ENTREPRENEURIAL CA'S OF CALGARY SOCIETY

(Operating as Entrepreneurial CPA's of Calgary Society)

Financial Statements

Year Ended June 30, 2020

Draft for discussion purposes only

Prepared by	Reviewed by
SC 9/30/20	

ENTREPRENEURIAL CA'S OF CALGARY SOCIETY
(Operating as Entrepreneurial CPA's of Calgary Society)
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Year Ended June 30, 2020

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Abbadi Professional Corporation

Chartered Professional Accountant

Suite 10, 4504 – 1st Street S.E. T2G 2L3

Tel: (403) 243-6008

Fax: (403) 910-1482

INDEPENDENT AUDITOR'S REPORT

Draft for discussion purposes only

To the Members of Entrepreneurial CA's of Calgary Society operating as Entrepreneurial CPA's of Calgary Society

Opinion

I have audited the financial statements of Entrepreneurial CA's of Calgary Society operating as Entrepreneurial CPA's of Calgary Society (the Society), which comprise the statement of financial position as at June 30, 2020, and the statements of revenues and expenditures, 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 my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at June 30, 2020, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Society in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 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 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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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.

(continues)

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 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 Society's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the 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.

I 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 I identify during my audit.

Draft for discussion purposes only

Calgary , Alberta
October 10, 2020

Abbadi Professional Corporation
Chartered Professional Accountant

ENTREPRENEURIAL CA'S OF CALGARY SOCIETY
(Operating as Entrepreneurial CPA's of Calgary Society)
Statement of Financial Position
As at June 30, 2020 with comparative information for 2019

	2020	2019
ASSETS		
CURRENT		
Cash	**$ 41,651**	$ 42,050
Goods and services tax recoverable	**36**	78
	41,687	42,128
EQUIPMENT *(Note 3)*	**326**	326
	$ 42,013	$ 42,454
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	**$ 2,101**	$ 195
NET ASSETS		
Unrestricted net assets	**39,912**	42,259
	$ 42,013	$ 42,454

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ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

Printed: October 10, 2020 10:36 AM **Prep** _____ **Added** _____ **Approved** _____
See notes to financial statements

ENTREPRENEURIAL CA'S OF CALGARY SOCIETY

(Operating as Entrepreneurial CPA's of Calgary Society)

Statement of Revenues and Expenditures

Year Ended June 30, 2020 with comparative information for 2019

	2020	2019
REVENUES		
Video news tax course	**$ 35,764**	$ 51,076
Membership revenue	**18,179**	10,856
Meetings and luncheons	**8,461**	12,148
	62,404	74,080
EXPENDITURES		
Video news tax course	**35,343**	49,113
Catering and room rental	**10,537**	18,252
Subcontracted services	**6,065**	6,606
Professional fees	**6,041**	662
Computer & Internet Expense	**3,216**	813
Paypal account fees	**2,497**	2,861
Donations	**500**	800
Office	**399**	587
Bank charges	**153**	114
Amortization	**-**	124
	64,751	79,932
DEFICIENCY OF REVENUES OVER EXPENDITURES	**$ (2,347)**	$ (5,852)

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ENTREPRENEURIAL CA'S OF CALGARY SOCIETY
(Operating as Entrepreneurial CPA's of Calgary Society)
Statement of Changes in Net Assets
Year Ended June 30, 2020 with comparative information for 2019

	2020	2019
NET ASSETS - BEGINNING OF YEAR	**$ 42,259**	$ 48,111
DEFICIENCY OF REVENUES OVER EXPENDITURES	**(2,347)**	(5,852)
NET ASSETS - END OF YEAR	**$ 39,912**	$ 42,259

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ENTREPRENEURIAL CA'S OF CALGARY SOCIETY

(Operating as Entrepreneurial CPA's of Calgary Society)

Statement of Cash Flows

Year Ended June 30, 2020 with comparative information for 2019

	2020	2019
OPERATING ACTIVITIES		
Deficiency of revenues over expenditures	**$ (2,347)**	$ (5,852)
Item not affecting cash:		
Amortization of equipment	**-**	124
	(2,347)	(5,728)
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	**1,906**	(2,432)
Goods and services tax payable/recoverable	**42**	(653)
	1,948	(3,085)
Cash flow used by operating activities	**(399)**	(8,813)
INVESTING ACTIVITY		
Purchase of equipment	**-**	(450)
DECREASE IN CASH FLOW	**(399)**	(9,263)
Cash - beginning of year	**42,050**	51,313
CASH - END OF YEAR	**$ 41,651**	$ 42,050

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1. PURPOSE OF THE SOCIETY

Entrepreneurial CA's of Calgary Society (the "Society") is a not-for-profit organization incorporated provincially under the Companies Act of Alberta. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act. Entrepreneurial CA's of Calgary Society has been operating as Entrepreneurial CPA's of Calgary Society. The Society operates to provide networking opportunities and professional development sessions for their members who are CPA's in public practice in Calgary.

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 and include the following significant accounting policies.

Revenue recognition

The Society 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.

Seminar fees are recognized as revenue when the seminars are held.

Member fees are recognized as revenue proportionately over the fiscal year to which they relate.

Cash

The Society's policy is to present bank balances and consist of chequing and Paypal under cash.

Equipment

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

Equipment	20%	declining balance method

Financial instruments

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.

Financial assets measured at amortized cost include cash.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities which applied to opening balance.

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

Net assets

The Society's net assets are unrestricted net assets. Unrestricted net assets comprise the excess of revenue over expenses accumulated by the Society each year and are available for general purposes.

3. EQUIPMENT

	Cost	Accumulated amortization	**2020 Net book value**	2019 Net book value
Equipment	$ 450	$ 124	**$ 326**	$ 326

During the year, the Society did not accrue amortization of equipment.

4. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides information about the Society's risk exposure as of June 30, 2020.

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources as well as accounts payable and accrued liabilities. The Society was not exposed to liquidity risk in 2020.

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