

Peverill & Associates Incorporated

**Dartmouth Learning Network  
Society**

**FINANCIAL STATEMENTS**

**MARCH 31, 2019**

Dartmouth Learning Network Society

MARCH 31, 2019

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# Peverill & Associates Incorporated

## INDEPENDANT AUDITOR'S REPORT

To the Members of:  
Dartmouth Learning Network Society

We have audited the accompanying financial statements of Dartmouth Learning Network Society which comprise the statement of financial position as at March 31, 2019 and the statements of operations, statement of net assets, and cash flow statement for the year ended March 31, 2019, 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

In common with many similar organizations, the society derives its revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our examination of revenue from these sources was limited to accounting for any amounts recorded in the accounts for the society, and we were not able to determine whether any adjustments might be necessary to revenues, excess (deficiency) of revenue over expenditures, assets and equity.

### Opinion

In our opinion, except for the effects of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of donations and fundraising revenue as referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of Dartmouth Learning Network Society as at March 31, 2019 and its financial performance and its cash flows for the period then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Lower Sackville, Nova Scotia  
June 12, 2019  
CHARTERED PROFESSIONAL ACCOUNTANTS  
LICENSED PUBLIC ACCOUNTANTS

# Dartmouth Learning Network Society

## STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 158,770	\$ 56,496
Accounts receivable	5,618	18,447
Prepaid Expenses and Sundry Assets	<u>5,080</u>	<u>5,682</u>
	<u>\$ 169,468</u>	<u>\$ 80,625</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 3,045	\$ 3,042
Deferred Grants (Note 4)	<u>110,078</u>	<u>16,945</u>
	<u>113,123</u>	<u>19,987</u>
<b>NET ASSETS</b>		
<b>CONTINGENCY FUND</b>	2,297	14,865
<b>NET ASSETS</b>	<u>54,048</u>	<u>45,773</u>
	<u>56,345</u>	<u>60,638</u>
	<u>\$ 169,468</u>	<u>\$ 80,625</u>

APPROVED ON BEHALF OF THE BOARD:

Jordan Landry Director  
CHP Director

# Dartmouth Learning Network Society

## STATEMENT OF OPERATIONS AND NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
<b>RECEIPTS</b>		
Grants:		
Community Learning Initiative	\$ 288,681	\$ 291,895
Capital District Health	3,963	1,699
Province of Nova Scotia	3,674	42,310
NS Gaming Association	6,000	4,752
Seniors Project	5,000	-
Donations and Fundraising	9,637	6,253
Literacy Nova Scotia	6,376	9,982
Award and Miscellaneous Income	<u>7,282</u>	<u>317</u>
	<u>330,613</u>	<u>357,208</u>
<b>EXPENDITURES</b>		
Audit and professional Fees	4,213	4,754
Infrastructure	371	538
Insurance	1,265	1,779
Interest and bank charges	256	242
Equipment	6,579	9,864
Other operating expenses	2,525	1,922
Other Program Expenses	12,695	13,779
Rent	43,636	47,389
Salaries and Wages	227,085	255,757
Software and Equipment	7,366	14,761
Travel, Training and Conferences	4,648	6,673
Food	4,956	3,261
NSSAL	<u>6,743</u>	<u>3,799</u>
	<u>322,338</u>	<u>364,518</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES</b>	8,275	(7,310)
<b>NET ASSETS, beginning of year</b>	<u>45,773</u>	<u>53,083</u>
<b>NET ASSETS, end of year</b>	<u>\$ 54,048</u>	<u>\$ 45,773</u>

# Dartmouth Learning Network Society

## STATEMENT OF CASH FLOWS

MARCH 31, 2019

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Grants, Fundraising, etc.	\$ 424,007	\$ 327,468
Cash Paid to Suppliers and Employees	(321,477)	(362,136)
Bank Charges Paid	<u>(256)</u>	<u>(242)</u>
 <b>INCREASE (DECREASE) IN CASH</b>	 102,274	 (34,910)
 <b>CASH, beginning of period</b>	 <u>56,496</u>	 <u>91,406</u>
 <b>CASH, end of period</b>	 <u>\$ 158,770</u>	 <u>\$ 56,496</u>

## Dartmouth Learning Network Society

### NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

#### 1. PURPOSE OF THE ORGANIZATION

The Dartmouth Learning Network (DLN) is a community based, volunteer, non-profit organization that provides opportunities for academic learning to adults via classroom and one-on-one tutoring programs.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles for Not-for-Profit organizations.

(b) Cash and cash equivalents

The cash balance represents funds held on deposit in Canadian financial institutions.

(c) Revenue Recognition

Donations from the public are reflected in revenue as funds are received unless they are specifically allocated to a certain period. All other revenue is recorded on the accrual basis. Grant revenue is deferred to the extent that the grant received covers a time period which is beyond the year end date.

(d) Financial Instruments

The organization's financial instruments consist of cash, receivables, payables and accrued liabilities. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted. Financial instruments are initially recorded at fair value and then carried at amortized cost.

(e) Equipment

In common with many non-profit organizations, with average annual revenues in the current and prior year of less than \$500,000, expenditures for computers, software, furniture and equipment are expensed as incurred rather than capitalized and amortized over their useful lives.

## Dartmouth Learning Network Society

### NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2019

#### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. These estimates for deferred revenue are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results could differ from those estimates.

#### 3. COMMITMENTS

The Association is committed to rent payments under a leasing arrangement for premises. The estimated annual payments are currently \$43,636 per year, subject to change annually by mutual agreement of the parties. The lease is for an indefinite duration.

#### 4. DEFERRED REVENUE

Grants revenue recorded during this period is for the fiscal year running from April 1, 2018 to March 31, 2019. Grants received which were not spent during the year have been deferred. Contingency fund includes amounts received which are not being spent immediately.

#### 5. ECONOMIC DEPENDENCE

The organization is economically dependent upon government. Loss of these funding sources would have a major impact upon the organization.

The organization is dependant on volunteers, the loss of which would have a significant impact upon the organization. The value of these services are not recognized in these financial statements.