momentum Income	11,400	-
Government of Canada - Summer Career placement	2,943	3,223
Interest	1,004	1,605
Memberships	200	2,163
Miscellaneous revenue	876	-
RPIRG	4,000	-
Restricted donations	-	10
SPUR Income	4,508	1,176
Total Other Revenue	34,923	11,168
Total revenue	\$ 529,004	\$ 472,583

The accompanying notes are an integral part of these financial statements.

Saskatchewan Council for International Cooperation

Schedule 2 General Operations

For the Year Ended March 31, 2021

	2021	2020
Expenditures		
Administration		
Amortization	\$ 1,184	\$ 729
Audit & legal	3,255	3,270
Bank charges	314	111
Insurance	1,725	1,749
Memberships	-	81
Office repairs and maintenance	895	515
Rent	17,461	14,213
Other	714	1,414
Telephone	3,348	3,673
Total administration expenditures	28,896	25,755
Personnel		
Salaries and benefits	414,904	300,814
Staff development, planning & appreciation	-	212
Total personnel expenditures	414,904	301,026
Program		
Annual General Meeting conference	229	1,114
Annual report	22	146
Conferences & Pan Cdn network travel	-	4,902
COVID 19 GAC Remote Work Adaptation	4,222	-
CRU Grant expenses	2,493	2,631
Discussion Series & Issues	4,371	1,531
FIAP Action Areas Campaigns	5,831	-
Generating Momentum travel	-	22
Generating Momentum Youth Event	11,175	9,286
IDW Travel	100	3,428
Insight teachers module/classroom	5,786	-
International development week	10,321	24,158
Libraries Campaign	100	-
Member workshops & consultations	-	2,090
Memberships - CCIC	1,296	1,445
Monitoring & Evaluation	-	12,749

The accompanying notes are an integral part of these financial statements.

Saskatchewan Council for International Cooperation

Schedule of Expenses

For the Year Ended March 31, 2021

Schedule 1 General Operations

	2021	2020
Planning and coordination	193	5,869
Professional development, training & program planning	399	256
Publicity Information Campaign	-	192
Stakeholders meetings	-	715
Staff development, planning	158	-
Sustainable Dev Goals Project	-	77,623
Teacher training & global youth project	6,220	1,335
Transport	20	810
Volunteer appreciation	-	37
VR Cylinder Rental/Operations Costs	1,152	23,077
VR Rquipment Costs	6,797	-
VR Piblic Engagement	1,012	-
Website & Ezine development	2,450	728
Youth Leadership Workshops	1,735	-
Youth-Global Goals Social Media Cam	1,879	-
Total program expenditures	67,961	174,144
Total Expenditures	\$ 511,761	\$ 500,925

The accompanying notes are an integral part of these financial statements.