

**Approved August 18, 2020
CACCN Board of Directors**

**Canadian Association of Critical Care Nurses
Financial Statements
March 31, 2020**

INDEPENDENT AUDITOR'S REPORT

To the Members of Canadian Association of Critical Care Nurses

Qualified Opinion

We have audited the financial statements of Canadian Association of Critical Care Nurses (the Association), which comprise the statement of financial position as at March 31, 2020, and the statements of revenue, expenditures, and Fund Balance - Operating Fund, revenue, expenditures, and Fund Balances - Dynamics Fund, 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 matter 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 Association as at March 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.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Association derives revenue in the form of memberships, sponsors, and other miscellaneous receipts, 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 Association. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2020, current assets and net assets as at March 31, 2020. Our audit opinion on the financial statements for the year ended March 31, 2019 was modified accordingly because of the possible effects of this limitation of 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 Association 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

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James B. MacNeill FCPA, FCA, CFP Jeremy A. Giles CPA, CA Lissa Savage CPA, CA
Mark Snyders CPA, CA Robert F. Edmundson CPA, CA (Retired)

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities of Management 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 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 Association'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 Association'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 Association 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.

London, Ontario
August 18, 2020

MacNeill Edmundson
PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS
Authorized to practice public accounting by
The Chartered Professional Accountants of Ontario

James B. MacNeill FCPA, FCA, CFP Jeremy A. Giles CPA, CA Lissa Savage CPA, CA
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Canadian Association of Critical Care Nurses

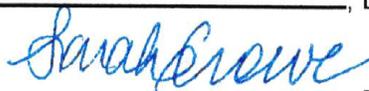
Statement of Financial Position

March 31	Operating Fund	Dynamics Fund	Total 2020 (\$)	Total 2019 (\$)
Assets				
Current Assets				
Cash	35,691	61,230	96,921	97,400
Investments (note 5)	238,344		238,344	218,742
Accounts receivable	2,747	2,250	4,997	4,961
Interest receivable	4,724		4,724	3,434
Due from Dynamics Fund	54,280		54,280	22,277
Prepaid expenses	1,355	10,000	11,355	15,228
	337,141	73,480	410,621	362,042
Long-Term Investments (note 5)	94,454		94,454	106,162
	431,595	73,480	505,075	468,204
Liabilities				
Current Liabilities				
Accounts payable and accrued expenses	12,625		12,625	24,176
Government remittances	7,223		7,223	5,642
Due to Operating Fund		54,280	54,280	22,277
Deferred revenue (note 6)	46,233	19,200	65,433	60,684
	66,081	73,480	139,561	112,779
Long-Term Deferred Revenue (note 6)	6,881		6,881	5,480
	72,962	73,480	146,442	118,259
Fund Balances				
Fund Balances - unrestricted	358,633		358,633	349,945
	431,595	73,480	505,075	468,204

Approved on behalf of the Board:



_____, Director



_____, Director

Canadian Association of Critical Care Nurses

Operating Fund

Statement of Revenue, Expenditures and Fund Balance

Year ended March 31	2020 Total (\$)	2019 Total (\$)
Revenue		
Memberships	85,895	92,042
Journal advertisements	11,024	24,298
Royalties	9,622	11,767
Interest	9,214	9,094
Other	2,841	1,873
Job Links	1,200	2,400
	119,796	141,474
Dynamics Fund allocation (note 3)	75,076	12,856
Total Revenue and allocation	194,872	154,330
Expenditures		
Secretarial services	64,681	65,847
Board travel and other	22,275	54,658
Journal	20,166	37,502
Website support	15,284	17,086
Interest and bank charges	13,292	9,844
Chapter reimbursement	10,791	15,308
Awards and gifts	9,862	12,096
Office supplies	8,719	7,051
Professional fees	8,621	11,245
Postage, courier and photocopying	7,168	4,688
Insurance	2,348	2,635
Licensed software	1,560	3,120
Telephone	1,417	4,286
	186,184	245,366
Excess (Deficiency) of Revenue over Expenditures	8,688	(91,036)
Fund balance, beginning of year	349,945	440,981
Fund Balance, end of year	358,633	349,945

Canadian Association of Critical Care Nurses

Dynamics Fund

Statement of Revenue, Expenditures and Fund Balance

Year ended March 31	2020 (\$)	2019 (\$)
	Dynamics 2019	Dynamics 2018
Revenue		
Tuition	122,067	107,550
Exhibit booths	106,800	104,486
Sponsorship	13,278	19,050
Miscellaneous	8,499	8,180
Registration	4,228	
Meal tickets		6,005
	254,872	245,271
Expenditures		
Conference facilities	132,991	195,105
Printing and promotion	12,686	1,781
Interest and bank charges	9,602	5,485
Speakers' fees and travel	7,200	850
Travel	6,179	5,314
Gifts and awards	5,193	773
Miscellaneous	2,813	9,207
Entertainment	1,983	10,125
Postage and courier	1,149	3,775
	179,796	232,415
Excess of Revenue over Expenditures	75,076	12,856
Surplus , end of year transferred to operating fund (note 3)	75,076	12,856
Fund Balance , end of year	-	-

Canadian Association of Critical Care Nurses

Statement of Cash Flows

Year ended March 31	2020	2019
	(\$)	(\$)
Cash Flows From (Used in) Operating Activities		
Excess (deficiency) revenues over expenditures - Operating Fund	8,688	(91,036)
Less non cash items:		
	8,688	(91,036)
 Net change in non-cash operational balances		
Accounts receivable	(37)	2,655
Interest receivable	(1,290)	9,111
Prepaid expenses	3,877	21,719
Accounts payable and accrued expenses	(11,554)	8,270
Deferred revenue	6,150	(5,456)
Government remittances	1,581	3,037
 Cash Flows From (Used in) Operating Activities	7,415	(51,700)
 Cash Flows From (Used in) Investing Activities		
Redemption (acquisition) of investments	(7,894)	45,663
 Change in Cash during Year	(479)	(6,037)
 Cash Resources, beginning of Year	97,400	103,437
 Cash Resources, end of Year	96,921	97,400
 Cash Resources		
Cash - Operating fund	35,691	79,155
Cash - Dynamics fund	61,230	18,245
	96,921	97,400

Canadian Association of Critical Care Nurses

Notes to the Financial Statements

March 31, 2020

1. Accounting Policies

The Canadian Association of Critical Care Nurses follows Canadian accounting standards for not-for-profit organizations in preparing its financial statements. The significant accounting policies used are as follows:

(a) Organization

Canadian Association of Critical Care Nurses is a non-profit organization incorporated under the *Canada Corporations Act* without share capital. The purpose of the Association is to further the technical knowledge and skills of the members and the medical community.

(b) Fund Accounting

The Association has identified the following funds:

Operating Fund, which is for the ongoing operations of the association;

Dynamics Fund, which is for the operation of the annual conference.

(c) Revenue recognition

These financial statements have been prepared using the deferral method of accounting available to non-profit organizations. Under this method of accounting, all revenue and expenditures are recorded in the fiscal period of the activity to which they relate. Accordingly, expenditures that relate to activities of future accounting periods are recorded as prepaid expenses, and revenues received before the services are rendered are recorded as deferred revenue.

(d) Capital Assets

Capital assets are stated at cost. Amortization is provided on the basis and at the annual rates indicated as follows:

Computer equipment	2 years	Straight line method
Website development	5 years	Straight line method
Membership database	5 years	Straight line method

(e) Income Taxes

The Canadian Association of Critical Care Nurses is a non-profit organizations and it is exempt from income taxes under Paragraph 149(1)(e) of the *Income Tax Act*.

Canadian Association of Critical Care Nurses

Notes to the Financial Statements

March 31, 2020

1. Accounting Policies (continued)

(f) Measurement uncertainty

The preparation of financial statements in conformity 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

2. Capital Assets

	Cost	Accumulated amortization	2020 net book value	2019 net book value
Computer equipment	2,954	2,954	-	-
	2,954	2,954	-	-

3. Dynamics Fund

Each year, the organization holds a Dynamics Conference in a selected Canadian city. The revenue and expenditures of the conference have been disclosed separately for a more meaningful presentation. The results reported in the fiscal year ending March 31, 2020 are for the conference held in Halifax, NS in September 2019 (September 2018 - Calgary, AB).

The financial results of the Dynamics Conferences are reported as additions to or deductions from the general operating fund for the year. The Association advances funds to the organizing committees for expenditures that are related to future years' conferences, which are recorded as prepaid conference expenses. Revenue that is received before the fiscal year end, which is related to the future conference, is recorded as deferred revenue.

4. Financial Instruments

The Canadian Association of Critical Care Nurses financial instruments consist of cash, investments, accounts receivable, and accounts payable and accrued liabilities. Unless otherwise noted, it is the Board's opinion that the Canadian Association of Critical Care Nurses is not exposed to significant interest rates, currency, liquidity or credit risks arising from its financial instruments. The fair value of the financial instruments approximates their carrying value, unless otherwise noted.

Canadian Association of Critical Care Nurses

Notes to the Financial Statements

March 31, 2020

5. Investments

Investments are comprised of the following:

	2020 (\$)	2019 (\$)
CIBC GIC due June 18, 2019		47,649
CIBC GIC due June 18, 2019		43,138
CIBC GIC due December 18, 2019		47,685
CIBC GIC due December 18, 2019		47,472
CIBC GIC due June 18, 2020	48,602	
CIBC GIC due June 18, 2020	44,001	
CIBC GIC due December 29, 2020	32,774	
CIBC GIC due December 29, 2020	32,774	
CIBC GIC due December 29, 2020	32,774	
BMO GIC due December 14, 2020	37,084	37,084
BMO GIC due April 9, 2023	58,742	58,742
TD GIC due May 2, 2019		32,799
TD GIC due April 27, 2020	10,335	10,335
TD GIC due May 28, 2024	35,712	
	332,798	324,904
Current portion	238,344	218,742
Long Term Investments	94,454	106,162

The GIC's earn interest at rates ranging from 0.5451% to 2.1%.

6. Deferred revenue

Deferred revenue is comprised of the following:

	2020 (\$)	2019 (\$)
Memberships (current)	46,253	49,684
Dynamics conference	19,200	11,000
	65,453	60,684
Memberships (long-term)	6,881	5,480

Canadian Association of Critical Care Nurses

Notes to the Financial Statements

March 31, 2020

7. Subsequent Event: COVID-19

The recent outbreak of Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the association or its members, employees, contractors, suppliers, and other partners may be unable to conduct regular business activities for an indefinite period of time. While it is not possible at this time to estimate the impact that COVID-19 could have on the association's business, the continued spread of COVID-19 and the measures taken by the federal, provincial, and municipal governments to contain its impact could adversely impact the organization's business, financial condition or results of operations.

Specifically, the association has so far cancelled the 2020 Dynamics conference. As a result, the association is anticipating a significant reduction in revenue in fiscal 2021. To offset these expected revenue decreases, the association has reviewed its expenses, and deferred or reduced those expenses where possible, including making use of HST payment deferrals granted by various levels of government. The association also plans to apply for the government programs and subsidies for which it qualifies.

The extent to which the COVID-19 outbreak impacts the association's future financial results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the spread of the virus and government actions.

8. Comparative Figures

Some of the comparative figures have been reclassified to conform to the current year's presentation.
