CANADIAN ASSOCIATION OF HERITAGE PROFESSIONALS

FINANCIAL STATEMENTS

JUNE 30, 2023

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B. A. Spencer CPA
Professional Corporation

1170 Sheppard Avenue West, Unit 18
Toronto, Ontario M3K 2A3
647-542-1317 Fax: 416 630-7384
e-mail: brian@baspencer.ca

INDEPENDENT PRACTITIONER'SREVIEW ENGAGEMENT REPORT

To the Members of
Canadian Association of Heritage Professionals

I have reviewed the accompanying financial statements of aa that comprise the balance sheet as at June 30, 2023, and the statements of operations and 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 private enterprises, 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

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me 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, I do not express an audit opinion on these financial statements.

Conclusion
Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Canadian Association of Heritage Professionals as at June 30, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Authorized to practice public accounting by
The Chartered Professional Accountants of Ontario

October __, 2023
Toronto, Ontario

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CANADIAN ASSOCIATION OF HERITAGE PROFESSIONALS

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2023
(Unaudited)

	2023	2022	2021
ASSETS			
Current			
Cash	$ 64,648	$168,011	$201,065
Term deposit	5,141	5,123	5,100
Accounts receivable	17	322	42,665
Prepaid insurance	3,698	4,184	3,081
	$ 73,504	$177,640	$251,911
LIABILITIES AND NET ASSETS			
Current			
Accounts payable	$ 40,681	$ 28,621	$ 12,923
Deferred revenue – Note 3	-	-	61,599
	40,681	28,621	74,522
NET ASSETS - unrestricted	32,823	149,019	177,389
	$ 73,504	$177,640	$251,911

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ON BEHALF OF THE BOARD:

_____ Director

_____ Director

The accompanying notes form an integral part of these financial statements.

CANADIAN ASSOCIATION OF HERITAGE PROFESSIONALS

STATEMENT OF OPERATIONS AND NET ASSETS

YEAR ENDED JUNE 30, 2023
(Unaudited)

	2023	2022	2021
Revenue			
Memberships	$ 139,381	$188,896	$129,694
Meetings and conferences	280	2,040	6,571
Miscellaneous income	18	2,643	350
	139,679	193,579	136,615
Expenses			
Rent	6,481	5,129	5,214
Insurance	4,022	3,081	3,081
Meetings and conferences	13,804	-	9,825
Awards and recognition	10,182	1,061	213
Salaries and benefits	142,591	76,263	62,165
Administrative expenses	12,561	4,255	4,798
Write off of previous years' membership fees	-	35,655	-
Consulting	33,652	64,238	-
Trademark registration	-	5.322	-
Communication	16,170	13,640	9,354
Accounting and bookkeeping	8,241	7,967	6,910
Telephone and internet	3,161	1,957	2,164
Bank charges and interest	5,010	3,381	2,670
	255,875	221,949	106,394
Excess of revenue over expenses (expenses over revenue)	(116,196)	(28,370)	30,221
Net assets, beginning of year	149,019	177,389	147,168
Net assets end of year	$ 32,823	$149,019	$177,389

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The accompanying notes form an integral part of these financial statements.

CANADIAN ASSOCIATION OF HERITAGE PROFESSIONALS

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2023
(UNAUDITED)

	2023	2022	2021
Cash Provided By (Used In) Operating Activities			
Excess of revenue over expenses (expenses over revenue)	$(116,196)	$(28,370)	$ 30,221
Net changes non-cash working capital items			
Term deposit	(18)	(23)	(100)
Accounts receivable	305	42,343	(3,440)
Prepaid insurance	486	(1,103)	-
Accounts payable	12,060	15,698	(10,488)
Deferred revenue	-	(61,599	232
Increase (decrease) in cash during the year	(103,363)	(33,054)	16,425
Cash position, beginning of year	168,011	201,065	184,640
Cash position, end of year	$ 64,648	$168,011	$201,065

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The accompanying notes form an integral part of these financial statements.

CANADIAN ASSOCIATION OF HERITAGE PROFESSIONALS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2023
(Unaudited)

1. **Nature of Operations**

Canadian Association of Heritage Professionals (the "Association") was incorporated on May 2, 1989 under the Canada Corporations Act. It is a not-for-profit organization whose objectives are to further the professional interests of heritage consultants. In the event of dissolution or wind-up, any net assets are to be distributed to an organization having similar objectives.

2. **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Revenue Recognition

The association previously followed the deferral method of accounting for membership fees. Membership fees were recognized as revenue in the period to which they related. The association has now adopted the policy of recognizing membership fee income when invoiced. Other contributions are recognized as income when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(b) Capital Equipment

Capital equipment is expensed when purchased. The association has not expensed any capital equipment in the past three years.

(c) Use of Accounting Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for not-for-profit organizations requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(d) Financial instruments

Measurement of financial instruments

The association initially measures its financial assets and liabilities at fair value, except for certain non-arm’s length transactions.

The association subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable.

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2. **Significant Accounting Policy** (cont'd)

(d) Financial instruments (cont'd)

Financial liabilities measured at amortized cost include accounts payable and deferred income

Impairment

Financial assets measured at cost are tested for impairment when there are indications of impairment. The amount of any write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is no 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 net income.

(e) Contributed materials and services

Contributed materials and services have not been recognized in these financial statements.

3. **Income Taxes**

The association is exempt from income tax in Canada as a not for profit entity under section 149(1)(L) of the income tax act (Canada).

4. **Financial Instruments**

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposure and concentrations at June 30, 2023.

Liquidity risk

Liquidity risk is the risk that an organization will encounter difficulty in meeting obligations associated with financial liabilities. The association is exposed to this risk mainly in respect of its accounts payable. The association has a comprehensive plan in place to meet its obligations as they come due – primarily through the use of cash flow from operations.

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4. **Financial Instruments** (cont'd)

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's main credit risk relates to its accounts receivable. The association does not enter into any transactions to mitigate this risk.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The association is not exposed to currency risk or interest rate risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

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.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The association is not exposed to other price risk.

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