

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

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**



## 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, 2015, and the statements of operations, changes in net assets and cash flows for the eleven month period 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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**Page 2.**

## **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**

During the year, the Association began incorporating the financial positions and results of operations of its 22 Chapter committees which were previously not available to management due to the lack of committee financial reporting. The Association has accounted for these Chapters on a retroactive basis which has resulted in a prior period adjustment described in note 4 to the financial statements. We were unable to obtain sufficient appropriate audit evidence for the Chapters' revenues and expenses for the eleven month period ended December 31, 2015 and the year ended January 31, 2015. In addition, we were unable to obtain sufficient appropriate audit evidence to verify the opening net assets of the Chapters at February 1, 2015 as well as the completeness and accuracy of Chapters' accounts receivable and accounts payable and accrued liabilities at January 31, 2015 and December 31, 2015. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

### **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, 2015, and the results of its operations and its cash flows for the eleven month period 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 10, 2016.

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

**STATEMENT OF FINANCIAL POSITION**

**AS AT DECEMBER 31, 2015**

	<b>December 31, 2015</b>	<b>Restated January 31, 2015</b>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 395,011	\$ 506,206
Cash - chapters	420,615	525,321
Accounts receivable	30,488	43,346
Prepaid expenses	<u>59,992</u>	<u>77,475</u>
	906,106	1,152,348
<b>CAPITAL (note 5)</b>	<u>7,947</u>	<u>10,315</u>
	<u>\$ 914,053</u>	<u>\$ 1,162,663</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (note 6)	\$ 40,314	\$ 54,259
Accounts payable and accrued liabilities - chapters	15,374	-
Deferred revenue (note 7)	<u>303,609</u>	<u>484,730</u>
	359,297	538,989
<b>NET ASSETS</b>		
Unrestricted net assets	67,289	43,759
Reserve stability fund	74,279	44,279
Invested in capital assets	7,947	10,315
Net assets - chapters	<u>405,241</u>	<u>525,321</u>
	<u>554,756</u>	<u>623,674</u>
	<u>\$ 914,053</u>	<u>\$ 1,162,663</u>

**Approved on behalf of the Board:**

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Director

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Director

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

**STATEMENT OF CHANGES IN NET ASSETS**

**FOR THE ELEVEN MONTH PERIOD ENDED DECEMBER 31, 2015**

	<b>Unrestricted</b>	<b>Reserve Stability Fund</b>	<b>Invested in Capital Assets</b>	<b>Chapters</b>	<b>Total December 31, 2015</b>	<b>Restated Total January 31, 2015</b>
<b>BALANCE - BEGINNING OF PERIOD - AS PREVIOUSLY REPORTED</b>	\$ 19,044	\$ 44,279	\$ 10,315	\$ -	\$ 73,638	\$ 55,299
Prior period correction (note 4)	<u>24,715</u>	<u>-</u>	<u>-</u>	<u>525,321</u>	<u>550,036</u>	<u>470,344</u>
<b>BALANCE - BEGINNING OF PERIOD RESTATED</b>	43,759	44,279	10,315	525,321	623,674	525,643
Net revenue (expenses)	91,332	-	-	(160,250)	( 68,918)	98,031
Transfer from invested in capital assets	2,368	-	( 2,368)	-	-	-
Transfer to chapters	( 40,170)	-	-	40,170	-	-
Transfer to reserve fund	<u>( 30,000)</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>BALANCE - END OF PERIOD</b>	<u>\$ 67,289</u>	<u>\$ 74,279</u>	<u>\$ 7,947</u>	<u>\$ 405,241</u>	<u>\$ 554,756</u>	<u>\$ 623,674</u>

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

**STATEMENT OF OPERATIONS**

**FOR THE ELEVEN MONTH PERIOD ENDED DECEMBER 31, 2015**

	<b>Eleven month period ended December 31, <u>2015</u></b>	<b>Restated Twelve month period ended January 31, <u>2015</u></b>
<b>REVENUE</b>		
Conference fees (Schedule)	\$ 334,940	\$ 343,959
Membership fees	283,470	285,261
Education courses	172,643	183,365
Grants	75,000	95,000
Sponsorships	54,741	57,009
Job postings	18,390	19,000
Interest and other	<u>16,339</u>	<u>12,438</u>
	955,523	996,032
<b>EXPENSES</b>		
Salaries and wages	318,554	292,239
Conference expenses (Schedule)	231,095	259,721
Administration	43,258	35,318
Partner fees	41,147	65,968
Education and honorariums	32,404	28,466
Professional fees	32,253	21,222
Website and computer	31,999	23,489
Travel	25,895	19,408
Rent	20,900	23,200
Accommodation	20,488	14,420
Meals	19,133	28,595
Management fees	12,681	51,041
Translation	10,246	6,847
Telephone and fax	9,268	11,824
Printing	7,847	3,530
Meeting facilities	4,164	1,232
Amortization	2,859	3,230
Financial professionals research project	<u>-</u>	<u>22,500</u>
	<u>864,191</u>	<u>912,250</u>
<b>REVENUE (EXPENSES) - HEAD OFFICE</b>	91,332	83,782
<b>OTHER</b>		
Chapter revenue	225,175	466,419
Chapter expenses	<u>385,425</u>	<u>452,170</u>
	<u>( 160,250)</u>	<u>14,249</u>
<b>NET REVENUE (EXPENSES) FOR THE YEAR</b>	<u><u>\$ ( 68,918)</u></u>	<u><u>\$ 98,031</u></u>

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

**STATEMENT OF CASH FLOWS**

**FOR THE ELEVEN MONTH PERIOD ENDED DECEMBER 31, 2015**

	<b>Eleven month period ended December 31, <u>2015</u></b>	<b>Restated Twelve month period ended January 31, <u>2015</u></b>
<b>CASH PROVIDED BY (USED FOR)</b>		
<b>OPERATING ACTIVITIES</b>		
Cash from operations		
Net revenue (expenses) for the year	\$( 68,918)	\$ 98,031
Item not requiring an outlay of cash:		
- amortization	<u>2,859</u>	<u>3,230</u>
	( 66,059)	101,261
 Changes in non-cash working capital		
- accounts receivable	12,858	( 40,093)
- prepaid expenses	17,483	5,599
- accounts payable and accrued liabilities	( 13,945)	16,908
- accounts payable and accrued liabilities -chapters	15,374	-
- deferred revenue	<u>( 181,121)</u>	<u>122,551</u>
	<u>( 149,351)</u>	<u>104,965</u>
	( 215,410)	206,226
 <b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	<u>( 491)</u>	<u>( 2,525)</u>
 <b>CHANGE IN CASH POSITION DURING THE PERIOD</b>	( 215,901)	203,701
 Cash - beginning of year	<u>1,031,527</u>	<u>827,826</u>
 <b>CASH - END OF YEAR</b>	<u><u>\$ 815,626</u></u>	<u><u>\$ 1,031,527</u></u>
 <b>CASH POSITION</b>		
Cash	\$ 395,011	\$ 506,206
Cash - Chapters	<u>420,615</u>	<u>525,321</u>
	<u><u>\$ 815,626</u></u>	<u><u>\$ 1,031,527</u></u>

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

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**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. 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.

During the year, the Association changed its reporting year end from January 31 to December 31.

**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 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) 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.

(c) Use of Estimates

The preparation of financial statements in conformity with Canadian accounting 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.



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

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)**

(d) Volunteer Services

The Association receives the services of volunteers, the cost of which cannot be reasonably estimated. Therefore, no representation of this expense has been included in these financial statements.

(e) Financial Instruments

The Association's financial instruments consist of cash, cash - chapters, accounts receivable 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).

(f) Reserve Stability Fund

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.

(g) Grants and contributions

Certain grants and contributions are subject to specific terms and conditions regarding the expenditure of the funds. In such cases, the Association's accounting records are subject to audit by the contributor to identify instances, if any, in which amounts charged against grants and contributions have not complied with the agreed terms and conditions and which therefore would be refundable to the contributor. Any adjustment to grants and contributions arising from such audit would be recorded in the year determined.

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

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

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

It is management's opinion that the Association is not exposed to significant market, interest rate, liquidity or currency risks arising from its financial instruments. There has been no change to these risk exposures from 2014.

**Credit risk**

Credit risk arises from the potential that a member may default on its contractual obligations resulting in a financial loss. The Association is exposed to credit risk through accounts receivable. The Association performs ongoing credit evaluations of its members' financial condition and limits the amount of credit extended when considered necessary.

**4. PRIOR PERIOD ADJUSTMENT**

During the year, the Association began incorporating and combining the financial positions and results of operations of its 22 Chapter committees which were previously not available to management due to the lack of committee financial reporting. The Association has accounted for this adjustment on retroactive basis which resulted in an increase in previously reported total revenues of \$466,419, an increase in previously reported total expenses of \$452,170 and an increase in the previously reported net revenues (expenses) of \$14,249 for the year ended January 31, 2015. This also resulted in an increase in cash balances of \$525,321, a decrease in accounts payable and accrued liabilities of \$24,893 and an increase in previously reported net assets of \$550,036 as at January 31, 2015.

**5. CAPITAL ASSETS**

	<b>December 31, 2015</b>		<b>January 31, 2015</b>	
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net</b>	<b>Net</b>
Computer equipment	\$ 27,677	\$ 22,206	\$ 5,471	\$ 7,220
Office equipment	10,741	8,265	2,476	3,095
	<b>\$ 38,418</b>	<b>\$ 30,471</b>	<b>\$ 7,947</b>	<b>\$ 10,315</b>

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Included in accounts payable and accrued liabilities are government remittances payable of \$8,993 (January 31, 2015 - \$24,201).

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

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**7. DEFERRED REVENUE**

Deferred revenue relates to membership fees received for which the term of membership continues into the following period, as well as course fees, and conference fees, and conference sponsorships paid in advance.

	<b>December 31, 2015</b>	<b>January 31, 2015</b>
Conference fees and sponsorships	\$ 120,105	\$ 136,283
Memberships	123,774	167,048
Sponsorships	10,000	119,741
Education courses	<u>49,730</u>	<u>61,658</u>
	<u>\$ 303,609</u>	<u>\$ 484,730</u>

**8. 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 ELEVEN MONTH PERIOD ENDED DECEMBER 31, 2015**

	<u>2015</u>	<u>2015</u>
<b>FEES</b>		
Registration	\$ 208,939	\$ 217,230
Conference sponsorship	<u>126,001</u>	<u>126,729</u>
	334,940	343,959
 <b>EXPENSES</b>		
Meals and catering	105,169	109,293
Management	45,148	57,015
Audio-visual	31,098	28,852
Speakers	11,622	14,540
Travel/mileage	9,588	8,929
Credit card fees	6,343	6,172
Graphic design	4,091	5,588
Entertainment	3,405	3,707
Translation	3,073	2,704
Postage and printing	3,053	13,548
Meeting facilities	2,481	2,439
Registration	2,369	4,686
Resource room	1,207	887
Miscellaneous	1,089	177
Telephone	943	571
Courier	<u>416</u>	<u>613</u>
	<u>231,095</u>	<u>259,721</u>
 <b>NET CONFERENCE FEES</b>	 <u>\$ 103,845</u>	 <u>\$ 84,238</u>