

BRIARPATCH INCORPORATED

Regina, Saskatchewan

**Financial Statements
(unaudited)**

For the fiscal year ended March 31, 2021

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

**To the Members,
Briarpatch Incorporated**

We have reviewed the accompanying financial statements of Briarpatch Incorporated that 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, as well as 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.

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 causing us to believe that the financial statements do not present fairly, in all material respects, the financial position of Briarpatch Incorporated as at March 31, 2021, 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.

**Regina, Saskatchewan
July 7, 2021**

**Iris E. Howden
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BRIARPATCH INCORPORATED
STATEMENT OF FINANCIAL POSITION
For the Fiscal Period Ended March 31, 2021
(with comparative figures at March 31, 2020)

ASSETS

	<u>2021</u>	<u>2020</u>
Current Assets:		
Bank	\$ 41,965	\$ 13,991
Andrea Walker Memorial Fund	562	1,062
Accounts Receivable	4,628	3,549
Prepaid Expense	137	-
Short Term Investments (Note 4)	10,762	10,693
	<u>58,054</u>	<u>29,295</u>
Capital Assets (Note 3)	<u>136</u>	<u>194</u>
TOTAL ASSETS	<u>\$ 58,190</u>	<u>\$ 29,489</u>

LIABILITIES & NET ASSETS

Current Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 5,479	\$ 6,382
Payroll Remittance Payable	289	3,180
Wages Payable	2,545	3,287
	<u>8,313</u>	<u>12,849</u>
Long Term Liabilities:		
Andrea Walker Grant Obligation (Note 5)	555	851
Net Assets:		
Surplus - General	<u>49,322</u>	<u>15,789</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 58,190</u>	<u>\$ 29,489</u>

Approved on behalf of the Board of Directors

BRIARPATCH INCORPORATED
STATEMENT OF REVENUE AND EXPENDITURES
For the Fiscal Period Ended March 31, 2021
(with comparative figures at March 31, 2020)

	<u>2021</u>	<u>2020</u>
REVENUE		
Subscriptions	\$ 90,785	\$ 38,042
Advertising	26,170	28,832
Royalties	2,048	2,507
CPF Grant	21,590	9,240
Canada Summer Jobs Grant	3,088	-
Other Grants	8,450	22,690
Fundraisers	8,927	7,484
Donations	99,541	102,190
Interest	154	142
Subsidies and Grants	2,546	-
Miscellaneous	701	852
	<hr/> 264,000	<hr/> 211,979
EXPENSES		
Accounting and Legal	2,783	1,304
Advertising and Promotion	424	330
Amortization	58	146
Bad Debts	-	200
Bank and Credit Card Charges	5,896	3,303
CPF - BI Project	-	7,542
Fundraising	18	1,948
Insurance	518	518
Magazine Production	99,479	67,895
Memberships	719	580
Miscellaneous	367	494
Office Expenses	1,400	1,823
Printing and Postage - Other	14,176	9,660
Professional Fees	1,113	1,060
Rent	6,248	2,400
Repairs and Maintenance	-	-
Salaries and Benefits	94,924	91,849
Telephone	1,420	1,407
Travel	-	549
Volunteer Appreciation	-	30
Web Hosting	924	1,416
Total	<hr/> 230,467	<hr/> 194,454
NET REVENUE OVER EXPENDITURES	<hr/> \$ 33,533	<hr/> \$ 17,525
Surplus, Opening Balance	<hr/> 15,789	<hr/> (1,736)
SURPLUS, End of Year	<hr/> \$ 49,322	<hr/> \$ 15,789

BRIARPATCH INCORPORATED
STATEMENT OF CHANGES IN FINANCIAL POSITION
For the Fiscal Period Ended March 31, 2021
(with comparative figures at March 31, 2020)

	<u>2021</u>	<u>2020</u>
Cash Provided by (Used in) Operating Activities:		
Net Revenue over Expenditures	\$ 33,533	\$ 17,525
Amortization Expense	58	146
Non-cash operating working capital		
- Decrease (Increase) in Accounts Receivable	(1,079)	3,483
- Decrease (Increase) in Andrea Walker Memorial Fund Account	500	782
- Decrease (Increase) in Prepaid Expenses	(137)	-
- Increase (Decrease) in Accounts Payable	(903)	(649)
- Increase (Decrease) in Deferred Revenue	-	(6,995)
- Increase (Decrease) in Other Payables	(3,633)	3,126
- Draw from Andrew Walker Memorial Fund	(296)	(500)
	<u>28,043</u>	<u>16,918</u>
Increase (Decrease) in Cash	28,043	16,918
Cash Position - Beginning of Year	<u>24,684</u>	<u>7,766</u>
Cash Position - End of Year	<u><u>\$ 52,727</u></u>	<u><u>\$ 24,684</u></u>
Cash consists of:		
Cash	\$ 41,965	\$ 13,991
Term Deposits - General	<u>10,762</u>	<u>10,693</u>
	<u><u>\$ 52,727</u></u>	<u><u>\$ 24,684</u></u>

BRIARPATCH INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Period Ended March 31, 2021

1. Purpose of Organization

To organization was incorporated under the Non-Profit Corporations Act in October, 1974. The main business activity is the publication of a magazine.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements have been prepared in accordance with generally accepted accounting standards for not-for-profit organizations and reflect the following policies:

Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives. One half of the annual rate is used in the year of purchase. Amortization rates are as follows:

Computer Equipment	30% declining balance method
Software	100% straight line
Office Furniture	20% declining balance method
Leasehold Improvements	20% straight line

Revenue Recognition

Subscription revenue is recognized when invoiced. No allowance has been made for deferred subscription revenue

Donations are recognized when received. There were no pledges or receivables relating to donations for fiscal years ending March 31, 2021 and 2020. No donations were restricted for 2021 or 2020 fiscal year ends.

Investments

Investments consist of term deposits and recorded at cost.

Income Taxes

The organization is a non-profit organization and is not subject to income taxes.

Donated Services

The organization operated under the guidance of volunteers. The value of donated services is not recognized in these statements.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for amortization. Actual results could differ from these estimates.

BRIARPATCH INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Period Ended March 31, 2021

2. Summary of Significant Accounting Policies (continued)

Financial Instruments

The company's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. Their carrying values approximate their fair value due to their short term maturity. The company does not have a significant credit exposure to any individual or counterpart.

3. Capital Assets

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Mar-21</u>	<u>Mar-20</u>
Computer Equipment	8,686	8,550	136	194
	<u>\$ 8,686</u>	<u>\$ 8,550</u>	<u>\$ 136</u>	<u>\$ 194</u>

4. Investments

	<u>2021</u>	<u>2020</u>
1 Year Redeemable term deposit, due Jan 20, 2022 at 0.30% interest	5,762	5,693
3 Year Convertible term deposit, due Dec 31, 2022 at 1.70% interest	5,000	5,000
	<u>\$ 10,762</u>	<u>\$ 10,693</u>

5. Andrea Walker Memorial Fund

The Andrea Walker Memorial Fund is a restricted fund that was set up with the provision of awarding \$300 annually to prairie writers or artists who contribute articles, poetry, fiction, drawing or photography on the themes of health, women or work. An offsetting deferred revenue has been established.

During the 2020/21 year, \$500 was awarded which was paid from general funds. Funds withdrawn from the fund during the year were \$500, \$200 related to the 2019/20 grant and \$300 to the current year grant. The remaining \$200 for 2020/2021 grant will be drawn during the 2021/2022 year (2019/20 \$500 awarded and \$300 funds drawn from the fund).

6. Commitments

The organization rents its office space at 2138 McIntyre Street, Regina for \$200 per month. The rental is on a month to month basis.

6. Significant Events

During year, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus (COVID-19). In March 2020, the WHO classified the COVID-19 outbreak as a pandemic based on the rapid increase in exposure globally.

To the date of this report, the organization has not experienced any negative effects as a result of the pandemic.