

**CANADIAN FEDERATION OF MUSIC TEACHERS'
ASSOCIATIONS**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

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FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020**

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CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020
(with comparative figures as at March 31, 2019)

	Operating Fund	Young Artists Fund	Awards and Competitions Fund	Trust Fund	Endowment Fund	2020	2019
ASSETS							
Current Assets							
Cash	\$ 63,525	\$ -	\$ -	\$ 11,379	\$ -	\$ 74,904	\$ 73,441
Short-term investments (note 2.d)	87,161	46,828	42,376	7,058	41,338	224,761	223,059
Accounts receivable	5,600	-	-	-	-	5,600	15,594
Due from (to) other funds	898	8,127	(36,648)	28,960	(1,337)	-	-
HST rebate receivable	6,673	-	-	-	-	6,673	6,572
Prepaid expenses	18,639	-	-	-	-	18,639	13,850
TOTAL ASSETS	\$ 182,496	\$ 54,955	\$ 5,728	\$ 47,397	\$ 40,001	\$ 330,577	\$ 332,516
LIABILITIES AND NET ASSETS							
Current Liabilities							
Accounts payable and accrued liabilities	\$ 4,553	\$ -	\$ -	\$ -	\$ -	\$ 4,553	\$ 14,760
Deferred revenue	23,733	-	-	-	-	23,733	26,842
	28,286	-	-	-	-	28,286	41,602
Net assets (page 5)	154,210	54,955	5,728	47,397	40,001	302,291	290,914
TOTAL LIABILITIES AND NET ASSETS	\$ 182,496	\$ 54,955	\$ 5,728	\$ 47,397	\$ 40,001	\$ 330,577	\$ 332,516

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 YEAR ENDED MARCH 31, 2020

(with comparative figures for the ten month period ended March 31, 2019)

	Operating Fund	Young Artists Fund	Awards and Competitions Fund	Trust Fund	Endowment Fund	2020	2019
REVENUES							
Fees (page 9)	\$ 100,626	\$ -	\$ -	\$ -	\$ -	\$ 100,626	\$ 101,640
Canada Music Week (page 10)	8,811	-	-	-	-	8,811	8,337
Young Artists (page 11)	-	4,584	-	-	-	4,584	5,275
Awards and Competitions (page 12)	-	-	19,920	-	-	19,920	6,914
Newsletter (page 13)	16,227	-	-	-	-	16,227	10,146
Trust (page 14)	-	-	-	42,702	-	42,702	35,374
Endowment	-	-	-	-	52	52	43
Interest and other	11,882	-	-	-	-	11,882	6,059
TOTAL REVENUES	137,546	4,584	19,920	42,702	52	204,804	173,788
EXPENDITURES							
Program expenditures							
Canada Music Week (page 10)	7,859	-	-	-	-	7,859	8,970
Young Artists (page 11)	-	1,114	-	-	-	1,114	4,731
Awards and Competitions (page 12)	-	-	25,091	-	-	25,091	1,467
Newsletter (page 13)	33,443	-	-	-	-	33,443	26,427
Trust (page 14)	-	-	-	43,883	-	43,883	31,168
Endowment	-	-	-	-	250	250	250
	41,302	1,114	25,091	43,883	250	111,640	73,013

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 YEAR ENDED MARCH 31, 2020
(with comparative figures for the ten month period ended March 31, 2019)

	Operating Fund	Young Artists Fund	Awards and Competitions Fund	Trust Fund	Endowment Fund	2020	2019
General and administrative expenditures							
Bank Charges	248	-	-	-	-	248	168
Bonding and insurance	1,520	-	-	-	-	1,520	1,429
New initiatives	8,628	-	-	-	-	8,628	6,724
Office and telephone	8,410	-	-	-	-	8,410	3,739
Professional fees	4,272	-	-	-	-	4,272	3,542
Public relations	1,500	-	-	-	-	1,500	800
Travel and meetings	30,597	-	-	-	-	30,597	42,867
Website	4,512	-	-	-	-	4,512	2,975
	59,687	-	-	-	-	59,687	62,244
Honoraria / administration							
Administration	20,000	-	-	-	-	20,000	16,660
Executive	2,100	-	-	-	-	2,100	2,100
	22,100	-	-	-	-	22,100	18,760
TOTAL EXPENDITURES	123,089	1,114	25,091	43,883	250	193,427	154,017
EXCESS OF REVENUES OVER EXPENDITURES							
(EXPENDITURES OVER REVENUES)	14,457	3,470	(5,171)	(1,181)	(198)	11,377	19,771
NET ASSETS, BEGINNING OF YEAR	139,753	51,485	10,899	48,578	40,199	290,914	271,143
NET ASSETS, END OF YEAR (note 4)	\$ 154,210	\$ 54,955	\$ 5,728	\$ 47,397	\$ 40,001	\$ 302,291	\$ 290,914

The accompanying notes are an integral part of the financial statements

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the ten month period ended March 31, 2019)

	2020	2019
OPERATING ACTIVITIES		
Excess of revenues over expenditures (page 5)	\$ 11,377	\$ 19,771
Change in non-cash items		
Decrease (increase) in accounts and HST rebate receivable	9,893	(2,841)
Decrease (increase) in prepaid expenses	(4,789)	8,799
Increase (decrease) in accounts payable and accrued liabilities	(10,207)	8,593
Increase (decrease) in deferred revenue	(3,109)	12,073
Increase in cash	3,165	46,395
Cash and short-term investments, beginning of year	296,500	250,105
CASH AND SHORT-TERM INVESTMENTS, END OF YEAR	\$ 299,665	\$ 296,500
REPRESENTED BY:		
Cash	74,904	73,441
Short-term investments	224,761	223,059
	299,665	296,500

The accompanying notes are an integral part of the financial statements

**CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020**

(with comparative figures for the ten month period ended March 31, 2019)

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 Awards and Competitions 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 \$224,761 (2019 - 223,059). 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 expensed 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 YEAR ENDED MARCH 31, 2020
(with comparative figures for the ten month period ended March 31, 2019)

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.

8. Significant Event

In March 2020, the Provinces in Canada declared a state of emergency in response to the COVID-19 virus. It is unclear what financial impact the COVID-19 virus will have on the Association. The Board of Directors continues to monitor the situation.

9. Comparative balances

Certain of the comparative balances have been reclassified to conform to the current years' presentation.

The following schedules are for information purposes only.

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
SCHEDULE 1 - ANNUAL FEES
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the ten month period ended March 31, 2019)

	2020	2019
ANNUAL FEES		
Ontario	\$ 35,216	\$ 37,076
British Columbia	27,249	28,241
Alberta	14,384	13,826
Manitoba	5,208	5,580
Saskatchewan	6,107	6,231
Quebec	3,782	3,060
Nova Scotia	2,976	2,604
New Brunswick	1,705	1,581
Newfoundland	1,891	1,705
Prince Edward Island	1,364	1,023
Yukon	744	713
TOTAL ANNUAL FEES	\$ 100,626	\$ 101,640

This schedule is for information purposes only.

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
SCHEDULE 2 - CANADA MUSIC WEEK
FOR THE YEAR ENDED ENDED MARCH 31, 2020
(with comparative figures for the ten month period ended March 31, 2019)

	2020	2019
REVENUE		
Fee allocation and other	\$ 4,679	\$ 4,482
Sale of promotional materials	383	565
Donations	3,749	3,290
	8,811	8,337
EXPENSES		
Adjudicator	1,230	1,400
Co-coordinator	600	600
Prizes	4,850	4,350
Promotional material	469	1,415
Travel and meeting expense	710	1,205
	7,859	8,970
EXCESS OF REVENUES OVER EXPENDITURES		
(EXPENDITURES OVER REVENUES)	\$ 952	\$ (633)

This schedule is for information purposes only.

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
SCHEDULE 3 - YOUNG ARTISTS
FOR THE YEAR ENDED ENDED MARCH 31, 2020
(with comparative figures for the ten month period ended March 31, 2019)

	2020	2019
REVENUE		
Fee allocation and concerts	\$ 3,649	\$ 4,809
Interest	935	466
	4,584	5,275
EXPENSES		
Travel and honorarium	250	250
Tour expenditures	856	4,397
Other	8	84
	1,114	4,731
EXCESS OF REVENUES OVER EXPENDITURES	\$ 3,470	\$ 544

This schedule is for information purposes only.

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
SCHEDULE 4 - AWARDS AND COMPETITIONS
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the ten month period ended March 31, 2019)

	2020	2019
REVENUES		
Fee allocation and other	\$ 19,466	\$ 6,564
Interest	454	350
	19,920	6,914
EXPENSES		
Co-coordinator	350	350
Prizes	15,000	500
Adjudicator fees	6,014	-
Travel and miscellaneous	3,727	617
	25,091	1,467
EXCESS OF REVENUES OVER EXPENDITURES	\$ (5,171)	\$ 5,447

This schedule is for information purposes only.

CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
SCHEDULE 5 - NEWSLETTER
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the ten month period ended March 31, 2019)

	2020	2019
REVENUE		
Advertising	\$ 16,227	\$ 10,146
	16,227	10,146
EXPENSES		
Printing and production	33,443	26,427
	33,443	26,427
EXCESS OF REVENUES OVER EXPENDITURES		
(EXPENDITURES OVER REVENUES)	\$ (17,216)	\$ (16,281)

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CANADIAN FEDERATION OF MUSIC TEACHERS' ASSOCIATIONS
SCHEDULE 6 - TRUST
FOR THE YEAR ENDED MARCH 31, 2020
(with comparative figures for the ten month period ended March 31, 2019)

	2020	2019
REVENUE		
Received in trust	\$ 42,702	\$ 35,374
	42,702	35,374
EXPENSES		
Trust transfers	43,883	31,168
	43,883	31,168
EXCESS OF REVENUES OVER EXPENDITURES	\$ (1,181)	\$ 4,206

This schedule is for information purposes only.