

WRITERS' GUILD OF ALBERTA

FINANCIAL STATEMENTS

March 31, 2024

Bergeron

& Co COMPTABLES PROFESSIONNELS AGRICULTURE

WRITERS' GUILD OF ALBERTA

FINANCIAL STATEMENTS

March 31, 2024

INDEX

Page

Independent Auditor's Report

Statement of Operations

Statement of Changes in Net Assets

Statement of Financial Position

Cash Flow Statement

Notes to Financial Statements 7-12 **Bergeron & Co.**

Bergeron

— COMPTABLES PROFESSIONNELS AGREES

Opinion

Pierre Bergeron CPA, CGA* Simon Belzile CPA, CGA* Mathieu
Lepage CP/X, CGA* Pro-ss-ona

INDEPENDENT AUDITOR'S REPORT

To the Members of Writers' Guild of Alberta

We have audited the accompanying financial statements of Writers' Guild of Alberta, which comprise the statement of financial position as at March 31, 2024, and the statements of operations, 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, the financial statements present fairly, in all material respects, the financial position of Writers' Guild of Alberta as at March 31, 2024, and the results of its activities and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 Statements section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 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 Entity'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 Entity'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 Entity 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.

Bergeron & Co. Chartered Professional Accountants May 21, 2024 Edmonton, AB

	\$ 499,704	712,234
		323,157 177,335 159,437 11,940
		10,160
		4,038
		8,037
REVENUES		Contributions Edmonton
Grants (Note 10)		Community Foundation Bank
Programming		charges (Note 7)
Membership fees		Telephone and utilities
Donations	75,329	Rent
Interest	42,193	Advertising and promotion
Sponsorships	24,248	Amortization of tangible capital
Fundraising	12,426	assets
Advertising	10,600	
Other	4,072	
	600	
	32	
EXPENSES	669,204	EXCESS (DEFICIENCY) OF
Wages and benefits		REVENUE
Contract fees		4,599
Program	319,594	3,565
Professional fees	155,616	3,075
Office and administration	137,245	2,057
Insurance	11,967	1,042
Travel	10,327	675
WRITERS' GUILD OF	6,579	661,324
ALBERTA STATEMENT OF	4,983	7,245
OPERATIONS For the year	2023	4,138
ended March 31, 2024		3,365
	527,950 74,852 41,749 20,264	2,011
	4,988	840
	17,900	949
2024.	10,207	712,652
	700	
	13,624	

OVER EXPENSES \$ 7~880 (418)

Bergeron & Co.

WRITERS' GUILD OF ALBERTA

STATEMENT OF CHANGES IN NET ASSETS For the year ended March 31, 2024

Invested in

Total

Total

NET ASSETS

Restricted (Note 11)

capital assets Unrestricted

2024

2023

Balance, beginning of year

Excess (deficiency) of revenues over expenses **Balance, end of year**

\$ 165,000 \$ 2,252 \$ 138,586 - (675) 8,555 \$ 165,000 \$ 1.,577 \$ 147,141

\$ 305,838

7,880

\$ 313,718

\$ \$

306,256 (418)

305,838

See accompanying Notes to Financial Statements 4.

**WRITERS' GUILD OF
ALBERTA**

**STATEMENT OF FINANCIAL
POSITION March 31, 2024**

ASSETS

	2024	
CURRENT		38,000
Cash (Note 3)		1,577
Accounts receivable (Note 4)		\$ 515,578
Goods and Services Tax recoverable		
Prepaid expenses		
Short-term investments (Note 5)		\$ 26,299 175,561
TOTAL CURRENT ASSETS		201,860
INVESTMENTS (Note 5)		
TANGIBLE CAPITAL ASSETS (Note 6)		201,860
TOTAL ASSETS		
		1,577
		165,000
		147,141
		313,718
		\$ 515,578
		312,375 17,309 4,054
		19,491 96,606
	NET ASSETS	
	Net assets invested in capital assets	449,835 68,754 2,252
	Restricted net assets (Note 11)	520,841
	Unrestricted net assets	
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 7) Deferred contributions (Note 8)		40,318 145,787
TOTAL CURRENT LIABILITIES		186,105
	Approved by the Directors:	
		28,898 215,003
LOAN ISSUED UNDER THE CANADA EMERGENCY BUSINESS ACCOUNT (Note 9)	\$ 239,731 7,113	
	3,090	2,252
	3,801	165,000 138,586
TOTAL LIABILITIES	222,266	305,838 520,841
	476,001	

, Director , Director

See accompanying Notes to Financial Statements

Bergeron&Co.

WRITERS' GUILD OF ALBERTA	CASH	52,262	
CASH FLOW STATEMENT	CASH, beginning of year		
For the year ended March 31, 2024	CASH, end of year	(30,000)	
OPERATING ACTIVITIES			
Excess (deficiency) of revenue over expenses		(191,512)	
Add (deduct):		96,606	
Charges to income not involving cash		(94,906)	
Amortization of tangible capital assets		(72,644)	
Interest reinvested directly to investments		312,375	
		\$ 239,731	
		2023	
Net change in non-cash working capital balances related to operations	See accompanying Notes to Financial Statements	(418)	
Trade receivables	Bergeron&Co.	949	
Interest receivable		1,407	
Grants receivable		1,938	
Goods and Services Tax recoverable			
Prepaid expenses			
Accounts payable and accrued liabilities	2024	(7,241)	
Deferred contributions	\$ 7,880	(2,700)	
		11,813	
		(2,271)	
		(8,710)	
FINANCING ACTIVITIES	675	30,715	
Repayment of	1,100	21,567	
Canada Emergency Business Account loan	9,655	45,111	
INVESTING ACTIVITIES	13,863		
Purchase of investments	(3,667)		
Receipt of investments	-		
	964		
	15,690		
	(14,017)	(121,180)	121,180
(DECREASE) INCREASE IN	29,774		

WRITERS' GUILD OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
March 31, 2024

¹⁰ **PURPOSE OF THE NOT-FOR-PROFIT ORGANIZATION AND ECONOMIC DEPENDENCY**

The Writers' Guild of Alberta (the "Guild") was incorporated in 1981 under the Societies Act of the province of Alberta. The Guild is engaged in the operation of a Provincial Arts Service Organization (PASO) dedicated to writers. The Writers' Guild of Alberta is a registered charitable organization therefore it is exempt from income taxes.

The Writers' Guild of Alberta receives 38% of its revenue from one grantor (2023 - 34%).

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and include the following significant accounting policies:

Management's use of estimates

- a) The preparation of these 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current year. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

Revenue recognition

- b) The Guild uses the deferral method of accounting for contributions (i.e. grants, casino, and donations). Under this method, contributions restricted to expenses of future periods are deferred and recognized as revenue in the period when the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Programming fees, fundraising, sponsorships, and advertising are recognized as revenue upon the completion of the event to which they relate.

Membership fees are recognized as revenue in the fiscal year to which they relate.

Investment transactions are recognized on the transaction date and resulting revenue is recognized on an accrual basis. Specifically, interest income is recognized on a time proportion basis.

Financial instruments

- c) Financial assets and liabilities are measured initially at fair value. Subsequent measurement is at amortized cost.

Financial assets measured at amortized cost consist of cash, trade receivables, grants receivable, interest receivable, and non-redeemable guaranteed investment certificates.

Financial liabilities measured at amortized cost consist of accounts payable and accrued liabilities.

Transaction costs related to financial assets and financial liabilities subsequently measured at amortized cost are included or deducted in the initial measurement of the asset or liability.

Bergeron & Co.

WRITERS' GUILD OF ALBERTA NOTES TO FINANCIAL STATEMENTS March 31, 2024

Impairment of financial assets

- d) Financial assets measured at cost or amortized cost are tested for impairment if there are indications of possible impairment. The amount of the write-down is recognized in income. A previously recognized impairment loss may be reversed to the extent of the improvement, either directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment loss not been recognized previously. The amount of the reversal is recognized in income.

Cash and cash equivalents

- e) The Guild's policy is to present bank balances and guaranteed investment certificates with a maturity period of three months or less from the date of acquisition under cash and cash equivalents.

Tangible capital assets of an NPO

- f) Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution. Amortization is recorded at the following rates, which have been established by estimates of useful lives. Additions during the current year are amortized at one-half their normal rates, and no amortization is taken in the year of disposition.

Furniture and fixtures 30% declining balance
Computer hardware

20% declining balance

Amortization expense is reported in the statement of operations.

When a tangible capital asset no longer has any long-term service potential for the Guild, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

Contributed materials and services

- g) Volunteers contribute many hours per year to assist the Guild in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements. Contributed materials are recognized at their fair value.

RESTRICTED CASH

2024 2023

Externally restricted cash - Casino funds
Externally restricted cash - Deferred
contributions Externally restricted cash

Unrestricted cash

Cash

10,216 \$ 55,755 71,345 90,032 81,561 145,787

158,170 166,588 239,731 \$ 312,375

Bergeron & Co.

WRITERS' GUILD OF ALBERTA NOTES TO FINANCIAL STATEMENTS March 31, 2024

ACCOUNTS RECEIVABLE

2024 2023

Trade receivables	maturing	
\$ Interest receivable	328 \$ 14,191 6,785 3,118	
	7,113 \$ 17,309	

INVESTMENTS

2024 2023

Non-redeemable Guaranteed Investment Certificate,

on April 13, 2024, bearing interest at 2.5% per annum (*) \$ 68,754 \$ 68,754

Non-redeemable Guaranteed Investment Certificate, maturing
on June 8, 2024, bearing interest at 4.55% per annum (**) 38,000

Non-redeemable Guaranteed Investment Certificate maturing
on June 28, 2024, bearing interest at a rate of 4.50% per
annum (*) 51,426

Non-redeemable Guaranteed Investment Certificate maturing
on August 19, 2024, bearing interest at 5.15% per annum
18,000

Non-redeemable Guaranteed Investment Certificate maturing
on March 25, 2025, bearing interest at 4.00% per annum (*) 46,086

Non-redeemable Guaranteed Investment Certificate maturing
on June 8, 2025, bearing interest at a rate of 4.20% per
annum (**) 38,000

Redeemable Guaranteed Investment Certificate, maturing on
June 28, 2023, bearing interest at 1.25% per annum 51,426

Non-redeemable Guaranteed Investment Certificate maturing
on March 23, 2024 bearing interest at a rate of 2.00% per
annum 45,180 \$ 260,266 \$ 165,360

(*) As mentioned in note II, the guaranteed investment certificates are restricted to cover the internally imposed restriction.

(**) The two GICs for \$38,000 consist of contributions from the Edmonton Arts Council for 2024-2026 that have been deferred.

(***) The GIC of \$18,000 consists of contributions from the Edmonton Community Foundation for 2024-2025 that have been deferred.

Bergeron & Co.

WRITERS' GUILD OF ALBERTA NOTES TO FINANCIAL STATEMENTS March 31, 2024

TANGIBLE CAPITAL ASSETS

	Accumulated Net Book Value	
	Cost	Amortization
	2024	2023
Computer hardware	\$ 34,324	\$ 33,018
Furniture and fixtures	\$ 1,306	\$ 1,913
CREDIT CARDS	9,293	9,022
	271	339
	\$ 43,617	\$ 42,040
	\$ 1,577	\$ 2,252

The Guild holds a credit card with an authorized credit limit of \$8,000 bearing interest at a rate of 19.99%. The amount payable on the credit card as at March 31, 2024, was \$2,739 (2023 - \$4,283). This balance is included in the accounts payable and accrued liabilities amount. The amount of interest paid on the credit cards during the fiscal year was \$35 (2023 - \$371); these amounts are included in bank charges. The credit cards are guaranteed by the current and future assets of the Guild.

DEFERRED CONTRIBUTIONS

	Opening	Funds received	Funds used	Ending
Edmonton Arts Council	\$		(51,806)	\$ 87,194
Edmonton Community Foundation				18,000 - 18,000
Calgary Arts				
Development Agency				
Casino				
Donations, fees and other Alberta				
Foundation for the Arts				
Rozsa Foundation				
RBC - Emerging Artists				
Saskatchewan Arts Board				
Alberta Culture & Tourism				

Bergeron&Co.

26,200

56,239

45,848

10,000

7,500

\$ 145,787

38,256 (64,456) -

(46,023) 10,216

(13,373) 32,475

242,134 (252,134) -

7,000 (1,950) 5,050

15,000 (15,000) 7,500

7,125 - 7,125

8,750 (750) 8,000

\$ 475,265 \$ (445,492) \$ 175,560 10.

LOAN GRANTED UNDER THE CANADA EMERGENCY BUSINESS

ACCOUNT

2024 2023

Loan, with an unpaid principal of \$40,000, guaranteed by the Canadian government, interest-free until December 31, 2023 (a) \$ - \$ 28,898

(a) The Guild obtained a \$40,000 loan under the Canada Emergency Business Account Program. If the Guild repaid \$30,000 by December 31, 2023, the \$10,000 balance would be forgiven. Otherwise, an interest rate of 5% would apply to the balance which would be repayable in 36 monthly blended installments. The loan was repaid on January 2, 2024. The loan of \$30,000 net of the forgivable portion was included in short-term debt at year-end and the interest cost of \$1,102 to adjust the loan balance to fair value was included in interest expense.

Regular principal payments required on all long-term debt for the next five years are due as follows:

2025 \$ 0
2026 0
2027 0
2028 0
2029 0

\$ 0

2023

10. GRANTS

244,914

38,800

81,346

26,980

78,400

20,931

15,000

7,500

1,000

10,750

2,000

330

527,951

Alberta Foundation for the Arts

Calgary Arts Development

Agency

Edmonton Arts Council

Alberta Gaming, Liquor and

Cannabis Canada Council for the **Bergeron & Co.**

Arts

Edmonton Community

Foundation

Royal Bank of Canada Emerging \$ 252,134 64,456

Artists Rozsa Foundation 51,806

LCM Foundation 45,539

Alberta Culture Days 42,000

Amber Bowerman-Webb 25,069

Foundation Cultural Human 15,000

Resources Council 1,950

1,000

750

11.

\$ 499,704

11. RESTRICTED NET ASSET

The Writers' Guild of Alberta's Board of Directors has restricted a sum of \$61,000 (2023 - \$61,000) as a sustainability fund. The funds are held in the guaranteed investment certificates pursuant to the conditions imposed by grant contracts; see note 5.

The Writers' Guild of Alberta Board of Directors restricted a sum of \$104,000 (2023 - \$104,000) as a sustainability fund for future programming and operations. These funds are held in the guaranteed investment certificates; see note 5.

12. WRITERS' GUILD OF ALBERTA ENDOWMENT FUND

The Writers' Guild of Alberta is the beneficiary of the Writers' Guild of Alberta Endowment Fund held with the Edmonton Community Foundation. Assets of this fund are not the property of the Guild but the income generated from the fund is transferred to the Guild. As at December 31, 2023, the balance in the Foundation's Endowment Fund was \$56,150 (2022 - \$52,151).

13. FUND-RAISING EXPENSES AND OTHER

As required under Section 7(2) of the Regulations of the Charitable Fundraising Act of Alberta, the Guild discloses that it incurred \$0 of expenses related to fundraising in 2024 (2023 - \$0) and it received \$28,320 of contributions in 2024 (2023 - \$30,471).

14. FINANCIAL INSTRUMENTS

The Guild is exposed to various risks through its financial instruments. The following analysis presents the Guild's exposures to significant risks at reporting date.

Credit risk:

The Guild is exposed to credit risk with respect to its trade receivables, interest receivable and grants receivable.

Interest rate risk:

The Guild is exposed to interest rate risk on its fixed-rate financial instruments, which consists solely of guaranteed investment certificates. These fixed-rate instruments subject the Guild to a risk of changes in fair value.

Liquidity risk:

The Guild is exposed to liquidity risk with respect to its accounts payable and accrued liabilities.

The Guild's estimates that its exposure to the above noted risks has not significantly changed from the previous period.

15. COMPARATIVE INFORMATION

Certain corresponding figures have been reclassified to conform with the current year classifications.