

**CANADIAN PHYSICIANS FOR LIFE
MEDICINS DU CANADA POUR LE RESPECT DE LA VIE**

FINANCIAL STATEMENTS

DECEMBER 31, 2017

INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Canadian Physicians for Life:

We have audited the accompanying financial statements of Canadian Physicians for Life / Mediciens du Canada pour le respect de la vie, which comprise the statement of financial position as at December 31, 2017, and the statements of operations 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.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with similar organizations, Canadian Physicians for Life / Mediciens du Canada pour le respect de la vie derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenue, net revenue for the year, assets and net assets.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Canadian Physicians for Life / Mediciens du Canada pour le respect de la vie as at December 31, 2017, and the results its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

OHCD LLP.

OUSELEY HANVEY CLIPSHAM DEEP LLP
Licensed Public Accountants

Ottawa, Ontario
May 5, 2018

**CANADIAN PHYSICIANS FOR LIFE
MEDICINS DU CANADA POUR LE RESPECT DE LA VIE**

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017

| | 2017 | 2016 |
|--|------------------|------------------|
| CURRENT ASSETS | | |
| Cash | \$ 57,381 | \$ 41,364 |
| Accounts receivable | 6,696 | 6,900 |
| Government remittances receivable | 4,990 | 2,515 |
| | \$ 69,067 | \$ 50,779 |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued liabilities | \$ 9,101 | \$ 20,526 |
| NET ASSETS | | |
| Balance - beginning of year | 30,253 | 13,731 |
| Net revenue for the year | 29,713 | 16,522 |
| Balance - end of year | 59,966 | 30,253 |
| | \$ 69,067 | \$ 50,779 |

Approved on behalf of the Board:

_____ Director

_____ Director

CANADIAN PHYSICIANS FOR LIFE
MEDICINS DU CANADA POUR LE RESPECT DE LA VIE

STATEMENT OF OPERATIONS
 FOR THE YEAR ENDED DECEMBER 31, 2017

| | 2017 | 2016 |
|---------------------------------|------------------|------------------|
| REVENUE | | |
| Donations | \$ 285,054 | \$ 159,553 |
| Other income | 8,995 | 9,238 |
| | 294,049 | 168,791 |
| EXPENSE | | |
| Accounting, audit and legal | 14,680 | 13,497 |
| Advocacy | 56,103 | 5,000 |
| Bank and credit card charges | 3,862 | 3,304 |
| Conference | 80,285 | 60,941 |
| Contractor | 11,279 | 7,096 |
| Donor communications | 5,334 | 14,562 |
| Education and research | 16,819 | 782 |
| Fundraising | 13,562 | 9,024 |
| Information technology | 412 | 704 |
| Insurance | 1,015 | 995 |
| Marketing | 1,097 | 2,876 |
| Membership and dues | 1,210 | 2,767 |
| Miscellaneous | 272 | - |
| Office | 3,356 | 1,422 |
| Postage and delivery | 2,082 | 2,325 |
| Salary and benefits | 38,936 | 21,402 |
| Telephone | 2,151 | 1,411 |
| Travel and meetings | 7,990 | 814 |
| Website and database | 3,891 | 3,347 |
| | 264,336 | 152,269 |
| NET REVENUE FOR THE YEAR | \$ 29,713 | \$ 16,522 |

CANADIAN PHYSICIANS FOR LIFE
MEDICINS DU CANADA POUR LE RESPECT DE LA VIE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017

| | 2017 | 2016 |
|---|-----------|-----------|
| <hr/> | | |
| CASH PROVIDED BY (USED FOR) | | |
| OPERATING ACTIVITIES | | |
| Net revenue for the year | \$ 29,713 | \$ 16,522 |
| Changes in operating components of working capital: | | |
| Accounts receivable | 204 | (5,115) |
| Government remittances receivable | (2,475) | 1,865 |
| Accounts payable and accrued liabilities | (11,425) | (4,907) |
| Government remittances payable | - | (628) |
| <hr/> | | |
| NET CHANGE IN CASH | 16,017 | 7,737 |
| Cash - beginning of year | 41,364 | 33,627 |
| <hr/> | | |
| CASH - END OF YEAR | \$ 57,381 | \$ 41,364 |
| <hr/> | | |

CANADIAN PHYSICIANS FOR LIFE MEDICINS DU CANADA POUR LE RESPECT DE LA VIE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Canadian Physicians for Life (CPL) was incorporated, without share capital, on August 25, 1975. It was continued under the Canada Not-for-profit Corporations Act on April 14, 2015. CPL is a non-profit, charitable organization of Canadian physicians dedicated to the respect and ethical treatment of every human being, regardless of age or infirmity and as such is not subject to income tax.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Use of estimates

The preparation of these 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

(b) Capital assets

The cost of capital assets is expensed in the year of acquisition. During the year the organizations purchased capital assets at a cost of \$nil (2016 - \$445).

(c) Revenue recognition

The organization follows the deferral method of recognizing revenue. Unrestricted amounts are recorded as revenue when received or receivable. Restricted amounts are recognized as revenue when the related expenses are incurred. Donations are recognized as revenue when received.

(d) Financial instruments

Financial instruments are initially recognized at fair value and are subsequently measured at cost, amortized cost or cost less appropriate allowances for impairment.

2. FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency, or credit risks arising from these financial instruments and that the carrying amount approximates fair value.