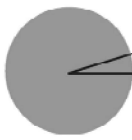


**AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)**

**Financial Statements**

**Year Ended September 30, 2017**

*(Unaudited)*



January 14, 2019

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## REVIEW ENGAGEMENT REPORT

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To the Members of African Communities of Manitoba Inc. (ACOMI)

We have reviewed the statement of financial position of African Communities of Manitoba Inc. (ACOMI) as at September 30, 2017 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian Accounting Standards for Not-for-profit Organizations.

Chartered Professional Accountants

**AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)**  
**Statement of Financial Position**  
**September 30, 2017**  
*(Unaudited)*

	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 102,658	\$ 97,743
Term deposits	35,616	35,196
Accounts receivable	11,071	11,091
	<b>149,345</b>	144,030
PROPERTY AND EQUIPMENT <i>(Note 4)</i>	<b>26,585</b>	26,585
<b>TOTAL ASSETS</b>	<b>\$ 175,930</b>	<b>\$ 170,615</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 7,473	\$ -
Unearned revenue	2,833	2,833
	<b>10,306</b>	2,833
NET ASSETS	<b>165,624</b>	167,782
LIABILITIES AND UNRESTRICTED NET ASSETS	<b>\$ 175,930</b>	<b>\$ 170,615</b>

**AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)**  
**Statement of Revenues and Expenditures**  
**Year Ended September 30, 2017**  
*(Unaudited)*

	2017	2016
<b>INCOME</b>		
Grant revenue	\$ 53,853	\$ 51,712
Folklorama income	56,097	56,543
Donations	7,399	4,012
	<u>117,349</u>	<u>112,267</u>
<b>EXPENSES</b>		
Licenses	110	61
Donations	-	10,000
Equipment rentals	196	1,315
Insurance	635	621
Interest and bank charges	148	225
Meals and entertainment	2,909	5,273
Office	4,017	3,067
Community outreach	10,741	4,143
Volunteer expenses	9,766	9,810
Project events	4,428	5,924
Folklorama expenses	49,780	51,824
Rental	7,500	8,052
Salaries and wages	27,654	26,850
Utilities	2,251	2,251
	<u>120,135</u>	<u>129,416</u>
<b>DEFICIENCY OF INCOME OVER EXPENSES FROM OPERATIONS</b>	<u>(2,786)</u>	<u>(17,149)</u>
<b>OTHER INCOME</b>		
Interest income	425	794
Other income	203	100
	<u>628</u>	<u>894</u>
<b>DEFICIENCY OF INCOME OVER EXPENSES</b>	<u>\$ (2,158)</u>	<u>\$ (16,255)</u>

**AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)**  
**Statement of Changes in Net Assets**  
**Year Ended September 30, 2017**  
*(Unaudited)*

	General Fund	<b>2017</b>	2016
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 167,782	<b>\$ 167,782</b>	\$ 184,037
DEFICIENCY OF INCOME OVER EXPENSES	(2,158)	<b>(2,158)</b>	(16,255)
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 165,624</b>	<b>\$ 165,624</b>	\$ 167,782

**AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)**

**Statement of Cash Flow**

**Year Ended September 30, 2017**

*(Unaudited)*

	<b>2017</b>	<b>2016</b>
<b>OPERATING ACTIVITIES</b>		
Deficiency of income over expenses	<b>\$ (2,158)</b>	<b>\$ (16,255)</b>
Changes in non-cash working capital:		
Accounts receivable	<b>19</b>	<b>(11,090)</b>
Accounts payable	<b>7,474</b>	<b>-</b>
Deferred income	<b>-</b>	<b>2,833</b>
	<b>7,493</b>	<b>(8,257)</b>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>5,335</b>	<b>(24,512)</b>
Cash - beginning of year	<b>132,939</b>	<b>157,451</b>
<b>CASH - END OF YEAR</b>	<b>\$ 138,274</b>	<b>\$ 132,939</b>

# AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)

## Notes to Financial Statements

Year Ended September 30, 2017

(Unaudited)

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### 1. NATURE OF OPERATIONS

ACOMI is a non-profit, non-sectarian organization, bringing together individuals and community organizations of African heritage in the province of Manitoba, Canada.

The entity is registered with the Charities Division, Canada Revenue Agency and is classified as a registered Canadian charity. As such, it is exempt from income taxes and can issue charitable donation receipts.

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) applied within the framework of the accounting policies summarized below.

#### Revenue recognition

African Communities of Manitoba Inc. (ACOMI) 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. Endowment contributions are recognized as direct increases in net assets.

Investment income is recorded on an accrual basis.

#### Contributed services

The operations of the organization depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

#### Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

#### Property and equipment

Property, plant and equipment are stated at cost.

The Entity regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

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**AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)**

**Notes to Financial Statements**

**Year Ended September 30, 2017**

*(Unaudited)*

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3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of September 30, 2017.

**(a) 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 receipt of funds from its customers and accounts payable.

**(b) Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

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4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization (1)	2017 Net book value	2016 Net book value
Equipment	\$ 1,105	\$ -	\$ 1,105	\$ 1,105
Furniture and fixtures	25,480	-	25,480	25,480
	<b>\$ 26,585</b>	<b>\$ -</b>	<b>\$ 26,585</b>	<b>\$ 26,585</b>

(1) ACOMI is a non-profit entity and therefore, is not required to amortize their capital assets because their annual revenues are less than \$500,000.

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5. COMPARATIVE FIGURES

The financial statements for the year ended September 30, 2016 were neither audited nor reviewed and are presented for comparative purposes only.

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