

**INTERNATIONAL FEDERATION ON AGEING**  
**YEAR ENDED MARCH 31, 2020**

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## **INDEPENDENT AUDITOR'S REPORT**

To the directors of

### **INTERNATIONAL FEDERATION ON AGEING**

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#### **Opinion**

We have audited the financial statements of International Federation on Ageing, which comprise the statement of financial position as at March 31, 2020 and the statements of operations, changes in net assets, and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of International Federation on Ageing as at March 31, 2020 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 (ASNFPPO).

#### **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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization 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 (ASNFPPO), 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's 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 auditor's 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.

## INDEPENDENT AUDITOR'S REPORT (CONT'D)

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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 organization's internal controls.
- 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 organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- 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, amongst 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.

*Stern Cohen LLP*

Chartered Professional Accountants  
Chartered Accountants  
Licensed Public Accountants  
Toronto, Canada  
November 4, 2020

# INTERNATIONAL FEDERATION ON AGEING

## STATEMENT OF OPERATIONS

For the year ended March 31,	2020 \$	2019 \$
<b>Revenues</b>		
Membership fees	81,673	86,582
Corporate and foundation sponsorships	782,490	1,281,839
Events income	5,739	566,120
Donations	283	19,137
Professional income	34,526	13,072
Interest income	13,798	9,803
Gain on foreign exchange	36,307	22,466
In-kind rental income	23,000	21,000
	<b>977,816</b>	<b>2,020,019</b>
<b>Expenses</b>		
Salaries and benefits	653,508	568,607
Event expenses	200,673	650,220
Travel expenses	76,523	40,231
Advertising and promotion	32,032	41,424
Website and IT support	44,928	31,098
Contract services	98,666	82,748
Professional fees	11,433	28,707
Rent	23,000	21,000
Operations	17,605	26,076
Memberships and subscriptions	60,576	16,689
Telecommunications	12,167	10,769
Equipment rental	2,219	3,101
Bank charges and interest	8,879	15,943
Amortization	18,073	2,326
	<b>1,260,282</b>	<b>1,538,939</b>
<b>Excess (deficiency) of revenues over expenses for the year</b>	<b>(282,466)</b>	<b>481,080</b>

See accompanying notes.

**INTERNATIONAL FEDERATION ON AGEING**  
**STATEMENT OF CHANGES IN NET ASSETS**

For the year ended March 31,	2020 \$	2019 \$
<b>Beginning of year</b>	<b>1,579,240</b>	1,098,160
Excess (deficiency) of revenues over expenses for the year	<b>(282,466)</b>	481,080
<b>End of year</b>	<b>1,296,774</b>	1,579,240

See accompanying notes.

**INTERNATIONAL FEDERATION ON AGEING**  
**STATEMENT OF CASH FLOW**

For the year ended March 31,	2020 \$	2019 \$
<b>Operating activities</b>		
Excess (deficiency) of revenues over expenses for the year	(282,466)	481,080
Item not involving cash Amortization of capital assets	18,073	2,326
Working capital (required by) from operations	(264,393)	483,406
Net change in non-cash working capital balances related to operations	205,137	(336,871)
Cash (required by) from operations	(59,256)	146,535
<b>Investing activities</b>		
Purchase of capital assets	(63,731)	(23,748)
Purchase of investments, net	(13,266)	(9,803)
	(76,997)	(33,551)
<b>Change in cash during the year</b>	<b>(136,253)</b>	<b>112,984</b>
<b>Cash</b>		
Beginning of year	1,013,894	900,910
End of year	877,641	1,013,894

See accompanying notes.

**INTERNATIONAL FEDERATION ON AGEING**  
**STATEMENT OF FINANCIAL POSITION**

As at March 31,	2020 \$	2019 \$
<b>ASSETS</b>		
Current assets		
Cash	877,641	1,013,894
Short-term investments (Note 3)	657,629	644,363
HST receivable	12,187	7,176
Prepaid expenses and deposits (Note 6(b))	55,987	5,671
	1,603,444	1,671,104
Capital assets (Note 4)	78,416	32,758
	1,681,860	1,703,862
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities	11,021	64,261
Deferred revenue (Note 5)	374,065	60,361
	385,086	124,622
<b>NET ASSETS</b>	<b>1,296,774</b>	<b>1,579,240</b>
	<b>1,681,860</b>	<b>1,703,862</b>

Other information (Note 6)

See accompanying notes.

Approved on behalf of the Board: \_\_\_\_\_  
Director

## INTERNATIONAL FEDERATION ON AGEING

### NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2020

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International Federation on Ageing (the "organization") was incorporated on May 13, 1993 as a not-for-profit entity, under the Canada Business Corporations Act and received its registered charity status (13746 3808 RR0001) on April 13, 2006. The organization received its continuation status under the new Canada Not-for-Profit Corporations Act, with new by-laws on July 7, 2013. The organization is exempt from income taxes under the Income Tax Act of Canada.

The objectives of the organization are to advance the knowledge and study of topics relating to ageing and the elderly for health-related organizations, students, professional and the general public by:

- (a) organizing and delivering conferences, symposiums, meetings and workshops on topics of relevance;
- (b) undertaking research projects and disseminating results to the general public;
- (c) improving the quality of service and treatment to individuals suffering from conditions relating to ageing by distributing information regarding research projects, holding educational conferences and providing advice on housing standards for the elderly;
- (d) providing sponsorships, internships and lectureships.

The activities of the organization are carried out in Canada and overseas.

## 2. Significant accounting policies

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and include the following significant accounting policies:

### (a) *Revenue recognition*

The organization follows the deferral method of accounting for contributions.

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 donations for events and fundraising events revenue are deferred and recognized as revenue on completion of the corresponding event.

Unrestricted grants, which may be used to fund operations, are recognized in income when received. Restricted grants received for specific projects or periods are deferred and recognized when the project expenditures are recognized or over the relevant period.



**2. Significant accounting policies (cont'd)***(a) Revenue recognition (cont'd)*

Revenue from membership fees and dues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Membership fees received for a specific period are deferred and recognized over the membership term.

Professional income is recognized as revenue when earned and if the amount to be received can be reasonably estimated and collection is reasonably assured.

*(b) Capital assets*

Capital assets are stated at cost. Amortization is recorded at rates calculated to charge the cost of the assets to operations over their estimated useful lives. Maintenance and repairs are charged to operation as incurred. Gains and losses on disposals are calculated on the remaining net book value at the time of disposal and included income.

Amortization is charged to operations on a declining balance basis at the following annual rates:

Office equipment	-	20%
Computer hardware	-	30%

*(c) Website development expenditures*

Website development expenses are recorded at cost. Amortization is charged to operations on a straight-line basis over five years, commencing on the date that the website is put into use.

*(d) 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 expenditures during the period. Significant items subject to such estimates include the estimated useful life of capital assets. Actual results could differ from these estimates.

**2. Significant accounting policies (cont'd)**

*(e) Financial instruments*

The organization initially measures its financial assets and financial liabilities at fair value.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenue over expenses.

The organization's financial instruments that are measured at amortized cost consist of cash, short term investments, and accounts payable and accrued liabilities.

*(f) Contributed services*

Contributed services, which are used in the normal course of operations and would have otherwise been purchased are recorded at their fair value at the date of contribution. In fiscal 2020, office space, valued at \$23,000 of rent (2019 - \$21,000), was provided to the organization. This contribution is recognized on the financial statements as it would have otherwise been purchased by the organization.

**3. Short-term investments**

The guaranteed investment certificate earns interest of 2.00% per annum (2019 - 2.15% per annum) and matures on September 10, 2020 (2019 - September 9, 2019).

**INTERNATIONAL FEDERATION ON AGEING**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2020**

**4. Capital assets**

	Cost \$	Accumulated amortization \$	Net Book Value	
			2020 \$	2019 \$
Office equipment	6,580	1,018	<b>5,562</b>	408
Computer hardware	33,579	10,708	<b>22,871</b>	4,647
Website	62,770	12,787	<b>49,983</b>	27,703
	<b>102,929</b>	<b>24,513</b>	<b>78,416</b>	<b>32,758</b>

**5 Deferred revenue**

Deferred revenue consists of membership fees, conference revenue, corporate sponsorships, and grant income relating to the website. Membership fees that are received for a specific period and are deferred and recognized over the membership term. Conference revenue from sponsorships and registrations is deferred and will be recognized when the event takes place. Corporate sponsorships are matched to agreed upon program expenses. Grant income designated for website development is deferred and recognized over the useful life of the asset.

	2020 \$	2019 \$
Membership fees	<b>44,240</b>	34,243
Conference ticket sales and sponsorships	<b>205,006</b>	-
Corporate sponsorships	<b>104,288</b>	-
Grant income - website	<b>20,531</b>	26,118
	<b>374,065</b>	<b>60,361</b>

**6. Other Information**

*(a) Financial instruments*

The organization is exposed to the following significant financial risks:

*(i) Liquidity risk*

Liquidity risk is the risk that the organization may not be able to meet its financial obligations as they become due. The organization manages its liquidity risk by monitoring and managing the cash requirements to ensure the organization has sufficient funds to meet its operational requirements.

*(ii) Credit risk*

The organization is exposed to credit risk in the event of non-payment by members in connection with its accounts receivable. The exposure to credit risk is the carrying value of accounts receivable on the statement of financial position.

*(iii) Market risk*

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk. The organization is mainly exposed to currency risk and interest rate risk.

*(i) Currency risk*

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in the foreign exchange rates. As at March 31, 2020, cash balance of \$603,473 (2019: \$667,062) are shown in US dollars converted into Canadian dollars.

*(ii) Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk with respect to its investments in interest bearing financial instruments. The organization does not use derivative financial instruments to alter the effects of this risk.

**6. Other information (cont'd)**

*(b) 15th Global Conference on Ageing*

During the year, the organization incurred expenses relating to a conference which is scheduled to take place November 10-12, 2021. As of March 31, 2020, the organization incurred expenses of \$84,689 of which \$8,835 are recorded as prepaid and the remaining \$75,854 expensed in the statement of operations. Revenues received of \$205,006 have been deferred until the event takes place.

*(c) COVID-19*

The outbreak of the novel coronavirus ("COVID-19") has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which have included travel bans, state and country lockdowns, self-imposed quarantine periods and social distancing have created material disruption to businesses globally, which are resulting in an economic slowdown. The duration and impact of the COVID-19 pandemic is unknown at this time and as a result it is not possible for management to estimate the severity of the impact it may have on the financial results of the organization nor its future condition and operations in future periods. It is management's assumption that the organization will continue to operate as a going concern.