

**Canadian Association of Communicators in
Education/Association Canadienne des
Agents de Communication en Education
Financial Statements
For the year ended June 30, 2016**

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Independent Auditor's Report

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, 2016, 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, 2016 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.

Chartered Professional Accountants, Licensed Public Accountants

Bracebridge, Ontario
report date

Draft - subject to change

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

June 30	2016	2015
Assets		
Current		
Cash	\$ 85,039	\$ 95,874
Short-term investments (Note 2)	12,061	11,952
Accounts receivable	2,675	-
Prepaid expenses	1,755	5,000
	\$ 101,530	\$ 112,826
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 3)	\$ 3,082	\$ 13,194
Deferred revenue	38,100	30,100
	41,182	43,294
Net Assets		
Net assets internally restricted (Note 4)	50,000	50,000
Unrestricted net assets	10,348	19,532
	60,348	69,532
	\$ 101,530	\$ 112,826

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**

For the year ended June 30	2016	2015
Revenue		
Conference	\$ 50,710	\$ 37,621
Bravo	1,350	2,480
Sponsorships	11,799	6,000
Investment income	109	-
Membership fees	20,212	27,478
Other revenue	7,113	1,729
	91,293	75,308
Expenses		
Audit and accounting	6,435	11,680
Conference	54,611	46,069
Executive meeting	14,282	14,030
General expenses	19,914	11,204
Insurance	1,960	2,007
Interest and bank charges	3,275	3,512
	100,477	88,502
Deficiency of revenue over expenses for the year	(9,184)	(13,194)
Net assets, beginning of year	69,532	82,726
Net assets, end of year	60,348	69,532

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

For the year ended June 30	2016	2015
Cash provided by (used in)		
Operating activities		
Deficiency of revenue over expenses for the year	\$ (9,184)	\$ (13,194)
Changes in non-cash working capital balances		
Accounts receivable	(2,675)	-
Prepaid expenses	3,245	2,185
Accounts payable and accrued liabilities	(10,111)	(56)
Deferred contributions	7,999	1,967
	(10,726)	(9,098)
Investing activities		
Purchase of short-term investments	(109)	-
	(10,835)	(9,098)
Decrease in cash during the year	(10,835)	(9,098)
Cash, beginning of year	95,874	104,972
Cash, end of year	\$ 85,039	\$ 95,874

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

June 30, 2016

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 and services which are used in the normal course of the Association'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.

Volunteers contribute time to assist the organization in carrying out its various fundraising activities. Volunteer contributions are not recognized in the financial statements because of the difficulty of determining their fair value

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

June 30, 2016

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.

2. Short term Investments

The carrying amounts of investments are comprised of the following:

	<u>2016</u>	<u>2015</u>
Guaranteed Investment Certificates, interest at .4% to .9%, maturing within one year	\$ 12,061	\$ 11,952

The Association is exposed to interest rate risk arising from its investments held at fixed interest rates. The fair value of these investments will fluctuate because of changes in market interest rates.

3. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities is \$NIL (2015 - \$4,195) in government remittances payable.

4. Net Assets Internally Restricted

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