

**THE CANADIAN ASSOCIATION FOR
POPULATION THERAPEUTICS**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020



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CHARTERED PROFESSIONAL ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of The Canadian Association for Population Therapeutics

Qualified Opinion

We have audited the financial statements of Canadian Association for Population Therapeutics (the "Association"), which comprise the statement of financial position as at December 31, 2020, and the statement of operations, statement of changes in net assets and statement of 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 effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organization.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Association derives revenue from membership dues and registration fees, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Association and we were not able to determine whether any adjustments might be necessary to membership dues, registration fees, deferred contributions, excess of revenue over expenditures, current or net assets.

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 these 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 the financial statements in accordance with Canadian accounting standards for not-for-profit organization, 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 related 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.

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 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.

John H.C. Pinsent Professional Corporation

July 30, 2021
Edmonton, Alberta

John H. C. Pinsent Professional Corporation
Chartered Professional Accountant



THE CANADIAN ASSOCIATION FOR POPULATION THERAPEUTICS

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 205,589	\$ 280,195
Harmonized sales taxes receivable	8,277	7,391
Short-term investments (note 4)	<u>156,347</u>	<u>156,319</u>
TOTAL ASSETS	<u>370,213</u>	<u>443,905</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	<u>27,790</u>	<u>25,227</u>
TOTAL LIABILITIES	27,790	25,227
COMMITMENTS (note 3)		
NET ASSETS		
UNRESTRICTED NET ASSETS	<u>342,423</u>	<u>418,678</u>
	<u>370,213</u>	<u>443,905</u>

Approved by the Board:

Director

Director

See accompanying notes to the financial statements



THE CANADIAN ASSOCIATION FOR POPULATION THERAPEUTICS

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
UNRESTRICTED NET ASSETS - beginning of year	\$ 418,678	\$ 366,673
Excess (deficiency) of revenues over expenses	<u>(76,255)</u>	<u>52,005</u>
UNRESTRICTED NET ASSETS - end of year	<u>342,423</u>	<u>418,678</u>

See accompanying notes to the financial statements



THE CANADIAN ASSOCIATION FOR POPULATION THERAPEUTICS

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
REVENUES		
Registrations	\$ -	\$ 35,360
Memberships	650	3,075
Sponsorships	32,000	202,000
Interest	<u>28</u>	<u>1,673</u>
	32,678	242,108
EXPENSES		
Administration	85,043	117,313
Advertising and promotion	6,417	9,961
Board meetings	703	3,137
Conference	9,272	28,553
Interest, bank, and credit card charges	489	2,146
Office	25	5,222
Professional fees	4,914	8,980
Speakers	-	10,092
Student awards	400	2,728
Website	<u>1,670</u>	<u>1,971</u>
	<u>108,933</u>	<u>190,103</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>(76,255)</u>	<u>52,005</u>

See accompanying notes to the financial statements



THE CANADIAN ASSOCIATION FOR POPULATION THERAPEUTICS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (76,255)	\$ 52,005
Changes in non-cash working capital		
Harmonized sales taxes receivable	(886)	1,497
Deferred revenue	-	(5,000)
Accounts payable and accrued liabilities	<u>2,563</u>	<u>(1,376)</u>
	1,677	(4,879)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Investment in GIC	<u>(28)</u>	<u>(1,673)</u>
INCREASE (DECREASE) IN CASH DURING THE YEAR	(74,606)	45,453
CASH AND CASH EQUIVALENTS - beginning of year	<u>280,195</u>	<u>234,742</u>
CASH AND CASH EQUIVALENTS - end of year	<u>205,589</u>	<u>280,195</u>

See accompanying notes to the financial statements



THE CANADIAN ASSOCIATION FOR POPULATION THERAPEUTICS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

1. PURPOSE OF THE ORGANIZATION

The Canadian Association for Population Therapeutics ("the Association") is a not-for-profit organization incorporated under the Societies Act of Alberta on January 13, 2005. The Association was formed to advance the sound development of population-based studies of therapeutic interventions and to provide a forum for the reporting, scientific discussion, and dissemination of the data derived from such studies.

2. ACCOUNTING POLICIES

Basis of Presentation

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Accounting Estimates

The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations that have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies.

Revenue Recognition

The Association follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Deferred revenue arises when sponsorships are received in advance of the conferences for which they are supporting.

Contributed Services

Volunteers contribute an indeterminable number of hours to assist the Association in carrying out its activities. In addition, in-kind contributions of materials, supplies, and use of equipment are received from cooperative institutions, external contributors and other sources. Neither the value of the contributions nor the cost of these goods and services is recognized in these financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid investments with original maturities of three months or less. Such positions are carried at fair value.



THE CANADIAN ASSOCIATION FOR POPULATION THERAPEUTICS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

2. ACCOUNTING POLICIES (CONTINUED)

Short-term Investments

Short-term investments, which consist of cash and Guaranteed Income Certificates (GIC) with original maturity dates of one year or less, are carried at amortized cost and recorded as current assets

Financial Instruments

The carrying values of cash, accounts receivable, goods and services tax recoverable, deposits and accounts payable and accrued liabilities approximate their fair values due to the relatively short period to maturity of these instruments. The Association is exposed to the following risks arising from these financial instruments:

Credit Risk

Financial instruments that subject the Association to credit risk consist primarily of cash, accounts payable and goods and services tax recoverable. The Association maintains an allowance for estimated credit losses. The Association provides services to a diverse group of clients and its credit risk is not concentrated in any one particular client or geographic sector.

Interest Rate Risk

The Association is subject to interest rate risk to the extent that its short term investments are based on floating rates of interest.

Income Taxes

The Association is a not-for-profit organization and as such is exempt from income taxes.

3. COMMITMENTS

The Association is committed to host a conference in October of 2021. The economic impact of this commitment, while anticipated to be beneficial to the Association, is not known at this time.



THE CANADIAN ASSOCIATION FOR POPULATION THERAPEUTICS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

4. SHORT TERM INVESTMENTS

Short-term investments are comprised of cash in a cash and savings accelerator investment account. The funds were originally a part of a cashable Guaranteed Investment Certificate (GIC) that matured in November of 2019 and was not reinvested during the 2020 fiscal year. The Board has determined to reinvest the funds along with the funds from their savings account into a nine month, non-redeemable GIC with interest of 0.55% in February of 2021.

	<u>2020</u>	<u>2019</u>
Guaranteed Investment Certificates	\$ -	\$ 156,319
Cash and Savings Accelerator	<u>156,347</u>	<u>-</u>
	<u>156,347</u>	<u>156,319</u>

5. COVID - 19 PANDEMIC

On March 17, 2020; the Government of Canada declared a public health emergency in response to the COVID-19 global pandemic. The financial impact was a substantial loss in registration, membership and sponsorship fees as well as a large decrease in operating expenses.

Federal and Provincial programs, support and regulations are still evolving, including retrospective changes to certain programs. The ongoing financial impact of this public health emergency has been rapidly changing, which precludes a reasonable estimate of the overall financial or operational impact on the Association.

