

Peverill & Associates Incorporated

**Dartmouth Learning Network
Society**

FINANCIAL STATEMENTS

MARCH 31, 2021

Dartmouth Learning Network Society

MARCH 31, 2021

CONTENTS

	<u>Page</u>
AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Operations	4
Statement of Cash Flows	5
Notes to Financial Statements	5-7

Peeverill & Associates Incorporated

INDEPENDENT AUDITOR'S REPORT

To the Members of the Dartmouth Learning Network Society

Opinion

We have audited the financial statements of the Dartmouth Learning Network Society, which comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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.

In our opinion, except as explained above, the accompanying financial statements present fairly, in all material respects, the financial position of Dartmouth Learning Network Society as at March 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Accounting Standards for Not-for-profit Organizations (ASNFPO).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Dartmouth Learning Network Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 ASNFPO, 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 Dartmouth Learning Network Society'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 Dartmouth Learning Network Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Dartmouth Learning Network Society's financial reporting process. When individuals responsible for the oversight of the financial reporting process are the same as those responsible for the preparation of the financial statements, no reference to oversight responsibilities is required.

~ Founded in 1988 ~

5 Florence Street, Lower Sackville, Nova Scotia B4C 1J5
Phone: (902) 865-6580 Fax: (902) 865-6590

Peverill & Associates Incorporated

INDEPENDENT AUDITOR'S REPORT (continued)

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 Dartmouth Learning Network Society'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 Dartmouth Learning Network Society 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 Dartmouth Learning Network Society 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.



Lower Sackville, Nova Scotia
June 9, 2021
CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

~ *Founded in 1988* ~

5 Florence Street, Lower Sackville, Nova Scotia B4C 1J5
Phone: (902) 865-6580 Fax: (902) 865-6590

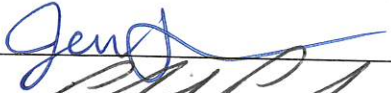

Dartmouth Learning Network Society

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2021

	<u>2021</u>	<u>2020</u>
ASSETS		
CURRENT		
Cash	\$ 458,744	\$ 166,664
Accounts receivable	9,766	2,656
Prepaid Expenses and Sundry Assets	<u>6,673</u>	<u>5,118</u>
	<u>\$ 475,183</u>	<u>\$ 174,438</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 2,053	\$ 3,045
Deferred Grants (Note 4)	<u>394,113</u>	<u>107,063</u>
	<u>396,166</u>	<u>110,108</u>
NET ASSETS		
CONTINGENCY FUND	3,898	1,897
NET ASSETS	<u>75,119</u>	<u>62,433</u>
	<u>79,017</u>	<u>64,330</u>
	<u>\$ 475,183</u>	<u>\$ 174,438</u>

APPROVED ON BEHALF OF THE BOARD:

 Director
 Director

Dartmouth Learning Network Society

STATEMENT OF OPERATIONS AND NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2021

	<u>2021</u>	<u>2020</u>
RECEIPTS		
Grants:		
Community Learning Initiative	\$ 358,966	\$ 309,195
Capital District Health	-	1,517
Province of Nova Scotia	33,373	16,745
Seniors Project	3,371	350
Donations and Fundraising	2,679	6,589
Literacy Nova Scotia	5,316	5,333
Award and Miscellaneous Income	<u>44,913</u>	<u>11,465</u>
	<u>448,618</u>	<u>351,194</u>
EXPENDITURES		
Audit and professional Fees	5,230	4,541
Infrastructure	639	-
Insurance	1,993	2,598
Interest and bank charges	673	316
Equipment	16,422	8,489
Other operating expenses	23,163	3,353
Other Program Expenses	(1,524)	-
Rent	51,948	48,460
Salaries and Wages	269,623	243,387
Software and Equipment	62,483	9,180
Travel, Training and Conferences	(855)	10,693
Food	194	5,572
NSSAL	<u>5,943</u>	<u>6,220</u>
	<u>435,932</u>	<u>342,809</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES	12,686	8,385
NET ASSETS, beginning of year	<u>62,433</u>	<u>54,048</u>
NET ASSETS, end of year	<u>\$ 75,119</u>	<u>\$ 62,433</u>

Dartmouth Learning Network Society

STATEMENT OF CASH FLOWS

MARCH 31, 2021

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Grants, Fundraising, etc.	\$ 730,559	\$ 350,741
Cash Paid to Suppliers and Employees	<u>(438,479)</u>	<u>(342,847)</u>
INCREASE IN CASH	292,080	7,894
CASH, beginning of period	<u>166,664</u>	<u>158,770</u>
CASH, end of period	<u><u>\$ 458,744</u></u>	<u><u>\$ 166,664</u></u>

Dartmouth Learning Network Society

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

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, 2021

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, 2020 to March 31, 2021. 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.