

**CANADIAN PARENTS FOR FRENCH
(NEWFOUNDLAND/ LABRADOR) INC.**

Financial Statements

Year Ended March 31, 2020

(Unaudited)

CANADIAN PARENTS FOR FRENCH (NEWFOUNDLAND/ LABRADOR) INC.

Index to Financial Statements

Year Ended March 31, 2020

(Unaudited)

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Revenues and Expenditures	2
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 7

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Canadian Parents for French (Newfoundland/ Labrador) Inc.

We have reviewed the accompanying financial statements of Canadian Parents for French (Newfoundland/ Labrador) Inc. (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 Canadian Parents for French (Newfoundland/ Labrador) Inc. as at March 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.



CHARTERED PROFESSIONAL ACCOUNTANTS

St. John's, Newfoundland and Labrador
September 15, 2020

CANADIAN PARENTS FOR FRENCH (NEWFOUNDLAND/ LABRADOR) INC.**Statement of Revenues and Expenditures****Year Ended March 31, 2020***(Unaudited)*

	2020	2019
REVENUES		
Canadian Heritage	\$ 164,052	\$ 164,052
Other revenues	12,622	6,061
	176,674	170,113
EXPENSES		
Salaries and wages	108,665	76,707
Operations	38,394	33,296
Programs	34,256	22,000
Travel	8,201	17,501
Publicity	4,775	8,723
Memberships	1,200	5,060
Honoraria	400	996
	195,891	164,283
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	(19,217)	5,830
OTHER INCOME	12,096	5,372
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (7,121)	\$ 11,202

CANADIAN PARENTS FOR FRENCH (NEWFOUNDLAND/ LABRADOR) INC.**Statement of Financial Position****March 31, 2020***(Unaudited)*

	2020	2019
ASSETS		
CURRENT		
Cash and deposits	\$ 34,556	\$ 48,202
Harmonized sales tax recoverable	8,480	4,263
Prepaid expenses	560	241
Deposits	-	4,393
	43,596	57,099
CAPITAL ASSETS (Note 3)	5,768	697
	\$ 49,364	\$ 57,796
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 3,250	\$ 3,258
Wages payable	-	3,166
Employee deductions payable	3,441	1,578
	6,691	8,002
NET ASSETS	42,673	49,794
	\$ 49,364	\$ 57,796

ON BEHALF OF THE BOARD*Larry Vaters**President*

See notes to financial statements

CANADIAN PARENTS FOR FRENCH (NEWFOUNDLAND/ LABRADOR) INC.

Statement of Changes in Net Assets

Year Ended March 31, 2020

(Unaudited)

	2020	2019
NET ASSETS - BEGINNING OF YEAR	\$ 49,794	\$ 38,592
DEFICIENCY OF REVENUES OVER EXPENSES	(7,121)	11,202
NET ASSETS - END OF YEAR	\$ 42,673	\$ 49,794

CANADIAN PARENTS FOR FRENCH (NEWFOUNDLAND/ LABRADOR) INC.

Statement of Cash Flows

Year Ended March 31, 2020

(Unaudited)

	2020	2019
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (7,121)	\$ 11,202
Item not affecting cash:		
Amortization of equipment	718	77
	(6,403)	11,279
Changes in non-cash working capital:		
Accounts payable	(7)	(421)
Prepaid expenses	(319)	228
Harmonized sales tax payable	(4,217)	5,733
Deposits	4,393	(4,393)
Wages payable	(3,166)	1,624
Employee deductions payable	1,863	(1,363)
	(1,453)	1,408
Cash flow from (used by) operating activities	(7,856)	12,687
INVESTING ACTIVITY		
Purchase of equipment	(5,790)	(774)
INCREASE (DECREASE) IN CASH FLOW	(13,646)	11,913
Cash - beginning of year	48,202	36,289
CASH - END OF YEAR	\$ 34,556	\$ 48,202
CASH CONSISTS OF:		
Cash and deposits	\$ 34,556	\$ 48,202

CANADIAN PARENTS FOR FRENCH (NEWFOUNDLAND/ LABRADOR) INC.

Notes to Financial Statements

Year Ended March 31, 2020

(Unaudited)

1. PURPOSE OF THE ORGANIZATION

Canadian Parents for French, Newfoundland/ Labrador Inc. (CPFNL) is a not-for-profit organization incorporated provincially under the Corporations Act of Newfoundland and Labrador. Management has determined that they are exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Purpose of the Organization is to provide support and direction to parents, teachers and students in their pursuit of educational programs to assist in second language teaching in Canada.

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 (ASNPO).

Equipment

Equipment is stated at cost or deemed cost less accumulated amortization. Equipment is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Equipment	20%
-----------	-----

The organization regularly reviews its equipment to eliminate obsolete items. Government grants are treated as a reduction of equipment cost.

Equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Revenue recognition

CPFNL follows the deferral method of accounting for contributions. 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. Restricted contributions are deferred and recognized as revenue when the related expenses are incurred.

Comparative figures

Certain amounts have been reclassified to conform to the current year's presentation.

Fair values

The organization has determined that the estimated fair value of the financial assets and liabilities do not differ considerably from their book value.

Contributed services

Volunteers contribute their services to assist CPFNL in carrying out its activities. Because of the difficulty of determining the fair value of contributed services, no recognition of the value of such services has been made in the financial statements.

(continues)

CANADIAN PARENTS FOR FRENCH (NEWFOUNDLAND/ LABRADOR) INC.

Notes to Financial Statements

Year Ended March 31, 2020

(Unaudited)

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

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.

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.

Risk Management

The charity's policy for managing significant risks include comprehensive policies, procedures and oversight designed to reduce the risks identified to an appropriate threshold. The Board of Directors is provided with timely and relevant reports on management of significant risks. Significant financial risks managed by the charity includes liquidity risk.

3. EQUIPMENT

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Equipment	\$ 6,564	\$ 796	\$ 5,768	\$ 697

4. BUSINESS OPERATING LINE

CPFNL has established a business operating line in the amount of \$10,000 with its financial institution, the Royal Bank of Canada. The operating line is contingent on the continuation of the current contribution agreement between CPFNL and the Department of Canadian Heritage.

5. ECONOMIC DEPENDENCE

CPFNL is economically dependant on the funding received from the Department of Canadian Heritage. Without this funding, the ability of CPFNL to operate in its current capacity is questionable.

6. SUBSEQUENT EVENTS

Prior to the year end, the World Health Organization declared the COVID-19 outbreak a global pandemic. It has become evident that the impact of the situation caused widespread economic uncertainty. As the situation presented continues to evolve and change, the Organization continues to assess the impact of the COVID-19 pandemic on its operations.