

Association of Fundraising Professionals (Manitoba Chapter) Inc.
Financial Statements
June 30, 2022
(unaudited)

Shannon Quesnel Chartered Professional Accountant

11 Kingsborough Drive, Winnipeg, MB R3P 1H9
(204) 995-2279
shannonquesnelcpa@gmail.com

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Association of Fundraising Professionals (Manitoba Chapter) Inc.:

I have reviewed the accompanying financial statements of Association of Fundraising Professionals (Manitoba Chapter) Inc. that comprise the statement of financial position as at June 30, 2022, and the statements of operations, changes in members' net assets and cash flows for the 6-month period 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.

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 Association of Fundraising Professionals (Manitoba Chapter) Inc. as at June 30, 2022, and the results of its operations, changes in members' net assets and its cash flows for the 6-month period then ended in accordance with Canadian accounting standards for not-for-profit organizations.



November 10, 2022
Winnipeg, Canada

Chartered Professional Accountant

Association of Fundraising Professionals (Manitoba Chapter) Inc.
Statement of Operations

For the 6-month period ended June 30, 2022
(unaudited)

	6-month period ended June 30, 2022	Year ended December 31, 2021
Revenue		
Manitoba Philanthropy Awards (Note 3)	\$ -	\$ 74,406
Job postings fees	13,100	19,397
Professional Development programs	5,705	4,231
Membership fees	4,791	9,388
Travel stipends	350	-
Interest and other income	459	904
Every Member Campaign	-	813
	<u>24,405</u>	<u>109,139</u>
Expenses		
Manitoba Philanthropy Awards (Note 3)	-	65,078
Professional Development programs	2,073	2,641
Chapter development	4,684	3,639
Membership development	2,086	4,976
Educational grants	2,495	3,485
Communications and public relations	214	415
Office and administrative expenses	877	2,357
Administrative services	7,344	14,688
Accounting and legal fees	1,504	1,140
IDEA and ethics	-	2,428
Special projects (Note 4)	-	4,100
	<u>21,277</u>	<u>104,947</u>
Excess of Revenues over Expenses	<u>\$ 3,128</u>	<u>\$ 4,192</u>

Association of Fundraising Professionals (Manitoba Chapter) Inc.

Statement of Changes in Members' Net Assets

For the 6-month period ended June 30, 2022

(unaudited)

	2022			2021
	Internally restricted for special projects	Unrestricted	Total	Total
Balance, beginning of year	\$ 3,750	\$ 76,032	\$ 79,782	\$ 75,590
Excess of revenues over expenses	-	3,128	3,128	8,292
Internally restricted	-	-	-	(4,100)
Balance, end of year	\$ 3,750	\$ 79,160	\$ 82,910	\$ 79,782

Association of Fundraising Professionals (Manitoba Chapter) Inc.**Statement of Financial Position**

As at June 30, 2022

(unaudited)

	June 30, 2022	December 31, 2021
Assets		
Current		
Cash	\$ 60,465	\$ 39,795
Term deposits maturing within one year	35,232	35,232
Accounts receivable	7,310	12,045
Prepaid expenses	450	1,379
Accrued interest	657	322
	<u>\$ 104,114</u>	<u>\$ 88,773</u>
Liabilities		
Current		
Accounts payable and accrued expenses	5,004	8,991
Deferred revenue	16,200	-
	<u>21,204</u>	<u>8,991</u>
Members' Net Assets		
Internally restricted for special projects	3,750	3,750
Unrestricted	79,160	76,032
	<u>82,910</u>	<u>79,782</u>
	<u>\$ 104,114</u>	<u>\$ 88,773</u>

Approved on behalf of the Board of Directors:

Director_____
Director

Association of Fundraising Professionals (Manitoba Chapter) Inc.**Statement of Cash Flows**

For the 6-month period ended June 30, 2022

(unaudited)

	6-month period ended June 30, 2022	Year ended December 31, 2021
Operating activities		
Excess of revenues over expenses	\$ 3,128	\$ 4,192
Net change in non-cash working capital	17,542	(6,141)
Increase (decrease) in cash and cash equivalents	20,670	(1,949)
Cash and cash equivalents, beginning of year	75,027	76,976
Cash and cash equivalents, end of year		
Cash	60,465	39,795
Term deposits	35,232	35,232
	\$ 95,697	\$ 75,027

Association of Fundraising Professionals (Manitoba Chapter) Inc.

Notes to the Financial Statements

6-month period ended June 30, 2022

(unaudited)

1. Status and purpose of the organization

The Association of Fundraising Professionals (Manitoba Chapter) Inc. ("AFP Manitoba") is incorporated as a not-for-profit organization without share capital in the Province of Manitoba and is not subject to income tax under the *Income Tax Act*. AFP Manitoba is the Manitoba Chapter of AFP Canada, which in turn is a member of AFP Global, and was chartered in 1996. AFP Manitoba is one of 21 Canadian chapters and more than 200 worldwide. AFP Manitoba brings together individuals and organizations that serve their communities in many ways, through a variety of sectors, representing a wide range of demographics, each driven by mission statements that tackle some of society's most important issues, and works to advance philanthropy through advocacy, research, education and certification programs.

2. Change of fiscal year end

To align AFP Manitoba's reporting period and Board of Directors' terms with that of AFP Canada and AFP Global, the entity changed the end of its reporting period from December 31 to June 30. Amounts presented for the 2022 reporting period are for a 6-month period. Comparative figures are for a 12-month period. Consequently, comparative amounts for the statement of operations, statement of changes in members' net assets, statement of cash flows and related notes are not entirely comparable.

3. Significant accounting policies

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

a) Revenue recognition

AFP Manitoba follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the period in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Professional development programs fees are recognized as revenue when the programs are held.

Membership fees are recognized as revenue proportionately over the fiscal period to which they relate.

b) Capital assets

Capital assets are recorded as expenses in the period they are acquired. There were no capital assets acquired in 2022 or 2021.

c) Contributed services

Volunteers contribute their time to assisting AFP Manitoba in delivering its services. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

d) *Financial instrument measurement*

AFP Manitoba initially measures its financial assets and financial liabilities at fair value. It subsequently measures its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash, term deposits, accounts receivable, prepaid expenses and accrued interest. Financial liabilities measured at amortized cost include accounts payable and accrued expenses and deferred revenue.

4. Gifts in kind

Included in the revenues and expenses of the Manitoba Philanthropy Awards are three gifts in kind received by AFP Manitoba. AFP Manitoba was provided advertising services, audio-visual services, and video production services with a combined fair value of \$nil (2021 - \$32,329) and in return, the donors were recognized as sponsors of the event. No gain or loss was recorded on these transactions.

5. Internal restrictions

In 2016, the Board of Directors of AFP Manitoba resolved to restrict \$25,000 for non-recurring special projects. In 2022, \$nil (2021 - \$4,100) was disbursed.

6. Remuneration of Board Members

AFP Manitoba is administered by a board of volunteers elected annually at a special meeting of members, for ratification at the Annual General Meeting. No remuneration for services is paid to any volunteer board member.

7. Financial instruments

AFP Manitoba is exposed to various risks through its financial instruments. The following analysis presents AFP Manitoba's exposures to significant risk at June 30, 2022.

Credit risk

AFP Manitoba is exposed to credit risk with respect to term deposits and accounts receivable. AFP Manitoba assesses, on a continuous basis, accounts receivable on the basis of amounts it is virtually certain to receive. The credit risk with respect to term deposits is insignificant since they are held in a large financial institution.

Interest rate risk

AFP Manitoba is exposed to interest rate risk on its term deposits, as they subject AFP Manitoba to risk of changes in fair value. The weighted average interest rate on term deposits at June 30, 2022 was 1.92% (2021 – 1.92%). Both term deposits, with balances of \$10,794 and \$24,438 respectively, mature in July 2022.