

CAGP FOUNDATION
FINANCIAL STATEMENTS
DECEMBER 31, 2024

CAGP FOUNDATION

DECEMBER 31, 2024

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INDEPENDENT AUDITORS' REPORT

To the Member of
CAGP Foundation

Opinion

We have audited the financial statements of CAGP Foundation (the "Foundation"), which comprise the statement of financial position as at December 31, 2024, and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2024, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT (Cont'd.)

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.

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INDEPENDENT AUDITORS' REPORT (Cont'd.)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

McCay Duff LLP
McCay Duff LLP,
Licensed Public Accountants.

Ottawa, Ontario
April 1, 2025.

CAGP FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

ASSETS		2024	2023
CURRENT			
Cash	\$	397,345	\$ 752,921
Short-term investments (note 4)		500,000	500,000
Accounts receivable		16,810	14,810
HST recoverable		44,487	40,784
Prepaid expenses		46,921	14,588
Due from Canadian Association of Gift Planners (note 7)		600,959	-
		1,606,522	1,323,103
INTANGIBLE ASSET (note 5)		-	50,291
LONG-TERM INVESTMENTS (note 4)		150,000	150,000
	\$	<u>1,756,522</u>	\$ <u>1,523,394</u>
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	\$	42,666	\$ 38,084
Deferred revenue (note 6)		641,595	365,084
Due to Canadian Association of Gift Planners (note 7)		-	18,622
		684,261	421,790
NET ASSETS			
UNRESTRICTED		233,846	161,604
INTERNALLY RESTRICTED RESERVE STABILITY FUND (note 8)		289,708	320,000
INTERNALLY RESTRICTED WILL POWER RESERVE FUND (note 8)		548,707	620,000
		<u>1,072,261</u>	<u>1,101,604</u>
	\$	<u>1,756,522</u>	\$ <u>1,523,394</u>

Approved on behalf of the Board:

Signed by:

Michelle Osborne

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Director

Signed by:

Mnette Bishay

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Director

CAGP FOUNDATION**STATEMENT OF OPERATIONS****FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>2024</u>	<u>2023</u>
REVENUE		
Will Power campaign memberships and sponsorships	\$ 1,022,471	\$ 1,268,132
Donations	352,450	322,532
Education courses	294,285	301,792
Interest Income	<u>32,177</u>	<u>14,218</u>
	<u>1,701,383</u>	<u>1,906,674</u>
EXPENSES		
Will Power campaign (Schedule)	1,063,473	912,948
Contracted services	240,339	279,964
Management fee (note 7)	148,298	99,782
Fundraising	74,390	67,866
Meals, travel and accommodation	67,667	71,229
Website impairment loss (note 5)	60,585	-
Honorariums	14,886	11,000
Office	14,478	17,311
Professional fees	10,774	44,776
Sponsorship (note 7)	10,500	1,500
Interest and bank charges	10,036	9,911
Occupancy	7,199	6,980
Memberships and dues	5,319	4,878
Insurance	<u>2,782</u>	<u>2,734</u>
	<u>1,730,726</u>	<u>1,530,879</u>
NET REVENUE (EXPENSES) FOR THE YEAR	\$ (<u>29,343</u>)	\$ <u>375,795</u>

CAGP FOUNDATION**STATEMENT OF CHANGES IN NET ASSETS****FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>2024</u>				<u>2023</u>
	<u>Unrestricted</u>	<u>Internally Restricted Reserve Stability Fund</u>	<u>Internally Restricted Will Power Reserve Fund</u>	<u>Total</u>	<u>Total</u>
BALANCE - BEGINNING OF YEAR	\$ 161,604	\$ 320,000	\$ 620,000	\$ 1,101,604	\$ 725,809
Net revenue (expenses) for the year	(29,343)	-	-	(29,343)	375,795
Transfer from Internally Restricted Reserve Stability Fund	30,292	(30,292)	-	-	-
Transfer from Internally Restricted Will Power Reserve Fund	30,293	-	(30,293)	-	-
Transfer from Internally Restricted Will Power Reserve Fund for Will Power campaign operating deficiency	<u>41,000</u>	<u>-</u>	(<u>41,000</u>)	<u>-</u>	<u>-</u>
BALANCE - END OF YEAR	\$ <u><u>233,846</u></u>	\$ <u><u>289,708</u></u>	\$ <u><u>548,707</u></u>	\$ <u><u>1,072,261</u></u>	\$ <u><u>1,101,604</u></u>

CAGP FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>2024</u>	<u>2023</u>
CASH PROVIDED BY (USED FOR)		
OPERATING ACTIVITIES		
Net revenue (expenses) for the year	\$(29,343)	\$ 375,795
Item not requiring an outlay of cash:		
- website impairment loss	<u>60,585</u>	<u>-</u>
	31,242	375,795
Changes in non-cash working capital		
- accounts receivable	(2,000)	116,102
- fund distribution receivable	-	1,589
- HST recoverable	(3,703)	91,272
- prepaid expenses	(32,333)	20,788
- accounts payable and accrued liabilities	4,582	9,870
- deferred revenue	276,511	(462,942)
- due to/from Canadian Association of Gift Planners	<u>(619,581)</u>	<u>77,316</u>
	<u>(376,524)</u>	<u>(146,005)</u>
	(345,282)	229,790
INVESTING ACTIVITY		
Purchase of intangible asset	<u>(10,294)</u>	<u>(27,193)</u>
FINANCING ACTIVITY		
Purchase of investments	<u>-</u>	<u>(650,000)</u>
CHANGE IN CASH POSITION DURING THE YEAR	(355,576)	(447,403)
Cash position - beginning of year	<u>752,921</u>	<u>1,200,324</u>
CASH POSITION - END OF YEAR	\$ <u>397,345</u>	\$ <u>752,921</u>

CAGP FOUNDATION**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2024****1. ORGANIZATION**

CAGP Foundation ("the Foundation") was incorporated without share capital under Part II of the Canada Not-for-profit Corporations Act on March 30, 2016. The mission of the Foundation is to financially support the development and promotion of excellence in strategic, charitable gift planning in Canada. The Foundation is registered under the Income Tax Act as a charitable public foundation.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Foundation's significant accounting policies are as follows:

(a) Revenue Recognition

The Foundation follows the deferral method of accounting for contributions. Restricted donations are recognized as revenue in the year in which related restrictions are met. Unrestricted donations are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Will Power campaign memberships and sponsorships are recognized in proportion to the related benefits that have been received by the member or sponsor as compared to the total benefits available through the membership or sponsorship.

Education course revenue is recognized in the period in which the specific course is held.

Interest income is recognized when earned.

(b) Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. These estimates are reviewed periodically and adjustments are made to net revenue (expenses) as appropriate in the year they become known.

CAGP FOUNDATION**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2024****2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)****(c) Financial Instruments***Measurement*

Financial instruments arising from arm's length transactions are recorded at fair value on initial recognition. The Foundation subsequently measures all of its financial assets and liabilities in arm's length transactions at amortized cost.

Financial instruments arising from related party transactions are initially and subsequently recorded at cost.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down or subsequent recovery is recognized in net revenue. A previously recognized write-down can be reversed to the extent of the improvement.

(d) Volunteer Services

The Foundation receives the services of volunteers, the cost of which cannot be reasonably estimated. Since these services are not normally purchased by the Foundation, and because of the difficulty of determining their fair value, the value of these services is not reflected in these financial statements.

3. FINANCIAL RISKS AND CONCENTRATION OF RISKS

It is management's opinion that the Foundation is not exposed to significant market, liquidity, interest rate, currency or credit risks arising from its financial instruments. There have been no changes to the risk exposure from the prior year.

CAGP FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

4. INVESTMENTS

The short-term investments balance is comprised of Guaranteed Investment Certificates (GIC) investments with annual variable interest rate at the bank's prime rate less 2.25% (2023 - fixed rates from 4.95% to 5.15%) and maturity dates ranging from January 27, 2025 to October 21, 2025 (2023 - January 21, 2024 to April 20, 2024).

The long-term investments balance is comprised of a GIC with an annual interest of 5.15% (2023 - 5.15%) and a maturity date of July 25, 2026 (2023 - July 25, 2026).

5. INTANGIBLE ASSETS

During the year, the Foundation made the decision to discontinue its website development project. The costs related to this project had been recorded as an intangible asset. Upon the project being discontinued, the intangible asset was determined to have no salvageable value and an impairment loss was recorded for the full carrying cost of \$60,585.

6. DEFERRED REVENUE

Deferred revenue relates to education course fees and Will Power memberships paid in advance.

	<u>2024</u>	<u>2023</u>
Education courses	\$ 108,873	\$ 89,434
Will Power Campaign	<u>532,722</u>	<u>275,650</u>
	<u>\$ 641,595</u>	<u>\$ 365,084</u>

7. CANADIAN ASSOCIATION OF GIFT PLANNERS

The Canadian Association of Gift Planners ("the Association") is a related party of the Foundation by virtue of the Association's ability to elect and remove members of the Foundation's Board of Directors. During the year ended December 31, 2024, the Foundation paid management fees of \$143,593 (2023 - \$99,782), Will Power campaign costs of \$11,958 (2023 - \$9,198) and sponsorships of \$10,500 (2023 - \$1,500) to the Association. These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The amount due from (to) the Canadian Association of Gift Planners is non-interest bearing and has no fixed terms of repayment. It is anticipated that the amount will be repaid on or before March 31, 2025 and therefore has been presented with current assets.

CAGP FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

8. INTERNALLY RESTRICTED NET ASSETS

The Reserve Stability Fund is an internally restricted reserve set aside by the Board of Directors to cover minimum legal obligations in the event of an unexpected cash shortfall or unusual circumstances, or to invest in the Foundation's strategic priorities beyond the resources available from general operations. Any additions to, or withdrawals from, the Reserve are made by approval by the Board of Directors.

Will Power is a national public education effort designed to inspire more Canadians to make a significant impact on the causes they care about, with a gift in their will to charity. The purpose of the Will Power Campaign Reserve Fund is to provide financial support to the Will Power campaign expenses in the event that campaign memberships and sponsorships are insufficient, or for future campaign redevelopment.

CAGP FOUNDATION

SCHEDULE OF WILL POWER CAMPAIGN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>2024</u>	<u>2023</u>
Marketing and public relations	\$ 713,422	\$ 628,511
Professional and consulting fees	320,903	267,740
Administration	15,091	7,478
Management fee	11,958	9,198
Other	<u>2,099</u>	<u>21</u>
	\$ <u>1,063,473</u>	\$ <u>912,948</u>