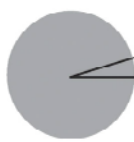


AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)
Financial Statements
Year Ended September 30, 2018



INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of African Communities of Manitoba Inc. (ACOMI), which comprise the statement of financial position as at September 30, 2018 and the statements of revenues and expenditures, changes in net assets and cash flow 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 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.

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 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 presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of African Communities of Manitoba Inc. (ACOMI) as at September 30, 2018, and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants
1515 One Lombard Place
Winnipeg MB R3B 0X3
November 2, 2019

AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)
Statement of Financial Position
September 30, 2018

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 114,838	\$ 102,658
Term deposits	35,575	35,616
Accounts receivable	867	11,071
	151,280	149,345
PROPERTY AND EQUIPMENT <i>(Note 4)</i>	26,585	26,585
TOTAL ASSETS	\$ 177,865	\$ 175,930
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 629	\$ 7,474
Unearned revenue	2,833	2,833
	3,462	10,307
NET ASSETS	174,403	165,623
LIABILITIES AND UNRESTRICTED NET ASSETS	\$ 177,865	\$ 175,930

AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)
Statement of Revenues and Expenditures
Year Ended September 30, 2018

	2018	2017
INCOME		
Grant revenue	\$ 54,535	\$ 54,056
Folklorama income	52,211	56,097
Donations	5,961	7,399
	<u>112,707</u>	<u>117,552</u>
EXPENSES		
Folklorama expenses	40,748	49,780
Salaries and wages	20,015	27,654
Volunteer expenses	10,599	9,766
Project events	9,610	4,428
Rental	7,762	7,500
Professional fees	4,997	-
Meals and entertainment	2,584	2,909
Utilities	2,381	2,251
Office	1,240	4,017
Licenses	1,125	110
Community outreach	901	10,741
Advertising and promotion	692	-
Insurance	674	635
Equipment rentals	461	196
Interest and bank charges	144	148
	<u>103,933</u>	<u>120,135</u>
EXCESS (DEFICIENCY) OF INCOME OVER EXPENSES FROM OPERATIONS	8,774	(2,583)
OTHER INCOME	6	425
EXCESS (DEFICIENCY) OF INCOME OVER EXPENSES	\$ 8,780	\$ (2,158)

AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)
Statement of Changes in Net Assets
Year Ended September 30, 2018

	2017 Balance	Excess of income over expenses	2018 Balance
GENERAL FUND	\$ 165,623	\$ 8,780	\$ 174,403

AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)
Statement of Cash Flow
Year Ended September 30, 2018

	2018	2017
OPERATING ACTIVITIES		
Excess (deficiency) of income over expenses	\$ 8,780	\$ (2,158)
Changes in non-cash working capital:		
Accounts receivable	10,204	19
Accounts payable	(6,845)	7,474
	<u>3,359</u>	<u>7,493</u>
INCREASE IN CASH FLOW	12,139	5,335
Cash - beginning of year	<u>138,274</u>	<u>132,939</u>
CASH - END OF YEAR	\$ 150,413	\$ 138,274

AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)
Notes to Financial Statements
Year Ended September 30, 2018

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.

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 restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund. As of September 30, 2018 there are no restricted funds held by ACOMI.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

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.

AFRICAN COMMUNITIES OF MANITOBA INC. (ACOMI)
Notes to Financial Statements
Year Ended September 30, 2018

3. FINANCIAL INSTRUMENTS

The Company 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 Company's risk exposure and concentration as of September 30, 2018. There have been no changes to the concentration of risks noted below since the prior period.

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company 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 Company manages exposure through its normal operating and financing activities. The Company is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization (1)	2018 Net book value	2017 Net book value
Equipment	\$ 1,105	\$ -	\$ 1,105	\$ 1,105
Furniture and fixtures	25,480	-	25,480	25,480
	\$ 26,585	\$ -	\$ 26,585	\$ 26,585

(1) ACOMI follows ASNFPPO and therefore, is not required to amortize their property and equipment because their annual revenues do not exceed \$500,000.

5. COMPARATIVE FIGURES

The financial statements for the year ended September 30, 2017 were not audited and are presented for comparative purposes only.
