

FINANCIAL STATEMENTS
For
FIRST ASSIST
For year ended
DECEMBER 31, 2021

INDEPENDENT AUDITOR'S REPORT

To the directors of

FIRST ASSIST*Qualified Opinion*

We have audited the financial statements of First Assist (the Organization), which comprise the statement of financial position as at December 31, 2021, and the statements of operations and 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, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 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.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2021, or current assets and net assets as at December 31, 2021.

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 Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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 qualified audit opinion.

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

Management is responsible for the preparation and fair presentation of the 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 the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 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 these financial statements.

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 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 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 Organization'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 Organization'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 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 auditor's report. However, future events or conditions may cause the Organization 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.



Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
June 7, 2022.

FIRST ASSIST
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

ASSETS

CURRENT ASSETS

Cash	\$ 35,274
Accounts receivable	<u>46,588</u>
	\$ <u>81,862</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued liabilities	<u>\$ 8,000</u>
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NET ASSETS

Unrestricted	<u>73,862</u>
	\$ <u>81,862</u>

Approved by the Board:

..... Director

..... Director

(See accompanying notes)

FIRST ASSIST
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2021

Revenue

Corporate donations	\$ 61,137
Individual donations	11,573
Presentation activities	<u>51,012</u>
	<u>123,722</u>

Expenses

Programming activities	24,007
Travel and entertainment	13,493
Marketing and advertising	8,664
Professional fees	3,500
Bank fees	<u>196</u>
	<u>49,860</u>

Net revenue and net assets at end of year **\$ 73,862**

(See accompanying notes)

FIRST ASSIST
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM (USED IN):
OPERATING ACTIVITIES

Net revenue	\$ 73,862
Changes in non-cash working capital components:	
Accounts receivable	(46,588)
Accounts payable	<u>8,000</u>

INCREASE IN CASH AND CASH AT END OF YEAR **\$ 35,274**

(See accompanying notes)

FIRST ASSIST
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

1. NATURE OF OPERATIONS

First Assist (the "Organization") is a not-for-profit organization incorporated on April 9, 2013 under the Canada Not-for-profit Corporations Act. The Organization's mandate is to further education in indigenous communities through the use of sport.

The Organization became a registered charity effective January 1, 2021 and is exempt from income taxes under section 149(1)(l) of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The accounting policies of the company are in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue recognition

The Organization follows the deferral method of accounting for contributions for not-for-profit organizations. 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.

Presentation activity revenue is recognized in the period in which the activity occurs. Receipts of these revenues which relate to the subsequent fiscal year would be recorded as deferred revenue.

Donated goods and services

Certain donated goods and services are recognized in these financial statements as both an in-kind revenue and expense when

- their fair value can be reasonably estimated;
- they would be used in the normal course of the Organization's operations; and
- when the item contributed would otherwise have been purchased

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 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. Actual results could differ from these estimates.

Management makes accounting estimates when determining significant accrued liabilities and when determining the collectibility of accounts receivable. Actual results could differ from these estimates.

Financial instruments

The Organization initially measures its financial assets and liabilities at fair value at the date of the statement of financial position.

The Organization subsequently measures cash at fair value and all other financial assets and financial liabilities at amortized cost at the date of the statement of financial position.

FIRST ASSIST
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED DECEMBER 31, 2021

3. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure and concentrations at December 31, 2021.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Organization is exposed to credit risk on its cash and accounts receivable. The Organization's cash is deposited with a Canadian chartered bank and as a result the risk of loss on this instrument is remote. The Organization assesses, on a continuous basis, the accounts receivable and as at December 31, 2021, the Organization has determined no allowance for doubtful accounts is required.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and manages this risk through its budgeting process.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk, and other price risk.

i) *Currency risk*

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The Organization is not exposed to currency risk.

ii) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Organization is not exposed to interest rate risk.

iii) *Other price risk*

Other price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Organization is not significantly exposed to other price risk.

FIRST ASSIST
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED DECEMBER 31, 2021

4. UNCERTAINTY DUE TO COVID-19

As a result of the ongoing global pandemic, the Organization has had to limit in-person programs and instead offer virtual services in 2021. The pandemic continues to create ongoing economic and operational uncertainty, however the Organization monitors ongoing developments and adapts new operational approaches, as required, to respond. At the time of issuance of these financial statements, the effect of the ongoing pandemic and its impact on the Organization's assets, liabilities, net assets, revenues and expenses are not yet known.

5. COMPARATIVE FIGURES

Comparative figures have not been presented in the financial statements as there was no financial activity prior to 2021.