

BLACK LAW STUDENT'S ASSOCIATION

2024 Financial Statements

BLACK LAW STUDENT'S ASSOCIATION
Financial Statements

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Independent Auditor's Report

To the members of Black Law Student's Association

Qualified Opinion

We have audited the financial statements of Black Law Student's Association, which comprise the statement of financial position as at March 31, 2024, 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 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 March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

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 fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023, and net assets as at and March 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended March 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

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 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 qualified opinion.

Other Matter

The financial statements of the Organization for the year ended March 31, 2023 were neither audited nor reviewed.

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 ASNPO, 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.

Independent Auditor's Report — continued

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.

GMS Professional Corp

GMS Professional Corporation
Chartered Professional Accountants
Authorized to Practice Public Accounting by the Chartered
Professional Accountants of Ontario

Mississauga, Ontario
February 6, 2025

BLACK LAW STUDENT'S ASSOCIATION
Statement of Financial Position
As at March 31, 2024

	2024	2023
ASSETS		
Current assets		
Cash	\$ 185,483	\$ 146,255
Accounts receivable	1,400	36,265
Prepaid expenses	940	-
	\$ 187,823	\$ 182,520

LIABILITY AND FUND BALANCES

Current liability		
Accounts payable and accrued liabilities	\$ 6,445	\$ 1,744
Net assets	181,378	180,776
	\$ 187,823	\$ 182,520

See accompanying notes

On behalf of the Board

Member

Member

BLACK LAW STUDENT'S ASSOCIATION

Statement of Operations and Changes in Net Assets Year ended March 31, 2024

	2024	2023
Revenue		
Partners & Sponsorship	\$ 500,395	\$ 527,259
Grants (note 3)	167,721	33,000
Event Registration	146,860	118,487
	814,976	678,746
Expenditures		
Conference Venue and Meals	599,366	379,903
Event expenses	130,210	95,580
Travel	26,701	9,176
Scholarships	20,750	18,500
Chapter Fund	14,681	17,420
Accounting and legal	9,259	1,612
Wages and benefits	4,911	-
Dues and subscriptions	4,292	2,583
Office	3,864	5,497
Advertising and promotion	2,182	-
Insurance	1,499	-
Rent	733	4,285
Interest and bank charges	594	517
Computer expense	415	1,695
Donations	-	2,200
	819,457	538,968
Excess (deficiency) of revenue over expenditures before undernoted item	(4,481)	139,778
Other income		
Interest	5,083	1,254
Excess of revenue over expenditures	602	141,032
Net assets, beginning of year	180,776	39,744
Net assets, end of year	\$ 181,378	\$ 180,776

See accompanying notes

BLACK LAW STUDENT'S ASSOCIATION

Statement of Cash Flows Year ended March 31, 2024

	2024	2023
Operating activities		
Excess of revenue over expenditures	\$ 602	\$ 141,032
Net change in non-cash working capital items		
Accounts receivable	34,865	(36,265)
Prepaid expenses	(940)	-
Accounts payable and accrued liabilities	4,701	1,596
	38,626	(34,669)
Net change in cash during the year	39,228	106,363
Cash, beginning of year	146,255	39,892
Cash, end of year	\$ 185,483	\$ 146,255

See accompanying notes

BLACK LAW STUDENT'S ASSOCIATION

Notes to Financial Statements
Year ended March 31, 2024

1. Nature of operations

The Black Law Students' Association of Canada (BLSA Canada) is a national student-run organization registered under the Canada Not-for-profit Corporations Act on June 14, 2016. The aim of the organization is to support and enhance academic and professional opportunities for Black law students.

2. Summary of significant accounting policies and general information

The Organization applies the Canadian accounting standards for not-for-profit organizations.

Revenue recognition

The Organization 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.

The organization generates revenue through Event Registrations, Donations, Sponsorships and Grants.

Revenue from events registrations, sponsorships and donations is recognized upon receipt of funds.

Restricted Contribution/Grants are recognized as revenue in the year in which the related expenses are incurred.

Interest income is recognised upon accrual.

Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with maturities of three months or less from their date of acquisition, which are readily convertible into a known amount of cash, and are subject to an insignificant risk to changes in their fair value.

Contributed services

Directors, members and owners volunteer their time to assist in the Organization's activities. While these services benefit the Organization considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

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

Related parties

Directors exercise control over the organization, hence are considered related parties. During the year there are no related party transactions entered by Organisation.

BLACK LAW STUDENT'S ASSOCIATION

Notes to Financial Statements

Year ended March 31, 2024

3. Government Grants

	2024	2023
Law Foundation of Ontario	\$ 99,991	\$ 28,000
Law Foundation of British Columbia	25,000	5,000
New Brunswick Law Foundation	21,880	-
Law Foundation of Manitoba	9,000	-
Canadian Race Relations Foundation-Law Foundation of Ontario	7,000	-
Canada Federation	4,850	-
	<u>\$ 167,721</u>	<u>\$ 33,000</u>

4. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

Liquidity risk

The Organization does have a liquidity risk in the accounts payable and accrued liabilities of \$6,445 (2023-\$1,744). Liquidity risk is the risk that the Organization cannot repay its obligations when they become due to its creditors. The Organization reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due. In the opinion of management the liquidity risk exposure to the Organization is low and is not material.

Credit risk

The Organization does have credit risk in accounts receivable of \$1,400 (2023 - \$36,296). Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Organization reduces its exposure to credit risk by performing credit valuations on a regular basis and creating an allowance for bad debts when applicable. In the opinion of management the credit risk exposure to the Organization is low and is not material.