

LA LECHE LEAGUE CANADA >

financial statements

>YEAR ENDED MARCH 31, 2022

MAC LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

financial statements

>YEAR ENDED MARCH 31, 2022

index

Independent practitioner's review engagement report..... I
Statement of financial position.....2
Statement of changes in net assets.....3
Statement of operations.....4
Statement of cash flows.....5
Notes to financial statements.....6 - 8



Chartered Professional Accountants

510 Weber Street North, Waterloo, Ontario N2L 4E9
30 Arthur Street South, Elmira, Ontario N3B 2M7
T 519.725.2600 TF 1.877.725.2611 www.mac-ca.com

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of La Leche League Canada:

We have reviewed the accompanying financial statements of La Leche League Canada that comprise the statement of financial position as at March 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and 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 that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of La Leche League Canada as at March 31, 2022, 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.

Other Matter

The financial statements of La Leche League Canada for the year ended March 31, 2021 were reviewed by another firm of Chartered Professional Accountants. Therefore, we do not express any comment on these comparative figures.

MAC LLP.

Waterloo, Ontario
August 30, 2022

LICENSED PUBLIC ACCOUNTANTS
CHARTERED PROFESSIONAL ACCOUNTANTS

LA LECHE LEAGUE CANADA >
**statement of
 financial position**

>MARCH 31, 2022

	2022	2021
<i>assets</i>		
current		
Cash	\$ 190,137	\$ 226,082
Portfolio investments (Note 3)	172,528	171,850
Accounts receivable	-	6,487
Government remittances recoverable	<u>2,552</u>	<u>8,826</u>
	<u>\$ 365,217</u>	<u>\$ 413,245</u>
<i>liabilities</i>		
current		
Accounts payable and accrued liabilities	\$ <u>10,090</u>	\$ <u>8,571</u>
<i>net assets</i>		
Internally restricted net assets (Note 4)	214,883	217,280
Unrestricted net assets	<u>140,244</u>	<u>186,394</u>
	<u>355,127</u>	<u>403,674</u>
	<u>\$ 365,217</u>	<u>\$ 413,245</u>

Approved on behalf of the board:

Natalie Fohl

Director

Cheslett

Director

August 30, 2022
 Date of Approval

August 30, 2022
 Date of Approval

LA LECHE LEAGUE CANADA >

statement of changes in net assets

>YEAR ENDED MARCH 31, 2022

	internally restricted	unrestricted	2022 total	2021 total
balance, beginning of year	\$ 217,280	\$ 186,394	\$ 403,674	\$ 408,339
Deficiency of revenue over expense for year	9,569	(58,116)	(48,547)	(4,665)
Transfers	<u>(11,966)</u>	<u>11,966</u>	-	-
balance, end of year	<u>\$ 214,883</u>	<u>\$ 140,244</u>	<u>\$ 355,127</u>	<u>\$ 403,674</u>

statement of operations

>YEAR ENDED MARCH 31, 2022

	2022	2021
revenue		
Donations	\$ 66,205	\$ 75,977
Program delivery	19,565	14,825
Grant revenue	9,384	29,641
Interest income	<u>1,022</u>	<u>1,700</u>
	<u>96,176</u>	<u>122,143</u>
expenses		
Advertising and promotion	1,335	122
Affiliation costs, La Leche League International	1,342	2,310
Bank charges and interest	627	1,759
Bookkeeping	9,442	11,798
Conferences, meetings and travel	-	3,419
Fundraising costs	3,106	459
Health professional seminars	7,316	1,702
Insurance	4,316	4,289
Leader and membership costs	7,311	17,594
Office	6,161	5,602
Professional fees	33,203	11,652
Telephone and internet	3,081	2,402
Wages and benefits	56,752	62,044
Website and development	<u>10,731</u>	<u>1,656</u>
	<u>144,723</u>	<u>126,808</u>
deficiency of revenue over expenses for year	<u>\$ (48,547)</u>	<u>\$ (4,665)</u>

statement of cash flows

>YEAR ENDED MARCH 31, 2022

	2022	2021
operating activities		
Excess of revenue over expenses for year	\$ (48,547)	\$ (4,665)
Changes in non-cash working capital:		
Accounts receivable	5,487	190
Prepaid expenses	-	2,500
Accounts payable and accrued liabilities	1,519	(170)
Government remittances recoverable	<u>6,274</u>	<u>-</u>
	(35,267)	(2,145)
investing activities		
Net increase in portfolio investments	<u>(678)</u>	<u>(751)</u>
Decrease in cash	(35,945)	(2,896)
Cash balance, beginning of year	<u>226,082</u>	<u>228,978</u>
cash balance, end of year	<u>\$ 190,137</u>	<u>\$ 226,082</u>

notes to financial statements

>MARCH 31, 2022

1. purpose of organization

The mission of La Leche League Canada (the "Organization") is to encourage, promote and provide peer-based breastfeeding support and educational opportunities as an important contribution to the health of children, families and society. The Organization is an autonomous affiliate of La Leche League International. The Organization was incorporated without share capital under the Ontario Corporations Act as a not for profit organization, is a registered charity for Canadian Income Tax purposes and is exempt from income taxes.

2. significant accounting policies

Basis of Accounting - These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue Recognition - The Organization 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.

Program delivery revenue is recognized when the service is provided and collection is reasonably assured. Interest income is recognized when earned.

Government Assistance- Government assistance is recognized when there is reasonable assurance that the Organization has complied and will continue to comply with the conditions of the assistance. Government assistance toward current expenses is recognized in income for the period.

Financial Instruments

Measurement - The Organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for 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.

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 not 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 entity recognizes its transaction costs 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 origination, issuance or assumption.

Capital assets - Capital assets are expensed on acquisition. Proceeds on sale of capital assets are recorded as income in the year of sale.

unaudited - see review engagement report

notes to financial statements

>MARCH 31, 2022

Contributed Materials and Services - The Organization is dependent upon many hours of service contributed by volunteers. Because of the difficulty in determining their fair value, contributed services are not recognized in these financial statements.

The Organization receives contribution of materials, the fair value of which may or may not be reasonably determinable. Contributed materials are recognized as donations when fair values can be determined. No contributed materials were recognized as donation revenue during the year.

Disclosure and Use of Estimates - The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts 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 reporting period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

Estimates are used when accounting for certain items such as deferral of revenues.

3. portfolio investments

The major categories of portfolio investments are as follows:

	2022	2021
Guaranteed investment certificates	172,528	-
Mutual funds	<u>-</u>	<u>171,850</u>
	<u>\$ 172,528</u>	<u>\$ 171,850</u>

4. internally restricted net assets

Internally restricted net assets are funds identified for specified purposes as approved by the board of directors, as follows:

The sustainability fund was established by the Organization to provide resources for the long-term continuation of the Organization should there be a decrease in funding sources. The balance of the sustainability fund at March 31, 2022 was \$120,000 (2021 - \$120,000).

The website development fund was established by the Organization following the receipt of a donation earmarked to enhance the Organization's website in order to facilitate the operational management of the Organization since it does not have a physical office. During the year, \$11,966 was expensed and those amounts were transferred to the operating deficiency. The balance of the website development fund at March 31, 2022 was \$11,852 (2021 - \$23,818).

The group virtual accounts fund was established by the Organization to provide leaders and groups across the country with a pool of funds to apply to local workshops, seminars, and other community events. The balance of the group virtual accounts fund at March 31, 2022 was \$83,031 (2021 - \$73,462).

notes to financial statements

>MARCH 31, 2022

5. capital assets

During the year, the Organization purchased office equipment for \$Nil (2021 - \$Nil). Capital asset purchases are expensed when acquired and are reported in office expenses in the statement of operations.

6. comparative figures

Certain of the comparative figures have been restated to conform to the presentation adopted for the current year.

7. financial instruments

Risk Management - The significant risks to which the Organization is exposed are credit risk, liquidity risk and interest rate risk. There has been no change to the risk exposures from the prior year.

Credit Risk - The Organization is exposed to credit risk in the event of non-performance by counterparties in connection with its accounts receivable. Accounts receivable arise primarily from government remittance rebates. The maximum exposure to credit risk is the carrying value of accounts receivable on the balance sheet. The credit risk is limited due to the nature of the receivable.

Interest Rate Risk - The Organization manages its investments based on its cash flow needs and with a view of optimising its interest income. The effective interest rate on portfolio investments during the year was 0.67% (2021 - 0.98%). The average interest rate at the end of the year was 0.57% (2021 - 0.32%) with investments maturing in 6 months.

Liquidity Risk - Liquidity risk is the risk that the Organization will not be able to meet its obligations associated with financial liabilities. Cash flow from operations provides a substantial portion of the Organization's cash requirements.