
Financial Statements

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

January 31, 2014

FINANCIAL STATEMENTS

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

January 31, 2014

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van Berkom Professional Corporation

CHARTERED PROFESSIONAL ACCOUNTANTS
CHARTERED ACCOUNTANTS

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, 2014, and the statements of changes in net assets, revenues and expenses 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

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, 2014 and its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

van Berkom Professional Corporation

Ottawa, Ontario
April 17, 2014

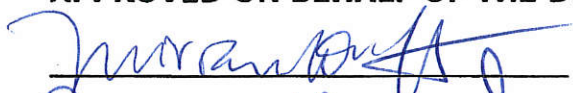
Chartered Professional Accountants
Chartered Accountants
(Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario)


STATEMENT OF FINANCIAL POSITION

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

	January 31	
	2014	2013
ASSETS		
CURRENT ASSETS		
Cash	\$ 171,812	\$ 271,456
Accounts receivable--Note C	22,054	9,624
Prepaid expenses	44,281	37,988
Inventory	<u>13,618</u>	<u>19,320</u>
	251,765	338,388
CAPITAL ASSETS--Note D	25,754	23,895
RESTRICTED INVESTMENT--Note E	6,223	6,087
INVESTMENTS--Note F	<u>1,113,410</u>	<u>855,221</u>
	<u>\$ 1,397,152</u>	<u>\$ 1,223,591</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities--Note H	\$ 85,354	\$ 103,984
Deferred revenue--Note I	<u>539,700</u>	<u>467,484</u>
	<u>625,054</u>	<u>571,468</u>
NET ASSETS		
Invested in capital assets	25,754	23,895
Externally restricted	6,223	6,087
Unrestricted	<u>740,121</u>	<u>622,141</u>
	<u>772,098</u>	<u>652,123</u>
	<u>\$ 1,397,152</u>	<u>\$ 1,223,591</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 PSYCHOTHÉRAPIE**

	Invested in Capital Assets	Externally Restricted Fund	Unrestricted	Year Ended January 31	
				2014	2013
Balance, beginning of year	\$ 23,895	\$ 6,087	\$ 622,141	\$ 652,123	\$ 572,388
Excess of revenues over expenses	(10,725)	-	130,564	119,839	79,539
Additions to capital assets	12,584	-	(12,584)	-	-
Restricted investment	<u>-</u>	<u>136</u>	<u>-</u>	<u>136</u>	<u>196</u>
Balance, end of year	<u>\$ 25,754</u>	<u>\$ 6,223</u>	<u>\$ 740,121</u>	<u>\$ 772,098</u>	<u>\$ 652,123</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	
	2014	2013
REVENUES		
Membership fees	\$ 607,282	\$ 540,489
Certification fees	231,550	210,519
Subscriptions and sale of books	43,293	39,029
Advertising	19,996	20,195
Conference	171,900	143,559
Continuing education	27,481	22,402
National Assessment	243,926	265,209
Pathways Project	11,027	29,521
SSHRC grants	2,325	13,355
CACEP	4,786	2,209
Other	4,484	2,718
	<u>1,368,050</u>	<u>1,289,205</u>
EXPENSES		
Administration and operations - schedule	712,001	653,989
Publications - schedule	72,526	64,125
Advocacy and promotion	59,064	40,564
Conference	148,820	136,913
Continuing education	13,693	11,582
National Assessment	243,926	265,209
Pathways Project	11,088	29,521
CACEP	6,424	6,325
	<u>1,267,542</u>	<u>1,208,228</u>
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	100,508	80,977
Other expenses - schedule	(11,325)	(29,362)
Investment income	25,229	23,750
Unrealized gain on investments	5,427	4,174
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 119,839</u>	<u>\$ 79,539</u>

See notes to financial statements

STATEMENT OF CASH FLOWS

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

	Year Ended January 31	
	2014	2013
CASH PROVIDED BY (USED FOR):		
OPERATING		
Excess of revenues over expenses	\$ 119,839	\$ 79,539
Items not involving cash		
Amortization	10,725	7,700
Unrealized gain on investments	(5,427)	(4,174)
Change in non-cash operating working capital:		
Accounts receivable	(12,430)	35,601
Prepaid expenses	(6,293)	(2,683)
Inventory	5,702	(14,423)
Accounts payable and accrued liabilities	(18,630)	33,305
Deferred revenue	<u>72,216</u>	<u>134,739</u>
	<u>165,702</u>	<u>269,604</u>
INVESTING		
Interest reinvested in investments	(24,503)	(23,455)
Purchase of capital assets	(12,584)	(8,473)
Purchase of investments	<u>(228,259)</u>	<u>(149,171)</u>
	<u>(265,346)</u>	<u>(181,099)</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(99,644)	88,505
Cash and cash equivalents at beginning of year	<u>271,456</u>	<u>182,951</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 171,812</u>	<u>\$ 271,456</u>

See notes to financial statements

NOTES TO FINANCIAL STATEMENTS

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

January 31, 2014

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 was incorporated under the *Canada Corporations Act* and continued under the *Canada Not-For-Profit Corporations Act*. The Association is a not-for-profit organization under the *Canadian Income Tax Act* and is exempt from income taxes.

There are fourteen Chapters, which represent either regional groups or special interest groups, supported by the Association. 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 were prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Association's significant accounting policies are as follows:

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.

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%

Financial Instruments: The Association initially measures its financial assets and financial liabilities at fair value. Certain financial assets and financial liabilities are subsequently measured at amortized cost. Changes in fair value are recognized in statement of revenues and expenses.

Financial assets measured at amortized cost include cash, accounts receivable and fixed income investments. Mutual fund investments are measured at fair value. Financial liabilities measured at amortized cost consist of accounts payable and accrued liabilities.

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NOTES TO FINANCIAL STATEMENTS

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

January 31, 2014

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

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. Revenues from events are recognized when the events occur.

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.

Allocation of Expenses: The Association allocates certain of its general support expenses by identifying the appropriate basis of allocating each component expense and applying that basis consistently each year.

Use of Estimates: Management is required to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses. Significant items subject to such estimates and assumptions include the estimated useful lives of capital assets and the valuation of allowances for accounts receivable. Actual results could differ from those estimated.

NOTE C--ACCOUNTS RECEIVABLE

	<u>2014</u>	<u>2013</u>
Accounts receivable - trade	\$ 12,709	\$ 8,619
Contributions receivable	10,845	-
Other	-	2,505
Allowance for doubtful accounts	<u>(1,500)</u>	<u>(1,500)</u>
	<u>\$ 22,054</u>	<u>\$ 9,624</u>

During the year, the Association recorded impairments of \$1,580 (2013 - \$2,223). This amount is included in bad debts expense.

NOTE D--CAPITAL ASSETS

	<u>Cost</u>	<u>Amortization</u>	<u>Net Book Value</u>	
			<u>2014</u>	<u>2013</u>
Computer hardware	\$ 53,001	\$ 40,053	\$ 12,948	\$ 13,483
Computer software	10,372	7,472	2,900	-
Member renewal system	13,130	7,883	5,247	4,591
Furniture and equipment	<u>14,875</u>	<u>10,216</u>	<u>4,659</u>	<u>5,821</u>
	<u>\$ 91,378</u>	<u>\$ 65,624</u>	<u>\$ 25,754</u>	<u>\$ 23,895</u>

NOTES TO FINANCIAL STATEMENTS

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

January 31, 2014

NOTE E--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 F--INVESTMENTS

	<u>2014</u>	<u>2013</u>
<u>Measured at amortized cost:</u>		
Fixed Income Investments	\$ 1,062,439	\$ 812,218
<u>Measured at fair value:</u>		
Mutual Funds	<u>50,971</u>	<u>43,003</u>
	<u>\$ 1,113,410</u>	<u>\$ 855,221</u>

The fixed income investments have maturity dates from July 12, 2014 to December 24, 2018 (2013 - from June 4, 2013 to October 10, 2017) and annual interest rates from 1.80% to 4.70% (2013 - from 2.15% to 4.70%).

NOTE G--CORPORATE CREDIT CARDS

The Association has corporate credit cards with a total credit limit of \$50,000. As at year-end, the balance outstanding on the corporate credit cards was \$7,305.

NOTE H--ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities as at January 31, 2014 are government remittances payable of \$14,519 (2013 - \$21,004) relating to Harmonized Sales Tax and Workers' Safety Insurance premiums.

NOTE I--DEFERRED REVENUE

	<u>2014</u>	<u>2013</u>
Balance at beginning of year	\$ 467,484	\$ 332,745
Less: amounts recognized as revenue in the year	(467,484)	(332,745)
Plus: amounts received/receivable for future years	<u>539,700</u>	<u>467,484</u>
Balance at end of year	<u>\$ 539,700</u>	<u>\$ 467,484</u>
Membership fees received in advance	\$ 386,531	\$ 342,039
Conferences	113,751	89,683
Contributions	<u>39,418</u>	<u>35,762</u>
	<u>\$ 539,700</u>	<u>\$ 467,484</u>

NOTES TO FINANCIAL STATEMENTS

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

January 31, 2014

NOTE J--FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposure as at January 31, 2014. There has been no change in risk exposures from the prior year.

Credit Risk: Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. This risk is reduced by the fact that the Association's receivables include small balances from a large number of members and members prepay and lose their membership privileges if payments are delinquent. Cash has been received subsequent to the year-end for significant balances.

The Association maintains its cash and deposits with a single federally regulated Canadian financial institution, representing no change from the prior year.

Interest Rate Risk: Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. 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 1.80% and 4.7% (2013 - 2.15% and 4.70%). There has been no change to the risk exposures from 2013.

NOTE K--RELATED PARTY TRANSACTIONS

Included in the National Assessment Project expenses is \$80,000 (2013 - \$80,000) in services provided by the past president of the Board of Directors. These services were contracted as a requirement of the agreement with the funder, Human Resources and Skills Development Canada (HRSDC), and were recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

NOTE L--COMMITMENTS

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

2015	\$	59,772
2016		<u>9,221</u>
	\$	<u>68,993</u>

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

NOTES TO FINANCIAL STATEMENTS

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

January 31, 2014

NOTE M--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 PSYCHOTHÉRAPIE**

	Year Ended January 31	
	2014	2013
Administration and Operations		
Amortization	\$ 10,725	\$ 7,700
Bad debts	1,580	2,223
Bank and credit card charges	30,014	27,173
Committees	14,255	13,413
Executive and board expenses	88,361	83,538
Insurance	10,935	11,454
Office equipment and maintenance	41,838	36,974
Office supplies	15,241	16,606
Postage	15,879	13,617
Professional fees	19,799	26,227
Rent	57,456	57,292
Salaries, benefits and contracted services	393,504	347,055
Telephone, internet and fax	<u>12,414</u>	<u>10,717</u>
	<u>\$ 712,001</u>	<u>\$ 653,989</u>
Publications		
Canadian Journal of Counselling and Psychotherapy	\$ 35,845	\$ 33,888
Cognica	7,397	7,885
Ethics casebook and code	7,610	4,272
Standards of Practice	1,324	985
Translation	<u>20,350</u>	<u>17,095</u>
	<u>\$ 72,526</u>	<u>\$ 64,125</u>
Other		
Agency accreditation	\$ 4,085	\$ -
Chapter brochures	898	4,446
Chapter support fund	3,000	3,000
Northern initiative	312	760
Public facing website project	362	13,160
Supervisor project	2,668	3,871
Sustainability project	<u>-</u>	<u>4,125</u>
	<u>\$ 11,325</u>	<u>\$ 29,362</u>

SCHEDULE OF EXPENSES BY CATEGORY

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

	Year Ended January 31	
	2014	2013
Advocacy and promotion	\$ 59,064	\$ 41,879
Amortization	10,725	7,700
Bad debts	1,580	2,223
Bank and credit card charges	30,102	27,539
Committees	18,390	17,683
Communications	13,419	10,790
Conferences and meetings	83,082	67,926
Contracted services	214,725	236,409
Executive, board and travel	88,361	83,538
Insurance	10,935	11,454
Office equipment and maintenance	42,053	37,389
Office supplies	15,856	17,086
Postage	16,285	13,617
Professional fees	23,321	28,321
Salaries and benefits	493,680	441,438
Rent	57,456	57,292
Translation	30,506	37,034
Travel for participants	<u>58,002</u>	<u>68,910</u>
	<u>\$ 1,267,542</u>	<u>\$ 1,208,228</u>