

Report is not dated

**CANADIAN ASSOCIATION  
OF GEOGRAPHERS**

**FINANCIAL STATEMENTS  
Draft**

**Year ended December 31, 2022**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

### Draft

To: The Members of the Canadian Association of Geographers

We have reviewed the accompanying financial statements of the **Canadian Association of Geographers** that comprise the unaudited statement of financial position as at **December 31, 2022**, and the unaudited 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.

#### Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of the Canadian Association of Geographers as at December 31, 2022, 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.

Ottawa, Ontario

**CHARTERED PROFESSIONAL ACCOUNTANTS  
PROFESSIONAL CORPORATION  
LICENSED PUBLIC ACCOUNTANTS**

**CANADIAN ASSOCIATION OF GEOGRAPHERS**  
**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
As at December 31, 2022  
Draft

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 152,626	\$ 113,754
Short-term investments - Note 3	608,260	595,484
Accounts receivable - Note 4	15,483	31,962
Prepaid expenses	5,388	7,091
Restricted cash - Note 6	<u>82,207</u>	<u>80,065</u>
	<u>\$ 863,964</u>	<u>\$ 828,356</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 24,893	\$ 15,907
Unearned revenue - Note 5	86,984	97,073
Funds held in trust - Note 6	<u>82,207</u>	<u>80,065</u>
	194,084	193,045
<b>NET ASSETS</b>	<u>669,880</u>	<u>635,311</u>
	<u>\$ 863,964</u>	<u>\$ 828,356</u>

The accompanying notes are an integral part of these financial statements

Approved on behalf of the board

Director \_\_\_\_\_

**CANADIAN ASSOCIATION OF GEOGRAPHERS**  
**UNAUDITED STATEMENT OF OPERATIONS**  
Year ended December 31, 2022  
Draft

	<b>2022</b>	<b>2021</b>
<b>REVENUES</b>		
External event registration	\$ 27,659	\$ 24,554
Investment income	6,022	8,187
Memberships	60,590	64,711
Publications	34,277	32,027
Royalties	82,318	91,789
Study groups	2,088	5,139
	<b>212,954</b>	<b>226,407</b>
<b>EXPENDITURES</b>		
Affiliation fees	3,756	4,152
Awards	1,000	1,000
Division expenses	14,106	3,245
Honoraria	13,000	13,000
Interest and bank charges	2,376	2,938
Office and general	22,327	17,426
Professional fees	14,987	27,802
Publications	40,038	50,035
Salaries and benefits	63,040	69,714
Study group	3,788	3,437
Travel and meetings	3,277	14,069
	<b>181,695</b>	<b>206,818</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES FROM OPERATIONS</b>	<b>31,259</b>	<b>19,589</b>
<b>OTHER INCOME</b>		
Gain on sale of marketable securities	767	1,640
Gain on foreign exchange	2,543	6,098
	<b>3,310</b>	<b>7,738</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ 34,569</b>	<b>\$ 27,327</b>

The accompanying notes are an integral part of these financial statements

**CANADIAN ASSOCIATION OF GEOGRAPHERS**  
**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS**  
Year ended December 31, 2022  
Draft

	<u>2022</u>	<u>2021</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>\$ 635,311</b>	\$ 607,984
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u><b>34,569</b></u>	<u>27,327</u>
<b>NET ASSETS, END OF YEAR</b>	<u><b>\$ 669,880</b></u>	<u>\$ 635,311</u>

The accompanying notes are an integral part of these financial statements

**CANADIAN ASSOCIATION OF GEOGRAPHERS**  
**UNAUDITED STATEMENT OF CASH FLOWS**  
Year ended December 31, 2022  
Draft

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess of revenues over expenditures	\$ 34,569	\$ 27,327
Items not affecting cash		
Gain on sale of securities	(767)	(1,640)
(Gain) loss on foreign exchange	<u>(2,543)</u>	<u>(6,098)</u>
	<b>31,259</b>	19,589
Change in non-cash working capital items		
Decrease in accounts receivable	19,022	5,848
Decrease in prepaid expenses	1,703	40,942
Increase (decrease) in accounts payable and accrued liabilities	8,986	(29,459)
(Decrease) increase in unearned revenue	<u>(10,089)</u>	<u>4,629</u>
	<b>50,881</b>	41,549
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>		
Net increase in investments	<u>(12,009)</u>	<u>(92,375)</u>
<b>INCREASE (DECREASE) IN CASH</b>	<b>38,872</b>	(50,826)
<b>CASH, BEGINNING OF YEAR</b>	<u>113,754</u>	<u>164,580</u>
<b>CASH, END OF YEAR</b>	<u><b>\$ 152,626</b></u>	<u><b>\$ 113,754</b></u>

The accompanying notes are an integral part of these financial statements

**CANADIAN ASSOCIATION OF GEOGRAPHERS**  
**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**  
**Year ended December 31, 2022**  
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1. **NATURE OF OPERATIONS**

The Canadian Association of Geographers (the "Association") was incorporated without share capital under the Canada Business Corporations Act on February 22, 2008. The principal objective of the Association is the promotion of geography in Canada. Its principal activity is the publication of journals and other information for its members.

Effective July 8, 2014, the Association is a registered charity under paragraph 149(1)(f) of the Income Tax Act and, as such, is exempt from income taxes.

2. **SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). The significant policies are detailed below:

(a) **Revenue recognition**

The Association follows the deferral method of accounting for contributions for not-for-profit organizations.

External event registration, membership, publication, royalty and study group revenues are recognized in the period in which they are earned.

Investment income is recognized when earned.

Unrestricted donations and government grants are recognized as revenue in the year they are received.

(b) **Cash**

Cash consists of balances with financial institutions.

(c) **Short-term investments**

Short-term investments are recorded at cost.

(d) **Restricted cash**

Restricted cash represents funds that have been received for specific purposes. Investment income earned on this restricted cash is reinvested in the respective fund. An off-setting liability is recognized as funds held in trust.

(e) **Property, plant and equipment**

The Association expenses its capital assets in the year of purchase. During the current year, capital expenditures were \$3,157 (2021 - \$nil).

(f) **Unearned revenue**

Unearned revenue represents fees relating to periods subsequent to the year-end date which are classified as current if they will be recognized in the following year and long-term if they relate to a period more than one year after the Statement of Financial Position date.

**CANADIAN ASSOCIATION OF GEOGRAPHERS**  
**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**  
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2. **SIGNIFICANT ACCOUNTING POLICIES, continued**

(g) **Use of estimates**

The preparation of financial statements in conformity with ASNPO 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 revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are accrued liabilities.

(h) **Financial instruments**

(i) **Measurement of financial instruments**

The Association initially measures its financial assets and liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at cost or amortized cost.

(ii) **Impairment**

For financial assets measured at cost or amortized cost, the Association determines whether there are indications of possible impairment. When there is an indication of impairment and the Association determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in excess of revenues over expenditures. A previously recognized impairment loss may be reversed to the extent of any subsequent improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenues over expenditures.

(iii) **Transaction costs**

The Association's transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in the statement of operations in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in the statement of operations over the life of the instrument using the straight-line method.

3. **SHORT-TERM INVESTMENTS**

	<u>2022</u>	<u>2021</u>
Fixed income	\$ 371,546	\$ 361,362
Equities and options	236,714	229,009
Guaranteed Investment Certificates	<u>-</u>	<u>5,113</u>
	<u>\$ 608,260</u>	<u>\$ 595,484</u>



**CANADIAN ASSOCIATION OF GEOGRAPHERS**  
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4. **ACCOUNTS RECEIVABLE**

	<b>2022</b>	2021
Royalty revenue	\$ 9,718	\$ 21,555
Government remittances receivable	5,275	5,790
Other	490	4,617
	<b>\$ 15,483</b>	<b>\$ 31,962</b>

5. **UNEARNED REVENUE**

	Balance, beginning of year	Received	Recognized	<b>Balance, end of year</b>
Membership	\$ 18,412	\$ 8,118	\$ (18,412)	\$ 8,118
50th Anniversary Fund	78,661	205	-	<b>78,866</b>
	<b>\$ 97,073</b>	<b>\$ 8,323</b>	<b>\$ (18,412)</b>	<b>\$ 86,984</b>

6. **RESTRICTED CASH / FUNDS HELD IN TRUST**

	<b>2022</b>	2021
Robin P. Armstrong Memorial Fund	\$ 33,403	\$ 33,382
Suzanne Mackenzie Fund	48,804	46,683
Total	<b>\$ 82,207</b>	<b>\$ 80,065</b>

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**7. FINANCIAL INSTRUMENTS**

The Association's main financial risk exposures and its financial risk management policies are as follows:

(a) 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 Association is exposed to credit risk associated with its holdings of cash, short-term investments and restricted cash with a financial institution, and its accounts receivable. To mitigate this risk, the Association places its cash, short-term investments and restricted cash with a Canadian chartered bank and as a result, management considers the credit risk to be low. The Association manages its accounts receivable by having set credit policies and by its review and follow up of aged receivables. Management believes that all accounts receivable at the year-end will be collected and has not deemed it necessary to establish an allowance for doubtful accounts.

(b) Liquidity risk

Liquidity risk is the risk that an entity will not be able to meet its financial obligations when they come due. The Association is exposed to liquidity risk in its accounts payable and accrued liabilities. Management considers that sufficient liquidity is maintained by regular monitoring of cash flow requirements to ensure that it has the necessary funds to meet its obligations. As a result, in the opinion of management, the liquidity risk exposure to the Association is low.

There have been no significant changes in the Association's risk exposure compared to the prior year.

**8. STARKEY-ROBINSON AWARD**

The Association administers a bequest made by the late Dr. Otis P. Starkey which is used to issue an award to support student research in regional geography of Canada. The award is funded entirely from the remaining value of the bequest capital.

As at December 31, 2022, the approximate value of the Dr. Otis P. Starkey bequest is \$15,000 (2021- \$15,000).

**9. ASSOCIATE MEMBERS**

The Association receives memberships on behalf of, and to the credit of, the American Association of Geographers ("AAG"). Memberships received for the AAG during the year were \$5,895 (2021 - \$5,749). The AAG receives memberships on behalf of the Association which are recorded by the Association as revenue from associate members.