

**THE INTERNATIONAL ASSOCIATION OF HYDROGEOLOGISTS -
CANADIAN NATIONAL CHAPTER INC.**

Financial Statements

April 30, 2018

**THE INTERNATIONAL ASSOCIATION OF HYDROGEOLOGISTS -
CANADIAN NATIONAL CHAPTER INC.**

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Year Ended April 30, 2018

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of The International Association of Hydrogeologists - Canadian National Chapter Inc.

We have reviewed the accompanying financial statements of The International Association of Hydrogeologists - Canadian National Chapter Inc. that comprise the statement of financial position as at April 30, 2018 and the statements of operations, 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 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 these financial statements do not present fairly, in all material respects, the financial position of The International Association of Hydrogeologists - Canadian National Chapter Inc. as at April 30, 2018, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

Hogg, Shain & Scheck PC

Toronto, Ontario
November 8, 2018

Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

**THE INTERNATIONAL ASSOCIATION OF HYDROGEOLOGISTS -
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**Statement of Operations
Year Ended April 30, 2018**

	2018	2017
REVENUES		
Membership	\$ 42,367	\$ 30,099
Conference	21,245	340
Advertising	600	700
	<u>64,212</u>	<u>31,139</u>
EXPENSES		
IAH International fees	33,113	33,975
Local events	11,018	1,560
Scholarship	5,000	5,000
Professional fees	4,790	4,279
Office and general	6,023	4,337
Membership fees	2,081	1,600
Conference	3,288	1,556
Awards	2,500	1,500
Insurance	1,640	1,227
	<u>69,453</u>	<u>55,034</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (5,241)</u>	<u>\$ (23,895)</u>

See the accompanying notes to these financial statements

**THE INTERNATIONAL ASSOCIATION OF HYDROGEOLOGISTS -
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Statement of Financial Position

As at April 30, 2018

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 142,691	\$ 135,322
Accounts receivable (Note 3)	19,515	19,703
Prepaid expenses	1,026	11,218
	\$ 163,232	\$ 166,243
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 17,077	\$ 13,028
Deferred revenues (Note 4)	27,032	28,851
	44,109	41,879
NET ASSETS		
GENERAL	79,123	79,364
SCHOLARSHIP FUND (Note 6)	40,000	45,000
	119,123	124,364
	\$ 163,232	\$ 166,243

APPROVED ON BEHALF OF THE BOARD

Dean Allen Director

Director

See the accompanying notes to these financial statements

**THE INTERNATIONAL ASSOCIATION OF HYDROGEOLOGISTS -
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Statement of Changes in Net Assets

Year Ended April 30, 2018

	General	Scholarship	2018	2017
NET ASSETS - BEGINNING OF YEAR	\$ 79,364	\$ 45,000	\$ 124,364	\$ 148,259
Excess (deficiency) of revenues over expenses	(241)	(5,000)	(5,241)	(23,895)
NET ASSETS - END OF YEAR	\$ 79,123	\$ 40,000	\$ 119,123	\$ 124,364

See the accompanying notes to these financial statements

**THE INTERNATIONAL ASSOCIATION OF HYDROGEOLOGISTS -
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**Statement of Cash Flows
Year Ended April 30, 2018**

	2018	2017
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (5,241)	\$ (23,895)
Changes in non-cash working capital:		
Accounts receivable	188	31,698
Prepaid expenses	10,192	(10,328)
Accounts payable and accrued liabilities	4,049	(3,590)
Deferred revenues	(1,819)	13,703
	<u>12,610</u>	<u>31,483</u>
INCREASE IN CASH FLOW	7,369	7,588
CASH - BEGINNING OF YEAR	<u>135,322</u>	<u>127,734</u>
CASH - END OF YEAR	<u>\$ 142,691</u>	<u>\$ 135,322</u>

See the accompanying notes to these financial statements

**THE INTERNATIONAL ASSOCIATION OF HYDROGEOLOGISTS -
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Notes to Financial Statements

Year Ended April 30, 2018

1. PURPOSE OF THE ASSOCIATION

The International Association of Hydrogeologists - Canadian National Chapter (the "Association") was incorporated on May 11, 2009 as a not-for-profit organization. As a not-for-profit organization, it is exempt from income taxes under the Income Tax Act (Canada).

The association operates to provide its members with a variety of lectures, seminars, networking opportunities and conferences in the field of hydrogeology.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the representation of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook and include the following significant accounting policies.

Revenue recognition

The association follows the deferral method of accounting for contributions. Restricted contributions, are recognized as revenues in the year in which the related activity occurs and expenditures are incurred. Unrestricted contributions are recognized as revenues, provided that contributions receivable can be reasonably estimated and collection is reasonably assured.

Membership, conference and advertising revenue received are recognized as revenue in the fiscal year to which they relate.

Financial instruments

The association initially measures its financial assets and financial liabilities at fair value. Subsequently, it measures all its financial assets and financial liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include accounts receivable. The financial liabilities measured at amortized cost include accounts payable.

Contributed services

Volunteers contribute time to assist the association in carrying out its programs. Since the association would not otherwise purchase these services, the value of contributed services are not recognized in the financial statements.

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 amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. These estimates are reviewed periodically and adjustments are made to revenues and expenses as appropriate in the period they become known. Estimates exist with respect to determining the allowance for doubtful accounts receivable. Actual results could vary from those estimates.

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Notes to Financial Statements

Year Ended April 30, 2018

3. ACCOUNT RECEIVABLE

	<u>2018</u>	<u>2017</u>
Accounts receivable	\$ 21,091	\$ 21,279
Allowance for doubtful accounts	<u>(1,576)</u>	<u>(1,576)</u>
	<u>\$ 19,515</u>	<u>\$ 19,703</u>

4. DEFERRED REVENUES

Deferred revenue represents receipts of next fiscal year's membership.

	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 28,851	\$ 15,148
Add: receipts of next fiscal year's membership	<u>27,032</u>	<u>28,851</u>
	55,883	43,999
Less: membership revenues recognized in the year	<u>(28,851)</u>	<u>(15,148)</u>
Balance, end of year	<u>\$ 27,032</u>	<u>\$ 28,851</u>

5. FINANCIAL INSTRUMENTS

The association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the association's risk exposure and concentration as of April 30, 2018.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The association is exposed to credit risk from members who have not paid their membership fees. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The association has a significant number of members which minimizes concentration of credit risk.

It is management's opinion that the association is not exposed to significant liquidity, other price, currency or interest rate risks.

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Year Ended April 30, 2018

6. SCHOLARSHIP FUND

The fund was established in 2014 to provide \$5,000 assistance to a graduate student who is studying hydrogeology. The continuity of this scholarship is as follows:

	<u>2018</u>	<u>2017</u>
Balance, beginning of the year	\$ 45,000	\$ 50,000
Less: disbursement	<u>(5,000)</u>	<u>(5,000)</u>
Balance, end of the year	<u>\$ 40,000</u>	<u>\$ 45,000</u>
