

Canadian Association for Interventional Radiology /
Association canadienne pour la radiologie d'intervention
Financial Statements
For the Year Ended December 31, 2020
(Unaudited)

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Independent Practitioner's Review Engagement Report

To the directors of
Canadian Association for Interventional Radiology

We have reviewed the statement of financial position of Canadian Association for Interventional Radiology / Association canadienne pour la radiologie d'intervention as at December 31, 2020 and the statements of operations, changes in net assets 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.

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 require 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.



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 Canadian Association for Interventional Radiology / Association canadienne pour la radiologie d'intervention as at December 31, 2020, 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.

Restated Comparative Information

Without modifying our conclusion, we draw attention to Note 2 to the financial statements, which explains that certain comparative information for the year ended December 31, 2019 has been restated. The financial statements for the year ended December 31, 2019, (prior to the adjustments that were applied to restate a certain comparative information explained in Note 2) were reviewed by another practitioner who expressed an unmodified conclusion on these financial statements on February 24, 2020.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario
May 6, 2021

Canadian Association for Interventional Radiology
 Association canadienne pour la radiologie d'intervention
 Statement of Financial Position
 (Unaudited)

December 31	2020	2019 (Note 2)
Assets		
Current		
Cash	\$ 357,496	\$ 449,085
Guaranteed investment certificates	30,000	30,480
Accounts receivable	40,365	3,552
Prepaid expenses	10,479	33,348
	438,340	516,465
Tangible capital assets (Note 3)	1,237	742
Long-term deposits	73,185	9,170
	\$ 512,762	\$ 526,377
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 4)	\$ 39,206	\$ 36,978
Deferred revenue	96,675	252,920
	135,881	289,898
Contractual Obligations (Note 6)		
Net Assets		
Invested in tangible capital Assets	1,237	742
Unrestricted	375,644	235,737
	376,881	236,479
	\$ 512,762	\$ 526,377

On behalf of the Board:

_____ Director

_____ Director

Canadian Association for Interventional Radiology
 Association canadienne pour la radiologie d'intervention
 Statement of Changes in Net Assets
 (Unaudited)

For the year ended December 31	Invested in Tangible Capital Assets	Unrestricted	2020 Total	2019 (Note 2) Total
Balance, beginning of the year (Note 2)	\$ 742	\$ 235,737	\$ 236,479	\$ 225,463
Excess (deficiency) of revenues over expenses	(1,286)	141,688	140,402	11,016
Purchase of tangible capital assets	1,781	(1,781)	-	-
Balance, end of the year	\$ 1,237	\$ 375,644	\$ 376,881	\$ 236,479

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

Canadian Association for Interventional Radiology
 Association canadienne pour la radiologie d'intervention
 Statement of Operations
 (Unaudited)

For the year ended December 31	2020	2019 (Note 2)
Revenue		
Industry support	\$ 320,000	\$ 280,000
CME course revenue	92,139	70,355
Canada Emergency Wage Subsidy	73,616	-
Membership dues	71,155	49,324
Interest income	3,526	2,628
Other income	906	-
Convention revenue	-	172,440
	561,342	574,747
Expenses		
Amortization of tangible capital assets	1,286	772
CME course expenses	59,465	52,060
Convention and annual general meeting costs	4,708	174,126
Credit card charges	5,048	8,350
Insurance	3,589	3,430
Interest and bank charges	1,600	1,322
Office expenses	26,747	25,288
Other operating expenses	46,154	115,273
Professional fees	40,300	12,536
Rental	21,612	16,849
Wages and benefits	210,431	153,725
	420,940	563,731
Excess of revenues over expenses	\$ 140,402	\$ 11,016

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

Canadian Association for Interventional Radiology
 Association canadienne pour la radiologie d'intervention
 Statement of Cash Flows
 (Unaudited)

For the year ended December 31	2020	2019 (Note 2)
Cash flows from operating activities		
Excess of revenues over expenses	\$ 140,402	\$ 11,016
Items not affecting cash:		
Amortization of tangible capital assets	1,286	772
	<u>141,688</u>	<u>11,788</u>
Changes in non-cash working capital:		
Accounts receivable	(36,813)	(38,079)
Prepaid expenses	22,869	19,258
Accounts payable and accrued liabilities	2,228	(1,589)
Deferred revenue	(156,245)	5,404
Long-term deposits	(64,015)	(9,170)
	<u>(90,288)</u>	<u>(12,388)</u>
Cash flows from investing activities		
Purchase of tangible capital assets	(1,781)	-
Decrease in guaranteed investment certificates	480	-
	<u>(1,301)</u>	<u>-</u>
Net decrease in cash	(91,589)	(12,388)
Cash, beginning of the year	<u>449,085</u>	<u>461,473</u>
Cash, end of the year	<u>\$ 357,496</u>	<u>\$ 449,085</u>

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

Canadian Association for Interventional Radiology
Association canadienne pour la radiologie d'intervention
Notes to Financial Statements
(Unaudited)

December 31, 2020

1. Significant Accounting Policies

Nature and Purpose of Organization	The Canadian Association for Interventional Radiology / Association canadienne pour la radiologie d'intervention was incorporated under Part II of the Canada Corporations act on February 28, 2005, and continued under the Canada Not-for-profit Corporations Act on June 11, 2014. The objects of the Corporation are to promote interests of the Interventional Radiology Specialty, to provide for education in Interventional Radiology and to enhance the practice of Interventional Radiology in Canada. It is exempt of income taxes under article 149(1)(l) of the Income Tax Act.
Basis of Accounting	The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.
Revenue Recognition	<p>The Canadian Association for Interventional Radiology / Association canadienne pour la radiologie d'intervention follows the deferral method of accounting for contributions.</p> <p>Restricted contributions are recognized in the period in which the related expenses are incurred. Non-restricted contributions are recognized as income when they are received or receivable if the amount receivable can reasonably be estimated and its collection is reasonably assured.</p> <p>Industry support and Membership dues are recognized as revenue in the period to which they refer. Convention revenue and CME course revenue are recognized when these events take place.</p>
Financial Instruments	<p><u>Initial and subsequent measurement</u> The Association initially measures its financial assets and liabilities at fair value. It subsequently measures all its financial assets and liabilities at amortized cost.</p> <p><u>Impairment</u> Financial assets measured at amortized cost are tested for impairment when there are indications of possible impairment.</p> <p><u>Transaction costs</u> Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in the statement of operations in the year incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in the statement of operations over the life of the instrument using the straight-line method.</p>

Canadian Association for Interventional Radiology
Association canadienne pour la radiologie d'intervention
Notes to Financial Statements
(Unaudited)

December 31, 2020

1. Significant Accounting Policies (continued)

Tangible Capital Assets Tangible capital assets are accounted for at cost and amortized on the basis of their useful life using the straight-line basis over the following durations:

	Method	Rate
Computer equipment	Straight-line	3 years

Government of Canada
Wage Subsidies Funding received from the government of Canada is subject to specific terms and conditions regarding the expenditure of the funds. The Association accounting records may be subject to an audit by the Canada Revenue Agency (CRA) to identify instances, if any, where amounts charged against the funds have not complied with the agreed terms and conditions and which therefore would be refundable to the CRA. Funding received during the year for the current expenses is recorded as revenue in the year.

Canadian Association for Interventional Radiology
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 Notes to Financial Statements
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December 31, 2020

2. Prior Period Correction

Since 2018, the Association had been accounting for its membership and sponsorship revenue as they received it. During the year, it was noticed that this treatment wasn't respecting the Canadian accounting standards for not-for-profit organizations, which require that these revenues be recognized in the period which the related service is provided.

A correction was made for the 2020 year-end, but the opening net assets had to be corrected also. The impact of the error is as follows:

	2019
Statement of Financial Position	
Decrease in accounts receivable	\$ (140,000)
Increase in deferred revenue	(210,421)
Decrease in unrestricted net assets	\$ (350,421)
Statement of Change in Net Assets	
Decrease in excess of revenues over expenses	\$ 70,421
Decrease in opening unrestricted net assets	\$ (280,000)

3. Tangible Capital Assets

	2020		2019	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 14,962	\$ (13,725)	\$ 13,181	\$ (12,439)
		\$ 1,237		\$ 742

Canadian Association for Interventional Radiology
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Notes to Financial Statements
(Unaudited)

December 31, 2020

4. Government Remittances

Included in accounts payable and accrued liabilities are government remittances payable of \$10,639 (2019 - \$17,288).

5. Financial Instruments

Credit risk

The Association is exposed to credit risk for its accounts receivable. The majority of the Association's receivables are membership. The Association provides credit to its members in the normal course of its operations.

Interest rate risk

The Association is exposed to interest rate risk on its fixed interest rate financial instruments. Fixed interest instruments subject the Association to a fair value risk, since fair value fluctuates inversely to changes in market interest rates. Based on the uncertainty due to COVID-19, there is an increase in interest rate risk.

Change in risk

There have been no change in the risk exposure compared to the prior year.

6. Contractual Obligations

The Association is committed to an office space lease agreement ending October 2021, for a total amount of \$16,948

The Association has entered into multiple agreements for the 2022 and 2023 conferences in which the Association would be subject to cancellation fees totaling \$49,006.

Canadian Association for Interventional Radiology
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7. Uncertainty due to COVID-19

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

Multiple events had to be cancelled in 2020 due to travel and in-person gathering restrictions. Management is actively monitoring the global situation on its financial condition, liquidity, operations, members, industry, and workforce. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Association’s financial condition, liquidity, and future results of operations. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Association is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity at this time.

8. Comparative Figures

Certain figures for the previous year have been reclassified to conform to the presentation adopted in the current year.