

Financial Statements of

**THE CANADIAN ASSOCIATION  
OF GEOGRAPHERS**

Year ended December 31, 2016

# THE CANADIAN ASSOCIATION OF GEOGRAPHERS

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**KPMG LLP**  
600 de Maisonneuve Blvd. West  
Suite 1500, Tour KPMG  
Montréal (Québec) H3A 0A3  
Canada

Telephone (514) 840-2100  
Fax (514) 840-2187  
Internet [www.kpmg.ca](http://www.kpmg.ca)

## INDEPENDENT AUDITORS' REPORT

To the Members of The Canadian Association of Geographers

We have audited the accompanying financial statements of The Canadian Association of Geographers, which comprise the statement of financial position as at December 31, 2016, the statement of operations and net assets for the year then ended, and notes, comprising 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.

### *Auditors' 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 an 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 our 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, we consider 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.



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*Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Canadian Association of Geographers as at December 31, 2016, and the results of its operations for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

*KPMG LLP\**

May 4, 2017

Montréal, Canada

# THE CANADIAN ASSOCIATION OF GEOGRAPHERS

## Statement of Financial Position

December 31, 2016, with comparative information for 2015

	2016	2015
<b>Assets</b>		
Cash and term deposits	\$ 27,756	\$ 201,084
Short-term investment	520,097	440,674
Publications revenue receivable	10,296	10,755
Goods and services tax receivable	192	828
Other amounts receivable	198,445	92,598
Prepaid expenses	622	1,901
	<hr/>	<hr/>
	\$ 757,408	\$ 747,840
<b>Liabilities</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 103,555	\$ 104,829
Deferred revenue	18,556	25,207
	<hr/>	<hr/>
	122,111	130,036
Deferred donation revenue - 50 <sup>th</sup> Anniversary Fund (note 2)	48,676	55,618
Deferred revenue - future meetings fund	19,043	30,911
Amounts held on behalf of the Suzanne MacKenzie Memorial Fund (note 5)	37,497	36,984
Amounts held on behalf of the Robin P. Armstrong Memorial Fund (note 6)	33,086	33,011
<b>Net Assets</b>	496,995	461,280
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	\$ 757,408	\$ 747,840

See accompanying notes to financial statements.

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

# THE CANADIAN ASSOCIATION OF GEOGRAPHERS

## Statement of Operations and Net Assets

Year ended December 31, 2016, with comparative information for 2015

	2016	2015
Revenue:		
Memberships:		
Full members	\$ 34,876	\$ 41,690
Student members	15,161	22,283
Family members	1,566	1,759
Retired members	2,529	2,775
New members	3,090	4,300
Associate members (note 3)	9,970	12,640
	<hr/>	<hr/>
	67,192	85,447
Publications:		
<i>Canadian Geographer</i>	21,696	22,697
Grants:		
SSHRC publication	28,050	28,050
Other:		
Future meetings fund	11,868	9,089
Directory	13,365	12,931
Surplus from Annual General Meeting and levy	4,070	17,713
Royalties and promotion	101,260	90,966
Study groups	5,928	4,820
50 <sup>th</sup> anniversary	7,582	5,612
Interests	9,737	37,441
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	153,810	178,572
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Total revenue (balance carried forward)	\$ 270,748	\$ 314,766

# THE CANADIAN ASSOCIATION OF GEOGRAPHERS

## Statement of Operations and Net Assets (continued)

Year ended December 31, 2016, with comparative information for 2015

	2016	2015
Total revenue (balance brought forward)	\$ 270,748	\$ 314,766
Expenditures:		
Publications <i>Canadian Geographer</i>	34,245	28,413
Publication of directory	10,147	10,034
Secretarial assistance	68,626	67,623
Postage and mailing	832	533
Travel and meetings:		
Annual	39,227	38,964
Student travel grant	7,122	7,137
Executive	9,952	3,226
Affiliation fees	5,441	5,502
Professional fees	12,100	12,000
Audit and accounting fees	6,718	6,395
Legal fees	-	306
Rent	4,000	4,000
Translation	7,185	5,564
Division rebates	3,005	3,040
Division grants	6,000	10,000
Study groups	5,560	4,525
Bank charges	4,168	3,211
Office	303	183
Awards	1,000	1,500
Website maintenance	3,326	4,397
Website miscellaneous	3,864	829
Liability insurance	1,932	1,512
Annual declaration	280	322
Total expenditures	235,033	219,216
Excess of revenue over expenditures	35,715	95,550
Net assets, beginning of year	461,280	365,730
Net assets, end of year	\$ 496,995	\$ 461,280

See accompanying notes to financial statements.

# THE CANADIAN ASSOCIATION OF GEOGRAPHERS

Notes to Financial Statements

Year ended December 31, 2016

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The Canadian Association of Geographers' (the "Association") principal objective is the promotion of geography in Canada. Its principal activity is the publication of journals and other information for its members. The Association is a federally registered charity since October 31, 1990 and, as such, is exempt from income tax under paragraph 149(1)(f) of the *Income Tax Act* (Canada).

## 1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-for-Profit Organizations in Part III of the *CPA Canada Handbook - Accounting*.

### (a) Capital assets:

Capital assets are expensed in the year they are acquired. These capital assets comprise office furniture and equipment. Costs of acquisition are not significant in relation to the Association's total annual expenditures.

### (b) Revenue recognition:

Unrestricted donations or government grants are recognized as revenue in the year during which they are received. Where restrictions apply, such contributions are deferred and recognized as revenue in the same future period as the related expenses are incurred.

### (c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Association has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method (or effective interest rate method).

# THE CANADIAN ASSOCIATION OF GEOGRAPHERS

Notes to Financial Statements (continued)

Year ended December 31, 2016

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## 1. Significant accounting policies (continued):

### (c) Financial instruments (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Association determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Association expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

## 2. Deferred donation revenue:

The Association has received donations related to its 50<sup>th</sup> Anniversary Fund which will be used for future special awards.

## 3. Associate members:

The Association receives memberships on behalf and to the credit of the American Association of Geographers ("AAG"). Memberships received for the AAG during the year were \$11,257 (2015 - \$13,781). The AAG receives memberships on behalf of the Canadian Association of Geographers which are recorded by the Association as revenue from associate members.

## 4. 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, 2016, the approximate value of the Dr. Otis P. Starkey's bequest is \$15,000.

## 5. Suzanne MacKenzie Memorial Fund:

The Association administers a memorial fund on behalf of the Canadian Women in Geography Study Group.

As at December 31, 2016, the approximate value of the Suzanne MacKenzie Memorial Fund is \$37,497 (2015 - \$36,984) and represents cash separately administered by the Association.

# THE CANADIAN ASSOCIATION OF GEOGRAPHERS

Notes to Financial Statements (continued)

Year ended December 31, 2016

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## 6. Robin P. Armstrong Memorial Fund:

The Association established this new memorial fund in conjunction with Statistics Canada and Indian and Northern Affairs Canada to recognize and promote excellence in applied research on Canada aboriginal people.

As at December 31, 2015, the approximate value of the Robin P. Armstrong Memorial Fund is \$33,086 (2015 - \$33,011) and represents cash separately administered by the Association.

## 7. Statement of cash flows:

A statement of cash flows is not included in the financial statements since it would not provide any additional information not already disclosed in the financial statements.

## 8. Financial risks and concentration of credit risk:

### (a) Liquidity risk:

Liquidity risk is the risk that the Association will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Association manages its liquidity risk by monitoring its operating requirements. The Association prepares budget and cash forecasts to ensure it has sufficient funds to fill its obligations. There has been no change to the risk exposures from 2015.

### (b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Association is exposed to credit risk with respect to the accounts receivable. The Association assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

### (c) Interest rate risk:

The Association is exposed to interest rate risk on its fixed interest rate financial instruments.

# THE CANADIAN ASSOCIATION OF GEOGRAPHERS

## Schedule - Analysis of Operations and Net Assets

Year ended December 31, 2016, with comparative information for 2015

			2016	2015
	Operations	<i>Canadian Geographer</i>	Total	Total
Revenue:				
Memberships:				
Full members	\$ 26,157	\$ 8,719	\$ 34,876	\$ 41,690
Student members	11,371	3,790	15,161	22,283
Family members	1,175	391	1,566	1,759
Retired members	1,897	632	2,529	2,775
New members	2,317	773	3,090	4,300
Associate members	7,477	2,493	9,970	12,640
	50,394	16,798	67,192	85,447
Publications:				
<i>Canadian Geographer</i>	–	21,696	21,696	22,697
Grants:				
SSHRCC publication	–	28,050	28,050	28,050
Other:				
Future meetings	11,868	–	11,868	9,089
Directory	13,365	–	13,365	12,931
Surplus from Annual General Meeting and levy	4,070	–	4,070	17,713
Royalties and promotion	–	101,260	101,260	90,966
Study groups	5,928	–	5,928	4,820
50 <sup>th</sup> anniversary	7,582	–	7,582	5,612
Interests	9,737	–	9,737	37,441
	52,550	101,260	153,810	178,572
<b>Total revenue (balance carried forward)</b>				
	\$ 102,944	\$ 167,804	\$ 270,748	\$ 314,766

# THE CANADIAN ASSOCIATION OF GEOGRAPHERS

Schedule - Analysis of Operations and Net Assets (continued)

Year ended December 31, 2016, with comparative information for 2015

			2016	2015
	Operations	<i>Canadian Geographer</i>	Total	Total
Total revenue (balance brought forward)	\$ 102,944	\$ 167,804	\$ 270,748	\$ 314,766
Expenditures:				
Publications:				
<i>Canadian Geographer</i>	–	34,245	34,245	28,413
Publication of directory	10,147	–	10,147	10,034
Secretarial assistance	51,470	17,156	68,626	67,623
Postage and mailing	832	–	832	533
Travel and meetings:				
Annual	39,227	–	39,227	38,964
Student travel grant	7,122	–	7,122	7,137
Executive	9,952	–	9,952	3,226
Affiliation fees	5,441	–	5,441	5,502
Professional fees	–	12,100	12,100	12,000
Audit and accounting fees	3,359	3,359	6,718	6,395
Legal fees	–	–	–	306
Rent	2,000	2,000	4,000	4,000
Translation	1,796	5,389	7,185	5,564
Division rebates	3,005	–	3,005	3,040
Division grants	6,000	–	6,000	10,000
Study groups	5,560	–	5,560	4,525
Bank charges	3,126	1,042	4,168	3,211
Office	227	76	303	183
Awards	1,000	–	1,000	1,500
Website maintenance	2,495	832	3,326	4,397
Website miscellaneous	2,898	966	3,864	829
Liability insurance	1,932	–	1,932	1,512
Annual declaration	280	–	280	322
Total expenditures	157,869	77,164	235,033	219,216
Excess of (expenditures over revenue) revenue over expenditures	(54,925)	90,640	35,715	95,550
Net assets, beginning of year	127,077	334,203	461,280	365,730
Net assets, end of year	\$ 72,752	\$ 424,843	\$ 496,995	\$ 461,280