

International Coach Federation - Toronto Chapter
Financial Statements

*February 29, 2020
(Unaudited)*

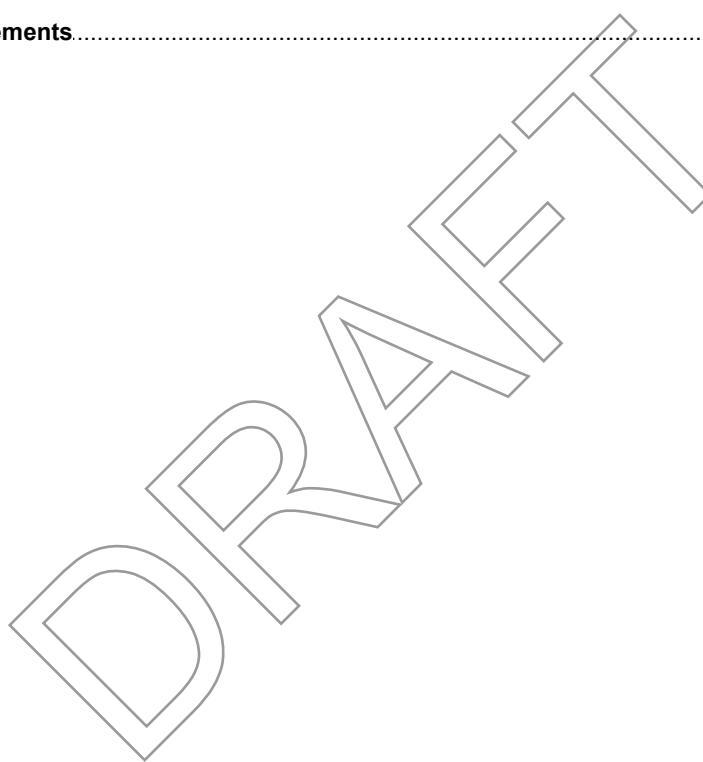
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International Coach Federation - Toronto Chapter

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*For the year ended February 29, 2020
(Unaudited)*

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Independent Practitioner's Review Engagement Report

To the Board of International Coach Federation - Toronto Chapter:

We have reviewed the accompanying financial statements of International Coach Federation - Toronto Chapter that comprise the statement of financial position as at February 29, 2020, and the statements of revenue and expenses, changes in net assets 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.

Practitioner's Responsibility

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 the financial statements do not present fairly, in all material respects, the financial position of International Coach Federation - Toronto Chapter as at February 29, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Markham, Ontario

Chartered Professional Accountants

Licensed Public Accountants

International Coach Federation - Toronto Chapter
Statement of Financial Position

As at February 29, 2020
 (Unaudited)

	2020	2019
Assets		
Current		
Cash	142,312	118,459
Accounts receivable (<i>Note 3</i>)	18,358	7,120
Government remittances receivable	-	3,663
Prepaid expenses	25,367	2,273
	186,037	131,515
Liabilities		
Current		
Accounts payable and accrued liabilities	14,722	47,562
Government remittances payable	7,789	-
Deferred revenues (<i>Note 3</i>)	100,074	10,102
	122,585	57,664
Subsequent event (<i>Note 6</i>)		
Net Assets	63,452	73,851
	186,037	131,515

Approved on behalf of the Board of Directors

 Director

International Coach Federation - Toronto Chapter
Statement of Revenue and Expenses

For the year ended February 29, 2020
(Uaudited)

	2020	2019
Revenue		
GTA supporter fees	39,161	38,860
ICFI membership rebates (Note 3)	32,759	28,888
Advertising	3,028	3,028
Interest	209	197
	75,157	70,973
Expenses		
Administrative support services	31,765	23,958
Computer and website	5,524	4,838
Professional fees	4,700	4,025
Interest and bank charges	2,541	2,320
Insurance (Note 3)	2,227	2,194
Board expenses	1,968	4,289
Association marketing	1,751	-
Telecommunications	1,174	1,271
Office and general	44	814
	51,694	43,709
Net loss from events (Note 4)	33,862	20,830
Total expenses	85,556	64,539
Excess (deficiency) of revenue over expenses	(10,399)	6,434

International Coach Federation - Toronto Chapter
Statement of Changes in Net Assets
For the year ended February 29, 2020
(Unaudited)

	2020	2019
Balance beginning of year	73,851	67,417
Excess (deficiency) of revenue over expenses	(10,399)	6,434
Net assets, end of year	63,452	73,851

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International Coach Federation - Toronto Chapter
Statement of Cash Flows
For the year ended February 29, 2020
(Unaudited)

	2020	2019
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	(10,399)	6,434
Changes in working capital accounts		
Accounts receivable	(11,238)	(5,448)
Prepaid expenses	(23,094)	38,507
Accounts payable and accrued liabilities	(32,840)	35,095
Government remittances receivable	3,663	(3,663)
Government remittances payable	7,789	(3,087)
Deferred revenues	89,972	(53,156)
Increase in cash	23,853	14,682
Cash, beginning of year	118,459	103,777
Cash, end of year	142,312	118,459

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International Coach Federation - Toronto Chapter

Notes to the Financial Statements

*For the year ended February 29, 2020
(Unaudited)*

1. Description of Organization

International Coach Federation - Toronto Chapter (the "Organization") is a not-for-profit organization which was incorporated on December 4, 2002 under the laws of Ontario and is a not-for-profit corporation without share capital.

The objective of the Organization is to service members who are professional coaches operating in and around the Greater Toronto Area through:

- (a) Raising awareness of the coaching profession to the general public;
- (b) Providing a network through which its members can share opportunities;
- (c) Providing a forum to discuss professional concerns;
- (d) Creating opportunities for members to collaborate and provide solutions to their clients;

The Organization provides services to members in a specific catchment area, specifically 905, 705, 519, 416, 289 and 613 and overlays. The Organization is a chartered chapter of the International Coach Federation Inc. ("ICFI") and is governed by the terms and conditions established in the member's handbook.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles.

Revenue recognition

The Organization uses the deferral method of accounting. ICFI membership rebates, GTA supporter fees and advertising income are recognized as revenue in the year in which the related expenses are incurred. Interest is recognized on an accrual basis for the year to which it relates. Event revenue (Note 4) is recognized as revenue of the general fund on the day of the event, if the amount can be reasonably estimated and collection is reasonably assured.

Cash and cash equivalents

Cash and cash equivalents include balances with banks.

Foreign currency translation

These financial statements have been presented in Canadian dollars, the principal currency of the Organization's operations.

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and monetary liabilities reflect the exchange rates at the statement of financial position date. Gains and losses on translation or settlement are included in the determination of excess (deficiency) of revenue over expenses for the current period.

Measurement of financial instruments

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions*.

At initial recognition, the Organization may irrevocably elect to subsequently measure any financial instrument at fair value. The Organization has not made such an election during the year. All financial instruments are subsequently measured at amortized cost. Transaction costs and financing fees are added to the carrying amount of financial instruments subsequently measured at amortized cost.

Financial assets and financial liabilities measured at amortized cost include cash, accounts receivable, government remittances receivable and payable, and accounts payable and accrued liabilities. The Organization has not designated any financial asset or financial liability to be measured at fair value.

International Coach Federation - Toronto Chapter

Notes to the Financial Statements

For the year ended February 29, 2020
(Unaudited)

2. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reported period.

Significant areas requiring the use of management estimates relate to the provision for uncollectable accounts receivable, accrued liabilities and deferred revenues. Actual results could differ significantly from these estimates, which are reviewed periodically and adjustments are made to excess (deficiency) of revenue over expenses as appropriate in the period they become known.

Income taxes

The Organization is exempt from income taxes as a not-for-profit organization under section 149(1)(l) of the Income Tax Act.

Financial asset impairment

The Organization assesses impairment of all of its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when there are numerous assets affected by the same factors. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenue over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess (deficiency) of revenue over expenses in the year the reversal occurs.

Contributed services

The Organization receives the services of many volunteers, the fair value of which cannot be reasonably estimated. Therefore, these contributed services are not recognized in these financial statements.

3. Related party transactions

	2020	2019
Revenue		
ICFI Membership rebates	32,759	28,888
Directors and officers liability insurance coverage	2,227	2,194

International Coach Federation - Toronto Chapter

Notes to the Financial Statements

*For the year ended February 29, 2020
(Unaudited)*

3. Related party transactions *(Continued from previous page)*

These transactions are part of the Organization's 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.

The Organization is a chartered chapter of the International Coach Federation Inc. ("ICFI") and is governed by the terms and conditions established in the member's handbook. The Organization has an economic interest in ICFI only to the extent for membership rebates that the Organization receives from ICFI for members in both organizations. This economic interest does not represent significant influence or control.

Included in accounts receivable is \$7,573 (2019 - \$6,623) of ICFI membership rebates. Included in deferred revenues is \$9,555 (2019 - \$8,881) of ICFI membership rebates.

Directors and officers liability insurance coverage is provided at no cost to the directors of the Organization. Directors received no other benefit or remuneration.

4. Events

	2020	2019
Revenues from events		
Spring conferences	-	133,177
Monthly meetings	4,060	2,450
Special events	1,110	4,415
Total revenues from events	5,170	140,042
Cost of events		
Monthly meetings	(26,628)	(15,726)
Special events	(6,966)	(17,002)
Spring conferences	(5,438)	(128,144)
Total cost of events	(39,032)	(160,872)
Net loss from events	(33,862)	(20,830)

The Spring conference is an annual event that is held by the Organization where the Organization brings guest speakers to deliver presentations on topics that are of interest to the membership. During fiscal 2020, there was no conference held. Expenses relate to the participation costs of other conferences that members of the Organization attended during the current year.

Monthly meetings are held every month and revenue raised for these meetings include registration fees for attendance.

Special events consist of the 20th Anniversary and Prism events and revenue includes registration fees for attendance.

Any surplus or deficiency in excess of event expenses is applied towards the overhead expenses of the Organization.

International Coach Federation - Toronto Chapter

Notes to the Financial Statements

For the year ended February 29, 2020
(Unaudited)

5. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization minimizes its credit risk on cash by transacting with reputable financial institutions. The Organization minimizes its credit risk with respect to accounts receivable by following up regularly on outstanding receivables and with its members.

Liquidity risk

Liquidity risk is the risk that the Organization will not have sufficient cash resources to meet its financial obligations as they come due in the normal course of business. The Organization manages its liquidity risk by monitoring its operating requirements to ensure financial resources are available.

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. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Organization is exposed to interest rate cash flow risk with respect to cash, which is subject to fixed interest rates ranging from 0.75% - 1% (2019 – 0.65% - 1.00%).

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. US dollar denominated accounts receivable and deferred revenues at February 29, 2020 were as follows:

	2020 CAD\$	2019 CAD\$
Accounts receivable	7,573	6,623
Deferred revenues	9,555	8,881

6. Subsequent event

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on organizations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, management anticipates that this outbreak may cause a reduction in revenues.

Management is of the opinion that the impact of the COVID-19 outbreak will be temporary in nature.