
Canadian Physicians for Life / Medecins du Canada pour le Respect de la Vie
Financial Statements
December 31, 2019

McKECHNIE & Co.

Suite 500, 1390 Prince of Wales Drive
Ottawa, Ontario, K2C 3N6

Independent Auditor's Report

To the Directors of Canadian Physicians for Life

Qualified Opinion

We have audited the financial statements of Canadian Physicians for Life (the Entity), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2019 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Entity derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity. Therefore, we were not able to determine whether any adjustments might be necessary for donations, the excess of revenue over expense, and cash flows from operations for the years ended December 31, 2019 and December 31, 2018, current assets as at December 31, 2019 and December 31, 2017, and net assets as at January 1 and December 31 for both the 2019 and 2018 years. Our auditor opinion on the financial statements for the year ended December 31, 2018 was modified accordingly because of the possible effects of this limitation in scope.

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 Entity 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 qualified audit 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, 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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. 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 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 Entity's internal control.
- 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 Entity'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 the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity 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, among 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.



Chartered Professional Accountants, Licensed Public Accountant

Ottawa, ON
July 6, 2020

Canadian Physicians for Life
Statement of Financial Position
As at December 31, 2019

2019

2018

Assets

Current

Cash	\$	30,074	\$	62,616
Accounts receivable		21,266		16,238
Government remittances receivable		12,275		12,855
Prepaid deposits		5,539		5,000
	\$	69,154	\$	96,709

Liabilities and Net Assets

Current

Accounts payable and accrued liabilities	\$	15,750	\$	20,542
Government remittances payable		1,355		4,997
		17,105		25,539

Net Assets

Net assets - unrestricted		52,049		71,170
	\$	69,154	\$	96,709

On behalf of the Board:

_____ Director

_____ Director

See accompanying notes to the financial statements

Canadian Physicians for Life
Statement of Operations and Changes in Net Assets
For the year ended December 31, 2019

	2019	2018
Revenue		
Donations	\$ 214,055	\$ 223,862
Other income	22,495	11,927
	236,550	235,789
Expense		
Accounting, audit and legal	6,397	14,617
Advocacy	0	9,304
Bank and credit card charges	5,811	5,283
Conference	77,362	57,921
Contractor	30,257	25,254
Donor communications	13,231	7,131
Education and research	0	3,183
Fundraising	8,972	13,910
Information technology	2,405	1,175
Insurance	665	1,036
Marketing	1,389	6,017
Membership and dues	5,577	2,582
Miscellaneous	0	0
Office	4,733	6,789
Postage and delivery	2,109	5,355
Salary and benefits	56,006	56,611
Special project	30,938	0
Telephone	1,448	1,697
Travel	6,748	5,297
Website and database	1,623	1,423
	255,671	224,585
(Deficiency) excess of revenue over expense for the year	(19,121)	11,204
Net assets, beginning of year	71,170	59,966
Net assets, end of year	\$ 52,049	\$ 71,170

See accompanying notes to the financial statements

Canadian Physicians for Life
Statement of Changes in Cash Flows
For the year ended December 31, 2019

	2019	2018
Operating activities		
(Deficiency) excess of revenue over expense for the year	\$ (19,121)	\$ 11,204
Changes in non-cash working capital		
Accounts receivable	(5,028)	(9,542)
Government remittances receivable	580	(5,817)
Prepaid deposits	(539)	(5,000)
Accounts payable and accrued liabilities	(4,792)	11,441
Government remittances payable	(3,642)	2,949
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(Decrease) increase in cash during the year	(32,542)	5,235
Cash, beginning of year	62,616	57,381
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Cash, end of year	\$ 30,074	\$ 62,616

See accompanying notes to the financial statements

Canadian Physicians for Life
Notes to the Financial Statements
December 31, 2019

1. Authority, Objectives and Operations

Canadian Physicians for Life was incorporated, without share capital, under Part II of the Canada Corporations Act on August 25, 1975. The Organization was continued under the Canada Not-for-profit Corporations Act on April 14, 2015.

Canadian Physicians for Life 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.

The Organization is a registered charity as defined under paragraph 149(1) (f) of the Income Tax Act and as such is exempt from income tax.

2. 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.

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 when received.

Capital assets

The cost of capital assets is expensed in the year of acquisition. During the year the organization purchased capital assets at a cost of \$0 (2018- \$0)

Use of Estimates

In preparing the organization's financial statements in conformity with Canadian accounting standards for not-for-profit organizations, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenue and expense during the period. Actual results could differ from those estimates.

2. Significant Accounting Policies (con't)

Financial Instrument Measurement

The organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash, accounts receivable and government remittances receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities.

3. Financial Instruments

Canadian Physicians for Life is exposed to various risks through its financial instruments. The following analysis presents the organization's exposures to significant risk at December 31, 2019.

Credit risk

The organization is exposed to credit risk with respect to its accounts receivable and government remittances payable. The amounts receivable are due from the federal government.