

**CANADIAN EVALUATION SOCIETY -
NATIONAL CAPITAL CHAPTER**

FINANCIAL STATEMENTS

JUNE 30, 2012

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INDEPENDENT AUDITORS' REPORT

To the Members of the:

CANADIAN EVALUATION SOCIETY - NATIONAL CAPITAL CHAPTER

Report on the Financial Statements

We have audited the accompanying financial statements of the **CANADIAN EVALUATION SOCIETY - NATIONAL CAPITAL CHAPTER**, which comprise the Statement Of Financial Position as at June 30, 2012, and the Statement Of Operations And Changes In Net Assets 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 generally accepted accounting principles, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements 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 organization's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the **CANADIAN EVALUATION SOCIETY - NATIONAL CAPITAL CHAPTER** as at June 30, 2012, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Parker Prins Lebano Chartered Accountants Professional Corporation
Authorized to practice public accounting by The Institute of Chartered Accountants of Ontario

Ottawa, Ontario
September 11, 2012

CANADIAN EVALUATION SOCIETY - NATIONAL CAPITAL CHAPTER
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2012

	<u>2012</u>	<u>2011</u>
ASSETS		
CURRENT		
Cash	\$ 37,321	\$ 2,252
Short-term investments	27,970	27,823
Accounts receivable	14,484	36,769
Due from Canadian Evaluation Society (note 5)	2,783	2,793
Prepaid expenses	<u>608</u>	<u>1,048</u>
	<u>\$ 83,166</u>	<u>\$ 70,685</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	<u>\$ 9,780</u>	<u>\$ 22,873</u>
NET ASSETS		
Internally restricted net assets (note 4)	35,000	22,000
Unrestricted net assets	<u>38,386</u>	<u>25,812</u>
	<u>73,386</u>	<u>47,812</u>
	<u>\$ 83,166</u>	<u>\$ 70,685</u>
Approved by the Board:		
_____ Director		_____ Director

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CANADIAN EVALUATION SOCIETY - NATIONAL CAPITAL CHAPTER
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012

	2012 Budget	2012 Actual	2011 Actual
REVENUE			
Chapter membership fee share	\$ 8,484	\$ 11,533	\$ 11,277
Course registration fees	117,800	77,427	119,046
Annual Learning Event	50,750	58,042	68,403
Breakfast sessions	349	531	274
Interest income	111	147	160
	<u>177,494</u>	<u>147,680</u>	<u>199,160</u>
EXPENDITURE			
Administration	23,592	18,278	26,277
Membership services	434	454	426
Website	3,699	2,920	3,623
Course registration fees	74,833	53,175	88,441
Annual Learning Event	43,112	37,310	60,288
Breakfast sessions	9,337	9,969	7,109
	<u>155,007</u>	<u>122,106</u>	<u>186,164</u>
EXCESS OF REVENUE OVER EXPENDITURE	22,487	25,574	12,996
NET ASSETS, BEGINNING OF YEAR	47,812	47,812	34,816
NET ASSETS, END OF YEAR	<u>\$ 70,299</u>	<u>\$ 73,386</u>	<u>\$ 47,812</u>

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CANADIAN EVALUATION SOCIETY - NATIONAL CAPITAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012

1. PURPOSE OF THE ORGANIZATION

The Canadian Evaluation Society - National Capital Chapter is a fully recognized local of the Canadian Evaluation Society with all the rights, privileges and obligations as detailed in the Letters Patent and By-Laws of the Society.

In addition to supporting the objectives of the Society, the Chapter operates a program of meetings, seminars, professional development and other activities on program evaluation for the members of the Society.

The Canadian Evaluation Society - National Capital Chapter is a non-profit organization, is not incorporated and is not subject to income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

REVENUE RECOGNITION

The Chapter follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditure is 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.

Restricted investment income is recognized as revenue when the courses, workshops and seminars are held.

CONTRIBUTED SERVICES

The Chapter is dependent on the voluntary services of its members. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the balance sheet date and the reported amounts of revenue and expenditure during the year. Actual results could differ from those estimates.

SHORT TERM INVESTMENTS

Short-term investments are recorded at cost which is equal to market value.

3. FUTURE ACCOUNTING POLICY CHANGES

The Accounting Standards Board (AcSB) has approved new accounting standards for not-for-profit organizations (NFPO's) effective for fiscal years beginning on or after January 1, 2012; however, early adoption is permitted. The AcSB developed the new accounting standards for NFPO's based closely on the organization's current standards (Part V of the CICA Accounting Handbook), incorporating many of the existing accounting standards unique to NFPO's. These new NFPO standards were released on December 1, 2010 as Part III of the CICA Handbook. NFPO's that adopt Part III of the Handbook also adopt the accounting standards for private enterprises (ASPE; Part II of the CICA Handbook) to the extent accounting standards are not specifically addressed in Part III.

CANADIAN EVALUATION SOCIETY NATIONAL CAPITAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
JUNE 30, 2012

3. FUTURE ACCOUNTING POLICY CHANGES (continued)

NFPO's have the option of adopting International Financial Reporting Standards (Part I of the CICA Handbook) as an alternative to the above financial reporting framework.

The organization's management is currently in the process of assessing the impact of the new standards on its financial statements.

4. INTERNALLY RESTRICTED NET ASSETS

On October 1, 2008, the Board of Directors approved a Special Administrative Reserve of \$22,000 effective in 2009 to cover two years of administrative fees from Willow Group in the event of the dissolution of the Chapter. On October 5, 2011, the Board of Directors increased the Reserve to \$35,000.

5. RELATED PARTY TRANSACTIONS

The Canadian Evaluation Society pays 20% of the membership fees collected to the local chapters. This amount is shown in revenue as chapter membership fee share. Due from Canadian Evaluation Society includes \$2,783 (2011 - \$2,793) with respect to these transactions.

The National Capital Chapter receives payments for Canadian Evaluation Society membership fees from course registrants and forwards these fees to the Society. At June 30, 2012, no fees were owing to the Society (2011 - \$0).

The National Capital Chapter pays Canadian Evaluation Society to assist in providing certain courses. Fees of \$880 (2011 - \$2,145) are in course, conference and seminar expenses. At June 30, 2012, \$880 in fees were owing to the Society (2011 - \$0).

6. FINANCIAL INSTRUMENTS

The National Capital Chapter's financial instruments consist of cash, short-term investments, accounts receivable, due from (to) Canadian Evaluation Society, accounts payable and accrued liabilities. Financial instruments are initially recorded at their fair values at the transaction date. Because of the short-term nature of the Chapter's financial instruments, management believes that recorded values approximate current fair values.

7. STATEMENT OF CASH FLOWS

A statement of cash flows has not been prepared since it would not provide any additional useful information.

8. CAPITAL MANAGEMENT

The Chapter considers its capital to be its net assets retained. This is generally the difference between assets and liabilities as reported on the statement of financial position. This consists of internally restricted net assets in the amount of \$35,000 (2011 - \$22,000) and unrestricted net assets in the amount of \$38,386 (2011 - \$25,812). Internally restricted net assets are described in note 4. Unrestricted net assets consist of the accumulated balance of revenue in excess of expenditure of the Chapter since its inception. The Chapter's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide delivery of its services to its members.

9. CONTINGENT LIABILITY

The organization does not carry liability insurance.

10. COMMITMENTS

The Chapter has commitments of \$12,600 for consultant services in the coming year. In addition, the Chapter has commitments of approximately \$3,900 for hotel, banquet and hospitality costs in the coming year.

11. COMPARATIVE FIGURES

The comparative figures were audited by another auditor. Certain of the comparative figures have been reclassified in order to conform with the current financial statement presentation.