

**ASSOCIATION OF CERTIFIED FORENSIC
INVESTIGATORS OF CANADA**

FINANCIAL STATEMENTS

OCTOBER 31, 2019

UNAUDITED

ASSOCIATION OF CERTIFIED FORENSIC INVESTIGATORS OF CANADA

FINANCIAL STATEMENTS

OCTOBER 31, 2019

UNAUDITED

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of the
Association of Certified Forensic Investigators of Canada

Report on the Financial Statements

We have reviewed the accompanying financial statements of the Association of Certified Forensic Investigators of Canada that comprise the statement of financial position as at October 31, 2019, the statement of operations and changes in net assets and the statement of 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 requires 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.



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT (continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of the Association of Certified Forensic Investigators of Canada as at October 31, 2019, 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.

KRIENS~LAROSE, LLP


**Chartered Professional Accountants
Licensed Public Accountants**

Toronto, Ontario
January 30, 2020

ASSOCIATION OF CERTIFIED FORENSIC INVESTIGATORS OF CANADA
STATEMENT OF FINANCIAL POSITION
AS AT OCTOBER 31, 2019

	2019	2018
	\$	\$
ASSETS		
CURRENT		
Cash	39,590	47,229
Accounts receivable	3,533	5,497
HST receivable	2,505	-
Prepaid expenses	7,229	7,677
	52,857	60,403
LIABILITIES		
CURRENT		
Accounts payable	3,000	2,999
HST payable	-	1,312
Deferred revenue (Note 2)	16,948	18,165
	19,948	22,476
NET ASSETS		
Unrestricted net assets	32,909	37,927
	52,857	60,403

APPROVED ON BEHALF OF THE BOARD:

 , Director

 , Director

ASSOCIATION OF CERTIFIED FORENSIC INVESTIGATORS OF CANADA
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED OCTOBER 31, 2019

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	2019	2018
	\$	\$
Revenues		
Conference and workshop	37,148	58,076
Membership	33,229	32,279
Other revenue	8,459	12,434
Total revenues	78,836	102,789
Expenses		
Administration	54,249	42,301
Conference and workshop	16,636	24,400
Insurance	3,548	3,562
Professional fees	3,200	3,100
Advertising and website	2,500	9,837
Credit card fees	2,143	5,774
Office	1,578	744
Total expenses	83,854	89,718
Excess (deficiency) of revenues over expenses for the year	(5,018)	13,071
Net assets, beginning of the year	37,927	24,856
Net assets, end of year	32,909	37,927

UNAUDITED; Refer to attached Independent Practitioner's Review Engagement Report dated
January 30, 2020

ASSOCIATION OF CERTIFIED FORENSIC INVESTIGATORS OF CANADA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED OCTOBER 31, 2019

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	2019	2018
	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES:		
Cash receipts from conference and workshop	37,448	58,076
Cash receipts from membership	33,140	30,028
Cash receipts from other income	8,995	12,434
Cash paid to suppliers	(87,222)	(91,072)
Change in cash	(7,639)	9,466
Cash, beginning of year	47,229	37,763
Cash, end of year	39,590	47,229

UNAUDITED; Refer to attached Independent Practitioner's Review Engagement Report dated
January 30, 2020

PURPOSE OF THE ORGANIZATION

The Association of Certified Forensic Investigators of Canada ("ACFI") was incorporated under the provisions of the Business Corporation Act (Canada), without share capital, on October 31, 1998. ACFI is exempt from income tax under section 149 of the Income Tax Act.

ACFI is a not-for-profit Canadian organization whose objective is to promote and foster a national forum and governing body for the affiliation of professionals who provide to the public, governments and employers, their expertise and services in the areas of fraud prevention, detection and investigation. ACFI promotes the Certified Forensic Investigator designation in Canada amongst its members and to the public as a symbol of the high standard of excellence in its field. ACFI pursues objectives for the benefit of the public at large and in service to its members.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook and include the following significant accounting policies:

Financial Instruments

The Association initially measures its financial assets and liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable.

Use of Estimates

The preparation of financial statements in accordance 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 and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Significant financial statement items that require the use of estimates are useful lives of property and equipment, rates of amortization and accrued liabilities. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations in the year they become known.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and fixed income investments with maturities of less than 90 days.

Continued...

1. **SIGNIFICANT ACCOUNTING POLICIES (continued)**

Prepaid Expenses

Prepaid expenses are recorded for goods and services to be received in the next fiscal year, which were paid for in the current fiscal year.

Revenue Recognition

The Association 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. Unrestricted investment income is recognized as revenue when earned.

Membership Fees

Annual membership fees are recognized as revenue when received except for membership fees received in advance of the year of membership. These are deferred to the following year.

Conference and Workshop Revenue

Conference and workshop revenue are recognized as revenue when the conference or workshop is presented or held.

Publications Revenue

Publication from the sales of the ACFI Manuals are recognized as revenue when shipped.

Donated Services

Volunteers contribute a substantial amount of hours each year to assist ACFI in carrying out its activities. Because of these services are not normally purchased by the Association, and because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

2. DEFERRED REVENUE

Deferred revenue represents funds received in the current year that relates to a subsequent period. The balance of deferred revenue consists of membership fees paid by the year-end for the next fiscal year as follows.

	2019	2018
	\$	\$
Balance, beginning of the year	18,165	17,860
Membership fees received	16,948	18,165
Membership fees recognized as revenue in the year	(18,165)	(17,860)
	16,948	18,165

3. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments. The following presents the Association's risk exposures and concentrations at October 31, 2019.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Association's credit risk would occur with their accounts receivable. Actual exposure to credit losses has been minimal in prior years. The allowance for doubtful accounts is \$0 (2018: \$0).

Liquidity Risk

Liquidity risk is the risk the Association will encounter difficulties in meeting obligations associated with financial liabilities. The Association is exposed to liquidity risk mainly in respect of its accounts payable. The Association expects to meet these obligations as they come due by generating sufficient cash flow from operations. There has been no change in the risk assessment from the prior period.

3. FINANCIAL INSTRUMENTS (Continued)

Market Risk

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

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Association is not exposed to foreign currency risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association has a low interest rate risk.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Association is not exposed to other price risk.