



# 2022-23 FINANCIAL REPORT

August 2023



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## Management Discussion and Analysis

This Management Discussion and Analysis ("MD&A") outlines FP Canada™'s financial position and results from operations for the year ended March 31, 2023. The MD&A should be read in conjunction with the summary audited financial statements for the same period.

### Change in Accounting Policy

In fiscal 2023, there were no significant changes in the previously adopted accounting policies or their application.

### Financial Position

At March 31, 2023, FP Canada's net assets are \$7.3 million, compared to \$8.3 million in 2022. Internally restricted and unrestricted net assets ("available reserves") are \$6.7 million, compared to \$7.6 million in 2022. Current available reserves account for five months of operating expenses.

FP Canada's current assets include cash and cash equivalents and investments totalling \$18.4 million at March 31, 2023, compared to \$19.6 million in 2022. Investments are managed in accordance with Board-approved investment policies.

### Results from Operations

FP Canada's excess of expenses over revenue is \$956,000 for the year ended March 31, 2023, compared to the excess of revenue over expenses of \$2.3 million in 2022.

Revenue declined from \$15.7 million in 2022 to \$14.7 million in 2023, and comes primarily from certification fees, Professional Education Program fees and examination fees. In 2023, FP Canada earned \$10.3 million in certification fees, representing 70% of total revenue, compared to \$8.6 million in 2022. FP Canada earned another \$2.0 million from Professional Education Program fees, compared with \$3.2 million in 2022. FP Canada also earned \$1.6 million from examination fees, compared with \$2.7 million in 2022. These decreases are attributed to lower education program and examination registrations compared to the prior year.

Expenses before amortization increased from \$13.2 million in 2022 to \$15.5 million in 2023. Primary areas of investment during the year include education program development and digital transformation. These investments will support future organizational growth and sustainability.

### Conclusion

FP Canada is in a financially sound position and has a solid strategy to continue to diversify revenue and maintain an appropriate level of reserves available for operations.

# Summary Financial Statements



## **Report of the Independent Auditor on the Summary Financial Statements**

To the Members of FP Canada

### **Opinion**

The summary financial statements, which comprise the summary statement of financial position as at March 31, 2023, and the summary statements of operations and cash flows for the year then ended, and related note, are derived from the audited financial statements of FP Canada for the year ended March 31, 2023.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with the criteria described in the note to the summary financial statements.

### **Summary Financial Statements**

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements of FP Canada and the auditor's report thereon.

### **The Audited Financial Statements and Our Report Thereon**

We expressed an unmodified audit opinion on the audited financial statements in our report dated June 16, 2023.

### **Management's Responsibility for the Summary Financial Statements**

Management is responsible for the preparation of the summary financial statements in accordance with the criteria described in the note to the summary financial statements.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, Engagements to Report on Summary Financial Statements.

Toronto, Ontario  
June 16, 2023

A handwritten signature in black ink that reads "Hilborn LLP".

Chartered Professional Accountants  
Licensed Public Accountants

## Summary Financial Statements

Summary Statement of Financial Position	As at March 31	2023	2022
		\$	\$
<b>Assets</b>			
	Current assets	18,725,225	19,841,047
	Capital assets	633,315	683,771
		<b>19,358,540</b>	<b>20,524,818</b>
<b>Liabilities</b>			
	Current liabilities	12,055,707	12,265,834
<b>Net Assets</b>			
	Invested in capital assets	633,315	683,771
	Internally restricted	1,461,447	2,250,000
	Unrestricted	5,208,071	5,325,213
		7,302,833	8,258,984
		<b>19,358,540</b>	<b>20,524,818</b>
Summary Statement of Operations	Year ended March 31	2023	2022
		\$	\$
<b>Revenues</b>			
	Certification fees	10,298,967	8,636,467
	Professional Education Program fees	1,970,084	3,240,843
	Examination fees	1,565,224	2,711,469
	National conference and other revenue	921,035	822,551
	Investment income (loss)	(63,054)	271,818
		14,692,256	15,683,148
<b>Expenses</b>			
	Administration	7,157,402	5,824,898
	Communications	4,051,637	2,986,268
	Standards Council	2,406,714	2,449,745
	Institute	1,439,532	1,641,883
	Policy and regulatory affairs	452,797	333,388
		15,508,082	13,236,182
	<b>Excess of revenues over expenses (expenses over revenues) before the following</b>	<b>(815,826)</b>	<b>2,446,966</b>
	Amortization of capital assets	140,325	173,097
	<b>Excess of revenues over expenses (expenses over revenues) for year</b>	<b>(956,151)</b>	<b>2,273,869</b>

# Summary Financial Statements

Summary Statement of Cash Flows	Year ended March 31	2023	2022
		\$	\$
	Cash flows from operating activities	(727,035)	2,411,531
	Cash flows used in investing activities	(341,563)	(3,966,296)
	<b>Net change in cash and cash equivalents</b>	<b>(1,068,598)</b>	<b>(1,554,765)</b>
	Cash and cash equivalents, beginning of year	11,555,695	13,110,460
	Cash and cash equivalents, end of year	10,487,097	11,555,695

## Note to Summary Financial Statements

These summary financial statements are derived from the audited financial statements of FP Canada for the year ended March 31, 2023, which were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Management prepared these summary financial statements using the following criteria:

- the summary financial statements include a statement for each statement included in the audited financial statements, except for the statement of changes in net assets;
- information in the summary financial statements agrees with the related information in the audited financial statements; and
- major subtotals, totals and comparative information from the audited financial statements are included.

The audited financial statements of FP Canada are available to members upon request from FP Canada.



[fpcanada.ca](https://fpcanada.ca)

902-375 University Ave. Toronto, ON M5G 2J5 • [info@fpcanada.ca](mailto:info@fpcanada.ca) • 416-593-8587 • Toll Free: 1-800-305-9886



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August 2023