

Canadian Society of Mayflower Descendants

Unaudited Financial Statements

June 30, 2017

Canadian Society of Mayflower Descendants
Index to Unaudited Financial Statements
June 30, 2017

	Page
Notice to Reader	1
Statement of Financial Position	2
Statement of Operations	3
Statement of Functional Expenses	4
Statement of Changes in Fund Balances	5
Statement of Cash Flows	6
Notes to Financial Statements	Pages 7-12



Canadian Society of Mayflower Descendants, est. 1980

Notice to Reader

I have compiled the statement of financial position of the Canadian Society of Mayflower Descendants as at June 30, 2017 as well as the statements of operations, functional expenses, cash flows and changes in fund balances for the year then ended from the books, records and minutes of the Society and from information supplied by members of the board of assistants.

Readers are cautioned that these statements may not be appropriate for their purposes.

Maureen McGee, Treasurer
Canadian Society of Mayflower Descendants

Prince George, BC

August 13, 2017

Canadian Society of Mayflower Descendants
Statement of Financial Position
Unaudited - See Notice to Reader
As at June 30, 2017

	Operating Fund	Library Fund	Total 2017	2016 restated (Note 12)
Assets				
<u>Current assets</u>				
Cash and cash equivalents (Note 3)	\$ 11,820	\$ 3,123	\$ 14,943	\$ 14,030
Accounts receivable (Note 4)	1	-	1	232
Prepaid expenses	-	-	-	46
Current investments (Note 5)	15,288	-	15,288	37,457
Total Current Assets	27,109	3,123	30,232	51,765
Investments (Note 5)	55,850	-	55,850	31,786
Total Assets	\$ 82,959	\$ 3,123	\$ 86,082	\$ 83,551

Liabilities and Fund Balances

<u>Current liabilities</u>				
Accounts payable and accrued liabilities	\$ 5,198	\$ -	\$ 5,198	\$ 5,517
Membership fees received in advance	3,592	-	3,592	3,522
Total current liabilities	8,790	-	8,790	9,039
<u>Fund balances</u>				
Externally restricted	-	3,123	3,123	3,123
Unrestricted	74,169	-	74,169	71,390
Total Fund Balances (Page 5)	74,169	3,123	77,292	74,512
Total Liabilities and Fund Balances	\$ 82,959	\$ 3,123	\$ 86,082	\$ 83,551

Contingencies and Commitments (Note 9 and Note 10)

Approved on behalf of the board:


Director


Director

The accompanying notes are an integral part of these financial statements.

Canadian Society of Mayflower Descendants
Statement of Operations
Unaudited - See Notice to Reader
Year ended June 30, 2017

	Operating Fund	Library Fund	Total 2017	2016 Restated (Note 12)
OPERATIONS				
Revenue				
Donations	\$ 231	-	\$ 231	306
Investment income	620	-	620	770
Meetings	1,521	-	1,521	1,828
Member dues and fees (Note 6)	10,504	-	10,504	10,298
Unrealized investment income	1,275	-	1,275	1,973
	<u>14,151</u>	<u>-</u>	<u>14,151</u>	<u>15,175</u>
Functional Expenses (Pg 4)				
Governance	2,604	-	2,604	2,692
Genealogy validation	619	-	619	504
Member services	7,926	-	7,926	8,607
Research library	-	-	-	310
	<u>11,149</u>	<u>-</u>	<u>11,149</u>	<u>12,114</u>
Excess of revenue over expenses	<u>\$ 3,002</u>	<u>\$ -</u>	<u>\$ 3,002</u>	<u>\$ 3,061</u>

The accompanying notes are an integral part of these financial statements.

Canadian Society of Mayflower Descendants
Statement of Functional Expenses
Unaudited - See Notice to Reader
Year ended June 30, 2017

	Genealogy Validation	Member Services	Research Library	Governance	2017	2016 Restated (Note 12)
Annual fee	\$ -	\$ -	\$ -	\$ 20	\$ 20	\$ 20
Assessments (Note 7)	-	4,925	-	-	4,925	6,202
Bad debts	-	-	-	9	9	824
Bank charges	-	126	-	16	142	131
Colony support (Note 9)	-	58	-	-	58	64
Library acquisitions	-	-	-	-	-	222
Meetings	-	-	-	1,841	1,841	2,139
Memberships	122	-	-	-	122	141
Moving	-	-	-	-	-	253
Office supplies	184	363	-	-	547	265
Postage and shipping	313	680	-	8	1,001	588
Printing	-	1,096	-	-	1,096	466
Realized exchange gain (loss)	-	-	-	10	10	(314)
Travel	-	-	-	700	700	899
Web-site	-	678	-	-	678	214
Totals to Pg 3	<u>\$ 619</u>	<u>\$ 7,926</u>	<u>\$ -</u>	<u>\$ 2,604</u>	<u>\$ 11,149</u>	<u>\$ 12,114</u>

The accompanying notes are an integral part of these financial statements.

Canadian Society of Mayflower Descendants
Statement of Changes in Financial Position
Unaudited - See Notice to Reader
Year ended June 30, 2017

	Operating Fund	Library Fund	Total 2017	2016 Restated (Note 12)
Fund balances, beginning of year	\$ 71,514	\$ 3,123	\$ 74,637	\$ 71,575
Excess of revenue over expenses (Page 3)	3,002	-	3,002	3,061
	74,516	3,123	77,639	74,636
Unrealized (loss) on revaluation of US funds	(347)	-	(347)	(124)
Fund balances, end of year	\$ 74,169	\$ 3,123	\$ 77,292	\$ 74,511

The accompanying notes are an integral part of these financial statements.

Canadian Society of Mayflower Descendants
Statement of Cash Flows
Unaudited - See Notice to Reader
Year ended June 30, 2017

	2017	2016 Restated (Note 12)
Cash (used in)		
Operating activities		
Excess of revenue over expenses (Page 3)	\$ 3,002	\$ 3,061
Changes in non-cash working capital (Note 8)	21,975	(37,053)
	24,977	(33,992)
Financing and investing activities		
Net change in investments	(24,064)	(10,286)
Increase (decrease) in cash	913	(44,278)
Cash, beginning of year	14,030	58,308
	\$ 14,943	\$ 14,030
Cash, end of year (Note3)	\$ 14,943	\$ 14,030

The accompanying notes are an integral part of these financial statements.

Canadian Society of Mayflower Descendants
Notes to Financial Statements
Unaudited - See Notice to Reader
June 30, 2017

1. Governing status and purpose of the organization

The Canadian Society of Mayflower Descendants (the "Society" or "CSMD") was incorporated without share capital on September 7, 1988 under the Canada Corporations Act and was continued under section 12 of the Canada Not-for-profit Corporations Act on September 25, 2014. The Society is a non-profit organization with a mandate to perpetuate the memory of the Pilgrims, to educate and inform the public of this part of Canadian history and to build a substantial research library to assist Canadians in researching their New England family history.

The Society is exempt from taxation under the provisions of Paragraph 149(1)(l) of the Federal Income Tax Act.

2. Summary of significant accounting policies

The following is a summary of significant accounting policies followed by the Society

(a) Fund accounting

The accounts of the Society are maintained in accordance with the principles of fund accounting, applying the restricted fund method. Resources received and expended are classified for accounting and reporting purposes into funds according to objectives specified externally by donors or internally by the Board of Assistants.

The Operating Fund reports the assets, liabilities, revenues and expenses related to the operations of the society.

The Library Fund was established in 1995 through a bequest in the will of Marshall Dean and is used to purchase appropriate high quality genealogical resources for the CSMD Collection located at the Toronto Resource Library. No books have been purchased since 2008 due to their increased availability online.

(b) Financial assets and liabilities

Cash, accounts receivable and accounts payable are measured at amortized cost.

The society has Investments in Guaranteed Investment Certificates whose rates of return are linked to stock market changes. These are classified as financial assets at fair value through profit or loss and are measured at their estimated fair value. They are non-cashable and will be held to maturity.

Canadian Society of Mayflower Descendants
Notes to Financial Statements
Unaudited - See Notice to Reader
June 30, 2017

(c) Tangible capital assets

The society expenses the purchase of capital assets. Capital assets not appearing on the statement of financial position consist of insignia purchased for the use of the Governor, Deputy Governor, Historian, Treasurer, Recording Secretary and Captain.

The Society follows the deferral method of accounting for contributions. Under this method contributions restricted for future period expenses are deferred and are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonable assured.

Pledges and bequests are not recorded in the financial statements until received.

(e) Contributed Services

Volunteers contribute a significant number of hours per year to assist the Society in carrying out its activities. Because of the difficulty of determining their fair market value, contributed services are not recognized in the financial statements.

(f) Donations in kind

Donations in kind are recorded at fair market value at the date of receipt when fair market value can be reasonably estimated.

Individual members of the board of assistants travel to meetings on behalf of the society and purchase supplies, computer programs and incur other expenses on behalf of the organization which are not recorded in these financial statements.

(g) Translation of foreign currency

The functional currency of the Society is Canadian dollars. Transactions in United States currency are translated into Canadian dollars at rates of exchange at the time of such transactions. Monetary assets and liabilities are translated at current rates of exchange with the resultant gains or losses included in income.

Canadian Society of Mayflower Descendants
Notes to Financial Statements
Unaudited - See Notice to Reader
June 30, 2017

(h) Functional expenses

Genealogy validation - These expenses include the expenses incurred by the Historian team in researching and validating member applications.

Research library - These expenses relate to the acquisition of books and other materials for the CSMD collection located in the Toronto Reference Library. To clarify, books are purchased both through the restricted funds and through unrestricted funds. The books purchased through unrestricted funds are primarily new publications of the General Society of Mayflower Descendants.

Member services - These expenses include the costs of publishing and mailing the Canadian Pilgrim newsletter as well as colony support and assessments paid to the General Society of Mayflower Descendants.

Governance expenses - These expenses include costs board and general meetings, and travel subsidies to attend these meetings

(i) Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and notes to financial statements. Estimates used in the preparation of these financial statements include allowance for bad debt and fair values of investments. These estimates are based on management's best knowledge of current events and actions that the Society may undertake in the future. Actual results may differ from these estimates.

3. Cash and cash equivalents

The American dollar account has been converted to Canadian dollar equivalents using exchange rates effective June 30, 2017 (1.2977) and June 30, 2016 (1.3009)

	2017	2016
Cash on hand	\$ 100	\$ 45
Canadian dollar account	3,960	7,960
American dollar account	3,877	2,465
PayPal account	7,006	3,560
	<u>\$ 14,943</u>	<u>\$ 14,030</u>

4. Accounts receivable

	2017	2016
Dues receivable from members	\$ 474	\$ 1,146
Allowance for doubtful accounts	473	914
	<u>\$ 1</u>	<u>\$ 232</u>

Canadian Society of Mayflower Descendants
Notes to Financial Statements
Unaudited - See Notice to Reader
June 30, 2017

5. Investments

Market linked investments with bonus interest payable at maturity are based on the performance of the Toronto Stock Exchange Banks Index and Capped Utilities Index. Since these investments do not trade on the stock exchange, level 2 inputs (ie. the values of the indexes to which they are linked) were used to estimate fair value. Changes in the value are recorded as unrealized investment income reported on the Statement of Operations.

	2017	2016
TD Mortgage Corporation non-cashable 5 year Security GIC maturing Oct 19, 2016 bearing a minimum interest of 1% compounded annually (\$510) and a maximum return of \$2,000	\$ -	\$ 12,000
TD Mortgage Corporation non-cashable 5 year Utilities GIC plus maturing October 19, 2016 with no minimum rate of return and a maximum return of 25% (\$2,500)	-	10,292
Toronto Dominion Bank Special Offer GIC maturing December 31, 2016 bearing interest at 1.1% compounded annually (\$206)	-	15,165
The Toronto Dominion Bank TD Special Offer GIC maturing April 3, 2018 bearing interest at 1.08% compounded annually (\$205)	15,288	
TD Mortgage Corporation non-cashable 3 year Security GIC Plus maturing October 2, 2018 bearing a minimum interest of .2504% compounding annually (\$113) and a maximum return of \$1,332.	16,332	15,893
The Canada Trust Company TD Special Offer GIC maturing December 18, 2018 bearing interest at 1.24% compounded annually (\$325)	22,662	-
TD Mortgage Corporation non-cashable 5 year Security GIC Plus maturing October 2, 2020 bearing a minimum interest of .5940% compounding annually (\$ 451) and a maximum return of \$2,850.	16,856	15,893
Total Investments	71,138	69,243
 Less current portion of long term investments	 15,288	 37,457
 Total long term investments	 \$ 55,850	 \$ 31,786

6. Membership fees

	2017	2016
Annual dues	\$ 9,386	\$ 9,618
Administration fees	765	650
Supplemental applications	353	30
Total dues and fees	\$ 10,504	\$ 10,298

Canadian Society of Mayflower Descendants
Notes to Financial Statements
Unaudited - See Notice to Reader
June 30, 2017

7. Assessments	2017	2016 Restated (Note 12)
Assessment for annual members	\$ 3,971	\$ 4,191
Assessment for life members (Note 9)	954	2,011
	<u>\$ 4,925</u>	<u>\$ 6,202</u>

8. Information included in the Statement of Cash Flows:

	2017	2016 Restated (Note 12)
Unrealized loss on US currency	\$ (223)	\$ (213)
Accounts receivable	231	(73)
Prepaid expenses and supplies	46	95
Current investments	22,169	(37,457)
Accounts payable and accrued liabilities	(318)	960
Membership fees received in advance	70	(365)
Changes in working capital	<u>\$ 21,975</u>	<u>\$ (37,053)</u>

9. Contingencies

The Society supports the formation of Colonies in the provinces (See commitments). When these Colonies become inactive, they forward cash on hand to the Society which records the funds as revenue. These funds are repayable to the Colonies when they reactivate. Funds payable to colonies on reactivation are as follows:

	2017	2016
Alberta Colony	\$ 1,953	\$ 1,953
British Columbia Colony	1,420	1,420
Total contingency for inactive colonies	<u>\$ 3,373</u>	<u>\$ 3,373</u>

Canadian Society of Mayflower Descendants
Notes to Financial Statements
Unaudited - See Notice to Reader
June 30, 2017

10. Commitments

Colonies

The Society supports the formation of colonies in the provinces through an annual support payment of \$ 2.00 per member living in the province.

Life Members

Between 1980 and 2008, the society sold life memberships which have been fully amortized. As at June 30, 2017, the Society had 49 (forty-nine) living life members. The society maintains investments to insure that their commitments to these members are fulfilled. Those commitments consist mainly of the annual assessment which must be paid to the General Society and costs associated with printing and mailing the newsletter, the Canadian Pilgrim.

11. Financial Risk Management Objectives and Policies and Financial Risks

The Society is exposed to various financial risks resulting from both its operating and investing activities. The Board of Assistants manages financial risks. The Society does not enter into financial instrument agreements including derivative financial instruments for speculative purposes. The Society's main financial risk exposure is as follows:

Interest rate risk

The returns on certain investments are based on the performance of the Toronto Stock Exchange Banks and Capped Utilities Indexes and are therefore uncertain.

12. Restatement of 2016 financial statements

The 2016 financial statements have been restated to reflect the correction of a bookkeeping error. This correction has resulted in the following changes:

The ending balance of the unrestricted funds has been decreased by \$ 171, the excess of revenue over expenses has been decreased by \$ 171, life member assessments have been increased by \$ 975 and the realized exchange gain has been reduced by \$ 804

The 2016 financial statements have also been restated to reflect a change in the financial statement presentation of assessments paid to the General Society of Mayflower Descendants on behalf of members. Previously these were deducted from dues but are now shown as a separate expense.