

**Canadian Association of Communicators in  
Education/Association Canadienne des  
Agents de Communication en Education  
Financial Statements  
For the year ended June 30, 2015**

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## Independent Auditor's Report

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To the Members of Canadian Association of Communicators in Education/Association  
Canadienne des Agents de Communication en Education

We have audited the accompanying financial statements of the Canadian Association of Communicators in Education/Association Canadienne des Agents de Communication en Education as at June 30, 2015, which comprise the statement of financial position, and the statements of operations and 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.

### Auditor's 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 auditor's 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.

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

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Association of Communicators in Education/Association Canadienne des Agents de Communication en Education as at June 30, 2015 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.

**Other Matters**

Without modifying our opinion, we draw attention to Note 2 to of the financial statements, which explains that certain comparative information for the year ended June 30, 2014 has been restated. The financial statements of Canadian Association of Communicators in Education/Association Canadienne des Agents de Communication en Education for the year ended June 30, 2014 (prior to the restatement of the comparative information) were audited by another auditor who expressed an opinion on those financial statements on September 22, 2014.

Chartered Professional Accountants, Licensed Public Accountants

Bracebridge, Ontario  
October 19, 2015

*Draft - subject to change*

**Canadian Association of Communicators in Education/  
Association Canadienne des Agents de Communication en  
Education  
Statement of Financial Position**

June 30	2015	Restated (Note 2) 2014
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 95,874	\$ 104,972
Short-term investments (Note 3)	11,952	11,952
Prepaid expenses	5,000	7,185
	\$ 112,826	\$ 124,109
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 4)	\$ 13,194	\$ 13,250
Deferred revenue	30,100	28,133
	43,294	41,383
<b>Net Assets</b>		
Net assets internally restricted (Note 5)	50,000	-
Unrestricted net assets	19,532	82,726
	69,532	82,726
	\$ 112,826	\$ 124,109

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**Canadian Association of Communicators in Education/  
Association Canadienne des Agents de Communication en  
Education  
Statement of Operations and Changes in Net Assets**

<b>For the year ended June 30</b>	<b>2015</b>	<b>Restated (Note 2) 2014</b>
<b>Revenue</b>		
Conference	\$ 37,621	\$ 44,275
Bravo	2,480	1,060
Sponsorships	6,000	9,500
Membership fees	27,478	28,477
Other revenue	1,729	415
	<u>75,308</u>	<u>83,727</u>
<b>Expenses</b>		
Audit and accounting	11,680	5,174
Conference	46,069	39,536
Executive meeting	14,030	15,705
General expenses	11,204	13,615
Insurance	2,007	1,976
Interest and bank charges	3,512	2,601
Workshop	-	1,213
	<u>88,502</u>	<u>79,820</u>
<b>Excess (deficiency) of revenue over expenses for the year</b>	<b>(13,194)</b>	<b>3,907</b>
<b>Net assets, beginning of year</b>	<b>82,726</b>	<b>78,819</b>
<b>Net assets, end of year</b>	<b>69,532</b>	<b>82,726</b>

The accompanying notes are an integral part of these financial statements

**Canadian Association of Communicators in Education/  
Association Canadienne des Agents de Communication en  
Education  
Statement of Cash Flows**

<b>For the year ended June 30</b>	<b>2015</b>	<b>Restated (Note 2) 2014</b>
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess (deficiency) of revenue over expenses for the year	\$ (13,194)	\$ 3,907
Changes in non-cash working capital balances		
Accounts receivable	-	500
Prepaid expenses	2,185	(2,685)
Accounts payable and accrued liabilities	(56)	5,249
Deferred contributions	1,967	1,012
<b>Increase (decrease) in cash during the year</b>	<b>(9,098)</b>	<b>7,983</b>
<b>Cash, beginning of year</b>	<b>104,972</b>	<b>96,989</b>
<b>Cash, end of year</b>	<b>\$ 95,874</b>	<b>\$ 104,972</b>

Draft - subject to change

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**Canadian Association of Communicators in Education/  
Association Canadienne des Agents de Communication en  
Education  
Notes to Financial Statements**

**June 30, 2015**

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**1. Nature of Operations and Summary of Significant Accounting Policies**

**i) Nature of Operations**

The Canadian Association of Communicators in Education/Association Canadienne des Agents de Communication en Education was incorporated without share capital under the laws of Canada. The organization's primary goal is to encourage and enhance communications in education through a national annual conference, regional workshops and provision of network opportunities for its members across Canada.

The organization is a not-for-profit organization and, as such, is exempt from income tax.

**ii) Basis of Accounting**

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

**iii) Revenue Recognition**

Membership dues are recognized in the year to which the membership applies.

Conference fee revenues are recognized in the year of the conference.

Awards revenue is recognized in the year in which the award was earned

Sponsorship revenue is recognized in the year the sponsorship is provided.

Cash received in advance of meeting the revenue recognition criteria described above is recorded as deferred revenue.

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.

**iv) Contributed Materials and Services**

Contributed materials which are used in the normal course of the organization's operations, and would otherwise have been purchased, are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

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**Canadian Association of Communicators in Education/  
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Education  
Notes to Financial Statements**

**June 30, 2015**

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**v) Financial Instruments**

Financial Instruments are recorded at fair value at initial recognition.

In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value at each balance sheet date and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

**vi) Use of 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 amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. The principal estimate used in the preparation of these financial statements is the determination of accrued liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future.

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**2. Restatement of Comparative Figures**

The comparative figures have been restated to correct accounting errors which resulted in the following adjustments:

Decrease in cash	\$	(1,075)
Increase in accounts payable and accrued liabilities		5,250
Decrease in deferred revenue		(4,962)
Increase in membership revenue		4,962
Increase in general expenses		5,250
Increase in conference expenses		1,076

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

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**Canadian Association of Communicators in Education/  
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Notes to Financial Statements**

**June 30, 2015**

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**3. Short term Investments**

The carrying amounts of investments are comprised of the following:

	2015	2014
Guaranteed Investment Certificates, interest at .8% to 1.3%, maturing within one year	\$ 11,952	\$ 11,952

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**4. Accounts Payable and Accrued Liabilities**

Included in accounts payable and accrued liabilities is \$4,195 (2014 - \$NIL) in government remittances payable.

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**5. Net Assets Internally Restricted**

During the year, the Board of Directors internally restricted \$50,000 as a contingency fund to ensure operational sustainability.

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**6. Financial Instrument Risks**

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk on its fixed rate financial instruments (Note 3). Fixed-interest instruments subject the entity to a fair value risk.

There is no change in the risk from the prior year.

**Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or by financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions.

The Organization is exposed to credit risk arising from bank accounts and guaranteed investment certificates being held at one financial institution and deposits are only insured up to \$100,000.

There have not been any changes in the risk from the prior year.

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