

CANADIAN EVALUATION SOCIETY - ONTARIO CHAPTER

Financial Statements

December 31, 2018

CANADIAN EVALUATION SOCIETY - ONTARIO CHAPTER

**Index to Financial Statements
Year Ended December 31, 2018**

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Operations and Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 7

INDEPENDENT AUDITOR'S REPORT

To the Directors of Canadian Evaluation Society - Ontario Chapter

Opinion

We have audited the financial statements of Canadian Evaluation Society - Ontario Chapter (the "Organization"), which comprise the statement of financial position as at December 31, 2018, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2018, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(continues)

Independent Auditor's Report to the Directors of Canadian Evaluation Society - Ontario Chapter *(continued)*

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hogg, Shain & Scheck PC

Toronto, Ontario
May 27, 2019

Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario


CANADIAN EVALUATION SOCIETY - ONTARIO CHAPTER

Statement of Financial Position

As at December 31, 2018

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 187,012	\$ 180,036
Restricted investment <i>(Note 3)</i>	10,335	10,264
Accounts receivable <i>(Note 3)</i>	2,962	1,391
Harmonized Sales Tax recoverable	-	2,309
Prepaid expenses	5,300	-
	<u>\$ 205,609</u>	<u>\$ 194,000</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities <i>(Note 3)</i>	\$ 42,311	\$ 16,380
Harmonized Sales Tax payable	1,686	-
	<u>43,997</u>	<u>16,380</u>
NET ASSETS		
UNRESTRICTED	<u>161,612</u>	<u>177,620</u>
	<u>\$ 205,609</u>	<u>\$ 194,000</u>

APPROVED ON BEHALF OF THE BOARD

 _____ Director

_____ Director

See the accompanying notes to these financial statements

CANADIAN EVALUATION SOCIETY - ONTARIO CHAPTER**Statement of Operations and Changes in Net Assets****Year Ended December 31, 2018**

	2018	2017
REVENUES		
Program fees	\$ 131,748	\$ 160,371
Membership fees	9,175	8,392
Interest	71	-
	<u>140,994</u>	<u>168,763</u>
EXPENSES		
Programs	54,660	48,280
Speakers	30,204	36,598
Professional fees	28,986	15,216
Administrative support	24,456	21,105
CES module levies	10,812	16,655
Governance	2,328	1,566
Marketing, promotion and sponsorship	1,875	2,479
Membership	1,254	1,125
Teleconference	1,032	1,043
Office and general	726	1,547
Bank charges and credit card fees	669	615
	<u>157,002</u>	<u>146,229</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(16,008)	22,534
NET ASSETS - BEGINNING OF YEAR	<u>177,620</u>	<u>155,086</u>
NET ASSETS - END OF YEAR	<u>\$ 161,612</u>	<u>\$ 177,620</u>

See the accompanying notes to these financial statements

CANADIAN EVALUATION SOCIETY - ONTARIO CHAPTER

Statement of Cash Flows

Year Ended December 31, 2018

	2018	2017
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (16,008)	\$ 22,534
Changes in non-cash working capital items:		
Accounts receivable	(1,571)	4,766
Prepaid expenses	(5,300)	-
Accounts payable and accrued liabilities	25,931	6,720
Harmonized Sales Tax recoverable / payable	3,995	(5,932)
	<u>23,055</u>	<u>5,554</u>
Cash flow from operating activities	<u>7,047</u>	<u>28,088</u>
FINANCING ACTIVITY		
Purchase of restricted investment	(71)	-
Cash flow used by financing activity	<u>(71)</u>	<u>-</u>
INCREASE IN CASH	6,976	28,088
CASH - BEGINNING OF YEAR	<u>180,036</u>	<u>151,948</u>
CASH - END OF YEAR	<u>\$ 187,012</u>	<u>\$ 180,036</u>

See the accompanying notes to these financial statements

CANADIAN EVALUATION SOCIETY - ONTARIO CHAPTER

Notes to Financial Statements

Year Ended December 31, 2018

1. NATURE AND PURPOSE OF THE ORGANIZATION

The Canadian Evaluation Society - Ontario Chapter ("CES-ON") is a chapter of the Canadian Evaluation Society, which is a federally incorporated not-for-profit organization that is dedicated to the advancement of evaluation for its members and the public.

The strategic goals of CES-ON are to increase the profile and influence of CES-ON and its members, and to expand and enhance venues, methods, and types of services it offers by optimizing its human and financial resources.

As a not-for-profit organization, CES-ON is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the representation of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook and include the following significant accounting policies.

These financial statements present the assets, liabilities, revenues, and expenses of CES-ON only, and do not include the assets, liabilities, revenues, and expenses of the Canadian Evaluation Society nor any of its other chapters.

Revenue recognition

Membership and program registration fees are recognized as revenues in the year in which the related services are provided.

Fees received that relate to a future year are deferred on the statement of financial position as deferred revenues.

Financial instruments

CES-ON initially measures its financial assets and liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include cash, restricted investment, and accounts receivable. The financial liabilities subsequently measured at amortized cost include accounts payable.

Measurement uncertainty

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 amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. These estimates are reviewed periodically and any adjustments necessary are made to the revenues and expenses as appropriate in the year in which they become known. Actual results may differ from those estimates.

Contributed services

Volunteers contribute a significant number of hours per year to assist CES-ON in carrying out its service delivery activities. Contributed services are not recognized in these financial statements as CES-ON would not otherwise purchase these services.

CANADIAN EVALUATION SOCIETY - ONTARIO CHAPTER

Notes to Financial Statements

Year Ended December 31, 2018

3. FINANCIAL INSTRUMENTS

Cash consists of deposits in a Canadian financial institution. Cash balances are sufficient to meet its accounts payable as they come due.

Restricted investment consists of an interest-bearing guaranteed investment certificate of \$10,335 (2017 - \$10,264) held as collateral to secure the CES-ON credit card facilities.

It is management's opinion that CES-ON is not exposed to significant market, other price, currency, credit or liquidity risks in respect to its financial instruments.
