

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

Financial Statements

Year Ended March 31, 2020

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

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Year Ended March 31, 2020

(Unaudited)

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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 which comprise the statement of financial position as at March 31, 2020 and March 31, 2019 and the statements of revenue and expenditures, changes in net assets and cash flow 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, 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 for the Financial Statements

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

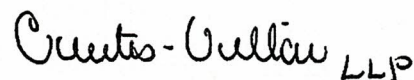
A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical 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 review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Canadian Certified Crop Advisor Association as at March 31, 2020 and March 31, 2019, and the results of its operations and its cash flow for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Guelph, Ontario
July 14, 2020



CURTIS-VILLAR LLP
Chartered Professional Accountants
Licensed Public Accountants

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

Statement of Financial Position

As at March 31, 2020

(Unaudited)

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 101,583	\$ 154,962
Accounts receivable	2,777	1,094
Harmonized sales tax recoverable	10,830	1,872
Prepaid expenses	918	918
	<u>\$ 116,108</u>	<u>\$ 158,846</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 42,510	\$ 41,277
Deferred revenue (Note 3)	72,906	60,278
Due to related parties (Note 4)	-	11,172
	<u>115,416</u>	<u>112,727</u>
NET ASSETS		
Contributed surplus (Note 2)	23,595	23,595
General fund	(22,903)	22,524
	<u>692</u>	<u>46,119</u>
	<u>\$ 116,108</u>	<u>\$ 158,846</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

Statement of Revenue and Expenditures

Year Ended March 31, 2020

(Unaudited)

	2020	%	2019	%
REVENUE				
Membership fees	\$ 83,239	38.77	\$ 77,737	30.59
Conference registrations	59,174	27.56	66,575	26.20
Conference sponsorships	26,500	12.34	27,879	10.97
Study guide sales	10,529	4.90	13,582	5.34
Soil and water	10,175	4.74	10,000	3.93
Pre-exam registrations	8,644	4.03	13,725	5.40
Advertising revenue	6,517	3.04	5,490	2.16
Auction	5,182	2.41	4,588	1.81
4R revenue	2,218	1.04	6,490	2.56
Award of excellence sponsorship	2,000	0.93	2,000	0.79
CCA media training	425	0.20	825	0.32
Exam fees	75	0.03	25,065	9.86
Marketing revenue	30	0.01	180	0.07
	214,708	100.00	254,136	100.00
EXPENDITURES				
Meetings and conventions	80,384	37.44	73,806	29.04
General administration (Note 5)	69,188	32.22	63,375	24.94
ICCA annual fees remitted	39,631	18.46	24,305	9.56
Conference administration (Note 5)	14,552	6.78	10,875	4.28
Office	13,080	6.09	18,705	7.36
Soil and water expenditures	7,093	3.30	6,969	2.74
Pre-exam expenses	6,805	3.17	9,207	3.62
Newsletter expenditure	6,560	3.06	6,114	2.41
Auction purchases	5,182	2.41	4,597	1.81
Advertising and promotion	5,103	2.38	4,065	1.60
Study guides	4,894	2.28	12,957	5.10
Award of excellence	3,174	1.48	1,163	0.46
CCA media training	2,400	1.12	600	0.24
ICCA meeting expense	1,520	0.71	2,994	1.18
Exam expenses	569	0.27	2,430	0.96
ICCA examination fees remitted	-	-	15,480	6.09
RMS expenses	-	-	332	0.13
	260,135	121.17	257,974	101.52
DEFICIENCY OF REVENUE OVER EXPENDITURES	\$ (45,427)	(21.17)	\$ (3,838)	(1.52)

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

Statement of Changes in Net Assets

Year Ended March 31, 2020

(Unaudited)

	2020	2019
NET ASSETS - BEGINNING OF YEAR	\$ 22,524	\$ 26,362
Excess of revenue over expenditures	<u>(45,427)</u>	<u>(3,838)</u>
NET ASSETS - END OF YEAR	<u>\$ (22,903)</u>	<u>\$ 22,524</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

Statement of Cash Flow Year Ended March 31, 2020

(Unaudited)

	2020	2019
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ (45,427)	\$ (3,838)
Changes in non-cash working capital:		
Accounts receivable	(1,683)	(941)
Accounts payable and accrued liabilities	1,233	39,476
Deferred income	12,628	2,268
Harmonized sales tax payable	(8,958)	(1,805)
	<u>3,220</u>	<u>38,998</u>
Cash flow from (used by) operating activities	<u>(42,207)</u>	<u>35,160</u>
FINANCING ACTIVITY		
Advances from (to) related parties	<u>(11,172)</u>	<u>11,172</u>
INCREASE (DECREASE) IN CASH FLOW	<u>(53,379)</u>	<u>46,332</u>
Cash - beginning of year	<u>154,962</u>	<u>108,630</u>
CASH - END OF YEAR	<u>\$ 101,583</u>	<u>\$ 154,962</u>
CASH CONSISTS OF:		
Cash	<u>\$ 101,583</u>	<u>\$ 154,962</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2020

(Unaudited)

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 (ASNFPO).

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

Year Ended March 31, 2020

(Unaudited)

3. DEFERRED REVENUE

	2020	2019
Balance, beginning of year	\$ 60,278	\$ 58,010
Less: amount recognized as revenue in the year	(60,278)	(58,010)
Add: amount deferred during the year	72,906	60,278
Balance, end of year	\$ 72,906	\$ 60,278

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.

4. DUE TO RELATED PARTIES

	2020	2019
Fitzgerald & Co.	\$ -	\$ 11,172

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 party. Related party expenses are paid within 30 days of invoicing.

5. RELATED PARTY TRANSACTIONS

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

	2020	2019
Fitzgerald & Co.		
<i>Business operated by the secretary-treasurer of the organization</i>		
Project, event and office administration	\$ 83,740	\$ 74,250

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.

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, 2020.

(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 customers which minimizes concentration of credit risk.

(continues)

CANADIAN CERTIFIED CROP ADVISOR ASSOCIATION

Notes to Financial Statements

Year Ended March 31, 2020

(Unaudited)

6. FINANCIAL INSTRUMENTS *(continued)*

(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) 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.

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

7. SUBSEQUENT EVENTS

Subsequent to year-end, a worldwide pandemic known as COVID-19 occurred. While the financial impact of the pandemic on the Association is unknown, it is management's opinion that the Association has sufficient financial resources to continue as a going concern for a minimum of twelve months.