

**National Spiritual Assembly of
the Bahá'ís of Canada
Financial Statements
For the year ended April 30, 2021**

Contents

Independent Auditor's Report	2 - 3
Financial Statements	
Statement of Financial Position	4
Statement of Changes in Fund Balances	5
Statement of Operations	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 16
Schedule 1 - International and Canadian Expenditures	17
Schedule 2 - Other Restricted Funds	18
Schedule 3 - Statement of Operations by Fund	19 - 26



Independent Auditor's Report

To the Board of Directors of the National Spiritual Assembly of the Bahá'ís of Canada

Qualified Opinion

We have audited the financial statements of the National Spiritual Assembly of the Bahá'ís of Canada ("National Assembly"), which comprise the statement of financial position as at April 30, 2021 and the statements of changes in fund balances, operations 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 possible effects of the matters 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 National Spiritual Assembly of the Bahá'ís of Canada as at April 30, 2021, 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.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the National Assembly derives revenue from contributions, 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 National Assembly. Therefore, we were unable to determine whether any adjustments might be necessary to contributions revenue, excess of revenue over expenditures, and cash flows from operations for the years ended April 30, 2021 and 2020, current assets as at April 30, 2021 and 2020, and fund balances as at May 1 and April 30 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended April 30, 2020 was modified accordingly because of the possible effects of this limitation in scope.

In addition, as described in Note 7(b) the National Assembly exercises control over a certain not-for-profit organization as they have the same Board of Directors. Canadian Accounting Standards for Not-for-Profit Organizations Section 4450, Reporting controlled and related entities by not-for-profit organizations, requires controlled not-for-profit organizations to be consolidated in the financial statements or to have certain financial information relating to the controlled not-for-profit organization disclosed. We were unable to obtain sufficient appropriate audit evidence relating to the financial information of this controlled not-for-profit organization because it is not available from management. Consequently, we were unable to determine if adjustments or disclosures relating to the controlled not-for-profit organization were necessary.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the National Assembly'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 National Assembly or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the National Assembly's financial reporting process.



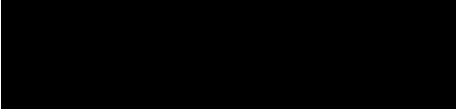
Auditor's Responsibilities for the Audit of the Financial Statements

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 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 National Assembly'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 National Assembly'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 National Assembly 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.



Chartered Professional Accountants, Licensed Public Accountants
Oakville, Ontario



National Spiritual Assembly of the Bahá'ís of Canada
Statement of Financial Position

April 30 2021 2020

Assets

Current

Cash	\$ 18,370,528	\$ 10,701,775
Investments in marketable securities (Note 2)	64,715,335	52,756,612
Institution loan receivable	123,595	137,017
Accounts receivable	1,151,836	589,120
Inventory	79,246	68,440
Prepaid expenses	75,006	94,488
Current portion of mortgage receivable (Note 3)	1,402,000	186,000

85,917,546 **64,533,452**

Mortgage receivable (Note 3)	-	1,402,000
Capital assets (Note 4)	7,381,834	7,340,978
Intangible asset (Note 5)	32,285	31,269

\$ 93,331,665 **\$ 73,307,699**

Liabilities and Fund Balances

Current

Due to Bahá'í World Centre (Note 6)	\$ 15,543,406	\$ 24,583,825
Accounts payable and accrued liabilities	977,771	944,275
Due to members and Local Spiritual Assemblies	114,064	125,297
Due to related party (Note 7(a))	374,775	420,110

17,010,016 **26,073,507**

Future employee benefits	1,383,677	1,457,190
--------------------------	-----------	-----------

18,393,693 **27,530,697**

Fund balances

National Fund	1,350,082	(185,533)
Capital Fund	9,717,659	9,675,787
International Fund	34,873,256	12,067,651
Bequest Fund	8,146,980	6,211,697
Other Restricted Funds	20,849,995	18,007,400

74,937,972 **45,777,002**

\$ 93,331,665 **\$ 73,307,699**

On behalf of the Assembly:

_____ Director

_____ Director

The accompanying notes are an integral part of these financial statements.

National Spiritual Assembly of the Bahá'ís of Canada
Statement of Changes in Fund Balances

For the year ended April 30, 2021

	National Fund	Capital Fund	International Fund	Bequest Fund	(Schedule 2) Other Restricted Funds	Total
Fund balances (deficit), beginning of year	\$ (185,533)	\$ 9,675,787	\$ 12,067,651	\$ 6,211,697	\$ 18,007,400	\$ 45,777,002
Excess (deficiency) of revenue over expenditures for the year (Schedule 3)	1,918,841	(208,246)	22,540,018	1,935,283	2,975,074	29,160,970
Amounts provided by other funds for purchase of assets	(69,610)	250,118	(7,930)	-	(172,578)	-
Transfer (from) to other funds	(313,616)	-	273,517	-	40,099	-
Fund balances (deficit), end of year	\$ 1,350,082	\$ 9,717,659	\$ 34,873,256	\$ 8,146,980	\$ 20,849,995	\$ 74,937,972

For the year ended April 30, 2020

	National Fund	Capital Fund	International Fund	Bequest Fund	(Schedule 2) Other Restricted Funds	Total
Fund balances, beginning of year	\$ 733,105	\$ 9,901,278	\$ 1,902,279	\$ 6,316,676	\$ 18,738,855	\$ 37,592,193
Excess (deficiency) of revenue over expenditures for the year (Schedule 3)	(538,925)	758,162	8,684,433	(104,979)	(613,882)	8,184,809
Amounts provided by other funds for purchase of assets	(170,715)	351,808	-	-	(181,093)	-
Transfer (from) to other funds	(208,998)	(1,335,461)	1,480,939	-	63,520	-
Fund balances (deficit), end of year	\$ (185,533)	\$ 9,675,787	\$ 12,067,651	\$ 6,211,697	\$ 18,007,400	\$ 45,777,002

The accompanying notes are an integral part of these financial statements.

**National Spiritual Assembly of the Bahá'ís of Canada
Statement of Operations**

For the year ended April 30

2021

2020

Revenue

Contributions	\$ 24,550,785	\$ 16,869,028
Foreign exchange gain (loss)	2,521,587	(853,039)
Investment income (loss)	8,384,203	(1,462,439)
Rental income	41,790	55,893
Bahá'í Distribution Service - Canada, book sales	73,623	126,671
Gain on sale of building	-	983,689
Government assistance (Note 11)	173,209	-
	35,745,197	15,719,803

Expenditures

International activities (Schedule 1)	1,026,138	1,264,532
Canadian activities (Schedule 1)	5,558,089	6,270,462
	6,584,227	7,534,994

Excess of revenue over expenditures for the year

\$ 29,160,970 \$ 8,184,809

The accompanying notes are an integral part of these financial statements.

National Spiritual Assembly of the Bahá'ís of Canada
Statement of Cash Flows

For the year ended April 30 2021 2020

Cash provided by (used in)

Operating activities

Excess of revenue over expenditures for the year	\$ 29,160,970	\$ 8,184,809
Adjustments required to reconcile excess of revenue over expenditures with net cash provided by operating activities		
Amortization of capital assets	184,302	194,177
Amortization of intangible asset	23,945	31,350
Unrealized investment (gains) losses	(9,031,466)	1,531,785
Loss on sale of investments in marketable securities	6,549	49,699
Gain on sale of building	-	(983,689)
Future employee benefits	(73,513)	(71,624)
Changes in non-cash working capital balances		
Accounts receivable	(562,716)	152,753
Institution loan receivable	13,422	(56,316)
Inventory	(10,806)	24
Prepaid expenses	19,482	247,224
Accounts payable and accrued liabilities	33,496	140,688
	19,763,665	9,420,880

Investing activities

Purchase of capital assets	(225,158)	(333,721)
Purchase of intangible asset	(24,961)	(18,087)
Purchase of investments in marketable securities	(4,139,730)	(28,126,516)
Proceeds on sale of building	-	1,400,000
Proceeds on sale of investments in marketable securities	1,205,924	18,248,094
	(3,183,925)	(8,830,230)

Financing activities

Repayment to Bahá'í World Centre	(9,040,419)	(2,567,086)
Receipt of mortgage receivable payments	186,000	248,000
Repayment of due to members and Local Spiritual Assemblies	(11,233)	(1,421)
Advances from (repayment to) related party	(45,335)	5,033
	(8,910,987)	(2,315,474)

Increase (decrease) in cash during the year	7,668,753	(1,724,824)
Cash, beginning of year	10,701,775	12,426,599
Cash, end of year	\$ 18,370,528	\$ 10,701,775

The accompanying notes are an integral part of these financial statements.

National Spiritual Assembly of the Bahá'ís of Canada

Notes to Financial Statements

April 30, 2021

1. Significant Accounting Policies

Nature of Operations

The National Spiritual Assembly of the Bahá'ís of Canada ("National Assembly") is the national body of the Bahá'í Faith in Canada. It carries on various programs in Canada and outside Canada in cooperation with other agencies to advance the teachings of the Bahá'í Faith and carry on various humanitarian projects.

The National Assembly was incorporated by a special Act of Parliament in 1949 and is a registered charity under the Income Tax Act, and is not subject to income tax.

Basis of Accounting

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

Use of Estimates

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Fund Accounting

The National Assembly follows the restricted fund method of accounting for contributions.

General Funds

The National Fund accounts for the National Assembly's general program and is funded from unrestricted contributions from members of the Bahá'í Faith. The assets and liabilities presented on the statement of financial position reflect the assets and liabilities of the National Fund unless otherwise noted in the fund descriptions below.

The Capital Fund reports the assets, liabilities, revenues and expenditures relating to the National Assembly's capital and intangible assets. Assets relating to specialized programs are recorded in separate funds. The capital and intangible assets and the mortgage receivable represent the assets of the Capital Fund.

National Spiritual Assembly of the Bahá'ís of Canada Notes to Financial Statements

April 30, 2021

1. Significant Accounting Policies (Continued)

Fund Accounting (continued)

General Funds (continued)

The Bahá'í Distribution Services (BDS) Fund is an internally restricted fund relating to the National Assembly's distribution of books and other material relating to the Bahá'í Faith, primarily to customers located in Canada. Accounts receivable of \$38,650 (2020 - \$19,471) and inventory of \$79,246 (2020 - \$68,440) represent the assets of the Bahá'í Distribution Services (BDS) Fund.

The Bahá'í Assistance Fund consists of internally restricted funds that are used to provide support where needed to staff and members of the community receiving some or no stipend. Financial assistance is generally offered in the form of reimbursements to assist with medical, dental, or other financial needs in a manner approved by the National Assembly. Future employee benefits represent the liabilities of the Bahá'í Assistance Fund.

The Property Reserve Fund is an internally restricted fund set aside for improvement and maintenance of properties and includes income generated from the properties. Investments in marketable securities of \$9,761,293 (2020 - \$8,528,258) represent the assets of the Property Reserve Fund.

The total of all general fund balances for the year is \$29,435,578 (2020 - \$24,890,708).

Externally Restricted Funds

The International Fund reports the assets, liabilities, revenues and expenditures relating to the National Assembly's international activities and is funded from contributions specified for international activities from members of the Bahá'í Faith. \$32,136 (2020 - \$32,136) included in accounts payable and accrued liabilities represent the liabilities of the International Fund.

The Bequest Fund reports resources received through bequests. Investment income earned on these resources is used in accordance with the restrictions attached to the bequest or contribution. Included in the Bequest Fund is \$2,175,188 (2020 - \$1,858,266) in externally restricted funds. The remainder of the funds are internally restricted. Investments in marketable securities of \$6,530,318 (2020 - \$4,990,341) represent the assets of the Bequest Fund.

The Community Property Fund is an externally restricted fund used for the purpose of generating resources to be used to acquire or rent property for use by the National Assembly. Included in the Community Property Fund is \$3,180,836 (2020 - \$2,245,367) in externally restricted funds. The remainder of the funds are internally restricted.

National Spiritual Assembly of the Bahá'ís of Canada

Notes to Financial Statements

April 30, 2021

1. Significant Accounting Policies (Continued)

Fund Accounting (continued)

Externally Restricted Funds (continued)

The Deputization Fund is an externally restricted fund used to support Canadian Bahá'í volunteers who relocate within Canada or to countries outside of Canada for the purpose of teaching the Bahá'í Faith in those communities by supporting the development of the Bahá'í community and its activities in such locations.

The Canadian House of Worship Fund is an externally restricted fund and to be used for the eventual construction of a House of Worship for Canada.

The Earmarked Contribution Trust Fund is an externally restricted fund to be used for specific projects and activities such as the production of literature and audio-visual materials. Also included are other externally restricted contributions temporarily held for Local Assemblies, Wilmette House of Worship and other agencies.

The Continental Fund is an externally restricted fund used for the protection and propagation of the Bahá'í Faith. This includes, in addition to administration, such activities as protection measures, teaching and deepening programs, consultations with Assemblies and individual believers, the holding of, or participation in conferences and institutes, and in general, encouraging, counselling and assisting the Assemblies and the members of the Bahá'í Faith.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, except for investments in marketable securities, which are measured at fair value. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization based on the estimated useful life of the asset is calculated as follows:

Buildings	- 2 % straight-line basis
Furniture and equipment	- 10 % straight-line basis
Computer equipment	- 25 % straight-line basis

National Spiritual Assembly of the Bahá'ís of Canada
Notes to Financial Statements

April 30, 2021

1. Significant Accounting Policies (Continued)

Intangible Asset

Intangible asset consists of computer software which is recorded at cost and is amortized at a rate of 25% on a straight-line basis.

Impairment of Tangible Capital Assets

When tangible capital assets no longer have any long-term service potential to the National Assembly, the excess of its net carrying amount over any residual value is recognized as an impairment write down in the statement of operations. The National Assembly did not recognize any impairment write downs for tangible capital assets in the current fiscal year.

Revenue Recognition

The National Assembly follows the restricted fund method of accounting for contributions, whereby:

- a) restricted contributions are reported as revenue in the restricted fund; and
- b) unrestricted sources of revenue, including government assistance, are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income (loss) is recorded on an accrual basis and includes dividend and interest income, and realized and unrealized investment gains and losses.

Revenue from the sale of books is recognized when goods are shipped, the sales price is fixed and determinable, collectibility is reasonably assured and title and ownership have passed to the buyer.

Rental income is recognized as revenue when earned on a monthly basis.

Foreign Currency Translation

Foreign currency accounts are translated into Canadian dollars as follows:

At the transaction date, each asset, liability, revenue and expenditure is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in income in the current period.

Inventory

Inventory consists of books and educational materials and are stated at the lower of cost and current replacement cost. Cost is generally determined on the first-in, first-out basis.

National Spiritual Assembly of the Bahá'ís of Canada
Notes to Financial Statements

April 30, 2021

1. Significant Accounting Policies (Continued)

Volunteer Services

The work of the National Assembly is dependent on the efforts of many volunteers. Because these services are not normally purchased by the National Assembly and because of the difficulty of determining their fair value, donated services are not recognized in these financial statements.

Future Employee Benefits

Prior to April 30, 2010 the National Assembly had established a plan to provide retirement benefits for long-term employees based on the categorization of their employment position. There were no new employees added into the plan during the year.

The liability is discounted based on a rate of return on high-quality debt instruments approximating the maturities of the cash payments.

2. Investments in Marketable Securities

	2021	2020
Cash and cash equivalents	\$ 7,678,262	\$ 7,611,196
Equity pooled funds	7,532,785	6,036,581
Equity investments		
Canadian	42,441,540	35,961,333
Foreign	7,062,748	3,147,502
	\$ 64,715,335	\$ 52,756,612

3. Mortgage Receivable

	2021	2020
Mortgage receivable, repayable in principal monthly payments of \$15,500, unsecured and non-interest bearing, due October 31, 2021 (Note 7b)	\$ 1,402,000	\$ 1,588,000
Less: amounts due within one year	1,402,000	186,000
	\$ -	\$ 1,402,000

National Spiritual Assembly of the Bahá'ís of Canada
Notes to Financial Statements

April 30, 2021

4. Capital Assets

	2021		
	Cost	Accumulated Amortization	Net Book Value
Land	\$ 1,915,767	\$ -	\$ 1,915,767
Buildings	8,055,957	2,726,851	5,329,106
Furniture and equipment	243,771	113,209	130,562
Computer equipment	24,397	17,998	6,399
	\$ 10,239,892	\$ 2,858,058	\$ 7,381,834
	2020		
	Cost	Accumulated Amortization	Net Book Value
Land	\$ 1,915,767	\$ -	\$ 1,915,767
Buildings	7,835,731	2,571,004	5,264,727
Furniture and equipment	276,073	121,452	154,621
Computer equipment	29,636	23,773	5,863
	\$ 10,057,207	\$ 2,716,229	\$ 7,340,978

Included in buildings are amounts of \$263,634 (2020 - \$169,639) that are not amortized as they are not in use.

5. Intangible Asset

	2021		
	Cost	Accumulated Amortization	Net Book Value
Computer software	\$ 590,305	\$ 558,020	\$ 32,285
	2020		
	Cost	Accumulated Amortization	Net Book Value
Computer software	\$ 565,344	\$ 534,075	\$ 31,269

National Spiritual Assembly of the Bahá'ís of Canada Notes to Financial Statements

April 30, 2021

6. Due to Bahá'í World Centre

In previous years, the National Assembly borrowed funds under a financing agreement with the Bahá'í World Centre for the purpose of financing the construction of the Bahá'í House of Worship of South America. As at April 30, 2021, the balance outstanding is USD \$10,241,464 (2020 - \$15,441,028), and €2,000,000 (2020 - €2,000,000), which translates to \$15,543,406 (2020 - \$24,583,825) at year end.

The loan is due on demand, is non-interest bearing and is secured by the National Assembly's real estate properties. Annual repayments in the amount of USD \$2,600,000 (2020 - USD \$2,600,000) are due on April 30 every year until the balance is fully repaid.

7. Related Party Balances and Transactions

- a) The National Assembly exercises control over the following organization because they have the same Board of Directors. Disclosure is provided in Note 10 as the organization is not consolidated in the National Assembly's financial statements.

Bahá'í Foundation Canada/Foundation Baha'ie Canada ("Foundation")

The Foundation is a public foundation created to provide publicly available scholarships, bursaries, and other forms of financial assistance to further post-secondary education and training and promote programs reflecting the teachings of the Bahá'í Faith. The Foundation is incorporated under the laws of Canada and is a registered charity under the Income Tax Act.

During the year, the National Assembly donated \$Nil (2020 - \$300,000) to the Foundation. This transaction was carried out in the normal course of operations and was recorded at fair value on the date of contribution.

At year end, the National Assembly owed \$374,775 (2020 - \$420,110) to the Foundation. The balance is unsecured, non-interest bearing and due on demand.

- b) The National Assembly exercises control over the following organization because they have the same Board of Directors. The controlled organization has not been consolidated nor has their financial information been disclosed.

Association for Bahá'í Studies ("Association") was created to promote the study of the Bahá'í Faith and its application to the needs of humanity through publications, conferences, and other educational events. The Association is incorporated without share capital under the Canada Corporations Act and is a registered charity under the Income Tax Act.

During the year, the National Assembly earned \$14,400 (2020 - \$14,400) in rental income from the Association. This transaction was carried out in the normal course of operations and was recorded at fair value at the date of transaction. The National Assembly is owed \$472,361 (2020 - \$313,696) from the Association.

The National Assembly holds a mortgage receivable of \$1,402,000 (2020 - \$1,588,000) due from the Association (Note 3).

National Spiritual Assembly of the Bahá'ís of Canada Notes to Financial Statements

April 30, 2021

7. Related Party Balances and Transactions (Continued)

- c) The National Assembly exercises control over the following organization because they have the same Board of Directors. The Canadian Bahá'í International Development Agency ("CBIDA") is the international social and economic development agency of the Bahá'í Community of Canada that supports local and sustainable social and economic development activities initiated by agencies around the world. The CBIDA is incorporated under the laws of Ontario and is a registered charity under the Income Tax Act. The CBIDA relies on the National Assembly to fund its day to day operations. The controlled organization has not been consolidated nor has their financial information been disclosed as the information is immaterial.
-

8. Commitments

The National Assembly has committed itself to minimum annual payments for its leased premises and service contracts under various operating leases for the next three years as follows:

2022	\$	69,490
2023		49,617
2024		12,995
	<u>\$</u>	<u>132,102</u>

9. Financial Instrument Risks

Market risk

The National Assembly is subject to market risk with respect to its investments in marketable securities. The values of these investments will fluctuate as a result of changes in market prices or other factors affecting the value of the investments. This risk has not changed from the prior year.

Currency risk

The National Assembly is exposed to currency risk on its cash in the statement of financial position in the amount of USD \$3,502,484 (2020 - USD \$125,195) and €104,587 (2020 - €105,824), investments of USD \$8,636,497 (2020 - USD \$4,162,855), and due to the Bahá'í World Centre in the amount of USD \$10,241,464 (2020 - USD \$15,441,028) and €2,000,000 (2020 - €2,000,000) that was converted at the year end exchange rate. This risk has not changed from the prior year.

The unrealized (gain) loss during the year for the amounts due to the Bahá'í World Centre is \$(1,994,455) (2020 - \$570,698) and is recorded in the International Fund.

National Spiritual Assembly of the Bahá'ís of Canada Notes to Financial Statements

April 30, 2021

10. Controlled Not-for-Profit Organization

The National Assembly controls the Bahá'í Foundation Canada/Foundation Bahá'ie Canada (the "Foundation") because they have the same Board of Directors. Financial summaries of the Foundation as at April 30, 2021 are as follows:

Statement of financial position:

	2021	2020
Total assets	<u>\$ 9,942,713</u>	<u>\$ 9,928,878</u>
Total liabilities	\$ 100,055	\$ 66,161
Total net assets	<u>9,842,658</u>	<u>9,862,717</u>
	<u>\$ 9,942,713</u>	<u>\$ 9,928,878</u>

Results of operations:

	2021	2020
Total revenues	\$ 197,114	\$ 1,474,066
Total expenditures	<u>217,173</u>	<u>209,921</u>
Excess (deficiency) of revenue over expenditures for the year	<u>\$ (20,059)</u>	<u>\$ 1,264,145</u>

Cash flows:

	2021	2020
Cash from (used in) operating activities	\$ 97,257	\$ 1,352,008
Cash from (used in) investing activities	<u>(51,328)</u>	<u>(1,378,727)</u>
Increase (decrease) in cash	<u>\$ 45,929</u>	<u>\$ (26,719)</u>

There are no significant differences between the accounting policies followed by the National Assembly and the Foundation.

11. COVID-19 Impact

On March 11, 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a global pandemic which continues to spread throughout Canada and around the world. Management is actively monitoring the global situation on its financial condition, liquidity, operations and sector.

During the year, the National Assembly applied for financial assistance from the Canada Emergency Wage Subsidy program and received \$173,209 (2020 - \$Nil).

Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the National Assembly is not able to estimate the full effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity at this time.

12. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.

National Spiritual Assembly of the Bahá'ís of Canada
Schedule 1 - International and Canadian Expenditures

For the year ended April 30	2021	2020
International Expenditures (Schedule 3)		
International Fund	\$ 930,792	\$ 1,187,418
Earmarked Contribution Trust Fund and National Fund - Wilmette Temple	<u>95,346</u>	<u>77,114</u>
	1,026,138	1,264,532
Canadian Expenditures (Recovery) (Schedule 3)		
National Fund	4,812,144	4,922,241
Capital Fund	208,246	225,527
Bequest Fund	-	1,038
Bahá'í Distribution Services Fund	51,978	122,347
Deputization Fund	311,480	421,000
Bahá'í Assistance Fund	105,657	139,530
Property Reserve Fund	(10,556)	366,526
Earmarked Contribution Trust Fund	<u>79,140</u>	<u>72,253</u>
	5,558,089	6,270,462
	\$ 6,584,227	\$ 7,534,994

National Spiritual Assembly of the Bahá'ís of Canada
Schedule 2 - Other Restricted Funds

Year ended April 30, 2021

	Community Property Fund	Continental Fund	Bahá'í Distribution Services (BDS) Fund	Deputization Fund	Bahá'í Assistance Fund	Property Reserve Fund	Canadian House of Worship Fund	Earmarked Contributions Trust Fund	Total
Fund balances (deficit), beginning of year	\$ 4,745,366	\$ -	\$ (23,126)	\$ 1,522,399	\$ 41,892	\$ 8,528,258	\$ 1,911,943	\$ 1,280,668	\$18,007,400
Amounts provided to other funds for expenditures for the year (Schedule 3)	935,468	157,745	21,645	52,351	(105,657)	1,405,613	308,569	199,340	2,975,074
Amounts provided to other funds for purchase of assets	-	-	-	-	-	(172,578)	-	-	(172,578)
Transfer from (to) other funds	-	(159,901)	-	-	200,000	-	-	-	40,099
Fund balances (deficit), end of year	\$ 5,680,834	\$ (2,156)	\$ (1,481)	\$ 1,574,750	\$ 136,235	\$ 9,761,293	\$ 2,220,512	\$ 1,480,008	\$20,849,995

Year ended April 30, 2020

	Community Property Fund	Continental Fund	Bahá'í Distribution Services (BDS) Fund	Deputization Fund	Bahá'í Assistance Fund	Property Reserve Fund	Canadian House of Worship Fund	Earmarked Contributions Trust Fund	Total
Fund balances (deficit), beginning of year	\$ 4,714,560	\$ -	\$ (27,450)	\$ 1,511,548	\$ (18,578)	\$ 9,275,511	\$ 1,967,579	\$ 1,315,685	\$18,738,855
Excess (deficiency) of revenue over expenditures for the year (Schedule 3)	30,806	136,480	4,324	10,851	(139,530)	(566,160)	(55,636)	(35,017)	(613,882)
Amounts provided to other funds for purchase of assets	-	-	-	-	-	(181,093)	-	-	(181,093)
Transfer from (to) other funds	-	(136,480)	-	-	200,000	-	-	-	63,520
Fund balances (deficit), end of year	\$ 4,745,366	\$ -	\$ (23,126)	\$ 1,522,399	\$ 41,892	\$ 8,528,258	\$ 1,911,943	\$ 1,280,668	\$18,007,400

National Spiritual Assembly of the Bahá'ís of Canada
Schedule 3 - Statement of Operations by Fund
National Fund

For the year ended April 30	2021	2020
Revenue		
Contributions	\$ 5,780,335	\$ 4,650,872
Foreign exchange gain (loss)	527,132	(282,341)
Investment income	235,909	385
Rental income (Note 7b)	14,400	14,400
Government assistance (Note 11)	173,209	-
	<u>6,730,985</u>	<u>4,383,316</u>
Expenditures		
Bank charges and fees	94,742	66,947
National Bahá'í properties	385,922	358,836
National Centre	1,139,160	943,799
Professional services	87,471	56,517
Salaries and benefits	3,094,524	3,191,214
Seminars and meetings	10,325	304,928
	<u>4,812,144</u>	<u>4,922,241</u>
Excess (deficiency) of revenue over expenditures for the year	\$ 1,918,841	\$ (538,925)

National Spiritual Assembly of the Bahá'ís of Canada
Schedule 3 - Statement of Operations by Fund
Capital Fund

For the year ended April 30	2021	2020
Revenue		
Gain on sale of building	\$ -	\$ 983,689
Expenditures		
Amortization		
Building	155,846	162,021
Computer equipment	4,397	4,867
Computer software	23,944	31,350
Furniture and equipment	24,059	27,289
	<u>208,246</u>	<u>225,527</u>
Excess (deficiency) of revenue over expenditures for the year	\$ (208,246)	\$ 758,162

COPY 1

National Spiritual Assembly of the Bahá'ís of Canada
Schedule 3 - Statement of Operations by Fund
International Fund

For the year ended April 30	2021	2020
Revenue		
Contributions	\$ 17,928,991	\$ 10,658,978
Foreign exchange gain (loss) (Note 9)	1,994,455	(570,698)
Investment income (loss)	3,547,364	(216,429)
	<u>23,470,810</u>	<u>9,871,851</u>
Expenditures		
Administrative	66,304	56,655
Property maintenance and utilities	27,949	116,505
Salaries and retirement benefits	193,436	91,651
Training and education	643,103	922,607
	<u>930,792</u>	<u>1,187,418</u>
Excess of revenue over expenditures for the year	\$ 22,540,018	\$ 8,684,433

National Spiritual Assembly of the Bahá'ís of Canada
Schedule 3 - Statement of Operations by Fund
Bequest Fund

For the year ended April 30	2021	2020
Revenue		
Contributions	\$ 186,684	\$ 639,776
Investment income (loss)	1,748,599	(743,729)
Royalty income	-	12
	<u>1,935,283</u>	<u>(103,941)</u>
Expenditures		
General	-	1,038
	<u>1,935,283</u>	<u>(104,979)</u>
Excess (deficiency) of revenue over expenditures for the year	\$ 1,935,283	\$ (104,979)

Community Property Fund

Revenue		
Contributions	\$ 156,737	\$ 166,431
Investment income (loss)	778,731	(135,625)
	<u>935,468</u>	<u>30,806</u>
Excess of revenue over expenditures for the year	\$ 935,468	\$ 30,806

National Spiritual Assembly of the Bahá'ís of Canada
Schedule 3 - Statement of Operations by Fund
Other Restricted Funds

For the year ended April 30	2021	2020
Continental Fund		
Revenue		
Contributions	\$ 157,745	\$ 136,480
<hr/>		
Excess of revenue over expenditures for the year	\$ 157,745	\$ 136,480
<hr/>		
Bahá'í Distribution Services Fund		
Revenue		
	\$ 73,623	\$ 126,671
<hr/>		
Expenditures		
Administrative	166	512
Bank charges and fees	124	44
Purchases	33,353	93,213
Salaries and benefits	18,335	28,578
	<hr/>	<hr/>
	51,978	122,347
<hr/>		
Excess of revenue over expenditures for the year	\$ 21,645	\$ 4,324
<hr/>		

National Spiritual Assembly of the Bahá'ís of Canada
Schedule 3 - Statement of Operations by Fund
Other Restricted Funds

For the year ended April 30	2021	2020
Deputization Fund		
Revenue		
Contributions	\$ 132,568	\$ 475,297
Investment income (loss)	231,263	(43,446)
	<u>363,831</u>	<u>431,851</u>
Expenditures		
Deputization costs	<u>311,480</u>	<u>421,000</u>
Excess of revenue over expenditures for the year	\$ 52,351	\$ 10,851

COPY - COPY

National Spiritual Assembly of the Bahá'ís of Canada
Schedule 3 - Statement of Operations by Fund
Other Restricted Funds

For the year ended April 30	2021	2020
Bahá'í Assistance Fund		
Expenditures		
Retirement assistance - salaries and benefits	\$ 100,958	\$ 139,530
Other assistance	4,699	-
Deficiency of revenue over expenditures for the year	\$ (105,657)	\$ (139,530)
Property Reserve Fund		
Revenue		
Contributions	\$ 1,995	\$ 715
Investment income (loss)	1,365,672	(237,394)
Rental income	27,390	37,045
	1,395,057	(199,634)
Expenditures		
Donation to Foundation (Note 7a)	-	300,000
Property maintenance (recovery)	(10,556)	66,526
	(10,556)	366,526
Excess (deficiency) of revenue over expenditures for the year	\$ 1,405,613	\$ (566,160)

National Spiritual Assembly of the Bahá'ís of Canada
Schedule 3 - Statement of Operations by Fund
Other Restricted Funds

For the year ended April 30	2021	2020
Canadian House of Worship Fund		
Revenue		
Investment income (loss)	\$ 308,569	\$ (55,636)
Excess (deficiency) of revenue over expenditures for the year	\$ 308,569	\$ (55,636)
Earmarked Contribution Trust Fund		
Revenue		
Contributions	\$ 205,730	\$ 140,479
Investment income (loss)	168,096	(30,565)
Rental income	-	4,436
	<u>373,826</u>	<u>114,350</u>
Expenditures		
Administrative	23,214	29,639
Teaching activities	55,926	42,614
Wilmette Temple	95,346	77,114
	<u>174,486</u>	<u>149,367</u>
Excess (deficiency) of revenue over expenditures for the year	\$ 199,340	\$ (35,017)