

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES  
PROFESSIONNELS EN DONS PLANIFIÉS**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2017**

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES  
PROFESSIONNELS EN DONS PLANIFIÉS**

**DECEMBER 31, 2017**

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## **INDEPENDENT AUDITORS' REPORT**

To the Members of  
Canadian Association of Gift Planners/Association  
Canadienne des Professionnels en Dons Planifiés

### Report on the Financial Statements

We have audited the accompanying financial statements of Canadian Association of Gift Planners/Association Canadienne des Professionnels en Dons Planifiés, which comprise the statement of financial position as at December 31, 2017, and the statements of operations, changes in net assets and cash flows 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 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.

### Auditors' 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 auditors' 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 and fair presentation 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 overall presentation of the financial statements.

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## **INDEPENDENT AUDITORS' REPORT**

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

### **Basis for Qualified Opinion**

The Association's financial statements include the financial positions and results of operations of its 21 local Chapter committees. The Chapters hold and derive revenue from local events, for which the completeness of related revenue is not susceptible to satisfactory audit verification. Accordingly, our verification of Chapter revenues was limited to the amounts recorded in the records of the Chapters and we were not able to determine whether any adjustments might be necessary to Chapter revenue, net revenue (expenses) and cash flows from operations for the year ended December 31, 2017 and December 31, 2016, and current assets and net assets of the Chapters as at December 31, 2017 and December 31, 2016. Our audit opinion on the financial statements for the year ended December 31, 2016 was modified accordingly because of the possible effects of this limitation in scope.

### **Qualified Opinion**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Canadian Association of Gift Planners/Association Canadienne des Professionnels en Dons Planifiés as at December 31, 2017, 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.

*McCay Duff LLP*

McCay Duff LLP,  
Licensed Public Accountants.

Ottawa, Ontario,  
March 15, 2018.

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES  
PROFESSIONNELS EN DONNS PLANIFIÉS**

**STATEMENT OF FINANCIAL POSITION**

**AS AT DECEMBER 31, 2017**

<b>ASSETS</b>				
	<u><b>National Office</b></u>	<u><b>Chapters</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
<b>CURRENT</b>				
Cash	\$ 448,061	\$ 373,957	\$ 822,018	\$ 875,534
Accounts receivable	55,443	4,196	59,639	21,641
Prepaid expenses	76,927	-	76,927	84,932
Due from CAGP Foundation (note 4)	<u>34,457</u>	<u>-</u>	<u>34,457</u>	<u>-</u>
	614,888	378,153	993,041	982,107
<b>CAPITAL</b> (note 5)	<u>10,723</u>	<u>-</u>	<u>10,723</u>	<u>9,837</u>
	<u><b>\$ 625,611</b></u>	<u><b>\$ 378,153</b></u>	<u><b>\$ 1,003,764</b></u>	<u><b>\$ 991,944</b></u>

<b>LIABILITIES</b>				
<b>CURRENT</b>				
Accounts payable and accrued liabilities	\$ 40,108	\$ 1,156	\$ 41,264	\$ 40,479
Due to CAGP Foundation (note 4)	-	-	-	7,157
Deferred revenue (note 6)	<u>406,519</u>	<u>17,176</u>	<u>423,695</u>	<u>383,432</u>
	446,627	18,332	464,959	431,068

<b>NET ASSETS</b>				
Unrestricted net assets	73,982	359,821	433,803	456,760
Reserve stability fund (note 7)	94,279	-	94,279	94,279
Invested in capital assets	<u>10,723</u>	<u>-</u>	<u>10,723</u>	<u>9,837</u>
	<u>178,984</u>	<u>359,821</u>	<u>538,805</u>	<u>560,876</u>
	<u><b>\$ 625,611</b></u>	<u><b>\$ 378,153</b></u>	<u><b>\$ 1,003,764</b></u>	<u><b>\$ 991,944</b></u>
Commitment (note 8)				

**Approved on behalf of the Board:**

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES  
PROFESSIONNELS EN DONS PLANIFIÉS**

**STATEMENT OF OPERATIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>2017</u>	<u>2016</u>
<b>NATIONAL OFFICE</b>		
<b>REVENUE</b>		
Conference fees (Schedule)	\$ 425,325	\$ 349,158
Membership fees	301,319	309,023
Education courses	131,223	252,812
Job postings	32,233	31,188
CAGP Foundation management fee (note 4)	25,200	-
Sponsorships	19,000	26,050
Interest and other	<u>6,330</u>	<u>9,939</u>
	<u>940,630</u>	<u>978,170</u>
<b>EXPENSES</b>		
Salaries and wages	373,576	337,899
Conference expenses (Schedule)	326,131	283,932
Professional fees	46,243	25,269
Administration	38,019	36,091
Education and honorariums	33,510	37,572
Rent	33,481	21,865
Office	27,491	23,878
Partner fees	26,300	36,134
Meals	15,410	39,981
Travel	13,019	21,255
Accommodation	8,593	16,713
Translation	6,352	7,449
Meeting facilities	843	7,604
CAGP Foundation seed funding	<u>-</u>	<u>5,000</u>
	<u>948,968</u>	<u>900,642</u>
<b>NET REVENUE (EXPENSES) - NATIONAL OFFICE</b>	<b>( 8,338)</b>	<b>77,528</b>
<b>CHAPTERS</b>		
Revenue	296,145	303,156
Expenses	<u>309,878</u>	<u>374,564</u>
<b>NET REVENUE (EXPENSES) - CHAPTERS</b>	<b>( 13,733)</b>	<b>( 71,408)</b>
<b>NET REVENUE (EXPENSES) FOR THE YEAR</b>	<b><u>\$( 22,071)</u></b>	<b><u>\$ 6,120</u></b>

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES PROFESSIONNELS  
EN DONS PLANIFIÉS**

**STATEMENT OF CHANGES IN NET ASSETS**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Unrestricted</u>	<u>Reserve Stability Fund</u>	<u>Invested in Capital Assets</u>	<u>Chapters</u>	<u>2017</u>	<u>2016</u>
<b>BALANCE - BEGINNING OF YEAR</b>	\$ 93,830	\$ 94,279	\$ 9,837	\$ 362,930	\$ 560,876	\$ 554,756
Net revenue (expenses)	( 8,338)	-	-	( 13,733)	( 22,071)	6,120
Transfer to invested in capital assets	( 886)	-	886	-	-	-
Transfer to chapters	<u>( 10,624)</u>	<u>-</u>	<u>-</u>	<u>10,624</u>	<u>-</u>	<u>-</u>
<b>BALANCE - END OF YEAR</b>	<u>\$ 73,982</u>	<u>\$ 94,279</u>	<u>\$ 10,723</u>	<u>\$ 359,821</u>	<u>\$ 538,805</u>	<u>\$ 560,876</u>

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES  
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**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>2017</u>	<u>2016</u>
<b>CASH PROVIDED BY (USED FOR)</b>		
<b>OPERATING ACTIVITIES</b>		
Cash from operations		
Net revenue (expenses) for the year	\$( 22,071)	\$ 6,120
Item not requiring an outlay of cash:		
- amortization	<u>3,149</u>	<u>2,137</u>
	( 18,922)	8,257
 Changes in non-cash working capital		
- accounts receivable	( 37,998)	8,847
- due to/from CAGP Foundation	( 41,614)	7,157
- prepaid expenses	8,005	( 24,940)
- accounts payable and accrued liabilities	785	( 15,209)
- deferred revenue	<u>40,263</u>	<u>79,823</u>
	<u>( 49,481)</u>	<u>63,935</u>
<b>INVESTING ACTIVITY</b>		
Purchase of capital assets	<u>( 4,035)</u>	<u>( 4,027)</u>
<b>CHANGE IN CASH POSITION DURING THE YEAR</b>	( 53,516)	59,908
 Cash - beginning of year	<u>875,534</u>	<u>815,626</u>
<b>CASH - END OF YEAR</b>	<u>\$ 822,018</u>	<u>\$ 875,534</u>



**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES  
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**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2017**

**1. ORGANIZATION**

Canadian Association of Gift Planners/Association Canadienne des Professionnels en Dons Planifiés (the "Association") was incorporated without share capital under the Canada Not-for-profit Corporations Act. The purpose of the Association is to support philanthropy by fostering the development and growth of gift planning, by: developing knowledge and providing education; building awareness and promoting philanthropy; creating connections and facilitating partnerships; and engaging in national dialogues and influencing public policy. For Canadian income tax purposes, the Association is qualified as a not-for-profit organization, which is exempt from income tax under the Income Tax Act.

In April 2016, CAGP established the CAGP Foundation (the "Foundation"), the purpose of which is to promote and maintain efficiency and high standards of practice in the areas of planned giving, fundraising and other philanthropic services for the benefit of the public. The Foundation was incorporated without share capital under the Canada Not-for-profit Corporations Act and is a registered charity under the Income Tax Act. The Association has the ability to elect and remove members of the Foundation's Board of Directors. As permitted under Canadian accounting standards for not-for-profit organizations, the Foundation has not been consolidated in these financial statements. Summary financial information for the Foundation has been included in Note 4.

**2. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Association's significant accounting policies are as follows:

(a) Revenue Recognition

The Association follows the deferral method of accounting for contributions. Restricted grants, contributions and sponsorships are recognized as revenue in the year in which related restrictions are met. Unrestricted grants, contributions and sponsorships are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Conference and chapter event revenue is recognized in the period in which the conference or the event is held.

Membership and management fee revenue is recognized in the period in which it is earned.

Education course revenue is recognized in the period in which the specific course is held.

Job posting revenue is recognized over the period in which the job posting is active.

(b) Cash and cash equivalents

Cash and cash equivalents include cash on hand and redeemable short-term guaranteed deposits bearing interest rates between 0.35% and 1.3%.

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES  
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**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2017**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued.)**

(c) Capital Assets and Amortization

Capital assets are stated at cost, net of accumulated amortization. Amortization is provided as follows:

Computer equipment	30%	Reducing balance basis
Office equipment	20%	Reducing balance basis

One-half of the above rate is recorded in the year of acquisition.

(d) 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 reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. These estimates are reviewed periodically and adjustments are made to net revenue (expenses) as appropriate in the year they become known.

(e) Volunteer Services

The Association benefits from the services of many volunteers who have made significant contributions. Since these services are not normally purchased by the Association, and because of the difficulty of determining their fair value, the value of these services is not reflected in these financial statements.

(f) Financial Instruments

The Association's financial instruments consist of cash and cash equivalents, accounts receivable, due from CAGP Foundation and accounts payable and accrued liabilities.

*Measurement*

Financial instruments are recorded at fair value on initial recognition.

The Association subsequently measures all of its financial assets and liabilities at amortized cost.

*Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down or subsequent recovery is recognized in net revenue (expenses).

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES  
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**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2017**

**3. FINANCIAL RISKS AND CONCENTRATION OF RISKS**

It is management's opinion that the Association is not exposed to significant market, interest rate, liquidity, credit or currency risks arising from its financial instruments. There have been no changes to the risk exposure from 2016.

**4. CAGP FOUNDATION**

The following is a financial summary of the Foundation as at December 31, 2017:

	<u>2017</u>	<u>2016</u>
Total assets	\$ 227,326	\$ 6,868
Total liabilities	<u>48,707</u>	<u>-</u>
Net assets	<u>\$ 178,619</u>	<u>\$ 6,868</u>
Total revenue	\$ 204,093	\$ 10,000
Total expenditure	<u>32,342</u>	<u>3,132</u>
Net revenue for the year	<u>\$ 171,751</u>	<u>\$ 6,868</u>

The accounting policies followed by the Foundation do not differ from the Association's policies.

During the year, the Association earned management fees of \$25,200 (2016 - nil) from the Foundation. This transaction was in the ordinary course of operations and was measured at the exchange amount.

The amount due from (to) the Foundation is non-interest bearing and has no fixed terms of repayment. It is anticipated that the outstanding amount will be collected on or before January 1, 2019 and therefore has been included with current assets.

**5. CAPITAL ASSETS**

	<u>2017</u>			<u>2016</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net</u>	<u>Net</u>
Computer equipment	\$ 28,320	\$ 25,189	\$ 3,131	\$ 4,473
Office equipment	<u>18,276</u>	<u>10,684</u>	<u>7,592</u>	<u>5,364</u>
	<u>\$ 46,596</u>	<u>\$ 35,873</u>	<u>\$ 10,723</u>	<u>\$ 9,837</u>

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES  
PROFESSIONNELS EN DONN PLANIFIÉS**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2017**

**6. DEFERRED REVENUE**

Deferred revenue relates to membership fees received for which the term of membership continues into the following year; course fees, conference fees, and conference sponsorships paid in advance; and lease inducements that are recognized over the term of the lease.

	<u>2017</u>	<u>2016</u>
Conference fees and sponsorships	\$ 189,840	\$ 167,543
Membership fees	140,550	127,953
Education courses	65,012	51,364
Chapters	17,176	20,120
Sponsorships	6,000	10,000
Deferred lease inducement	<u>5,117</u>	<u>6,452</u>
	<u>\$ 423,695</u>	<u>\$ 383,432</u>

**7. INTERNALLY RESTRICTED NET ASSETS**

The Reserve Stability Fund is an internally restricted reserve set aside to cover minimum legal obligations in the event of an unexpected cash shortfall and to act as a reserve in the event of unusual circumstances. The Reserve need not be held as a separate asset but may be pooled with other Association assets.

**8. COMMITMENT**

The Association has leased office space under an operating lease agreement which expires October 31, 2021. Future minimum payments excluding additional operating costs and applicable sales tax under this lease over the next four years are as follows:

2018	\$ 13,842
2019	14,371
2020	14,900
2021	<u>12,784</u>
	<u>\$ 55,897</u>

**9. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with current financial statement presentation.

**CANADIAN ASSOCIATION OF GIFT PLANNERS/ASSOCIATION CANADIENNE DES  
PROFESSIONNELS EN DONS PLANIFIÉS**

**SCHEDULE OF CONFERENCE FEES AND EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>2017</u>	<u>2016</u>
<b>FEES</b>		
Registration	\$ 271,805	\$ 208,901
Conference sponsorship	<u>153,520</u>	<u>140,257</u>
	<u>425,325</u>	<u>349,158</u>
 <b>EXPENSES</b>		
Meals and catering	136,797	107,840
Management	51,093	47,160
Audio-visual	39,723	36,258
Salaries and wages	30,000	30,000
Entertainment	11,948	2,806
Travel/mileage	10,366	12,857
Credit card fees	8,742	4,816
Meeting facilities	7,244	2,850
Speakers	6,987	18,129
Postage and printing	6,333	5,295
Graphic design	5,964	6,913
Registration	5,789	3,999
Resource room	2,419	1,879
Translation	1,588	1,541
Miscellaneous	<u>1,138</u>	<u>1,589</u>
	<u>326,131</u>	<u>283,932</u>
 <b>NET CONFERENCE FEES</b>	 <u>\$ 99,194</u>	 <u>\$ 65,226</u>