

**Winter River-Tracadie Bay
Watershed Association Inc.
Financial Statement
For the Year Ended March 31, 2021**

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For the Year Ended March 31, 2021**

Contents

Independent Auditor's Report	1 - 3
Financial Statement	
Statement of Cash Receipts and Disbursements	4
Notes to Financial Statement	5 - 6



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Independent Auditor's Report

To the Members of Winter River-Tracadie Bay Watershed Association Inc.

Opinion

We have audited the financial statement of Winter River-Tracadie Bay Watershed Association Inc. (the "Association"), which comprises the statement of cash receipts and disbursements for the year ended March 31, 2021, and notes to the financial statement, including a summary of significant accounting policies.

In our opinion, the accompanying financial statement presents fairly, in all material respects, the cash receipts and disbursements of the Association for the year ended March 31, 2021 in accordance with the cash receipts and disbursements basis of accounting described in Note 1.

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's Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial statement, which describes the basis of accounting. The financial statement is prepared to provide information to the Association. As a result, the financial statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



Responsibilities of Management and Those Charged with Governance for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash receipts and disbursements basis of accounting described in Note 1 to the financial statement, and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 this financial statement.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statement, 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 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 Association'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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement 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 auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents 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.

Chartered Professional Accountants

Charlottetown, Prince Edward Island
May 25, 2021

Winter River-Tracadie Bay Watershed Association Inc. Statement of Cash Receipts and Disbursements

For the year ended March 31	2021	2020
Receipts		
Province of Prince Edward Island	\$ 49,616	\$ 40,774
City of Charlottetown	32,000	22,000
Wage subsidies (Note 2)	74,399	58,897
Other (Note 3)	109,140	66,590
	<u>265,155</u>	<u>188,261</u>
Disbursements		
Special project	65,509	-
Advertising	2,405	2,767
Electricity	642	997
Equipment rentals and purchases	5,773	-
Insurance	488	396
Interest and bank charges	35	509
Land costs	781	1,185
Meetings, travel and workshops	5,922	6,133
Office	2,846	2,623
Professional development	393	246
Professional fees	3,174	5,318
Refundable HST paid	4,634	2,155
Rent	6,540	6,580
Supplies	(3,555)	19,654
Telephone	1,314	1,282
Wages and employee benefits	164,686	139,784
	<u>261,587</u>	<u>189,629</u>
Excess (deficiency) of receipts over disbursements	3,568	(1,368)
Bank balance, beginning of the year	77,307	78,675
Bank balance, end of the year	\$ 80,875	\$ 77,307

On behalf of the Board:

_____ Director _____ Director

Winter River-Tracadie Bay Watershed Association Inc. Notes to Financial Statement

March 31, 2021

1. Significant Accounting Policies

Nature and Purpose of Organization	Winter River-Tracadie Bay Watershed Association Inc. is primarily involved in watershed management. The Association is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met, and may issue income tax receipts to donors.
Basis of Accounting	The financial statement is in accordance with Canadian accounting standards for not-for-profit organizations except that it is prepared on a cash basis. The readers of this financial statement may require information for the results of operations as it would have appeared had the accrual basis of accounting been applied in its presentation. This financial statement does not include all the assets, liabilities, revenues and expenses of the projects associated with the Winter River-Tracadie Bay Watershed Association Inc.
Revenue Recognition	The Association recognizes revenue when payment has been received.

2. Wage Subsidies

	2021	2020
Post Secondary Program	\$ 24,865	\$ -
Employment and Social Development Canada - Canada Summer Jobs	16,259	16,660
Colleges and Institutes Canada - Clean Tech Internship	13,660	12,854
Jobs for Youth	8,550	-
Rural Jobs Initiative	5,792	-
Perce Program	3,348	3,375
Government Wage Subsidy	1,925	-
Employment and Social Development Canada - Youth Employment and Skills Program	-	14,000
Canadian Parks and Recreation Association - Green Jobs Initiative	-	8,139
SkillsPEI - Graduate Mentorship Program	-	3,869
	\$ 74,399	\$ 58,897

Winter River-Tracadie Bay Watershed Association Inc. Notes to Financial Statement

March 31, 2021

3. Other Receipts

	2021	2020
Fisheries and Oceans Canada - Coastal Restoration Fund	\$ 67,743	\$ 17,876
Refunds and services	14,829	-
Environment and Climate Change Canada - EcoAction Program	14,481	26,690
P.E.I. Wildlife Conservation Fund	7,145	6,854
HST rebate	2,046	3,499
Interest and miscellaneous	1,921	2,029
Innovation PEI	604	-
Donations	371	5,961
Fisheries and Oceans Canada - Recreational Fisheries Conservation Partnerships Program	-	3,621
Tree and shrub sales	-	60
	\$ 109,140	\$ 66,590

4. Uncertainty due to COVID-19

In January 2020, the World Health Organization announced a global health emergency due to the COVID-19 outbreak. The full impact of the COVID-19 outbreak continues to evolve as of the report date. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of business disruption and the related financial impact cannot be reasonably estimated at this time.
