

**Canadian Anesthesiologists' Society/
Société Canadienne des Anesthésiologistes**
Financial Statements
December 31, 2020

**Canadian Anesthesiologists' Society /
Société Canadienne des Anesthésiologistes**
Contents

For the year ended December 31, 2020

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Audit. Tax. Advisory.

Independent Auditor's Report

To the Members of
Canadian Anesthesiologists' Society/Société Canadienne des Anesthésiologistes:

Qualified Opinion

We have audited the financial statements of Canadian Anesthesiologists' Society / Société Canadienne des Anesthésiologistes (the "Society"), 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 Society as at December 31, 2020, and its financial performance and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Basis for Qualified Opinion

The Society derives revenue from royalties, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amount recorded in the records of the Society, and we were not able to determine whether any adjustments might be necessary to this source of revenue, excess of revenue over expenses, assets and 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 Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. 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 audit 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 ASNPO, 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 Society'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 Society or cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Society'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 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 judgement 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 risks 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 Society'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 Society'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 Society 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.

McGovern Hurley LLP



**Chartered Professional Accountants
Licensed Public Accountants**

Toronto, Canada
June 9, 2021

**Canadian Anesthesiologists' Society /
Société Canadienne des Anesthésiologistes**
Statement of Financial Position

As at December 31, 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| | \$ | \$ |
| Assets | | |
| Current | | |
| Cash | 1,501,946 | 1,677,212 |
| Investments | 874,077 | 833,564 |
| Accounts and other receivables (Note 8) | 216,933 | 266,128 |
| Prepaid expenses | 35,549 | 26,240 |
| Total current assets | 2,628,505 | 2,803,144 |
| Long-term prepaid expenses (Note 3) | 47,000 | 69,029 |
| Long-term investments | 1,057,090 | 962,855 |
| Capital assets (Note 4) | 19,191 | 18,277 |
| Intangible assets (Note 5) | 25,216 | 41,755 |
| Total assets | 3,777,002 | 3,895,060 |
| Liabilities | | |
| Current | | |
| Accounts payable and accrued liabilities | 121,365 | 305,344 |
| Government remittances payable | 2,204 | 26,405 |
| Deferred Revenue (Note 10) | 404,036 | 537,446 |
| Due to related organizations (Note 6) | 24,004 | 62,890 |
| Due to sections (Note 7) | 534,431 | 506,312 |
| Current portion of capital lease obligation (Note 9) | - | 1,831 |
| Total current liabilities | 1,086,040 | 1,440,228 |
| Deferred Revenue (Note 10) | 52,650 | - |
| Total liabilities | 1,138,690 | 1,440,228 |
| Net Assets | | |
| Net assets internally restricted for equipment replacement (Note 11) | 7,220 | 6,147 |
| Net assets internally restricted relating to congress funds (Note 11) | - | 13,226 |
| Net assets internally restricted for contingency purposes (Note 11) | 700,000 | 700,000 |
| Unrestricted net assets | 1,931,092 | 1,735,459 |
| Total net assets | 2,638,312 | 2,454,832 |
| Total net liabilities and net assets | 3,777,002 | 3,895,060 |

Approved by the Board

Signed (Dr. Dolores McKeen)
Director

Signed (Dr. James Kim)
Director

The accompanying notes are an integral part of these financial statements

**Canadian Anesthesiologists' Society/
Société Canadienne des Anesthésiologistes**

Statement of Operations

For the year ended December 31, 2020

| | 2020 | 2019 |
|--|------------------|------------------|
| | \$ | \$ |
| Revenue | | |
| Membership dues | 1,018,958 | 1,083,681 |
| Annual meeting | 16,338 | 935,905 |
| Royalties (Note 13) | 645,034 | 619,084 |
| Advertising and sponsorship | 27,400 | 148,200 |
| Investment income | 144,258 | 94,309 |
| Subscription income | 16,560 | 17,400 |
| Other | 17,539 | 54,057 |
| Total revenue | 1,886,087 | 2,952,636 |
| Expenses | | |
| Human resources (Note 8) | 803,659 | 1,055,768 |
| Administration | 393,355 | 370,441 |
| Occupancy (Note 14) | 175,967 | 91,132 |
| Annual meeting | 132,348 | 851,047 |
| Publishing | 49,407 | 48,482 |
| Funding to organizations (Note 6) | 25,000 | 20,000 |
| Members' subscription to the Journal (Note 13) | 21,834 | 31,862 |
| Board | 9,977 | 122,346 |
| Committees | 2,263 | 23,960 |
| Awards | 1,750 | 15,333 |
| Other | 57,495 | 135,119 |
| Amortization | 29,552 | 17,073 |
| Total expenses | 1,702,607 | 2,782,563 |
| Excess of revenue over expenses before allocation | 183,480 | 170,073 |
| Equipment replacement allocation (Note 11) | (15,000) | (15,000) |
| Excess of revenue over expenses | 168,480 | 155,073 |

The accompanying notes are an integral part of these financial statements

**Canadian Anesthesiologists' Society/
Société Canadienne des Anesthésiologistes**
Statement of Changes in Net Assets
For the year ended December 31, 2020

| | <i>Restricted for equipment replacement</i> \$ | <i>Restricted congress funds</i> \$ | <i>Restricted contingency funds</i> \$ | <i>Unrestricted</i> \$ | <i>2020</i> \$ | <i>2019</i> \$ |
|--|---|--|---|---------------------------|-------------------|-------------------|
| Net Assets, beginning of year | 6,147 | 13,226 | 700,000 | 1,735,459 | 2,454,832 | 2,284,759 |
| Excess of revenue over expenses | - | - | - | 168,480 | 168,480 | 155,073 |
| Net assets, before allocations | 6,147 | 13,226 | 700,000 | 1,903,939 | 2,623,312 | 2,439,832 |
| Allocation to equipment replacement fund (Note 11) | 15,000 | - | - | - | 15,000 | 15,000 |
| Purchases of capital assets (Note 11) | (13,927) | - | - | 13,927 | - | - |
| Unrestricting of congress funds for CAirs project (Note 11) | - | (13,226) | - | 13,226 | - | - |
| Net assets, end of year | 7,220 | - | 700,000 | 1,931,092 | 2,638,312 | 2,454,832 |

The accompanying notes are an integral part of these financial statements

**Canadian Anesthesiologists' Society/
Société Canadienne des Anesthésiologistes**

Statement of Cash Flows

For the year ended December 31, 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| | \$ | \$ |
| Cash provided (used for) from the following activities | | |
| Operating | | |
| Cash receipts from members and activities | 1,065,230 | 2,108,879 |
| Cash paid to suppliers and employees | (1,829,733) | (2,543,217) |
| Royalties received | 606,252 | 594,484 |
| Interest Received | - | 2,876 |
| Total cash flows (used for) from operating activities | (158,251) | 163,022 |
| Financing | | |
| (Decrease) in amounts due to related organizations | (38,886) | (167,899) |
| (Repayment) of capital lease obligation | (1,831) | (2,368) |
| Net increase in amounts due to sections | 28,119 | 23,421 |
| Total cash flows (used for) financing activities | (12,598) | (146,846) |
| Investing | | |
| Purchase of capital assets | (13,927) | (7,904) |
| Purchase of intangible assets | - | (50,025) |
| Purchase of investments | (66,030) | (2,163,548) |
| Redemption of investments | 75,540 | 1,638,694 |
| Total cash flows (used for) investing activities | (4,417) | (582,783) |
| (Decrease) in cash | (175,266) | (566,607) |
| Cash, beginning of year | 1,677,212 | 2,243,819 |
| Cash, end of year | 1,501,946 | 1,677,212 |
| Cash is composed of: | | |
| Operating accounts | 1,428,908 | 1,463,039 |
| Trust account | 73,038 | 214,173 |
| | 1,501,946 | 1,677,212 |

The accompanying notes are an integral part of these financial statements

**Canadian Anesthesiologists' Society/
Société Canadienne des Anesthésiologistes**
Notes to the Financial Statements
For the year ended December 31, 2020

1. Purpose of the Society

The Canadian Anesthesiologists' Society / Société Canadienne des Anesthésiologistes (the "Society") is a national, non-profit organization whose purpose is to promote the advancement of the medical practice of anesthesia through academic endeavour and excellence in patient care. Its voluntary membership base is mostly comprised of medical practitioners residing in Canada who are certified as specialists in anesthesia.

"The Canadian Anesthesiologists' Society enables anesthesiologists to excel in patient care through research, education and advocacy" is the Society's mission statement.

The Society publishes the *Canadian Journal of Anesthesia* and the *Guidelines to the Practice of Anesthesia*, holds an annual meeting, funds research in Canada, and disseminates anesthesia-related information for anesthesiologists, allied health care providers and the general public on its website.

The Society was incorporated under the Canada Not-for-profit Corporations Act and is defined as a non-profit organization under the Canadian Income Tax Act. The accounting policies of the company are in accordance with generally accepted accounting principles and their basis of application is consistent with that of the previous year. Outlined below are those policies considered particularly significant.

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). The financial statements are presented in Canadian dollars.

Financial instruments

The Society initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Society subsequently measures all its financial assets and liabilities at amortized cost except for the Society's investments, consisting of securities and bonds with varying maturity dates, which are measured at fair value. Investments with maturity dates beyond the 12-month period following the year end date are presented as long-term investments.

Financial assets measured at amortized cost include cash and accounts and other receivables.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, amounts due to related organizations, amounts due to Sections, and capital lease obligation.

Impairment of financial instruments

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

Capital assets and Intangible assets

Capital assets and intangible assets are recorded at cost less accumulated amortization. Amortization is provided using the following:

| | | |
|------------------------|---|------------------------|
| Computer equipment | - | 5 years straight-line |
| Office equipment | - | 30% declining balance |
| Computer software | - | 3 years straight-line |
| Website | - | 3 years straight-line |
| Furniture and fixtures | - | 20% declining balance |
| Trademark | - | 10 years straight-line |

**Canadian Anesthesiologists' Society/
Société Canadienne des Anesthésiologistes**
Notes to the Financial Statements
For the year ended December 31, 2020

2. Summary of significant accounting policies *(Continued from previous page)*

Revenue recognition

Membership dues, subscription income and royalties are recognized as revenue over the annual term of the membership and journal subscriptions, respectively.

Annual meeting fees and sponsorship revenue are recognized when the event is held.

Investment income includes dividends, interest and realized gains and losses on sales of investments, as well as unrealized gains and losses on investments measured at fair value. Dividends and interest income are recognized when earned.

Measurement uncertainty

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributed services

Contributed services are not recognized in these financial statements.

Government assistance

Government assistance for non-capital expenditures are recognized in the statement of operations as a reduction of the related expenses for which they are intended to compensate, in the period in which those expenses are incurred. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Society with no future related costs are recognized in the statement of operations in the period in which they become receivable.

Government subsidies are recognized in the statement of operations when the amount to be received can be reasonably estimated, ultimate collection is reasonably assured and the corresponding eligible costs have been incurred.

3. Long-term prepaid expenses

| | 2020 | 2019 |
|------------------------|-------------|-------------|
| Annual Meetings | | |
| 2021 | \$ - | 10,248 |
| 2022 | 47,000 | 58,781 |
| | \$ 47,000 | \$ 69,029 |

4. Capital assets

| | | Cost | Accumulated amortization | 2020 Net book value | 2019 Net book value |
|------------------------|----|-------------|-------------------------------------|------------------------------------|------------------------------------|
| Computer equipment | \$ | 37,310 | \$ 19,836 | \$ 17,474 | \$ 8,780 |
| Office equipment | | 4,319 | 2,602 | 1,717 | 2,156 |
| Computer software | | - | - | - | 32 |
| Furniture and fixtures | | - | - | - | 7,309 |
| | | \$ 41,629 | \$ 22,438 | \$ 19,191 | \$ 18,277 |

**Canadian Anesthesiologists' Society/
Société Canadienne des Anesthésiologistes**
Notes to the Financial Statements
For the year ended December 31, 2020

5. Intangible assets

| | <i>Cost</i> | <i>Accumulated amortization</i> | <i>2020 Net book value</i> | <i>2019 Net book value</i> |
|-----------|------------------|-------------------------------------|------------------------------------|------------------------------------|
| Website | \$ 49,445 | \$ 24,722 | \$ 24,723 | \$ 41,204 |
| Trademark | 580 | 87 | 493 | 551 |
| | \$ 50,025 | \$ 24,809 | \$ 25,216 | \$ 41,755 |

6. Related Organizations

The Society, Canadian Anesthesiologists' Society International Education Foundation – Fondation d'Éducation Internationale de la Société Canadienne des Anesthésiologistes ("IEF"), and Canadian Anesthesia Research Foundation – Fondation Canadienne de Recherche en Anesthésie ("CARF"), which have all been established to support advancements in anesthesia, are related to each other by common management. The Canadian Pediatric Anesthesia Society ("CPAS") is also affiliated with the Society. The Society performs certain administrative and bookkeeping services on behalf of CPAS, including but not limited to processing membership renewal, collecting revenues, coordinating CPAS events at the Society's Annual Meeting and processing related expense payments.

As at December 31, 2020, the following amounts were due to related organizations:

| | <i>2020</i> | <i>2019</i> |
|-------------|------------------|------------------|
| Due to IEF | \$ 11,700 | \$ 25,336 |
| Due to CARF | 10,000 | 27,197 |
| Due to CPAS | 2,304 | 10,357 |
| | \$ 24,004 | \$ 62,890 |

Amounts due to related organizations are non-interest bearing, unsecured and due on demand.

During the year, the Society made a cash donation of \$nil (2019 - \$20,000) to CARF and \$25,000 (2019 - \$nil) to CASIEF, which is included in funding to organizations expense.

CAS also provides staff time, management services and overhead to these organizations. Although no consideration has been paid nor recognized in these financial statements with respect to these services, the fair value of these services are estimated as follows:

| | <i>2020</i> | <i>2019</i> |
|------|-------------------|-------------------|
| IEF | \$ 53,000 | \$ 56,000 |
| CARF | 47,000 | 62,000 |
| | \$ 100,000 | \$ 118,000 |

**Canadian Anesthesiologists' Society/
Société Canadienne des Anesthésiologistes**
Notes to the Financial Statements
For the year ended December 31, 2020

7. Due to Sections

The Society performs administrative and bookkeeping services on behalf of various internal organizations ("Sections"), including but not limited to processing section membership renewal, collecting revenues, coordinating section events at the Society's annual meeting and processing related expense payments. The balance due to Sections represents accumulated amounts collected net of amounts paid by the Society on the Sections' behalf. All amounts are unsecured and due on demand.

Amounts due to Sections consist of the following:

| | 2020 | 2019 |
|--|-------------|-------------|
| Balance, beginning of year | \$ 506,312 | \$ 482,891 |
| Sections' revenues collected during the year | 41,421 | 56,058 |
| Sections' expenses paid during the year | (13,302) | (32,637) |
| Balance, end of year | \$ 534,431 | \$ 506,312 |

8. Government assistance

Canada Emergency Wage Subsidy ("CEWS")

The Society is eligible to receive the CEWS related to salaries and benefits paid. The Society believes it has complied with all relevant requirements and accordingly has recorded the subsidy as a reduction of total human resources expense.

During the year ended December 31, 2020 the Society applied for a total of \$249,791 (2019 - \$nil) in relation to the CEWS. As at December 31, 2020, subsidy amounts receivable of \$54,715 (2019 - \$nil) were included in accounts and other receivable.

9. Capital lease obligation

| | 2020 | 2019 |
|--|-------------|-------------|
| Photocopier lease, imputed interest of 3.48%, expires December 2020. Quarterly payments of principal and interest of \$621. | \$ - | \$ 1,831 |
| Less: Current portion | - | 1,831 |
| Long-term portion | \$ - | \$ - |

**Canadian Anesthesiologists' Society/
Société Canadienne des Anesthésiologistes**
Notes to the Financial Statements
For the year ended December 31, 2020

10. Deferred Revenue

The balance of deferred revenue consists of the following:

| | 2020 | 2019 |
|---------------------------------------|-------------------|-------------------|
| Membership dues | \$ 381,476 | \$ 394,555 |
| Annual meeting and other deposits (i) | 75,210 | 142,891 |
| | \$ 456,686 | \$ 537,446 |
| Less: Current portion | 404,036 | 537,446 |
| | \$ 52,650 | \$ - |

(i) Included in annual meeting and other deposits are amounts totaling \$58,800 (2019 - \$127,300) (net of HST) which are being held in trust by a service provider on behalf of CAS. At December 31, 2020, \$52,650 of the amounts held in trust relate to the 2022 meeting and has therefore been presented as a long-term liability on the statement of financial position.

11. Restriction on net assets

During 2020, the Society internally restricted \$15,000 (2019 - \$15,000) of unrestricted net assets to be held for future equipment replacement and utilized \$13,927 (2019 - \$57,929) of the fund balance for this purpose. As at December 31, 2020, the total funds held for future equipment replacement were \$7,220 (2019 - \$6,147).

Net assets relating to congress funds of \$nil (2019 - \$13,226) represent the proceeds from the 12th World Congress of Anesthesiologists hosted by the CAS in June 2000, which are internally restricted for endowment purposes. In 2014, the Board of Directors approved a new pilot project, CAirs. The purpose of the project is to establish an anesthesia data registry system in Canada. To fund this project, the Board of Directors in 2014 approved the unrestricting of previously restricted congress funds totaling \$113,700, of which \$nil was unspent at December 31, 2020 and 2019. During 2020, the society incurred expenses of \$13,226 (2019 - \$55,878).

The Society also has \$700,000 (2019 - \$700,000) of net assets internally restricted to be held for contingency purposes. None of the restricted funds were used in the year for this purpose.

Internally restricted amounts are not available for any other purposes without approval of the Board of Directors.

12. Allocation of expenses

The Society allocates its expenses by function into Journal, Annual Meeting, and Other CAS. The costs that are directly related to each function have been presented on the respective supplementary statements of operations (Schedule 1, Schedule 2, and Schedule 3).

Included in Journal human resources for 2020 is an allocation of \$54,000 (2019 - \$44,000) based on the proportion of staff time spent on the function. Included in Journal administration for 2020 is \$9,000 (2019 - \$7,000) of administration costs and included in Journal occupancy for 2020 is \$6,000 (2019 - \$5,000) based on the function usage.

Included in Annual Meeting human resources (staffing) for 2020 is an allocation of \$215,000 (2019 - \$217,000) based on the proportion of staff time spent on the function. Included in Annual Meeting administration for 2020 is \$35,000 (2019 - \$31,000) of administration costs and included in Annual Meeting occupancy for 2020 is \$24,000 (2019 - \$24,000) based on the function usage.

**Canadian Anesthesiologists' Society/
Société Canadienne des Anesthésiologistes**
Notes to the Financial Statements
For the year ended December 31, 2020

13. Royalty and Subscription revenue and expenses

The Society outsources the publication of Canadian Journal of Anesthesia (Journal Canadien d'Anesthésie) (the "Journal") to Springer Science+Business Media, LLC ("Springer"). Under the five year agreement ending December 31, 2023, the Society manages the content of the Journal and Springer publishes and distributes the Journal in exchange for a portion of the advertising and subscription revenue. Springer remits to the Society an annual royalty payment equal to a percentage of the net revenue earned by Springer and the Society remits monthly to Springer a subscription fee for each member of the Society in exchange for a Society member subscription.

During the year ended December 31, 2020, the Society recognized royalties of \$629,284 (2019 - \$594,484) and remitted subscription fees of \$21,834 (2019 - \$31,862) from/to Springer, respectively.

14. Commitments

The Society entered into an operating lease for office premises on October 3, 2011 and expiring on February 28, 2022. On November 4th, 2020 the Society entered into an agreement with the Landlord, to terminate their office lease, effective February 28, 2021. The Society paid an early termination fee of \$92,616 inclusive of HST, in accordance with this agreement which has been recorded in total occupancy costs on the statement of operations. The Society is committed to paying total rent up to February 28 2022 of \$15,320.

15. Contingency

On March 11, 2020, the World Health Organization declared a global pandemic (the "pandemic") as a result of the spread of COVID-19. Since that time, the pandemic has severely impacted local economies around the globe. In many countries, including Canada, organizations were forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of COVID-19, including travel bans, quarantines, physical distancing, and closures of nonessential services have triggered significant disruptions to organizations worldwide, resulting in a widespread economic slowdown. Governments and central banks have responded with monetary and fiscal interventions in an attempt to stabilize economic conditions.

The duration and impact of the pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. The Society continues to monitor eligibility for future government assistance. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position of the Society for future periods.

16. Financial Instruments

The Society, as part of its operations, carries a number of financial instruments. It is management's opinion that the Society is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit risk

The Society is exposed to credit risk on its accounts receivable.

The Society's management is of the opinion that the risk that the Society will realize a loss as a result of not collecting on its accounts receivable is limited based on past experience, its assessment of current economic conditions and historically minimal bad debts.

Market risk

The Society is exposed to market risk on its investments. Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, interest rates, or exchange rates. The Society does not use derivative instruments to mitigate these risks.

**Canadian Anesthesiologists' Society/
Société Canadienne des Anesthésiologistes**
Schedule 1 - Supplementary Statement of Operations - Journal

For the year ended December 31, 2020

| | 2020 | 2019 |
|---|----------------|----------------|
| | \$ | \$ |
| Revenue | | |
| Royalties <i>(Note 13)</i> | 645,034 | 619,084 |
| Subscription income | 16,560 | 17,400 |
| Other | 4,409 | 5,045 |
| Total revenue | 666,003 | 641,529 |
| Expenses | | |
| Human Resources <i>(Note 12)</i> | 365,221 | 354,852 |
| Administration <i>(Note 12)</i> | 52,281 | 22,838 |
| Members' subscription to the Journal <i>(Note 13)</i> | 21,834 | 31,862 |
| Publishing | 20,962 | 17,773 |
| Board | 6,762 | 68,764 |
| Occupancy <i>(Note 12)</i> | 6,000 | 5,000 |
| Total expenses | 473,060 | 501,089 |
| Excess of revenue over expenses | 192,943 | 140,440 |

**Canadian Anesthesiologists' Society/
Société Canadienne des Anesthésiologistes**
Schedule 2 - Supplementary Statement of Operations - Annual Meeting
For the year ended December 31, 2020

| | 2020 | 2019 |
|---|------------------|-------------|
| | \$ | \$ |
| Revenue | | |
| Annual Meeting | | |
| Registration | 3,238 | 598,060 |
| Exhibits | 5,100 | 205,208 |
| Workshops | 8,000 | 73,748 |
| Social events | - | 28,312 |
| Total annual meeting revenue | 16,338 | 905,328 |
| Advertising and sponsorship | (2,000) | 98,000 |
| Other | - | 30,577 |
| Total revenue | 14,338 | 1,033,905 |
| Expenses | | |
| Human Resources - staffing (<i>Note 12</i>) | 147,556 | 269,009 |
| Annual Meeting | | |
| Program | 23,555 | 354,206 |
| External management | 93,000 | 201,940 |
| Registrant | 14,918 | 166,415 |
| Social Program | 875 | 46,588 |
| Exhibit | - | 70,649 |
| Sponsorship | - | 11,250 |
| Total annual meeting expenses | 132,348 | 851,048 |
| Administration (<i>Note 12</i>) | 103,557 | 84,600 |
| Occupancy (<i>Note 12</i>) | 24,000 | 24,000 |
| Total expenses | 407,461 | 1,228,657 |
| Deficiency of revenue over expenses | (393,123) | (194,752) |

**Canadian Anesthesiologists' Society/
Société Canadienne des Anesthésiologistes**
Schedule 3 - Supplementary Statement of Operations - All Other CAS

For the year ended December 31, 2020

| | 2020 | 2019 |
|---|------------------|-------------|
| | \$ | \$ |
| Revenue | | |
| Membership Dues | 1,018,958 | 1,083,681 |
| Advertising and sponsorship | 29,400 | 50,200 |
| Investment Income | 144,258 | 94,309 |
| Other | 13,130 | 49,012 |
| Total revenue | 1,205,746 | 1,277,202 |
| Expenses | | |
| Human Resources | 290,882 | 431,907 |
| Administration | 237,517 | 263,002 |
| Occupancy | 145,967 | 62,132 |
| Publishing | 28,445 | 30,709 |
| Funding to organizations <i>(Note 6)</i> | 25,000 | 20,000 |
| Board | 3,215 | 53,582 |
| Committees | 2,263 | 23,960 |
| Awards | 1,750 | 15,333 |
| Other | 57,495 | 135,119 |
| Amortization | 29,552 | 17,073 |
| Total expenses | 822,086 | 1,052,817 |
| Excess of revenue over expense before allocation | 383,660 | 224,385 |
| Equipment replacement allocation <i>(Note 11)</i> | 15,000 | 15,000 |
| Excess of revenue over expenses | 368,660 | 209,385 |