

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

Financial Statements

For the Year Ended March 31, 2023

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

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For the Year Ended March 31, 2023

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Canadian Certified Crop Advisor Association

We have reviewed the accompanying financial statements of Canadian Certified Crop Advisor Association (the organization) that comprise the statements of financial position as at March 31, 2023 and March 31, 2022, and the statements of revenue and expenditures, changes in net assets and cash flows for the years 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 (ASNPO), 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

Our responsibility is to express a conclusion on the accompanying financial statements based on our reviews. We conducted our reviews in accordance with Canadian generally accepted standards for review engagements, which require us 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, we do not express an audit opinion on these financial statements.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Canadian Certified Crop Advisor Association as at March 31, 2023 and March 31, 2022, and the results of its operations and its cash flows for the years then ended in accordance with ASNPO.

Guelph, Ontario
June 26, 2023

CURTIS-VILLAR LLP
Chartered Professional Accountants
Licensed Public Accountants

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

Statement of Financial Position

As at March 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 177,927	\$ 253,448
Term deposits <i>(Note 3)</i>	100,000	-
Accounts receivable	84	1,610
Harmonized sales tax recoverable	286	-
Prepaid expenditures	5,102	1,102
	\$ 283,399	\$ 256,160
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 11,990	\$ 11,990
Harmonized sales tax payable	-	1,669
Deferred revenue <i>(Note 4)</i>	83,840	76,965
	95,830	90,624
NET ASSETS		
Contributed surplus <i>(Note 2)</i>	23,595	23,595
General fund	163,974	141,941
	187,569	165,536
	\$ 283,399	\$ 256,160

See notes to financial statements

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

Statement of Revenue and Expenditures

For the Year Ended March 31, 2023

	2023	%	2022	%
REVENUE				
Membership fees	\$ 104,403	51.68	\$ 106,813	50.12
Conference registrations	37,800	18.72	37,271	17.49
Conference sponsorships	20,500	10.15	20,465	9.60
Study guide sales	12,314	6.10	11,673	5.48
Soil and water	11,485	5.69	11,149	5.23
Exam fees	6,275	3.11	8,657	4.06
Advertising revenue	5,050	2.50	6,343	2.98
Award of excellence sponsorship	2,000	0.99	2,000	0.94
4R revenue	1,465	0.73	5,124	2.40
Pre-exam registrations	600	0.33	3,600	1.69
Marketing revenue	-	-	30	0.01
	201,967	100.00	213,125	100.00
EXPENDITURES				
General administration (<i>Note 5</i>)	56,860	32.91	56,419	26.47
ICCA annual fees remitted	43,044	21.31	41,762	19.60
Meetings and conventions	40,279	17.96	7,042	3.30
Office	8,766	4.34	8,258	3.87
Newsletter expenditures	6,274	3.11	7,274	3.41
Bank charges and credit card fees	5,963	2.95	6,836	3.21
Study guides	4,494	2.23	10,423	4.89
Award of excellence	3,130	1.55	5,394	2.53
Soil and water expenditures	2,712	1.34	179	0.08
ICCA meeting expenditures	1,657	0.82	-	-
Conference administration (<i>Note 5</i>)	9,600	0.20	3,000	1.41
Advertising and promotion	378	0.19	500	0.23
Pre-exam expenditures	375	0.19	675	0.32
4R expenditures	-	-	3,980	1.87
	179,934	89.10	151,742	71.19
EXCESS OF REVENUE OVER EXPENDITURES	\$ 22,033	10.90	\$ 61,383	28.81

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

Statement of Changes in Net Assets

For the Year Ended March 31, 2023

	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 141,941	\$ 80,558
Excess of revenue over expenditures	<u>22,033</u>	<u>61,383</u>
NET ASSETS - END OF YEAR	<u>\$ 163,974</u>	\$ 141,941

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION**Statement of Cash Flows****For the Year Ended March 31, 2023**

	<u>2023</u>	<u>2022</u>
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 22,033	\$ 61,383
Changes in non-cash working capital:		
Accounts receivable	1,526	(1,611)
Accounts payable and accrued liabilities	-	(55)
Deferred revenue	6,875	(7,341)
Prepaid expenditures	(4,000)	(184)
Harmonized sales tax payable	(1,955)	1,349
	<u>2,446</u>	<u>(7,842)</u>
Cash flow from operating activities	<u>24,479</u>	<u>53,541</u>
INVESTING ACTIVITY		
Term deposits	<u>(100,000)</u>	-
INCREASE (DECREASE) IN CASH FLOW	(75,521)	53,541
Cash - beginning of year	<u>253,448</u>	<u>199,907</u>
CASH - END OF YEAR	\$ 177,927	\$ 253,448
CASH CONSISTS OF:		
Cash	<u>\$ 177,927</u>	<u>\$ 253,448</u>

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

Notes to Financial Statements For the Year Ended March 31, 2023

1. DESCRIPTION OF BUSINESS

The association was incorporated in November 2009 under the provisions in the Canada Corporations Act as a not-for-profit entity. The objectives of the association are to establish and maintain Certified Crop Advisor standards for knowledge, experience and ethical conduct and continuing education.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Tax exempt status

Canadian Certified Crop Advisor Association is a not-for-profit organization and is therefore exempt from income taxes.

Cash and cash equivalents

Cash and cash equivalents consists of bank balances and cash on hand.

Revenue recognition

Canadian Certified Crop Advisor Association follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Grants, study guide sales, sponsorships and advertising, and conference, exam and event registrations, are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Membership fees are recognized on a straight-line basis over the course of the year.

Contributed services

The operations of the organization depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Contributed surplus

Contributed surplus represents the excess of assets over liabilities held by the association at the date of incorporation.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

**Notes to Financial Statements
For the Year Ended March 31, 2023**

3. TERM DEPOSIT

	<u>2023</u>	<u>2022</u>
Royal Bank of Canada one year cashable guaranteed investment certificate, bearing interest at 1.20%, matures April 27, 2023 (Market value 2023: 101,111.23)	\$ 100,000	\$ -

4. DEFERRED REVENUE

	<u>2023</u>	<u>2022</u>
<u>Membership fees</u>		
Balance, beginning of year	\$ 76,965	\$ 78,806
Less: amount recognized as revenue in the year	(76,965)	(78,806)
Add: amount deferred during the year	83,840	76,965
Balance, end of year	83,840	76,965

The organization charges an annual fee to its members. The annual fee is from January through December each year. The deferred portion of the annual fee represents the April - December portion of the annual fee and will be recognized as revenue in the next fiscal year.

Soil & Water Day grant

Balance, beginning of year	-	5,500
Less: amount recognized as revenue in the year	-	(5,500)
Add: amount deferred during the year	-	-
Balance, end of year	-	-

Grand total	\$ 83,840	\$ 76,965
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5. RELATED PARTY TRANSACTIONS

The following is a summary of the organization's related party transactions:

	<u>2023</u>	<u>2022</u>
Fitzgerald & Co. <i>Business operated by the secretary-treasurer of the organization</i>		
Project, event and office administration	\$ 66,860	\$ 59,419

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

Notes to Financial Statements For the Year Ended March 31, 2023

6. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2023.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The company is exposed to credit risk from members. The company has a significant number of members which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company is exposed to this risk mainly in respect of its receipt of funds from its members and other related sources and accounts payable.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The organization is mainly exposed to interest risk.

(d) Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is exposed to foreign currency exchange risk on cash, accounts receivable, and accounts payable held in U.S. dollars. The company does not use derivative instruments to reduce its exposure to foreign currency risk.

(e) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

(f) Additional risk

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.