

**Forum for Women Entrepreneurs of
British Columbia
Financial Statements
For the year ended June 30, 2018**

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British Columbia
Financial Statements
For the year ended June 30, 2018**

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Independent Auditor's Report

To the Members of Forum for Women Entrepreneurs of British Columbia

We have audited the accompanying financial statements of Forum for Women Entrepreneurs of British Columbia that comprise the Statement of Financial Position as at June 30, 2018, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.



Basis for Qualified Opinion

In common with many charitable organizations, Forum for Women Entrepreneurs of British Columbia derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Therefore, we were not able to determine whether any adjustments might be necessary to donations and fundraising revenues and excess of revenue over expenses for the year ended June 30, 2018, current assets as at June 30, 2018, and net assets as at July 1, 2017 and June 30, 2018.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Forum for Women Entrepreneurs of British Columbia as at June 30, 2018 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.

Emphasis of Matter

We draw attention to Note 2 to the financial statements which describes that the Forum for Women Entrepreneurs of British Columbia adopted Canadian accounting standards for not-for-profit organizations on July 1, 2017 with a transition date of July 1, 2016. These standards were applied retrospectively by management to the comparative information in these financial statements, including the Statement of Financial Position as at June 30, 2017 and July 1, 2016, and the Statements of Operations, Changes in Net Assets, and Cash Flows for the year ended June 30, 2017 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is neither audited nor reviewed.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia

August 14, 2018

Forum for Women Entrepreneurs of British Columbia
Statement of Financial Position

	June 30, 2018	June 30 2017	July 1 2016
		(Unaudited)	(Unaudited)
Assets			
Current			
Cash and cash equivalents (Note 3)	\$ 560,523	\$ 551,906	\$ 462,067
Term deposits (Note 4)	22,534	22,447	22,360
Accounts receivables	39,233	29,831	21,458
Prepaid expenses	7,702	12,126	13,960
	629,992	616,310	519,845
Capital assets (Note 5)	4,295	6,578	1,945
	\$ 634,287	\$ 622,888	\$ 521,790

Liabilities and Net Assets

Current

Accounts payable and accrued liabilities (Note 6)	\$ 77,000	\$ 54,256	\$ 18,808
Deferred revenue	-	-	64,725
	77,000	54,256	83,533

Net Assets

Invested in capital assets	4,295	6,578	1,945
Unrestricted	552,992	562,054	436,312
	557,287	568,632	438,257
	\$ 634,287	\$ 622,888	\$ 521,790

On behalf of the Board:

_____ Director

_____ Director

Forum for Women Entrepreneurs of British Columbia
Statement of Operations

For the year ended	2018	2017
		(Unaudited)
Revenue		
Event revenues	\$ 1,112,193	\$ 1,177,286
Membership fees	-	5,596
In-kind materials and services	13,667	15,666
Donations	48,342	11,004
Other	6,078	4,195
	<u>1,180,280</u>	<u>1,213,747</u>
Expenses		
Accounting & legal	23,471	17,117
Amortization	2,283	3,255
Bad debts	38	3,474
Bank fees	1,092	1,097
Board meetings & AGM	5,244	2,531
Bookkeeping services	5,396	5,955
Computers & software	4,163	3,184
Consultant fees	12,391	31,211
Contractor services	39,454	57,439
Courier & postage	398	240
Event	580,733	547,129
Events (tickets)	603	3,137
Foreign exchange gain/loss	63	-
Gifts & other	853	360
In-kind materials and services	13,667	15,666
Insurance	2,810	1,589
Marketing, advertising & promotions	26,290	27,496
Meals & entertainment	5,858	2,748
Miscellaneous	334	1,450
Office rent	28,561	38,731
Office supplies	3,826	4,918
Other travel	4,026	978
Professional development	415	690
Public relations	3,075	2,358
Salaries and benefits	401,984	280,238
Telephone	5,715	9,137
Transportation	1,480	1,144
Transaction fees	16,023	10,183
Website	1,379	9,917
	<u>1,191,625</u>	<u>1,083,372</u>
Excess (deficiency) of revenue over expenses for the year	\$ (11,345)	\$ 130,375

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Forum for Women Entrepreneurs of British Columbia
Statement of Changes in Net Assets

For the year ended	Invested in Capital Assets	Unrestricted	Total
Net assets, July 1, 2016 (unaudited)	\$ 1,945	\$ 436,312	\$ 438,257
Excess (deficiency) of revenue over expenses (unaudited)	(3,255)	133,630	130,375
Purchase of capital assets	7,888	(7,888)	-
Net assets, June 30, 2017 (unaudited)	\$ 6,578	\$ 562,054	\$ 568,632
Deficiency of revenue over expenses	(2,283)	(9,062)	(11,345)
Net assets, June 30, 2018	\$ 4,295	\$ 552,992	\$ 557,287

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Forum for Women Entrepreneurs of British Columbia
Statement of Cash Flows

For the year ended	2018	2017
		(Unaudited)
Cash provided by (used in)		
Operating activities		
Excess (deficiency) of revenue over expenses	\$ (11,345)	\$ 130,375
Amortization of capital assets	2,283	3,255
Changes in non-cash working capital balances		
Investments	(87)	(87)
Accounts receivable	(9,402)	(8,373)
Prepaid expenses	4,424	1,834
Accounts payable and accruals	22,744	35,448
Deferred revenue	-	(64,725)
Cash flows from operations	8,617	97,727
Investing activities		
Purchase of capital assets	-	(7,888)
Increase in cash during the year	8,617	89,839
Cash and cash equivalents, beginning of year	551,906	462,067
Cash and cash equivalents, end of year	\$ 560,523	\$ 551,906

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Forum for Women Entrepreneurs of British Columbia

Notes to Financial Statements

June 30, 2018

1. Significant Accounting Policies

Purpose of the Society The Forum for Women Entrepreneurs of British Columbia (the "Society") is a Vancouver-based charity that educates, mentors and connects women entrepreneurs to be wildly successful, promoting strong economies and thriving communities. The Society's purpose is to support and mentor women who are venturing into new business opportunities or ready to ramp up and grow their existing business. The Programs and Events at the Society provide women with start-up advice, specific tips and tricks, and exposes participants to leaders, advisors, and business professionals and their expertise.

The Society is incorporated under the laws of British Columbia and has transitioned to the Societies Act of British Columbia effective December 2, 2016 (Note 7). As a registered charity, it is not subject to income taxes under section 149(1)(f) of the Income Tax Act.

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

Revenue Recognition The Society follows the deferral fund method of accounting for contributions. Restricted contributions are recognized as revenue in the year the related expenses are incurred.

Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Event revenue related to registration and sponsorships is recognized in the year the event occurs.

Membership dues are recognized as revenue in the period to which they pertain.

Capital Assets Capital assets are recorded at cost and amortized over their estimated useful life, as follows:

Computer equipment	30% declining balance method
Leasehold improvements	5 years, straight line basis

Forum for Women Entrepreneurs of British Columbia Notes to Financial Statements

June 30, 2018

1. Significant Accounting Policies (continued)

Contributed Materials and Services

The Society benefits greatly from contributed services in the form of volunteer time. The value of volunteer time is not recognized in these financial statements. Other contributed materials and services are recognized at their fair value only when the value can be reasonably estimated and the materials and services are used in the normal course of operations and would otherwise have been purchased.

Financial Instruments

The Society's financial instruments consist of cash, short-term investments, accounts receivable and accounts payable. The Society initially measures all of its financial instruments at fair value and subsequently at amortized cost using the effective interest rate method.

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 at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. First-time Adoption of Canadian Standards for Not-for-profit Organizations

Effective July 1, 2017, the Society adopted the requirements of the accounting framework, Canadian accounting standards for not-for-profit organizations (ASNPO) or Part III of the requirements of the Chartered Professional Accountants of Canada (CPA Canada) Handbook - Accounting. These are the Society's first financial statements prepared in accordance with this framework and the transitional provisions of Section 1501, *First-time Adoption by Not-for-Profit Organizations*, have been applied. Section 1501 requires retrospective application of the accounting standards with certain elective exemptions and retrospective exceptions. The accounting policies set out in Note 1 - Significant Accounting Policies have been applied in preparing the financial statements for the year ended June 30, 2018, the comparative information presented in these financial statements for the year ended June 30, 2017 and in the preparation of an opening ASNPO statement of financial position at the date of transition of July 1, 2016.

Forum for Women Entrepreneurs of British Columbia
Notes to Financial Statements

June 30, 2018

2. First-time Adoption of Canadian Standards for Not-for-profit Organizations (continued)

The Society issued financial statements for the year ended June 30, 2017. The adoption of ASNPO resulted no adjustments to the previously reported assets, liabilities and net assets of the Society as at July 1, 2016.

The changes to net assets as at June 30, 2017 were as follows:

	<u>June 30, 2017</u>
Net assets, Pre-changeover Accounting Standards	\$ 569,481
Recording prepaid expense	2,625
Recognition of bad debts	<u>(3,474)</u>
Net assets, ASNPO	<u>\$ 568,632</u>

A reconciliation of the excess of revenue over expenses reported in the Society's most recent previously issued financial statements to its excess of revenue over expenses under ASNPO for the same period is as follows:

	<u>2017</u>
Excess of revenue over expenses, Pre-changeover Accounting Standards	\$ 131,224
Recording prepaid expense	2,625
Recognition of bad debts	<u>(3,474)</u>
Excess of revenue over expenses, ASNPO	<u>\$ 130,375</u>

The Society has not issued a statement of cash flows under any other framework.

Forum for Women Entrepreneurs of British Columbia
Notes to Financial Statements

June 30, 2018

3. Cash and cash equivalents

The Society considers balances held with banks, on call or maturing within 90 days as cash and cash equivalents.

The Society's bank accounts are held at two financial institutions in general accounts bearing interest at market rates.

4. Term deposits

	2018	2017
		(Unaudited)
HSBC term deposit	\$ 22,534	\$ 22,447
Total investments	\$ 22,534	\$ 22,447

The Society held three term deposits at a credit union as at June 30, 2018 (2017 - three). The term deposits bear respective interest rates of 0.60% and 0.45% (2017 - 0.45%) and have an expiry date of June 7, 2019, May 1, 2019, and July 24, 2018 (2017 - June 7, 2018, May 1, 2018, and July 24, 2017).

5. Property and Equipment

	2018		2017	
	Accumulated Cost	Amortization	Net Book Value	Net Book Value
				(Unaudited)
Computer equipment	\$ 17,534	\$ 16,659	\$ 875	\$ 2,019
Leasehold improvements	9,659	6,240	3,419	4,559
	\$ 27,193	\$ 22,899	\$ 4,294	\$ 6,578

Forum for Women Entrepreneurs of British Columbia Notes to Financial Statements

June 30, 2018

6. Government Remittances Payable

Included in accounts payable and accruals are government remittances of \$20,129 (2017 - \$6,933).

7. Remuneration of Directors, Employees and Contractors

On November 28, 2016, the Society Act (BC) was repealed and replaced with the Societies Act (BC) ("New Act"). The New Act required that all Societies transition to the New Act before November 28, 2018. As briefly outlined in the notes, the Society has completed the transitioning process. The New Act requires that the Society disclose the total remuneration paid to the Directors, for either being a director or for acting in another capacity, as well as the total number of employees or contractors with annual remuneration equal to or greater than \$75,000 and the aggregate remuneration of those employees/contractors.

During the year ended June 30, 2018, there were three (2017 - 4) directors that were paid a total of \$2,500 (2017 - \$4,500) in remuneration in capacity as speakers. There were no directors that received remuneration in capacity as directors (2017 - none). There was one (2017 - none) employee who remuneration in excess of \$75,000 which resulted in an aggregate expenditure of \$97,462 (2017 - \$nil). There were no contractors who received remuneration in excess of \$75,000 during the year ended June 30, 2018 (2017 - none).

8. Commitments

The Society has entered into a lease agreement for office space in a multi-tenant office building that extends to fiscal year 2022. The annual payments due for the next four years are as follows:

Year	Amount
2019	\$ 15,863
2020	15,863
2021	15,863
2022	<u>10,575</u>
	<u>\$ 58,164</u>

Forum for Women Entrepreneurs of British Columbia
Notes to Financial Statements

June 30, 2018

9. Financial Instruments

The Society is exposed to various risks through its financial instruments. The following analysis provides information about the Society's risk exposure and concentration as of June 30, 2018.

Credit Risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a loss.

The Society is subject to concentrations of credit risk through its cash deposits. The Society maintains its cash deposits at two Canadian financial institutions. The maximum credit risk is equivalent to the carrying value. The Society is also subject to concentrations of credit risk through its accounts receivable. The carrying amount of accounts receivable represents the maximum credit exposure and the risk is limited as the amount is due from a government agency.

Liquidity Risk:

Liquidity risk is the risk the Society will not be able to meet its financial obligations as they come due. The Society has taken steps to ensure that it has sufficient working capital available to meet its obligations.

Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. It is management's opinion that that the Society is not exposed to significant interest rate risk arising from financial instruments.

10. Comparative Figures

Certain comparative figures have been reclassified to conform with the current period's presentation.