
Financial Statements

**CANADIAN COUNSELLING AND PSYCHOTHERAPY ASSOCIATION/
ASSOCIATION CANADIENNE DE COUNSELING ET DE PSYCHOTHÉRAPIE**

January 31, 2012

FINANCIAL STATEMENTS

**CANADIAN COUNSELLING AND PSYCHOTHERAPY ASSOCIATION/
ASSOCIATION CANADIENNE DE COUNSELING ET DE PSYCHOTHÉRAPIE**

January 31, 2012

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INDEPENDENT AUDITOR'S REPORT

To the Members of **CANADIAN COUNSELLING AND PSYCHOTHERAPY ASSOCIATION/
ASSOCIATION CANADIENNE DE COUNSELING ET DE PSYCHOTHÉRAPIE:**

I have audited the accompanying financial statements of Canadian Counselling and Psychotherapy Association/Association Canadienne de Counseling et de Psychothérapie which comprise the statement of financial position as at January 31, 2012, the statement of changes in net assets and the statement of revenues and expenses 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 generally accepted accounting principles 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Counselling and Psychotherapy Association/Association Canadienne de Counseling et de Psychothérapie as at January 31, 2012, and its financial performance and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

van Berkom Professional Corporation

Ottawa, Ontario
May 22, 2012

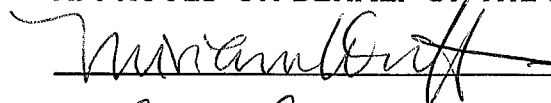
van Berkom Professional Corporation
(Authorized to practise public accounting by
The Institute of Chartered Accountants of Ontario)

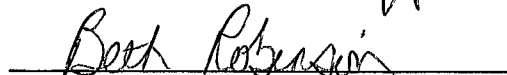
STATEMENT OF FINANCIAL POSITION

**CANADIAN COUNSELLING AND PSYCHOTHERAPY ASSOCIATION/
ASSOCIATION CANADIENNE DE COUNSELING ET DE PSYCHOTHERAPIE**

	January 31	
	<u>2012</u>	<u>2011</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 182,951	\$ 215,019
Accounts receivable	45,225	52,123
Prepaid expenses	35,305	26,106
Inventory	<u>4,897</u>	<u>5,304</u>
	268,378	298,552
CAPITAL ASSETS--Note C	23,122	23,620
RESTRICTED INVESTMENT--Note D	5,891	5,882
INVESTMENTS--Note E	<u>678,421</u>	<u>655,309</u>
	<u>\$ 975,812</u>	<u>\$ 983,363</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 70,679	\$ 107,659
Deferred revenue--Note F	<u>332,745</u>	<u>337,301</u>
	403,424	444,960
NET ASSETS		
Invested in capital assets	23,122	23,620
Externally restricted	5,891	5,882
Unrestricted	<u>543,375</u>	<u>508,901</u>
	<u>572,388</u>	<u>538,403</u>
	<u>\$ 975,812</u>	<u>\$ 983,363</u>

APPROVED ON BEHALF OF THE BOARD:

 Director

 Director

See notes to financial statements

STATEMENT OF CHANGES IN NET ASSETS

**CANADIAN COUNSELLING AND PSYCHOTHERAPY ASSOCIATION/
ASSOCIATION CANADIENNE DE COUNSELING ET DE PSYCHOTHERAPIE**

	Invested in Capital Assets	Externally Restricted Fund	Unrestricted	Year Ended January 31	
				2012	2011
Balance, beginning of year	\$ 23,620	\$ 5,882	\$ 508,901	\$ 538,403	\$ 520,080
Excess of revenues over expenses	(7,759)	-	41,735	33,976	18,048
Additions to capital assets	7,261	-	(7,261)	-	-
Restricted investment	<u>-</u>	<u>9</u>	<u>-</u>	<u>9</u>	<u>275</u>
Balance, end of year	\$ <u>23,122</u>	\$ <u>5,891</u>	\$ <u>543,375</u>	\$ <u>572,388</u>	\$ <u>538,403</u>

See notes to financial statements

STATEMENT OF REVENUES AND EXPENSES

**CANADIAN COUNSELLING AND PSYCHOTHERAPY ASSOCIATION/
ASSOCIATION CANADIENNE DE COUNSELING ET DE PSYCHOTHERAPIE**

	Year Ended January 31	
	2012	2011
Revenues		
Membership fees	\$ 492,148	\$ 433,191
Certification fees	191,260	179,923
Subscriptions and sale of books	36,035	42,279
Advertising	16,778	15,434
Conference	156,895	183,151
Continuing education	23,049	15,038
National Assessment	236,289	127,917
National Symposium	63,419	48,056
Pathways Project	5,993	-
SSHRC grants	11,695	22,450
CACEP	6,903	2,092
Other	<u>2,469</u>	<u>7,527</u>
	1,242,933	1,077,058
Expenses		
Administration and operations - schedule	592,990	571,454
Publications - schedule	64,030	78,148
Advocacy and promotion - schedule	42,808	19,984
Conference	155,966	178,874
Continuing education	15,722	24,149
National Assessment	236,289	127,917
National Symposium	63,419	48,056
Pathways Project	<u>5,993</u>	<u>-</u>
	<u>1,177,217</u>	<u>1,048,582</u>
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	65,716	28,476
Other expenses - schedule	(54,972)	(37,118)
Investment income	28,427	23,995
Unrealized (loss) gain on investments	<u>(5,195)</u>	<u>2,695</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 33,976</u>	<u>\$ 18,048</u>

See notes to financial statements

NOTES TO FINANCIAL STATEMENTS

CANADIAN COUNSELLING AND PSYCHOTHERAPY ASSOCIATION/ ASSOCIATION CANADIENNE DE COUNSELING ET DE PSYCHOTHERAPIE

January 31, 2012

NOTE A--NATURE OF ORGANIZATION

The Canadian Counselling and Psychotherapy Association/L'Association canadienne de counseling et de psychothérapie (CCPA/ACCP) is a national and bilingual organization dedicated to the enhancement of the counselling and psychotherapy profession in Canada. The Association is incorporated as a not-for-profit organization under the *Canada Corporations Act* and is not subject to income tax.

There are ten Chapters, which represent either regional groups or special interest groups, supported by the Association as of January 31, 2012. The accounts and operations of these chapters are not included in the Association's financial statements.

NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The Association's significant accounting policies are as follows:

Financial Instruments: Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. Their classification depends on the purpose for which the financial instruments were acquired or issued, their characteristics and the Association's designation of such instruments. The Association's financial assets consist of cash, accounts receivable and investments. Cash is classified as *held-for-trading*, accounts receivable are classified as *loans and receivables* and investments are classified as *held-to-maturity*. The Association's financial liabilities consist of accounts payable and accrued liabilities and are classified as *other liabilities*.

Held-for-trading financial assets are financial assets typically acquired for resale prior to maturity or that are designated as held for trading. They are measured at fair value at the date of the statement of financial position. Fair value fluctuations including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in income. *Loans and receivables* and *held-to-maturity* financial assets are financial assets with fixed or determinable payments that the Association's management has the positive intention and ability to hold to maturity. These assets are initially recorded at fair value and subsequently carried at amortized cost, using the effective interest method. *Other liabilities* financial liabilities are recorded at amortized cost using the effective interest method.

Cash and Cash Equivalents: Cash and cash equivalents consist of unrestricted cash and investments with an initial maturity of three months or less at the time of acquisition.

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NOTES TO FINANCIAL STATEMENTS

**CANADIAN COUNSELLING AND PSYCHOTHERAPY ASSOCIATION/
ASSOCIATION CANADIENNE DE COUNSELING ET DE PSYCHOTHERAPIE**

January 31, 2012

NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventory: Inventory is recorded at the lower of cost and net realizable value.

Capital Assets: Capital assets are stated at cost. Amortization is based on the estimated useful lives of the assets and is calculated using the following methods and annual rates:

	<u>Method</u>	<u>Rate</u>
Computer hardware	Declining balance	30%
Computer software	Declining balance	100%
Member renewal system	Declining balance	33%
Furniture and equipment	Declining balance	20%

Revenue Recognition: Membership fees are recognized as revenue proportionately over the period to which they relate. Fees received in advance of the membership period are deferred.

Certification fees are recognized as revenue once the certification has been completed.

The Association follows the deferral method in accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount receivable can be reasonably estimated and its collection is reasonably assured.

Revenues from events are recognized when the events occur.

Use of Estimates: Management is required to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they became known.

Future Adoption of Accounting Polices: In December 2010, the Canadian Accounting Standards Board and the Public Sector Accounting Board issued new accounting standards for private not-for-profit organizations. These new standards will be effective for financial statements relating to fiscal years beginning on or after January 1, 2012. The organization is currently assessing the requirements of these new standards, which are not expected to have a material impact on the Association's financial statements.

NOTES TO FINANCIAL STATEMENTS

**CANADIAN COUNSELLING AND PSYCHOTHERAPY ASSOCIATION/
ASSOCIATION CANADIENNE DE COUNSELING ET DE PSYCHOTHERAPIE**

January 31, 2012

NOTE C--CAPITAL ASSETS

	<u>Cost</u>	<u>Amortization</u>	Net Book Value	
			<u>2012</u>	<u>2011</u>
Computer hardware	\$ 42,472	\$ 30,918	\$ 11,554	\$ 9,394
Computer software	4,572	4,572	-	108
Member renewal system	9,130	4,022	5,108	7,624
Furniture and equipment	<u>14,148</u>	<u>7,688</u>	<u>6,460</u>	<u>6,494</u>
	<u>\$ 70,322</u>	<u>\$ 47,200</u>	<u>\$ 23,122</u>	<u>\$ 23,620</u>

NOTE D--RESTRICTED INVESTMENT

The restricted investment consists of funds to be used for the Chris Campbell Memorial Bursary. These funds were received as part of the dissolution of the Atlantic Chapter and are held in a fixed income investment (GIC). Bursaries are to be awarded to residents of Atlantic Canada who meet the established criteria.

NOTE E--INVESTMENTS

	<u>2012</u>	<u>2011</u>
Fixed Income Investments (GICs)	\$ 639,592	\$ 611,394
Mutual Funds	<u>38,829</u>	<u>43,915</u>
	<u>\$ 678,421</u>	<u>\$ 655,309</u>

The guaranteed investment certificates have maturity dates from April 19, 2012 to January 6, 2017 and annual interest rates from 2.47% to 5.10%.

NOTE F--DEFERRED REVENUE

	<u>2012</u>	<u>2011</u>
Balance at beginning of year	\$ 337,301	\$ 256,615
Less: amounts recognized as revenue in the year	(337,301)	(256,615)
Plus: amounts received/receivable for future years	<u>332,745</u>	<u>337,301</u>
Balance at end of year	<u>\$ 332,745</u>	<u>\$ 337,301</u>
Membership fees received in advance	\$ 304,808	\$ 268,489
Contributions	<u>27,937</u>	<u>68,812</u>
	<u>\$ 332,745</u>	<u>\$ 337,301</u>

NOTES TO FINANCIAL STATEMENTS

CANADIAN COUNSELLING AND PSYCHOTHERAPY ASSOCIATION/ ASSOCIATION CANADIENNE DE COUNSELING ET DE PSYCHOTHERAPIE

January 31, 2012

NOTE G--FINANCIAL INSTRUMENTS

Capital Disclosure: The Association manages its capital to ensure that it will be able to continue as a going concern and that it has sufficient working capital available for operational purposes. The capital structure of the Association consists of cash and investments. The Association manages its capital structure by monitoring its cash flow requirements and making adjustments to its cash balance and investments.

Credit Risk Management: The Association is exposed to credit risk on its accounts receivable. This risk is reduced by the fact that the Association's receivables include small balances from a large number of members and that cash has been received subsequent to the year-end for significant balances.

Fair value: The financial instruments recognized on the statement of financial position consist of cash, accounts receivable, investments and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying amounts due to their short-term nature and due to the market interest rates on the investments.

Interest Rate Risk: The Association manages its investments based on its cash flow needs with a view of optimizing its interest income. The effective interest rates on its investments are between 2.47% and 5.10%.

NOTE H--COMMITMENTS

Commitments over the next four years under operating leases for office facilities, including share of operating costs, and equipment are approximately as follows:

2013	\$	57,061
2014		58,097
2015		59,140
2016		<u>8,996</u>
	\$	<u>183,294</u>

The lease for office facilities expires on March 31, 2015.

NOTE I--RELATED PARTY TRANSACTIONS

Included in the National Assessment Project expenses, funded by Human Resources and Skills Development Canada (HRSDC), is \$80,000 in services provided by the president of the Board of Directors. These services were contracted as a requirement of the agreement with HRSDC and were recorded at the exchange amount, which is the amount of consideration established and agreed to by the parties.

NOTES TO FINANCIAL STATEMENTS

**CANADIAN COUNSELLING AND PSYCHOTHERAPY ASSOCIATION/
ASSOCIATION CANADIENNE DE COUNSELING ET DE PSYCHOTHÉRAPIE**

January 31, 2012

NOTE J --STATEMENT OF CASH FLOWS

A statement of cash flows has not been prepared as management has determined that it would not provide any additional useful information.

NOTE K--COMPARATIVE FIGURES

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year's financial statements.

SCHEDULE OF EXPENSES

**CANADIAN COUNSELLING AND PSYCHOTHERAPY ASSOCIATION/
ASSOCIATION CANADIENNE DE COUNSELING ET DE PSYCHOTHERAPIE**

	Year Ended January 31	
	2012	2011
Administration and Operations		
Amortization	\$ 7,759	\$ 8,315
Bad debts	1,743	2,038
Bank and credit card charges	23,123	25,089
Committees	12,657	7,582
Executive, board and travel	77,227	69,740
Insurance	10,291	9,962
Office equipment and maintenance	45,928	38,161
Office supplies	19,181	19,044
Postage	18,630	12,561
Professional fees	16,481	14,613
Rent	54,009	55,108
Salaries, benefits and contracted services	296,668	294,325
Telephone, internet and fax	9,293	14,916
	<u>\$ 592,990</u>	<u>\$ 571,454</u>
Publications		
Canadian Journal of Counselling	\$ 34,231	\$ 45,193
Cognica	7,114	10,095
Ethics casebook and code	2,113	2,311
Standards of Practice	331	2,248
Translation	20,241	18,301
	<u>\$ 64,030</u>	<u>\$ 78,148</u>
Advocacy and Promotion		
Advocacy and promotion	\$ 42,808	\$ 18,784
Provincial directors	-	1,200
	<u>\$ 42,808</u>	<u>\$ 19,984</u>
Other		
Name change	\$ 2,923	\$ 3,181
Office relocation	-	14,137
Professional Development - Conference Recording	10,000	-
Public facing website project	3,611	-
Public relations project	24,268	19,800
Supervisor project	10,045	-
Sustainability project	4,125	-
	<u>\$ 54,972</u>	<u>\$ 37,118</u>

SCHEDULE OF EXPENSES BY CATEGORY

**CANADIAN COUNSELLING AND PSYCHOTHERAPY ASSOCIATION/
ASSOCIATION CANADIENNE DE COUNSELING ET DE PSYCHOTHÉRAPIE**

For the Year Ended January 31, 2012

Advocacy and promotion	\$ 42,808
Amortization	7,759
Bad debts	1,743
Bank and credit card charges	23,276
Committees	12,657
Communications	9,585
Conference costs and facilitation	96,739
Contracted services	210,067
Executive, board and travel	77,227
Insurance	10,291
Office equipment and maintenance	50,635
Office supplies	21,342
Postage	18,630
Professional fees	16,481
Salaries and benefits	388,421
Rent	54,007
Translation	43,771
Travel for participants	<u>91,778</u>
	<u>\$ 1,177,217</u>