

**CANADIAN FEDERATION OF MUSIC TEACHERS'
ASSOCIATIONS**

FINANCIAL STATEMENTS

FOR THE TEN MONTH PERIOD ENDED MARCH 31, 2019

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FINANCIAL STATEMENTS
FOR THE TEN MONTH PERIOD ENDED MARCH 31, 2019**

-1-	Independent Auditor's Report
-3-	Statement of Financial Position
-4- to -5-	Statement of Operations and Net Assets
-6-	Statement of Cash Flows
-7- to -8-	Notes to the Financial Statements
-9-	Schedule 1 - Annual Fees
-10-	Schedule 2 - Canada Music Week
-11-	Schedule 3 - Young Artists
-12-	Schedule 4 - Awards and Competitions
-13-	Schedule 5 - Newsletter
-14-	Schedule 6 - Trust

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2019
(with comparative figures as at May 31, 2018)

	Operating Fund	Young Artists Fund	Awards and Competitions Fund	Trust Fund	Endowment Fund	2019	2018
ASSETS							
Current Assets							
Cash	\$ 66,309	\$ -	\$ -	\$ 7,132	\$ -	\$ 73,441	\$ 63,084
Short-term investments (note 2.d)	97,671	45,669	30,909	7,966	40,844	223,059	\$ 187,021
Accounts receivable	15,594	-	-	-	-	15,594	\$ 14,630
Due from (to) other funds	(18,641)	5,816	(20,010)	33,480	(645)	-	\$ -
HST rebate receivable	6,572	-	-	-	-	6,572	\$ 4,695
Prepaid expenses	13,850	-	-	-	-	13,850	\$ 22,649
TOTAL ASSETS	\$ 181,355	\$ 51,485	\$ 10,899	\$ 48,578	\$ 40,199	\$ 332,516	\$ 292,079
LIABILITIES AND NET ASSETS							
Current Liabilities							
Accounts payable and accrued liabilities	\$ 14,760	\$ -	\$ -	\$ -	\$ -	\$ 14,760	\$ 6,167
Deferred revenue	26,842	-	-	-	-	26,842	14,769
	41,602	-	-	-	-	41,602	20,936
Net assets (page 5)	139,753	51,485	10,899	48,578	40,199	290,914	271,143
TOTAL LIABILITIES AND NET ASSETS	\$ 181,355	\$ 51,485	\$ 10,899	\$ 48,578	\$ 40,199	\$ 332,516	\$ 292,079

The accompanying notes are an integral part of the financial statements

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
STATEMENT OF OPERATIONS AND NET ASSETS
FOR THE TEN MONTH PERIOD ENDED MARCH 31, 2019
(with comparative figures for the year ended May 31, 2018)

	Operating Fund	Young Artists Fund	Awards and Competitions Fund	Trust Fund	Endowment Fund	2019	2018
REVENUES							
Fees (page 9)	\$ 101,640	\$ -	\$ -	\$ -	\$ -	\$ 101,640	\$ 87,008
Canada Music Week (page 10)	8,337	-	-	-	-	8,337	10,154
Young Artists (page 11)	-	5,275	-	-	-	5,275	3,881
Awards and Competitions (page 12)	-	-	6,914	-	-	6,914	8,063
Newsletter (page 13)	10,146	-	-	-	-	10,146	13,346
Trust (page 14)	-	-	-	35,374	-	35,374	24,286
Endowment	-	-	-	-	43	43	318
Interest and other	6,059	-	-	-	-	6,059	6,980
	126,182	5,275	6,914	35,374	43	173,788	154,036
EXPENDITURES							
Program expenditures							
Canada Music Week (page 10)	8,970	-	-	-	-	8,970	10,217
Young Artists (page 11)	-	4,731	-	-	-	4,731	250
Awards and Competitions (page 12)	-	-	1,467	-	-	1,467	350
Newsletter (page 13)	26,427	-	-	-	-	26,427	34,958
Trust (page 14)	-	-	-	31,168	-	31,168	14,717
Endowment	-	-	-	-	250	250	250
	35,397	4,731	1,467	31,168	250	73,013	60,742

The accompanying notes are an integral part of the financial statements

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
STATEMENT OF OPERATIONS AND NET ASSETS
FOR THE TEN MONTH PERIOD ENDED MARCH 31, 2019
(with comparative figures for the year ended May 31, 2018)

	Operating Fund	Young Artists Fund	Awards and Competitions Fund	Trust Fund	Endowment Fund	2019	2018
General and administrative expenditures							
Bank Charges	168	-	-	-	-	168	182
Bonding and insurance	1,429	-	-	-	-	1,429	1,429
New initiatives	6,724	-	-	-	-	6,724	161
Office and telephone	3,739	-	-	-	-	3,739	6,888
Professional fees	3,542	-	-	-	-	3,542	3,842
Public relations	800	-	-	-	-	800	2,100
Travel and meetings	42,867	-	-	-	-	42,867	6,155
Website	2,975	-	-	-	-	2,975	2,809
	62,244	-	-	-	-	62,244	23,566
Honoraria / administration							
Administration	16,660	-	-	-	-	16,660	20,000
Executive	2,100	-	-	-	-	2,100	2,100
	18,760	-	-	-	-	18,760	22,100
TOTAL EXPENDITURES	116,401	4,731	1,467	31,168	250	154,017	106,408
EXCESS OF REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUES)	9,781	544	5,447	4,206	(207)	19,771	47,628
NET ASSETS, BEGINNING OF YEAR	129,972	50,941	5,452	44,372	40,406	271,143	223,515
NET ASSETS, END OF YEAR (note 4)	\$ 139,753	\$ 51,485	\$ 10,899	\$ 48,578	\$ 40,199	\$ 290,914	\$ 271,143

The accompanying notes are an integral part of the financial statements

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
STATEMENT OF CASH FLOWS
FOR THE TEN MONTH PERIOD ENDED MARCH 31, 2019
(with comparative figures for the year ended May 31, 2018)

	2019	2018
OPERATING ACTIVITIES		
Excess of revenues over expenditures (page 5)	\$ 19,771	\$ 47,628
Change in non-cash items		
Decrease (increase) in accounts and HST rebate receivable	(2,841)	(13,142)
Decrease (increase) in prepaid expenses	8,799	(20,668)
Increase (decrease) in accounts payable and accrued liabilities	8,593	(521)
Increase (decrease) in deferred revenue	12,073	1,693
Increase in cash	46,395	14,990
Cash and short-term investments, beginning of year	250,105	235,115
CASH AND SHORT-TERM INVESTMENTS, END OF YEAR	\$ 296,500	\$ 250,105
REPRESENTED BY:		
Cash	73,441	63,084
Short-term investments	223,059	187,021
	296,500	250,105

The accompanying notes are an integral part of the financial statements

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE TEN MONTH PERIOD ENDED MARCH 31, 2019
(with comparative figures for the year ended May 31, 2018)

1. Nature of business

Canadian Federation Of Music Teachers' Associations (the Association) is a national organization that provides funds for music competition prizes and travel. The Association also publishes a newsletter for music teachers. The Association is incorporated under the Canada Business Corporations Act as a not-for-profit organization and is a registered charity under the Canadian Income Tax Act.

2. Significant accounting policies

The accounting policies of the Association are in accordance with Canadian accounting standards appropriate for not-for-profit organizations. Those policies that are considered to be significant are outlined below.

a. Accrual basis of accounting

The Association follows the accrual method of accounting for receipts and disbursements. The accrual basis of accounting recognizes receipts as they become available and measurable; disbursements are recognized as they are incurred and measurable as a result of a receipt of goods or services and the creation of a legal obligation to pay. Donation revenue is recorded on a cash basis.

b. Fund accounting

The Association follows the restricted fund method of accounting for contributions. The Operating Fund accounts for the Association's unrestricted program delivery and administration activities. The Young Artists and Special Projects Funds report restricted resources that are to be used for these programs. The Trust Fund reports donations that must be used for a specific charitable purpose. The Endowment Fund reports resources contributed for endowment. Investment income earned on endowment funds is reported in the Operating, Young Artists and Trust Funds in accordance with the restrictions that were imposed by the contributors of the endowment.

c. Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the period. Such estimates are periodically reviewed and any adjustments are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

d. Financial instruments

The Association's short-term investments are recorded at cost and consist of guaranteed investment certificates of \$223,059 (2018 - 187,021). The market value approximates cost and includes cost plus accrued interest. In addition, the Association's other financial instruments consist of cash, accounts receivable, prepaid expenses, accounts payable and deferred revenue. The carrying values of these financial instruments approximate their fair values due to their short-term natures. Unless otherwise noted, it is the Association's opinion that it is not exposed to significant interest, current or credit risk arising from these financial instruments.

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE TEN MONTH PERIOD ENDED MARCH 31, 2019
(with comparative figures for the year ended May 31, 2018)

3. Basis of presentation

The accompanying financial statements have been prepared on the going concern assumption that the Association will be able to realize its assets and discharge its liabilities in the normal course of operations.

4. Capital management

The Association considers its capital to be the balance maintained in its net assets. The primary objective of the Association is to invest its capital in a manner that will allow it to continue as a going concern and comply with its stated objectives. Capital is invested under the direction of the Board of Directors of the Association with the objective of providing a reasonable rate of return, minimizing risk and ensuring adequate liquid investments are on hand for current cash flow requirements. The Association is not subject to any externally imposed requirements of its capital.

5. Restricted funds

The Board has restricted \$20,000 of the operating fund net assets for future convention costs.

6. Capital assets

The Association does not own any capital assets.

7. Income taxes

Section 149(1)(e) of the Income Tax Act exempts charities such as the Association from income taxes and as such, the Association is not liable to pay corporate income taxes.

The following schedules are for information purposes only.

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
SCHEDULE 1 - ANNUAL FEES
FOR THE TEN MONTH PERIOD ENDED MARCH 31, 2019
(with comparative figures for the year ended May 31, 2018)

	2019	2018
ANNUAL FEES		
Ontario	\$ 37,076	\$ 30,420
British Columbia	28,241	24,960
Alberta	13,826	11,882
Manitoba	5,580	4,368
Saskatchewan	6,231	5,304
Quebec	3,060	3,094
Nova Scotia	2,604	2,366
New Brunswick	1,581	1,768
Newfoundland	1,705	1,274
Prince Edward Island	1,023	858
Yukon	713	624
	101,640	86,918
Late surcharges	-	90
TOTAL ANNUAL FEES	\$ 101,640	\$ 87,008

This schedule is for information purposes only.

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
SCHEDULE 2 - CANADA MUSIC WEEK
FOR THE TEN MONTH PERIOD ENDED MARCH 31, 2019
(with comparative figures for the year ended May 31, 2018)

	2019	2018
REVENUE		
Fee allocation and other	\$ 4,482	\$ 4,657
Sale of promotional materials	565	867
Donations	3,290	4,630
	8,337	10,154
EXPENSES		
Adjudicator	1,400	1,000
Co-ordinator	600	600
Prizes	4,350	5,600
Promotional material	1,415	3,017
Travel and meeting expense	1,205	-
	8,970	10,217
EXCESS OF REVENUES OVER EXPENDITURES		
(EXPENDITURES OVER REVENUES)	\$ (633)	\$ (63)

This schedule is for information purposes only.

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
SCHEDULE 3 - YOUNG ARTISTS
FOR THE TEN MONTH PERIOD ENDED MARCH 31, 2019
(with comparative figures for the year ended May 31, 2018)

	2019	2018
REVENUE		
Fee allocation and concerts	\$ 4,809	\$ 3,343
Interest	466	538
	5,275	3,881
EXPENSES		
Travel and honorarium	250	250
Tour expenditures	4,397	-
Other	84	-
	4,731	250
EXCESS OF REVENUES OVER EXPENDITURES	\$ 544	\$ 3,631

This schedule is for information purposes only.

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
SCHEDULE 4 - AWARDS AND COMPETITIONS
FOR THE TEN MONTH PERIOD ENDED MARCH 31, 2019
(with comparative figures for the year ended May 31, 2018)

	2019	2018
REVENUES		
Fee allocation and other	\$ 6,564	\$ 7,686
Interest	350	377
	6,914	8,063
EXPENSES		
Co-ordinator	350	350
Prizes	500	-
Travel and miscellaneous	617	-
	1,467	350
EXCESS OF REVENUES OVER EXPENDITURES	\$ 5,447	\$ 7,713

This schedule is for information purposes only.

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
SCHEDULE 5 - NEWSLETTER
FOR THE TEN MONTH PERIOD ENDED MARCH 31, 2019
(with comparative figures for the year ended May 31, 2018)

	2019	2018
REVENUE		
Advertising	\$ 10,146	\$ 13,346
	10,146	13,346
EXPENSES		
Printing and production	26,427	34,958
	26,427	34,958
EXCESS OF REVENUES OVER EXPENDITURES		
(EXPENDITURES OVER REVENUES)	\$ (16,281)	\$ (21,612)

This schedule is for information purposes only.

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
SCHEDULE 6 - TRUST
FOR THE TEN MONTH PERIOD ENDED MARCH 31, 2019
(with comparative figures for the year ended May 31, 2018)

	2019	2018
REVENUE		
Received in trust	\$ 35,374	\$ 24,286
	35,374	24,286
EXPENSES		
Trust transfers	31,168	14,717
	31,168	14,717
EXCESS OF REVENUES OVER EXPENDITURES	\$ 4,206	\$ 9,569

This schedule is for information purposes only.