



**Canadian Academy of Audiology**  
Académie Canadienne d'audiologie

**Financial Statements**  
**May 31, 2022**

**[www.canadianaudiology.ca](http://www.canadianaudiology.ca)**

# CANADIAN ACADEMY OF AUDIOLOGY

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May 31, 2022

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## Independent Auditor's Report

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### To the Board of Directors of Canadian Academy of Audiology

#### Opinion

We have audited the financial statements of the Canadian Academy of Audiology ("the Academy"), which comprise the following:

- the statement of financial position as at May 31, 2022;
- the statement of operations for the year then ended;
- the statement of changes in net assets for the year then ended;
- the statement of cash flows for the year then ended;
- and notes to the financial statements, including a summary of significant accounting policies;

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Academy as at May 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### Basis for Opinion

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 Academy 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 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 Academy'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 Academy or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Academy'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
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## Independent Auditor's Report (continued)

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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 the 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 Academy'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 Academy'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 Academy 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.

*Dixon, Gordon + Co, LLP*

Chartered Professional Accountants, Licensed Public Accountants  
Toronto, Canada  
August 17, 2022

**CANADIAN ACADEMY OF AUDIOLOGY**  
**Statement of Financial Position**  
**May 31, 2022**

	2022	2021
<b>Assets</b>		
Cash and cash equivalents	\$ 362,647	\$ 504,442
Investment - Friends of Canadian Academy of Audiology (note 4)	17,767	17,750
Deposits and prepaid expenses (note 5)	68,834	50,000
Accounts receivable	17,253	1,554
Sales tax receivable	4,619	1,903
Equipment (note 6)	2,376	1,238
	<b>\$ 473,496</b>	<b>\$ 576,887</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 31,820	\$ 27,663
Deferred revenue (note 7)	54,885	54,646
	<b>86,705</b>	<b>82,309</b>
<b>Net assets (page 4)</b>		
Internally restricted (note 4)	17,767	17,750
Unrestricted	369,024	476,828
	<b>386,791</b>	<b>494,578</b>
	<b>\$ 473,496</b>	<b>\$ 576,887</b>

APPROVED:



Tara Collins, MSc, R.Aud, Aud(C), Treasurer Secretary, Director



Chris Allan, PhD, Reg, CASLPO, President, Director

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

**CANADIAN ACADEMY OF AUDIOLOGY**  
**Statement of Changes in Net Assets**  
**For the year ended May 31, 2022**

	<b>2022</b>			2021 Total
	Internally Restricted	Unrestricted	Total	
<b>Net assets, beginning of year</b>	<b>\$ 17,750</b>	<b>\$ 476,828</b>	<b>\$ 494,578</b>	\$ 595,004
Excess of expenses over revenues (page 5)	-	(107,787)	(107,787)	(100,426)
Transfer to internally restricted (note 4)	17	(17)	-	-
<b>Net assets, end of year</b>	<b>\$ 17,767</b>	<b>\$ 369,024</b>	<b>\$ 386,791</b>	\$ 494,578

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

**CANADIAN ACADEMY OF AUDIOLOGY**  
**Statement of Operations**  
**For the year ended May 31, 2022**

	2022	2021
<b>Revenues (note 3)</b>		
Membership fees	\$ 81,261	\$ 77,262
Job postings	29,330	21,685
Canadian Audiologist online publication - advertising	23,115	25,136
Interest income	307	305
	<b>134,013</b>	124,388
<b>Expenses</b>		
Management fees	161,565	156,957
Professional fees	26,460	22,930
Website maintenance and member communications	16,874	17,394
Webinars	7,348	2,267
Insurance	5,539	5,588
Office and general	5,277	5,006
Bank and credit card charges	5,078	5,188
Public relations and visibility	4,131	1,006
External partnerships	2,570	2,500
Other projects	2,298	1,658
Communications	1,659	2,013
Amortization	1,532	1,237
Professional development	1,008	662
Membership	461	-
Printing	-	408
	<b>241,800</b>	224,814
<b>Excess of expenses over revenues</b>	<b>\$ (107,787)</b>	<b>\$ (100,426)</b>

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

**CANADIAN ACADEMY OF AUDIOLOGY****Statement of Cash Flows****For the year ended May 31, 2022**

	2022	2021
<b>Cash from (used in) operating activities</b>		
Excess of expenses over revenues	\$ (107,787)	\$ (100,426)
Adjustment to derive cash flows		
Amortization	1,532	1,237
	<b>(106,255)</b>	<b>(99,189)</b>
<b>Change in non-cash working capital</b>		
Deposits and prepaid expenses	(18,834)	200
Accounts receivable	(15,699)	(10)
Sales tax receivable	(2,716)	1,669
Accounts payable and accrued liabilities	4,157	(18,236)
Deferred revenue	239	29
	<b>(32,853)</b>	<b>(16,348)</b>
	<b>(139,108)</b>	<b>(115,537)</b>
<b>Cash from (used in) investing activities</b>		
Purchase of investment - Friends of Canadian Academy of Audiology	(17,767)	(17,750)
Redemption of investment - Friends of Canadian Academy of Audiology	17,750	17,660
Purchase of computer equipment	(2,670)	-
	<b>(2,687)</b>	<b>(90)</b>
<b>Decrease in cash and cash equivalents</b>	<b>(141,795)</b>	<b>(115,627)</b>
Cash and cash equivalents, beginning of year	504,442	620,069
<b>Cash and cash equivalents, end of year</b>	<b>\$ 362,647</b>	<b>\$ 504,442</b>

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



# CANADIAN ACADEMY OF AUDIOLOGY

## Notes to Financial Statements

May 31, 2022

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### 1. Purpose and legal form of the organization

The Canadian Academy of Audiology ("the Academy") is a non-profit professional organization dedicated to enhancing the role of audiologists as primary hearing health care providers through advocacy, education and research, and represents the profession of audiology in Canada as a primary source of information to its members, external groups and the public.

The Academy was founded in 1996 and incorporated in 1998 without share capital by letters patent under the Canada Corporations Act and now subject to the Canada Not-for-profit Corporations Act. The Academy is classified under the Income Tax Act as a not-for-profit organization and as such, it is not subject to income tax.

### 2. Significant accounting policies

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

#### (a) Revenue recognition

The Academy uses the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Conference and other event related revenues are recognized in the period in which the events are held. The Academy's recognition of conference and event related revenues is subject to uncertainties as it cannot verify the completeness of the amounts receivable from the associated participants (note 3). Revenue from membership fees is recognized over the periods to which the membership term relates. Revenue from job postings is recognized in the initial month of posting. Revenue from advertising in online publications is recognized evenly over the months in which the particular publication volume relates. Other revenues are recognized in the period earned.

#### (b) Conference and event costs

The Academy recognizes conference and event costs as expense in the period in which the particular events are held. Costs pertaining to the selection of sites for conferences and events are charged to expense as incurred.

#### (c) Financial instruments

##### Measurement of financial instruments

Financial instruments are recorded at fair value on initial recognition. Financial instruments are subsequently stated at cost or amortized cost as applicable, unless management has elected to carry the instruments at fair value. The Academy has not elected to carry any such financial instruments at fair value.

Financial assets measured at cost or amortized cost include cash and cash equivalents, investment - Friends of Canadian Academy of Audiology, deposits, accounts receivable and sales tax receivable. Financial liabilities measured at cost or amortized cost include accounts payable and accrued liabilities.

##### Transaction costs

Transaction costs related to financial instruments subsequently measured at amortized cost are applied against the original cost of the related asset or liability and are amortized using the effective interest rate method. Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in income in the period incurred.

##### Impairment

Financial assets stated at cost or amortized cost are assessed for recoverability on a monthly basis or if there

**CANADIAN ACADEMY OF AUDIOLOGY**  
**Notes to Financial Statements (continued)**  
**May 31, 2022**

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are indicators of impairment. If there is an indicator of impairment, the Academy determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset, and if so, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Academy expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(d) Cash and cash equivalents

Cash equivalents are highly liquid investments which are readily convertible into a known amount of cash, are subject to an insignificant risk of changes in value and have a maturity date of three months or less from the date of purchase.

(e) Equipment

Equipment assets are recorded at acquisition cost with amortization provided over their estimated useful lives on a straight-line balance basis as follows:

<u>Asset</u>	<u>Period</u>
Computer equipment	3 years

(f) Impairment of long-lived assets

Long-lived assets subject to amortization are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the long-lived asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value. During 2022 and 2021, no impairment losses were incurred.

(g) Contributed services

Volunteers assist the Academy in carrying out its functions, sometimes receiving nominal reimbursement for their expenses. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements beyond the nominal amounts paid, if any.

(h) 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 amount of assets and liabilities and disclosure of contingent assets, liabilities and commitments at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically and adjustments will be made to income as appropriate in the year they become known. Actual results could differ from these estimates.

**3. Business interruption from worldwide coronavirus pandemic**

The operations of the Academy were adversely impacted from the worldwide outbreak of the coronavirus ("COVID-19") pandemic, as officially declared in March 2020 by the World Health Organization, and resulting emergency measures enacted by all three levels of government to combat the spread of the virus. As a result, the Academy did not hold its annual conference during the years ended May 31, 2022 and May 31, 2021. During the year ended May 31, 2020, the conference generated revenue of \$402,068 and a surplus of \$133,720. Revenue from membership fees and job postings on the Academy's website was also negatively impacted due to the deteriorated economic environment and pandemic related closures and restrictions to audiology in-clinic services.

With the easing of restrictions on an improving pandemic situation and with its operations largely returning to

**CANADIAN ACADEMY OF AUDIOLOGY**  
**Notes to Financial Statements (continued)**  
**May 31, 2022**

normal, the Academy will be holding its next conference in October 2022. Management continues to monitor and assess both the immediate and longer term impacts on its operations and activities.

**4. Investment - Friends of Canadian Academy of Audiology**

	2022	2021
Royal Bank of Canada guaranteed investment certificate, redeemable, interest at 0.50% per annum, maturing December 8, 2022	\$ 17,767	\$ -
Royal Bank of Canada guaranteed investment certificate, redeemable, interest at 0.10% per annum, maturing December 8, 2021	-	17,750
	\$ 17,767	\$ 17,750

This investment has an internal restriction on its use.

**5. Deposits and prepaid expenses**

	2022	2021
Conference - October 2022 (Niagara Falls)	\$ 38,834	\$ 20,000
Conference - October 2023 (Ottawa)	10,000	10,000
Conference - October 2024 (Kelowna)	20,000	20,000
	\$ 68,834	\$ 50,000

**6. Equipment**

	2022			2021
	Cost	Accumulated Amortization	Net book value	Net book value
Computer equipment	\$ 2,670	\$ 294	\$ 2,376	\$ 1,238

**7. Deferred revenue**

	2022	2021
Membership fees	\$ 47,335	\$ 47,271
Canadian Audiologist online publication - advertising	6,050	5,875
Conference - October 2022	1,500	1,500
	\$ 54,885	\$ 54,646

**8. Financial instruments**

The Academy is exposed to various risks through its financial instruments, without being exposed to concentrations of risk as at May 31, 2022 described as follows:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Academy's financial instruments that are exposed to credit risk consist primarily of cash and cash equivalents, investment, deposits and accounts receivable. The Academy places its

cash and cash equivalents and investment with high credit quality financial institutions. Generally, such investments will be in excess of the Canada Deposit Insurance Corporation insurable limit. In addition, the Academy generally requires conference participants to place deposits in advance of the associated event. Credit risk exposure is considered to have decreased from 2021 as a consequence of lessened economic uncertainties (note 3).

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk. The Academy is minimally exposed to interest rate risk, as its guaranteed investment certificate bears interest at a fixed rate and accordingly, experiences changes in fair value with fluctuations in interest rates. Market risk exposure has not changed significantly from 2021.

(c) Liquidity risk

Liquidity risk is the risk that an entity will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Academy manages its liquidity risk by regularly monitoring forecasted and actual cash flows and financial liability maturities and by holding assets that can be readily converted into cash. With the operations of the Academy largely returning to normal, liquidity risk is considered as being reduced versus 2021 (note 3).