

ALBERTA COUNCIL FOR GLOBAL COOPERATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020



ALBERTA COUNCIL FOR GLOBAL COOPERATION

FOR THE YEAR ENDED MARCH 31, 2020

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	3 - 4
FINANCIAL STATEMENTS	
Statement of Financial Position	5
Statement of Changes in Net Assets	6
Statement of Operations	7
Statement of Cash Flows	8
Notes to Financial Statements	9 - 13



INDEPENDENT AUDITORS' REPORT

To the Directors of

ALBERTA COUNCIL FOR GLOBAL COOPERATION

To the Directors of **Alberta Council for Global Cooperation**

Opinion

We have audited the accompanying financial statements of **Alberta Council for Global Cooperation**, which comprise the statement of financial position as at March 31, 2020 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 our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Alberta Council for Global Cooperation** as at March 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of **Alberta Council for Global Cooperation** 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 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 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.

In preparing the financial statements, management is responsible for assessing **Alberta Council for Global Cooperation'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 **Alberta Council for Global Cooperation** or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing **Alberta Council for Global Cooperation's** financial reporting process.

Auditors' 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 auditors' 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 audit 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 judgement and maintain a 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 resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls 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 **Alberta Council for Global Cooperation'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 cause significant doubt on **Alberta Council for Global Cooperation's** ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause **Alberta Council for Global Cooperation** 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.

Edmonton, Alberta
September 10, 2020

S/S Group LLP

CHARTERED PROFESSIONAL ACCOUNTANTS



ALBERTA COUNCIL FOR GLOBAL COOPERATION

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2020

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 477,830	\$ 550,147
Accounts receivable	15,102	9,135
Prepaid expenses and deposits	893	326
	493,825	559,608
CAPITAL ASSETS (Note 3)	1,924	-
	\$ 495,749	\$ 559,608
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 25,311	\$ 5,768
Deferred contributions (Note 6)	447,271	543,403
	472,582	549,171
NET ASSETS		
Invested in capital assets	1,924	-
Unrestricted	21,243	10,437
	23,167	10,437
	\$ 495,749	\$ 559,608

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director



ALBERTA COUNCIL FOR GLOBAL COOPERATION

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2020

	2020			2019	
	Invested in Capital Assets	Unrestricted	Total	Total	
BALANCE , beginning of year	\$ -	\$ 10,437	\$ 10,437	\$	27,147
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(730)	13,460	12,730		(16,710)
PURCHASE OF CAPITAL ASSETS	2,654	(2,654)	-		-
BALANCE , end of year	\$ 1,924	\$ 21,243	\$ 23,167	\$	10,437



ALBERTA COUNCIL FOR GLOBAL COOPERATION

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2020

	2020	%	2019	%
			(Restated - Note 7)	
REVENUE				
GAC grant: Spur Change (Note 9)	\$ 570,095	\$ 49.6	\$ 25,259	\$ 5.3
GAC grant: Inspiring Action	407,476	35.4	306,042	64.5
Alberta SDG Hub	88,546	7.7	963	0.2
ESDC grant: SDG Mapping	48,469	4.2	50,521	10.6
CIP Provincial Funding: SDG Mapping	19,038	1.7	10,553	2.2
United Nations Green Space	5,325	0.5	-	-
Other income	4,533	0.4	6,572	1.4
Membership	3,345	0.3	12,626	2.7
Speakers Bureau Project	1,781	0.1	2,510	0.5
Workshop	1,698	0.1	2,544	0.5
Interest income	5	-	340	0.1
Annual SDG conference	-	-	48,157	10.1
Canada summer jobs	-	-	9,078	1.9
	1,150,311	100.0	475,165	100.0
EXPENSES				
ACGC capacity building	-	-	18,574	3.9
Administration	84,563	7.4	37,428	7.9
Amortization	730	0.1	-	-
Communications and publications	73,598	6.4	934	0.2
Events	135,975	11.8	-	-
Inter-council network	-	-	5,571	1.2
International Development Week	-	-	9,687	2.0
Public engagement project	-	-	7,500	1.6
Salaries and benefits (Note 10)	606,214	52.7	280,097	58.9
SDG Hub Project	-	-	963	0.2
SDG Mapping Project	-	-	61,074	12.9
SDG Symposium	-	-	63,245	13.3
Sector collaboration	-	-	4,292	0.9
Speakers Bureau Project	-	-	2,510	0.5
Subcontractors	61,909	5.4	-	-
Travel	174,592	15.2	-	-
	1,137,581	99.0	491,875	103.5
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 12,730	1.0	\$ (16,710)	(3.5)



ALBERTA COUNCIL FOR GLOBAL COOPERATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from funders	\$ 1,048,207	\$ 1,058,360
Cash paid to suppliers and employees	(1,117,875)	(519,485)
Interest received	5	340
	(69,663)	539,215
CASH FLOWS FROM INVESTING ACTIVITY		
Purchase of capital assets	(2,654)	-
INCREASE (DECREASE) IN CASH DURING THE YEAR	(72,317)	539,215
CASH, beginning of year	550,147	10,932
CASH, end of year	\$ 477,830	\$ 550,147



ALBERTA COUNCIL FOR GLOBAL COOPERATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1. NATURE OF OPERATIONS

Alberta Council for Global Cooperation is a not-for-profit organization incorporated under the Societies Act of Alberta. The Council is a coalition of non-governmental organizations working in Alberta and committed to advocate harmonious relations among nations and to promote equitable community development with nations which is people-centred, democratic, just, sustainable, inclusive and respectful of indigenous cultures. Members of the Council pursue this goal through supporting development, education programs and participatory self-help projects throughout the world.

The Council's goal is to support the work of its members through networking, leadership, information sharing, training and coordination, and to represent their interests when dealing with government and others.

The objectives of the Council are to promote and mobilize greater Alberta participation in assisting international development.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the accounting policies summarized below:

(a) Use of Estimates

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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

(b) Financial Instruments

Measurement of Financial Instruments

The Council initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Council subsequently measures all of its financial assets and financial liabilities at amortized cost, except investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The Council's financial assets, if any, measured at fair value include investments that are quoted shares.



ALBERTA COUNCIL FOR GLOBAL COOPERATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Financial Instruments (continued)

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction Costs

The Council recognizes its transaction costs, if any, in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origin, issuance or assumption.

(c) Capital Assets

Capital assets are stated at cost. Amortization is provided annually and calculated to write-off the assets over their estimated useful lives using the declining balance method at the following rates. Half of the normal amortization rate is taken in the year of purchase:

Computer equipment	55%
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(d) Income Taxes

The Council is a non-taxable, not-for-profit organization as defined in Paragraph 149(1)(l) of the Income Tax Act (Canada) and as such is exempt from taxation.

(e) Revenue Recognition

The Council 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.

Memberships and registration fees are recognized as revenue in the year in which they are received or become receivable.

(f) Contributed Services

Volunteers contribute a significant amount of time to assist the Council in achieving its objectives. Due to the difficulty in determining the fair value of such contributed services, the Council has not recorded any amounts to recognize these services in the financial statements.

(g) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand held at Canadian financial institutions.



ALBERTA COUNCIL FOR GLOBAL COOPERATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

3. CAPITAL ASSETS

	2020		2019	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 2,654	\$ 730	\$ 1,924	\$ -

As the Council had previously met the criterion of paragraph 4433.03 of Part III of the CPA Canada Handbook, capital assets acquired in prior years were expensed in the year of purchase. There were no capital assets expensed in 2019.

4. COMMITMENTS

The Council currently has a year-to-year agreement for the premises with a commitment in the amount of \$1,738 per month.

During the year, the Council committed to a two year contract with a supplier to provide and install a mobile structure and AV system for use, in conjunction with implementing partners, in a multi-province presentation for the SPUR change project. The term of the agreement originally expired December 2021 and payments were required during that term in the amount of \$104,866. As a result of restrictions due to COVID-19, subsequent to the year-end the supplier agreed to extend the remaining term and the payment due dates during the subsequent fiscal years ending March 31 as follows:

2021	\$41,662
2022	\$41,662
2023	\$41,662

5. ECONOMIC DEPENDENCE

The Council is economically dependent on grants received from the Global Affairs Canada (GAC).



ALBERTA COUNCIL FOR GLOBAL COOPERATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

6. DEFERRED CONTRIBUTIONS

Deferred contributions represent certain restricted contributions.

	2020				2019
	Opening	Received	Recognized as Revenue	Total	Total
GAC grant: Inspiring Action	\$ -	\$ 472,424	\$ (407,476)	\$ 64,948	\$ -
GAC grant: Spur Change	474,741	455,713	(570,095)	360,359	474,741
ESDC grant: SDG Mapping	48,469	-	(48,469)	-	48,469
CIP Provincial Funding: SDG Mapping	19,038	-	(19,038)	-	19,038
Speakers Bureau Project	1,155	626	(1,781)	-	1,155
Alberta SDG Hub	-	107,110	(88,546)	18,564	-
Membership	-	6,745	(3,345)	3,400	-
Totals	\$ 543,403	\$ 1,042,618	\$ (1,138,750)	\$ 447,271	\$ 543,403

The Council earns interest revenue on funds received from the government. The Council can only use the accumulated interest for the purpose of implementing the projects with written approval from GAC. The following amounts of interest are included in deferred contributions above.

	2020		2019
GAC: Inspiring Action	\$ 10	\$ -	-
GAC: Spur Change	4,736	-	-
	\$ 4,746	\$ -	

7. COMPARATIVE FIGURES

Certain comparative groupings of revenue on the statement of operations have changed to conform with the current year's presentation.



ALBERTA COUNCIL FOR GLOBAL COOPERATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

8. SUBSEQUENT EVENT

Subsequent to year-end, a global pandemic was declared related to COVID-19 (coronavirus), which has had a significant impact on many charities and not-for-profit organizations through the public health orders and other restrictions put in place by the Canadian, Provincial and Municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on Council as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

9. SPUR CHANGE PROJECT

The Council entered into an agreement with GAC in February 2019 which continues until March 2024. The purpose of the funding is to implement a program for knowledge sharing and capacity building of small and medium organizations. This schedule details the revenue and expenses of this program.

	<u>2020</u>	<u>2019</u>
REVENUE	\$ 570,095	\$ 25,259
EXPENSES		
ACGC capacity building	-	4,174
Administration	50,509	1,352
Communications and publications	23,879	-
Events	69,661	-
Overhead allocation	10,573	9,962
Salaries benefits (Note 10)	256,424	8,715
Subcontractors	34,137	-
Travel	124,912	1,056
	<u>570,095</u>	<u>25,259</u>
EXCESS OF REVENUE OVER EXPENSES	\$ -	\$ -

10. SALARIES AND BENEFITS OF IMPLEMENTING PARTNERS

Included in salaries and benefits are amounts paid by implementing partners of \$4,926 (2019 - \$Nil).

