



Financial statements

Canadian Society of Association Executives

Trillium Network

April 30, 2018

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Independent Auditor's Report

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To the Members of
Canadian Society of Association Executives – Trillium Network

We have audited the accompanying financial statements of Canadian Society of Association Executives – Trillium Network, which comprise the statement of financial position as at April 30, 2018 and the 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.

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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Society of Association Executives – Trillium Network as at April 30, 2018 and the result of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

August 1, 2018
Toronto, Canada



Chartered Professional Accountants
Licensed Public Accountants

Canadian Society of Association Executives – Trillium Network

Statement of Financial Position

Year ended April 30

Assets

Current

Cash (Note 3)	\$ 264,203	\$ 551,684
Short-term investments (Note 4)	200,677	-
Accounts receivable (Note 8)	5,165	4,632
HST receivable	2,370	-
Prepaid expenses	<u>885</u>	<u>-</u>
	<u>\$ 473,300</u>	<u>\$ 556,316</u>

Liabilities

Current

Accounts payable and accrued liabilities	\$ 8,000	\$ 30,750
Deferred revenue (Note 5)	119,625	137,690
HST payable (Note 9)	<u>-</u>	<u>4,351</u>
	<u>127,625</u>	<u>172,791</u>

Net assets

Unrestricted net assets	324,665	354,713
Internally restricted – Trillium Gives Back Fund (Note 6)	17,672	25,474
Internally restricted – Young Professional Fund (Note 6)	<u>3,338</u>	<u>3,338</u>
	<u>345,675</u>	<u>383,525</u>
	<u>\$ 473,300</u>	<u>\$ 556,316</u>

Commitments (Note 7)

Approved on behalf of the Council:

_____ Council Member _____ Council Member

See accompanying notes to the financial statements.

Canadian Society of Association Executives – Trillium Network

Statement of Changes in Net Assets

Year ended April 30

	Unrestricted <u>Net assets</u>	Trillium <u>Gives Back</u>	Young <u>Professional</u>	<u>Total 2018</u>	<u>Total 2017</u>
Balance, beginning of year	\$ 354,713	\$ 25,474	\$ 3,338	\$ 383,525	\$ 364,048
Excess (deficiency) of revenues over expenses for the year	<u>(30,048)</u>	<u>(7,802)</u>	<u>-</u>	<u>(37,850)</u>	<u>19,477</u>
Balance, end of year	<u>\$ 324,665</u>	<u>\$ 17,672</u>	<u>\$ 3,338</u>	<u>\$ 345,675</u>	<u>\$ 383,525</u>

See accompanying notes to the financial statements.

Canadian Society of Association Executives – Trillium Network

Statement of Operations

Year ended April 30	2018	2017
Revenues		
Sponsorship	\$ 198,000	\$ 200,000
Special events	175,847	166,790
Membership dues (Note 8)	53,656	55,964
Donations	25,115	23,933
Programs	15,421	15,084
Communication	2,294	2,893
Interest	2,598	2,622
	<u>472,931</u>	<u>467,286</u>
Expenses		
Special events	203,724	217,495
Administrative	181,304	175,332
CSAE-National – Futures Fund (Note 8)	60,000	-
Donations	30,520	23,933
Programs	23,810	17,430
Membership services	1,620	1,717
Governance/AGM	1,432	1,534
Committee	569	540
AODA grant expenses	-	(3,544)
	<u>502,979</u>	<u>434,437</u>
Excess (deficiency) of revenues over expenses before the following	<u>(30,048)</u>	<u>32,849</u>
Trillium Gives Back Fund (Note 6)	(7,802)	(13,134)
Young Professionals (Note 6)	-	(238)
	<u>(7,802)</u>	<u>(13,372)</u>
Excess (deficiency) of revenues over expenses for the year	\$ (37,850)	\$ 19,477

See accompanying notes to the financial statements.

Canadian Society of Association Executives – Trillium Network

Statement of Cash Flows

Year ended April 30	2018	2017
Cash from operating activities		
Cash receipts from sponsorship	\$ 193,000	\$ 195,809
Cash receipts from special events	162,782	166,790
Cash receipts from membership dues	53,122	56,079
Cash receipts from programs	15,421	15,084
Cash receipts from communication	2,294	2,893
Interest received	1,921	2,622
Donations received	25,115	23,933
Purchase of investment	(200,000)	-
Redemption of investment	-	101,852
Trillium Gives Back	(7,802)	(13,134)
Young Professionals	-	(238)
Cash paid to suppliers	<u>(533,333)</u>	<u>(412,213)</u>
Change in cash	(287,480)	139,477
Cash, beginning of year	<u>551,684</u>	<u>412,207</u>
Cash, end of year	<u>\$ 264,203</u>	<u>\$ 551,684</u>

See accompanying notes to the financial statements.

Canadian Society of Association Executives – Trillium Network

Notes to the Financial Statements

April 30, 2018

1. Nature of operations

Canadian Society of Association Executives – Trillium Network (the “Network” or “Organization”) is the regional voice for association professionals. The Network facilitates the exchange of ideas, information and experiences to encourage personal and professional growth and prosperity for all members.

During the fiscal year, the Organization changed its name from Canadian Society of Association Executives – Trillium Chapter to Canadian Society of Association Executives – Trillium Network.

The Organization is a Network of the Canadian Society of Association Executives (“CSAE-National”), which is a corporation without share capital incorporated under the laws of Canada. CSAE-National and the Network are therefore related.

2. Significant accounting policies

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

Financial instruments

The Network initially measures its financial assets and financial liabilities at fair value and subsequently at amortized cost, except for investments that are measured at fair value.

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

Revenue recognition

The Network follows the deferral method of accounting for contributions. Restricted contributions, including grant revenues, are recognized as revenue in the fiscal 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. Unrestricted investment income is recognized as revenue when earned. Other revenues are recognized when earned.

Membership dues

Annual membership dues are recognized as revenue when received except for membership dues received in advance of the year of membership, which are deferred to the following fiscal year.

Prepaid expenses

Prepaid expenses represent amounts paid in the current fiscal year for goods and services to be received in the next fiscal year.

Canadian Society of Association Executives – Trillium Network

Notes to the Financial Statements

April 30, 2018

2. Significant accounting policies (continued)

Use of estimates

The preparation of financial statements in accordance 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 and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. The significant area that requires the use of management judgment and estimate is accrued liabilities. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations, in the fiscal year they became known.

Net assets

The financial statements have been prepared in a manner which segregates net assets as follows:

Unrestricted, which represents the accumulated excess of revenues over expenses from operations.

Internally restricted – Trillium Gives Back Fund. The Organization established the Trillium Gives Back Fund in the 2012 fiscal year. The fund provides an opportunity for the Trillium Network to recognize and support the efforts of its members through volunteer recognition and education. 15% of the annual excess of revenues over expenses is allocated to the Fund.

Internally restricted – Young Professional Fund. The Organization established the Young Professional Fund in the 2016 fiscal year to permit the Network to undertake initiatives in engagement of young professionals and students. Contributions are determined annually at the discretion of Council.

Donated property and services

During the fiscal year, voluntary services were provided. Because these services are not normally purchased by the Network and because of the difficulty in determining their fair value, donated services are not recognized in these financial statements.

3. Cash

Cash includes \$218,038 (2017 - \$511,118) held in an interest bearing Tangerine savings account. The Network's investment policy states that any surplus over \$20,000 held in the operating account be transferred to the Tangerine savings account.

4. Short-term investments

Short-term investments include a guaranteed investment certificate maturing January 18, 2019, earning interest at 1.25%.

Canadian Society of Association Executives – Trillium Network

Notes to the Financial Statements

April 30, 2018

5. Deferred revenue

Deferred revenue represents events registration, sponsorship and membership dues received in advance for events to be held and services to be provided in the following fiscal year.

6. Internally restricted funds

Trillium Gives Back Fund

15% of the annual excess of revenues over expenses is allocated from operations to the internally restricted Trillium Gives Back Fund. In the current fiscal year, this allocation amounted to \$Nil due to deficit position (2017 - \$4,927). During the fiscal year, disbursements totalling \$7,802 (2017 - \$13,134) were made from this Fund to recognize and support the efforts of Network members through volunteer recognition and education.

Young Professional Fund

Council has allocated \$Nil in the current year (2017 - \$Nil) from operations to the internally restricted Young Professional Fund. During the fiscal year, disbursements totalling \$Nil (2017 - \$238) were made from this Fund to recognize and support the efforts of Network members through volunteer recognition and education.

7. Commitments

The Network is committed to a renewable agreement with its Executive Director for three years ending June 1, 2018 and renewed for an additional three years ending June 1, 2021.

The Network has an ongoing commitment to support CSAE-National at an amount to be determined in the future.

8. Related party transactions

CSAE-National is responsible for collecting membership dues and it remits a portion of those membership fees to its Networks. Membership dues in the amount of \$53,656 (2017 - \$55,964) were received in the fiscal year from CSAE-National. In addition, during the current fiscal year, the Network sponsored the CSAE-National – Futures Fund in the amount of \$60,000 (2017 - \$Nil) which has been recorded in the statement of operations.

Included in accounts receivable are membership dues from CSAE-National of \$5,165 (2017 - \$4,632).

Canadian Society of Association Executives – Trillium Network

Notes to the Financial Statements

April 30, 2018

9. Financial instruments

The main risks the Network is exposed to through its financial instruments are credit risk, liquidity risk, market risk and interest rate risk. There were no changes in risk from the prior fiscal year.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Network's accounts receivable is solely from CSAE – National. The Network does not have a significant exposure for this receivable, and no allowance has been provided against this receivable.

Liquidity risk

Liquidity risk is the risk the Network may not be able to meet its obligations primarily in respect to its accounts payable. The Network has a plan in place to meet its obligations as they come due, primarily from cash flow from operations. Government remittances owing at year end include HST payable of \$Nil (2017 - \$4,351).

Market risk

Market risk arises as a result of trading in equity securities and fixed income securities. Fluctuations in the market expose the Network to a risk of loss. The Network has a low market risk as it invests in guaranteed investment certificates.

Interest rate risk

Interest rate risk is the risk that the cash flows of the Network will fluctuate due to changes in market interest rates. The Network actively manages the risk by investing in guaranteed investment certificates.
