

**CAGP FOUNDATION**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**



## INDEPENDENT AUDITORS' REPORT

To the Member of  
CAGP Foundation

### Opinion

We have audited the financial statements of CAGP Foundation (the "Foundation"), which comprise the statement of financial position as at December 31, 2023, and the statement of operations, statement of changes in net assets and statement of 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 Foundation as at December 31, 2023, 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation 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 these 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 Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

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**INDEPENDENT AUDITORS' REPORT (Cont'd.)**

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

**Auditors' 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 auditors' 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:

- 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 Foundation'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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.



**INDEPENDENT AUDITORS' REPORT (Cont'd.)**

- 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.

McCay Duff LLP  
McCay Duff LLP,  
Licensed Public Accountants.

Ottawa, Ontario  
May 27, 2024.

**CAGP FOUNDATION**

**STATEMENT OF FINANCIAL POSITION**

**AS AT DECEMBER 31, 2023**

	<b>ASSETS</b>		
		<u><b>2023</b></u>	<u><b>2022</b></u>
<b>CURRENT</b>			
Cash	\$	<b>752,921</b>	\$ 1,200,324
Short-term investments (note 4)		<b>500,000</b>	-
Accounts receivable		<b>14,810</b>	132,501
HST recoverable		<b>40,784</b>	132,056
Prepaid expenses		<b>14,588</b>	35,376
Due from Canadian Association of Gift Planners (note 7)		<u>-</u>	<u>58,694</u>
		<b>1,323,103</b>	1,558,951
<b>INTANGIBLE ASSET</b> (note 5)		<b>50,291</b>	23,098
<b>LONG-TERM INVESTMENTS</b> (note 4)		<u><b>150,000</b></u>	<u>-</u>
		<u><b>\$ 1,523,394</b></u>	<u><b>\$ 1,582,049</b></u>
	<b>LIABILITIES</b>		
<b>CURRENT</b>			
Accounts payable and accrued liabilities	\$	<b>38,084</b>	\$ 28,214
Deferred revenue (note 6)		<b>365,084</b>	828,026
Due to Canadian Association of Gift Planners (note 7)		<u><b>18,622</b></u>	<u>-</u>
		<b>421,790</b>	856,240
	<b>NET ASSETS</b>		
<b>UNRESTRICTED</b>		<b>161,604</b>	215,809
<b>INTERNALLY RESTRICTED RESERVE STABILITY FUND</b> (note 8)		<b>320,000</b>	150,000
<b>INTERNALLY RESTRICTED WILL POWER RESERVE FUND</b> (note 8)		<u><b>620,000</b></u>	<u>360,000</u>
		<u><b>1,101,604</b></u>	<u>725,809</u>
		<u><b>\$ 1,523,394</b></u>	<u><b>\$ 1,582,049</b></u>

Approved on behalf of the Board:

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Director

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Director

**CAGP FOUNDATION**

**STATEMENT OF OPERATIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>REVENUE</b>		
Will Power campaign memberships and sponsorships	\$ 1,268,132	\$ 1,330,496
Donations	322,532	484,685
Education courses	301,792	313,903
Interest Income	<u>14,218</u>	<u>-</u>
	<u>1,906,674</u>	<u>2,129,084</u>
<b>EXPENSES</b>		
Will Power campaign (Schedule)	912,948	1,431,878
Contracted services	279,964	273,264
Management fee (note 7)	99,782	99,782
Meals, travel and accommodation	71,229	44,391
Fundraising	67,866	69,847
Professional fees	44,776	36,899
Office	17,311	14,377
Honorariums	11,000	9,000
Interest and bank charges	9,911	12,201
Occupancy	6,980	6,201
Memberships and dues	4,878	9,495
Insurance	2,734	2,644
Sponsorship (note 7)	<u>1,500</u>	<u>31,000</u>
	<u>1,530,879</u>	<u>2,040,979</u>
<b>NET REVENUE FOR THE YEAR</b>	<u>\$ 375,795</u>	<u>\$ 88,105</u>

**CAGP FOUNDATION**

**STATEMENT OF CHANGES IN NET ASSETS**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023			2022	
	Unrestricted	Internally Restricted Reserve Stability Fund	Internally Restricted Will Power Reserve Fund	Total	Total
<b>BALANCE - BEGINNING OF YEAR</b>	\$ 215,809	\$ 150,000	\$ 360,000	\$ 725,809	\$ 637,704
Net revenue for the year	375,795	-	-	<b>375,795</b>	88,105
Transfer to Internally Restricted Reserve Stability Fund	( 170,000)	170,000	-	-	-
Transfer to Internally Restricted Will Power Reserve Fund	( 260,000)	-	260,000	-	-
<b>BALANCE - END OF YEAR</b>	<u>\$ 161,604</u>	<u>\$ 320,000</u>	<u>\$ 620,000</u>	<u>\$ 1,101,604</u>	<u>\$ 725,809</u>

**CAGP FOUNDATION**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>CASH PROVIDED BY (USED FOR)</b>		
<b>OPERATING ACTIVITIES</b>		
Net revenue for the year	\$ 375,795	\$ 88,105
Changes in non-cash working capital		
- accounts receivable	116,102	( 124,187)
- fund distribution receivable	1,589	8,109
- HST recoverable	91,272	( 37,061)
- prepaid expenses	20,788	( 11,768)
- accounts payable and accrued liabilities	9,870	23,546
- deferred revenue	( 462,942)	796,722
- due to/from Canadian Association of Gift Planners	<u>77,316</u>	<u>( 208,899)</u>
	<u>( 146,005)</u>	<u>446,462</u>
	229,790	534,567
<b>INVESTING ACTIVITY</b>		
Purchase of intangible asset	<u>( 27,193)</u>	<u>( 23,098)</u>
<b>FINANCING ACTIVITY</b>		
Purchase of investments	<u>( 650,000)</u>	<u>-</u>
<b>CHANGE IN CASH POSITION DURING THE YEAR</b>	<b>( 447,403)</b>	511,469
Cash position - beginning of year	<u>1,200,324</u>	<u>688,855</u>
<b>CASH POSITION - END OF YEAR</b>	<b><u>\$ 752,921</u></b>	<b><u>\$ 1,200,324</u></b>



## CAGP FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

#### 1. ORGANIZATION

CAGP Foundation ("the Foundation") was incorporated without share capital under Part II of the Canada Not-for-profit Corporations Act on March 30, 2016. The mission of the Foundation is to financially support the development and promotion of excellence in strategic, charitable gift planning in Canada. The Foundation is registered under the Income Tax Act as a charitable public foundation.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Foundation's significant accounting policies are as follows:

(a) Revenue Recognition

The Foundation follows the deferral method of accounting for contributions. Restricted donations are recognized as revenue in the year in which related restrictions are met. Unrestricted donations are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Will Power campaign memberships and sponsorships are recognized in proportion to the related benefits that have been received by the member or sponsor as compared to the total benefits available through the membership or sponsorship.

Education course revenue is recognized in the period in which the specific course is held.

Interest income is recognized as it is earned.

(b) 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, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. These estimates are reviewed periodically and adjustments are made to net revenue as appropriate in the year they become known.

**CAGP FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)**

(c) Financial Instruments

The Foundation's financial instruments consist of cash, investments, accounts receivable, accounts payable and the amount due to Canadian Association of Gift Planners.

*Measurement*

Cash, investments, accounts receivable and accounts payable are recorded at fair value on initial recognition. The amount due to Canadian Association of Gift Planners is recorded at cost on initial recognition.

The Foundation subsequently measures all of its financial instruments at amortized cost.

*Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down or subsequent recovery is recognized in net revenue. A previously recognized write-down can be reversed to the extent of the improvement.

(d) Volunteer Services

The Foundation receives the services of volunteers, the cost of which cannot be reasonably estimated. Since these services are not normally purchased by the Foundation, and because of the difficulty of determining their fair value, the value of these services is not reflected in these financial statements.

**3. FINANCIAL RISKS AND CONCENTRATION OF RISKS**

It is management's opinion that the Foundation is not exposed to significant market, liquidity, interest rate, currency or credit risks arising from its financial instruments. There have been no changes to the risk exposure from the prior year.

**CAGP FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**4. INVESTMENTS**

The short-term investments balance is comprised of Guaranteed Investment Certificates (GIC) investments with annual interest rates ranging from 4.95% to 5.15% and maturity dates ranging from January 21, 2024 to April 20, 2024.

The long-term investments balance is comprised of a GIC with an annual interest of 5.15% and a maturity date of July 25, 2026.

**5. INTANGIBLE ASSET**

The intangible asset balance is comprised of website development costs. The website is not available for use as at December 31, 2023, and accordingly, no amortization expense has been recorded during the year ended December 31, 2023.

**6. DEFERRED REVENUE**

Deferred revenue relates to education course fees and Will Power memberships paid in advance.

	<u>2023</u>	<u>2022</u>
Education courses	\$ <b>89,434</b>	\$ 114,849
Will Power Campaign	<u><b>275,650</b></u>	<u>713,177</u>
	<u><b>\$ 365,084</b></u>	<u>\$ 828,026</u>

**7. CANADIAN ASSOCIATION OF GIFT PLANNERS**

The Canadian Association of Gift Planners ("the Association") is a related party of the Foundation by virtue of the Association's ability to elect and remove members of the Foundation's Board of Directors. During the year ended December 31, 2023, the Foundation paid management fees of \$99,782 (2022 - \$99,782), Will Power campaign costs of \$9,198 (2022 - \$9,198) and sponsorships of \$1,500 (2022 - \$31,000) to the Association. These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The amount due from (to) the Canadian Association of Gift Planners is non-interest bearing and has no fixed terms of repayment. It is anticipated that the amount will be repaid on or before January 1, 2025 and therefore has been presented with current assets.

**CAGP FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**8. INTERNALLY RESTRICTED NET ASSETS**

The Reserve Stability Fund is an internally restricted reserve set aside by the Board of Directors to cover minimum legal obligations in the event of an unexpected cash shortfall or unusual circumstances, or to invest in the Foundation's strategic priorities beyond the resources available from general operations. Any additions to, or withdrawals from, the Reserve are made by approval by the Board of Directors.

Will Power is a national public education effort designed to inspire more Canadians to make a significant impact on the causes they care about, with a gift in their will to charity. The purpose of the Will Power Campaign Reserve Fund is to provide financial support to the Will Power campaign expenses in the event that campaign memberships and sponsorships are insufficient, or for future campaign redevelopment.

**CAGP FOUNDATION**

**SCHEDULE OF WILL POWER CAMPAIGN EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u><b>2023</b></u>	<u><b>2022</b></u>
Marketing and public relations	\$ <b>628,511</b>	\$ 1,192,032
Professional and consulting fees	<b>267,740</b>	210,108
Management fee	<b>9,198</b>	9,198
Administration	<b>7,478</b>	17,639
Other	<b>21</b>	2,446
Legal fees	<u>-</u>	<u>455</u>
	<u><b>\$ 912,948</b></u>	<u><b>\$ 1,431,878</b></u>