

BRIARPATCH INCORPORATED

Regina, Saskatchewan

**Financial Statements
(unaudited)**

For the fiscal year ended March 31, 2023

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, 2023, 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, 2023, 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
December 6, 2023**

**Iris E. Howden
CPA CMA**

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BRIARPATCH INCORPORATED
STATEMENT OF FINANCIAL POSITION
For the Fiscal Period Ended March 31, 2023
(with comparative figures at March 31, 2022)

ASSETS

	<u>2023</u>	<u>2022</u>
Current Assets:		
Bank	\$ 78,836	\$ 50,796
Andrea Walker Memorial Fund	-	562
Accounts Receivable	25,187	4,736
Short Term Investments (Note 4)	5,802	10,779
	109,825	66,873
Capital Assets (Note 3)	615	879
TOTAL ASSETS	\$ 110,440	\$ 67,752

LIABILITIES & NET ASSETS

Current Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 12,220	\$ 4,525
Payroll Remittance Payable	4,708	1,356
Wages Payable	1,591	2,864
Deferred Revenue	6,000	-
	24,519	8,745
Long Term Liabilities:		
Andrea Walker Grant Obligation (Note 5)	-	555
Net Assets:		
Internally Restricted Reserve (Note 6)	-	5,100
Surplus - General	85,921	53,352
	85,921	58,452
TOTAL LIABILITIES & NET ASSETS	\$ 110,440	\$ 67,752

Approved on behalf of the Board of Directors

BRIARPATCH INCORPORATED
STATEMENT OF REVENUE AND EXPENDITURES
For the Fiscal Period Ended March 31, 2023
(with comparative figures at March 31, 2022)

	<u>2023</u>	<u>2022</u>
REVENUE		
Subscriptions	\$ 54,135	\$ 59,602
Advertising	24,806	23,820
Royalties	3,625	3,322
Canadian Heritage Grant	63,172	-
CPF Grant	-	33,631
Canada Summer Jobs Grant	3,237	3,901
Other Grants	555	2,500
Fees Collected for Participants	-	7,000
Fundraisers	2,695	3,829
Donations	109,427	78,780
Interest	114	102
Subsidies and Grants	-	20,000
Miscellaneous	1,562	1,500
	263,328	237,987
EXPENSES		
Accounting and Legal	3,816	2,528
Advertising and Promotion	950	676
Amortization	263	179
Bank and Credit Card Charges	3,964	4,482
Donations	-	1,289
Fundraising	450	718
Insurance	617	587
Magazine Production	108,486	97,639
Memberships	580	580
Miscellaneous	826	59
Office Expenses	1,638	1,881
Printing and Postage - Other	9,029	15,141
Professional Fees	1,166	1,113
Rent	5,513	7,731
Salaries and Benefits	91,354	96,901
Telephone	1,432	1,437
Web Hosting	675	1,016
Total	230,759	233,957
NET REVENUE OVER EXPENDITURES	\$ 32,569	\$ 4,030
Surplus, Opening Balance	53,352	49,322
SURPLUS, End of Year	\$ 85,921	\$ 53,352

BRIARPATCH INCORPORATED
STATEMENT OF CHANGES IN FINANCIAL POSITION
For the Fiscal Period Ended March 31, 2023
(with comparative figures at March 31, 2022)

	<u>2023</u>	<u>2022</u>
Cash Provided by (Used in) Operating Activities:		
Net Revenue over Expenditures	\$ 32,569	\$ 4,030
Amortization Expense	263	179
Non-cash operating working capital		
- Decrease (Increase) in Accounts Receivable	(20,450)	(108)
- Decrease (Increase) in Andrea Walker Memorial Fund Account	562	-
- Decrease (Increase) in Prepaid Expenses	-	137
- Increase (Decrease) in Accounts Payable	7,695	(954)
- Increase (Decrease) in Deferred Revenue	6,000	-
- Increase (Decrease) in Other Payables	2,079	1,386
- Draw from Andrew Walker Memorial Fund	(555)	-
- Increase (Decrease) in Internally Restricted Reserve	(5,100)	5,100
	23,063	9,770
 Cash Provided by (Used in) Investing Activities:		
- Purchase of Capital Assets	-	(922)
	23,063	8,848
Increase (Decrease) in Cash		
	23,063	8,848
Cash Position - Beginning of Year		
	61,575	52,727
Cash Position - End of Year		
	\$ 84,638	\$ 61,575
 Cash consists of:		
Cash	\$ 78,836	\$ 50,796
Term Deposits - General	5,802	10,779
	\$ 84,638	\$ 61,575

BRIARPATCH INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Period Ended March 31, 2023

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, 2023 and 2022. No donations were restricted for 2023 or 2022 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, 2023

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-23</u>	<u>Mar-22</u>
Computer Equipment	9,608	8,993	615	879
	\$ 9,608	\$ 8,993	\$ 615	\$ 879

4. Investments

	<u>2023</u>	<u>2022</u>
1 Year Redeemable term deposit, due Jan 20, 2024 at 3.50% interest	5,802	5,779
3 Year Convertible term deposit, due Dec 31, 2023 at 1.70% interest	-	5,000
	\$ 5,802	\$ 10,779

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 2022/23 year, funds were awarded and the fund was closed.
(2021/22 \$NIL awarded)

6. Internally Restricted Reserve

During the prior year the Board raised \$5,100 through fundraising which was specifically earmarked for hiring an editor for Dispatch for the months of July and August 2023. Since the funds for this project were spent in the current fiscal year, the funds set up as a reserve were recognized during the 2023 year end.

7. Commitments

The organization rents its office space at 2138 McIntyre Street, Regina for \$462 per month. The rental is on a month to month basis.