

CANADIAN ASSOCIATION FOR PLAY THERAPY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

DRAFT

CANADIAN ASSOCIATION FOR PLAY THERAPY

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Board of Directors of Canadian Association for Play Therapy

We have reviewed the accompanying financial statements of Canadian Association for Play Therapy that comprise the statement of financial position as at December 31, 2021 and the statements of revenues and expenditures and 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 the 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 Canadian Association for Play Therapy as at December 31, 2021 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.

Guelph, Ontario

Chartered Professional Accountants
Licensed Public Accountants

CANADIAN ASSOCIATION FOR PLAY THERAPY
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 220,499	\$ 150,100
Prepaid expenses	0	7,280
Government remittances recoverable	<u>8,540</u>	<u>7,793</u>
	<u>\$ 229,039</u>	<u>\$ 165,173</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 3,341	\$ 1,771
Deferred revenue (note 4)	<u>51,980</u>	<u>66,913</u>
	<u>55,321</u>	<u>68,684</u>
NET ASSETS		
NET ASSETS	<u>173,718</u>	<u>96,489</u>
	<u>\$ 229,039</u>	<u>\$ 165,173</u>

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CANADIAN ASSOCIATION FOR PLAY THERAPY
STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
REVENUES		
Program fees	\$ 308,952	\$ 346,802
Membership fees	60,085	62,362
Relational therapeutic play training revenue	17,125	40,118
Advertising revenue	2,600	2,016
Other	785	1,429
	<u>389,547</u>	<u>452,727</u>
EXPENDITURES		
Program expenses	179,378	205,797
Management fees	85,753	82,793
Operating expenses	27,360	31,483
Relational therapeutic play training expenses	9,280	25,519
Professional fees	6,280	6,645
Membership maintenance	4,267	8,331
	<u>312,318</u>	<u>360,568</u>
NET EXCESS OF REVENUES OVER EXPENDITURES for the year	77,229	92,159
NET ASSETS, beginning of year	<u>96,489</u>	<u>4,330</u>
NET ASSETS, end of year	<u><u>\$ 173,718</u></u>	<u><u>\$ 96,489</u></u>

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CANADIAN ASSOCIATION FOR PLAY THERAPY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net excess of revenues over expenditures for the year	\$ 77,229	\$ 92,159
Changes in non-cash working capital		
Accounts receivable	0	751
Prepaid expenses	7,280	5,148
Government remittances recoverable	(747)	(7,793)
Accounts payable and accrued liabilities	1,570	(26,186)
Government remittances payable	0	(3,834)
Deferred revenue	<u>(14,933)</u>	<u>(5,374)</u>
NET INCREASE IN CASH	70,399	54,871
NET CASH, BEGINNING OF YEAR	<u>150,100</u>	<u>95,229</u>
NET CASH, END OF YEAR	<u>\$ 220,499</u>	<u>\$ 150,100</u>

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CANADIAN ASSOCIATION FOR PLAY THERAPY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

1. NATURE OF ASSOCIATION

Canadian Association for Play Therapy is a not for profit association with letters patent dated July 31, 1986 issued by Consumer and Corporate Affairs Canada and continued under the Canada Not-for-Profit Corporations Act. Canadian Association for Play Therapy is exempt from income tax. The association is funded by membership dues and provides funds to its members to organize conferences, publish a newsletter and provide a forum for the sharing of information.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations and include the following significant accounting policies:

(a) **USE OF ESTIMATES**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for not for profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant areas requiring management's estimates include the provision for deferred revenues. Actual results could differ from those estimates.

(b) **FINANCIAL INSTRUMENTS**

Measurement of financial instruments

The association initially measures its financial assets and liabilities at fair value.

The association subsequently measures all its financial assets and financial liabilities at amortized cost.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. If an impairment has occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of the financial asset. The amount of the write-down is recognized in the statement of revenues and expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenues and expenditures.

(c) **CAPITAL ASSETS EXPENSED**

The association expenses capital assets in the year of purchase.

(d) **REVENUE RECOGNITION**

The association follows the deferral method of accounting for contributions. Revenue from membership fees and advertising revenue is recognized in the period it relates to. Program fees and Relational Therapeutic Play (RTP) training are recognized when the program is conducted.

CANADIAN ASSOCIATION FOR PLAY THERAPY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

3. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the association is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from the financial instruments.

The extent of the association's exposure to these risks did not change in 2021 compared to the previous period, except to the extent outlined in note 5.

4. DEFERRED REVENUE

Deferred revenue, which consist of membership, workshop, training, event and program fees that relate to future periods less related expenditures, is as follows:

	2021	2020
Balance, beginning of the year	\$ 66,913	\$ 72,287
Amounts recognized as revenue in the year	(66,913)	(72,287)
Fees received that relate to future periods	<u>51,980</u>	<u>66,913</u>
Balance, end of year	<u>\$ 51,980</u>	<u>\$ 66,913</u>

5. MATERIAL UNCERTAINTY RELATED TO THE NOVEL CORONAVIRUS (COVID-19)

During the year and subsequent to year end, the Novel Coronavirus (COVID-19) significantly impacted the economy in Canada and globally. The global pandemic has disrupted economic activities. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of any business disruption and the related financial impact cannot be reasonably estimated at this time. This may impact the timing and amounts realized on the association's assets and its future ability to deliver some programs.