

Report is not dated

**CANADIAN ASSOCIATION
OF GEOGRAPHERS**
UNAUDITED FINANCIAL STATEMENTS
Year ended December 31, 2021

TABLE OF CONTENTS

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Unaudited Statement of Financial Position	2
Unaudited Statement of Operations	3
Unaudited Statement of Changes in Net Assets	4
Unaudited Statement of Cash Flows	5
Notes to the Unaudited Financial Statements	6

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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, 2021, 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, 2021, 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, 2021

	<u>2021</u>	<u>2020</u>
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 113,754	\$ 164,580
Investments - Note 3	595,484	501,469
Accounts receivable - Note 4	31,962	31,712
Prepaid expenses	7,091	48,033
Restricted cash - Note 6	<u>80,065</u>	<u>79,687</u>
	<u>\$ 828,356</u>	<u>\$ 825,481</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 15,907	\$ 45,366
Unearned revenue - Note 5	97,073	92,444
Funds held in trust - Note 6	<u>80,065</u>	<u>79,687</u>
	193,045	217,497
NET ASSETS	<u>635,311</u>	<u>607,984</u>
	<u>\$ 828,356</u>	<u>\$ 825,481</u>

The accompanying notes are an integral part of these financial statements

Approved on behalf of the board

Members _____

CANADIAN ASSOCIATION OF GEOGRAPHERS
UNAUDITED STATEMENT OF OPERATIONS
Year ended December 31, 2021

	<u>2021</u>	<u>2020</u>
REVENUES		
External event registration revenue	\$ 24,554	\$ 6,724
Investment income	8,187	3,270
Memberships	64,711	51,100
Publications	32,027	33,473
Royalties	91,789	100,474
Study groups	<u>5,139</u>	<u>1,128</u>
	<u>226,407</u>	<u>196,169</u>
EXPENDITURES		
Affiliation fees	4,152	3,862
Awards	1,000	530
Division expenses	3,245	4,141
External event registration expense	-	5,353
Honoraria	13,000	13,000
Interest and bank charges	2,938	1,666
Office and general	17,426	16,047
Professional fees	27,802	14,053
Publications	50,035	48,201
Salaries and benefits	69,714	65,290
Study group	3,437	2,007
Travel and meetings	<u>14,069</u>	<u>970</u>
	<u>206,818</u>	<u>175,120</u>
EXCESS OF REVENUES OVER EXPENDITURES FROM OPERATIONS	<u>19,589</u>	<u>21,049</u>
OTHER INCOME (EXPENSES)		
Gain (loss) on sale of marketable securities	1,640	(13)
Gain (loss) on foreign exchange	<u>6,098</u>	<u>(1,480)</u>
	<u>7,738</u>	<u>(1,493)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 27,327</u>	<u>\$ 19,556</u>

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, 2021

	<u>2021</u>	<u>2020</u>
NET ASSETS, BEGINNING OF YEAR	\$ 607,984	\$ 588,428
EXCESS OF REVENUES OVER EXPENDITURES	<u>27,327</u>	<u>19,556</u>
NET ASSETS, END OF YEAR	<u>\$ 635,311</u>	<u>\$ 607,984</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, 2021

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 27,327	\$ 19,556
Items not affecting cash		
(Gain) loss on sale of securities	(1,640)	13
(Gain) loss on foreign exchange	(6,098)	1,480
	19,589	21,049
Change in non-cash working capital items		
Decrease (increase) in accounts receivable	5,848	(4,958)
Decrease in prepaid expenses	40,942	5,999
(Decrease) increase in accounts payable and accrued liabilities	(29,459)	33,155
Increase in unearned revenue	4,629	359
	41,549	55,604
CASH FLOWS FROM INVESTING ACTIVITY		
Net increase in investments	(92,375)	(48,181)
(DECREASE) INCREASE IN CASH	(50,826)	7,423
CASH, BEGINNING OF YEAR	164,580	157,157
CASH, END OF YEAR	\$ 113,754	\$ 164,580

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, 2021

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 and cash equivalents**

Cash and cash equivalents include cash and short-term investments with maturities of three months or less from their date of acquisition, which are readily convertible into a known amount of cash, and are subject to an insignificant risk to changes in their fair value.

(c) **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. No capital expenditures occurred during the current or the prior year.

(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
Year ended December 31, 2021

2. **SIGNIFICANT ACCOUNTING POLICIES, continued**

(g) **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 and liabilities, disclosure of contingent 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. Items requiring the use of significant estimates include accrued liabilities. Actual results could differ from these estimates.

(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.

Financial liabilities measured at amortized cost include accounts payable, accrued liabilities and funds held in trust.

(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 the statement of operations. 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 the statement of operations.

(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. **INVESTMENTS**

	<u>2021</u>	<u>2020</u>
Bond funds	\$ 361,362	\$ 313,481
Equities and options	229,009	182,950
Guaranteed Investment Certificates	<u>5,113</u>	<u>5,038</u>
	<u>\$ 595,484</u>	<u>\$ 501,469</u>

CANADIAN ASSOCIATION OF GEOGRAPHERS
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
Year ended December 31, 2021

4. **ACCOUNTS RECEIVABLE**

	2021	2020
Royalty revenue	\$ 21,555	\$ 21,913
Government remittances receivable	5,790	4,117
Other	4,617	5,682
	\$ 31,962	\$ 31,712

5. **UNEARNED REVENUE**

	Balance, beginning of year	Received	Recognized	Balance, end of year
Membership	\$ 14,204	\$ 18,412	\$ (14,204)	\$ 18,412
50th Anniversary Fund	78,240	421	-	78,661
	\$ 92,444	\$ 18,833	\$ (14,204)	\$ 97,073

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

	2021	2020
Robin P. Armstrong Memorial Fund	\$ 33,382	\$ 33,124
Suzanne Mackenzie Fund	46,683	46,563
Total	\$ 80,065	\$ 79,687

CANADIAN ASSOCIATION OF GEOGRAPHERS
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
Year ended December 31, 2021

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 and cash equivalents, investments and restricted cash with a financial institution, and its accounts receivable. To mitigate this risk, the Association places its cash and cash equivalents, 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, 2021, the approximate value of the Dr. Otis P. Starkey bequest is \$15,000 (2020 - \$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 \$5,749 (2020 - \$9,431). The AAG receives memberships on behalf of the Association which are recorded by the Association as revenue from associate members.

