

**CANADIAN ANESTHESIOLOGISTS' SOCIETY /
SOCIÉTÉ CANADIENNE DES ANESTHÉSIOLOGISTES**

FINANCIAL STATEMENTS

DECEMBER 31, 2022

**CANADIAN ANESTHESIOLOGISTS' SOCIETY /
SOCIÉTÉ CANADIENNE DES ANESTHÉSIOLOGISTES**

FINANCIAL STATEMENTS

DECEMBER 31, 2022

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Canadian Anesthesiologists' Society / Société Canadienne des Anesthésiologistes, which comprise the statement of financial position as at December 31, 2022, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Anesthesiologists' Society / Société Canadienne des Anesthésiologistes as at December 31, 2022, 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 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 Society 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.

INDEPENDENT AUDITORS' REPORT (Continued)

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 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 to 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 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.

INDEPENDENT AUDITORS' REPORT (Continued)

- 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 auditors' 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 auditors' 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.

KRIENS~LAROSE, LLP

KRIENS~LAROSE, LLP

**Chartered Professional Accountants
Licensed Public Accountants**

Toronto, Ontario
May 28, 2023

CANADIAN ANESTHESIOLOGISTS' SOCIETY /
 SOCIÉTÉ CANADIENNE DES ANESTHÉSIOLOGISTES
STATEMENT OF FINANCIAL POSITION
 AS AT DECEMBER 31, 2022

	2022	2021
	\$	\$
ASSETS		
CURRENT		
Cash	2,003,049	1,905,086
Investments (Note 2)	840,133	869,884
Accounts receivable	159,908	199,617
Prepaid expenses	98,941	125,198
	3,102,031	3,099,785
INVESTMENTS (Note 2)	964,393	1,100,157
PREPAID EXPENSES	-	10,248
CAPITAL ASSETS (Note 3)	15,943	18,623
INTANGIBLE ASSETS (Note 4)	99,757	77,380
	1,080,093	1,206,408
	4,182,124	4,306,193

See accompanying notes to the financial statements

CANADIAN ANESTHESIOLOGISTS' SOCIETY /
SOCIÉTÉ CANADIENNE DES ANESTHÉSIOLOGISTES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

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	2022	2021
	\$	\$
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	291,543	184,243
HST payable	14,335	22,563
Deferred revenue (Note 5)	440,744	665,417
Due to related organizations (Note 6)	35,980	26,302
Due to Sections (Note 7)	599,048	571,236
	1,381,650	1,469,761
NET ASSETS		
UNRESTRICTED	2,100,474	2,136,432
INTERNALLY RESTRICTED - CONTINGENCY PURPOSES (Note 8)	700,000	700,000
	2,800,474	2,836,432
	4,182,124	4,306,193

APPROVED ON BEHALF OF THE BOARD:

_____, Director

_____, Director

See accompanying notes to the financial statements

CANADIAN ANESTHESIOLOGISTS' SOCIETY /
 SOCIÉTÉ CANADIENNE DES ANESTHÉSIOLOGISTES
STATEMENT OF CHANGES IN NET ASSETS
 AS AT DECEMBER 31, 2022

	Unrestricted Fund \$	Restricted for Contingency Fund \$	Total 2022 \$	Total 2021 \$
Balance, beginning of year	2,136,432	700,000	2,836,432	2,638,312
(Deficiency)/excess of revenues over expenses for the year	(35,958)	-	(35,958)	198,120
Balance, end of year	2,100,474	700,000	2,800,474	2,836,432

See accompanying notes to the financial statements

CANADIAN ANESTHESIOLOGISTS' SOCIETY /
 SOCIÉTÉ CANADIENNE DES ANESTHÉSIOLOGISTES
STATEMENT OF OPERATIONS
 FOR THE YEAR ENDED DECEMBER 31, 2022

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	2022	2021
	\$	\$
REVENUES		
Membership dues	1,060,737	987,205
Annual Meeting	742,739	203,690
Royalties (Note 9)	614,261	620,070
Other	87,669	22,623
Advertising and sponsorships	81,596	75,762
Subscription income	16,520	15,560
Investment (loss)/income (Note 2)	(153,100)	47,369
Government assistance (Note 10)	-	209,330
	2,450,422	2,181,609
EXPENSES		
Human resources	1,361,977	1,167,636
Annual Meeting	542,710	201,299
Administration	284,479	277,832
Board	91,064	35,283
Projects and resources	84,444	168,282
Other	38,459	24,000
Amortization (Note 4)	33,819	26,900
Funding to related organizations (Note 6)	20,000	40,000
Members' subscription to the Journal (Note 9)	19,572	18,664
Award	5,630	5,221
Committees	4,226	3,052
Occupancy	-	15,320
	2,486,380	1,983,489
(DEFICIENCY)/EXCESS OF REVENUES OVER EXPENSES FOR THE YEAR	(35,958)	198,120

See accompanying notes to the financial statements

CANADIAN ANESTHESIOLOGISTS' SOCIETY /
 SOCIÉTÉ CANADIENNE DES ANESTHÉSIOLOGISTES
STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2022

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	2022	2021
	\$	\$ (Note 14)
CASH WAS PROVIDED BY (USED IN):		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from members and activities	1,775,897	1,476,172
Royalties received	642,661	620,070
Interest and dividends received	58,002	52,970
Cash receipts from Government assistance	-	264,045
Cash paid to suppliers and employees	2,316,984)	1,926,249)
	159,576	487,008
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase in amounts due to related organizations	9,678	2,298
Net increase in amounts due to Sections	27,812	36,805
	37,490	39,103
CASH FLOWS FROM INVESTING ACTIVITIES		
Net change in investments	(45,587)	(44,475)
Purchase of capital assets	(4,076)	(5,382)
Purchase of intangible assets	(49,440)	(73,114)
	(99,103)	(122,971)
Change in cash	97,963	403,140
Cash, beginning of year	1,905,086	1,501,946
Cash, end of year	2,003,049	1,905,086

See accompanying notes to the financial statements

PURPOSE OF THE ORGANIZATION

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 is a not-for-profit organization under Section 149(1)(l) of the Income Tax Act (Canada) and, as such, is exempt from corporate income taxes.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook and include the following significant accounting policies:

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 financial liabilities at cost or amortized cost, except investments which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at cost or amortized cost include cash and accounts receivable.

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

Continued...

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Significant financial statement items that require the use of estimates relate to the assumptions used in the determination of the valuation of pension and post-employment benefits. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations in the year they become known.

Foreign Currency Translation

Transactions denominated in foreign currencies are translated into Canadian dollars at exchange rates prevailing at the related transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates in effect at the balance sheet date. Gains or losses arising from the translation of foreign currencies are included in the statement of operations.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and fixed income investments with maturities of less than 90 days.

Investments

Investments are valued at fair value based on the latest closing prices. Short-term investments are valued based on cost plus accrued interest, which approximates fair value. Transactions are recorded on a trade date basis and transaction costs are expensed as incurred.

Prepaid Expenses

Prepaid expenses are recorded for goods and services to be received in the next fiscal year, which were paid for in the current fiscal year.

Capital Assets and Intangible Assets

Capital assets and intangible assets are stated at acquisition cost. These assets are amortized over the estimated useful lives of the assets using the following annual rates and methods:

Computer equipment	5 years straight-line
Office equipment	30% declining balance
Website	3 years straight-line
Association management system	5 years straight-line
Trademark	10 years straight-line

Continued...

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Due to Sections

The Society performs administrative and bookkeeping services on behalf of various internal organizations (the "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 Sections' revenues and expenses are reflected as amounts due to Sections in the statement of financial position, and are not recorded in the Society's statement of operations.

Revenue Recognition

The Society follows 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 received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership and Registration Fees

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

Annual Meeting fees

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

Investment income

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.

Government Assistance

Government assistance is a restricted contribution and is accounted for using the deferral method based on the assistance provided:

Wage Subsidies

Wage subsidies are recognized as revenue in the year the related wages are incurred.

Expenses Allocation

The activities of the Society are internally divided into three functions: Journal, Annual Meeting, and Other CAS. The cost of each function includes costs directly related to supporting that function. The Society allocates human resources and overhead costs among these functions based on the total percentage of staff time spent on each function, and occupancy costs are allocated based on the function usage.

Continued...

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Property and Services

During the year, voluntary services were provided. Because of these services are not normally purchased by the Society, and because of the difficulty of determining their fair value, donated services are not recognized in these statements.

2. INVESTMENTS

The Society's investment policy provides for the distribution of surplus financial assets to the following funds:

On Demand Funds

On demand funds are required for the Society's day-to-day operations. Permitted investments include:

Deposits or high interest savings accounts with Canadian banks
Redeemable Guaranteed Investment Certificates issued by Canadian banks
Money market pooled or mutual funds

Short-term Funds

Short-term funds represent capital that has been designated for specific purposes, with a time horizon generally longer than six months. Percentage ranges of investment holdings based on total market value of assets are as follows:

Cash & equivalents	from 25% to 35%
Short/mid-term bonds	from 65% to 75%
Fixed securities (bonds)	100%

Sustainability Funds

The sustainability funds represent reserve for emergencies or unforeseen circumstances that could impact the Society long-term sustainability. The target balance for the fund is three months operating expenditures. Percentage ranges of investment holdings based on total market value of assets are as follows:

Cash & equivalents	from 0% to 10%
Fixed securities (bonds)	from 40% to 60%
Canadian equities	from 10% to 30%
Foreign equities	from 20% to 40%
Equities	from 40% to 60%

Continued...

2. INVESTMENTS (Continued)

Investments consist of the following:

	2022 \$	2021 \$
Fixed income securities (bonds)	944,548	1,222,909
Common stocks and equivalents	488,085	449,748
Short-term deposits	277,555	198,254
Other	94,338	99,130
	1,804,526	1,970,041
Current investments	840,133	869,884
Long-term investments	964,393	1,100,157
	1,804,526	1,970,041

Investment (loss)/income consists of the following:

	2022 \$	2021 \$
Interest, dividend and other income earned	58,001	52,970
Realized (loss)/gain on investments	(21,782)	4,121
Unrealized loss on investments	(189,319)	(9,722)
	(153,100)	47,369

Continued...

3. CAPITAL ASSETS

	2022		2021	
	Cost	Accumulated	Cost	Accumulated
	\$	\$	\$	\$
Computers equipment	31,378	17,443	28,318	11,714
Office equipment	6,359	4,351	5,342	3,323
	37,737	21,794	33,660	15,037
Net book value	15,943		18,623	

4. INTANGIBLE ASSETS

	2022		2021	
	Cost	Accumulated	Cost	Accumulated
	\$	\$	\$	\$
Website	80,910	63,511	75,910	45,615
Association management system	91,090	9,109	46,650	-
Trademarks	580	203	580	145
	172,580	72,823	123,140	45,760
Net book value	99,757		77,380	

In 2021, the Society contracted with a third-party vendor to build and implement a new Association management system ("AMS") to replace its outdated membership database. The total cost of the project is \$93,300. The total estimated cost to complete the AMS in 2023 is \$5,500. Amortization of the AMS was commenced in 2022 as it began being used by the Society in November 2022. In the current fiscal year, \$27,063 (2021: \$20,951) of amortization is recognized as an expense.

Continued...

5. DEFERRED REVENUE

Deferred revenue consists of the following:

	2022	2021
	\$	\$
Membership dues	417,644	621,167
Annual Meeting (i)	23,100	44,250
	<u>440,744</u>	<u>665,417</u>

(i) Included in Annual Meeting are sponsorship and exhibits amounts totaling \$23,100 (2021: \$44,250) which are being held in trust by a service provider on behalf of the Society.

The changes in deferred membership dues balances are as follows:

	2022	2021
	\$	\$
Balance, beginning of year	621,167	397,886
Contributions received during the year	418,796	637,109
Amounts recognized as revenue during the year	(622,319)	(413,828)
	<u>417,644</u>	<u>621,167</u>

The changes in Annual Meeting balances are as follows:

	2022	2021
	\$	\$
Balance, beginning of year	44,250	58,800
Contributions received during the year	200	-
Amounts recognized as revenue during the year	(21,350)	(3,600)
Amounts refunded during the year	-	(10,950)
	<u>23,100</u>	<u>44,250</u>

Continued...

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.

Due to related organization balances represent the net amounts between donations, grants and membership dues collected by the Society on behalf of related organizations, amounts due from related organizations and amounts disbursed during the year. Amounts are non-interest bearing, unsecured, and due on demand.

Amounts due to related organizations consist of the following:

	2022	2021
	\$	\$
Due to IEF	17,599	9,950
Due to CARF	16,203	9,600
Due to CPAS	2,178	6,752
	35,980	26,302

In the current fiscal year, the Society collected \$46,701 (2021: \$75,661) in donations on behalf of IEF and remitted \$39,052 (2021: \$77,411).

In the current fiscal year, the Society collected \$43,792 (2021: \$79,994) in donations on behalf of CARF and remitted \$37,189 (2021: \$80,394). The Society also made a cash donation of \$20,000 (2021: \$40,000) to CARF, which is included in funding to related organizations expense.

In the current fiscal year, the Society collected \$7,726 (2021: \$11,960) in membership dues on behalf of CPAS and remitted \$12,300 (2021: \$7,512).

Continued...

6. RELATED ORGANIZATIONS (Continued)

The Society 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:

	2022	2021
	\$	\$
CARF	37,000	28,000
IEF	37,000	19,000
	74,000	47,000

Transactions between related organizations are in the normal course of operations, and are measured at the exchange amount, which is the amount agreed to between the related parties.

7. DUE TO SECTIONS

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:

	2022	2021
	\$	\$
Balance, beginning of year	571,236	534,431
Sections' revenues collected during the year	48,825	49,356
Sections' expenses paid during the year	(21,013)	(12,551)
	599,048	571,236

Continued...

8. INTERNALLY RESTRICTED NET ASSETS

The Society has \$700,000 (2021: \$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.

9. ROYALTY AND SUBSCRIPTION REVENUE AND EXPENSES

The Society outsources the publication of Canadian Journal of Anesthesia (Journal Canadien d'Anesthésie) (the "Journal") to Springer Nature Switzerland AG ("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 printed copy of the Journal.

During the year ended December 31, 2022, the Society recognized royalties of \$614,261 (2021: \$620,070), of which \$592,165 (2021: \$592,807) was received from Springer. During 2022, the Society remitted subscription fees of \$19,572 (2021: \$18,664) to Springer.

10. GOVERNMENT ASSISTANCE

During the fiscal year, the Society recorded Government assistance as revenue as follows:

	2022	2021
	\$	\$
Canada Emergency Wage Subsidy (CEWS)	-	209,330

The CEWS served as financial relief for a portion of employee wages. The assistance received is not repayable albeit is subject to audit by the Canada Revenue Agency (CRA). The CEWS was temporary and available from March 15, 2020 to October 23, 2021 to eligible employers.

Continued...

11. 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 2022 is an allocation of \$41,000 (2021: \$46,480) based on the proportion of staff time spent on the function. Included in Journal administration for 2022 is \$7,000 (2021: \$8,400) of administration costs and included in Journal occupancy for 2022 is \$nil (2021: \$1,120) based on the function usage.

Included in Annual Meeting human resources for 2022 is an allocation of \$171,000 (2021: \$104,580) based on the proportion of staff time spent on the function. Included in Annual Meeting administration for 2022 is \$28,000 (2021: \$18,900) of administration costs and included in Annual Meeting occupancy for 2022 is \$nil (2021: \$2,520) based on the function usage.

12. COMMITMENTS

In August 2019, the Society entered into a 6-year conference management services agreement. The annual payments (plus HST) remaining from this agreement are as follows:

2023	88,000
2024	88,000
2025	73,333
	<hr/>
	249,333

13. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments. The following presents the Society's risk exposure and concentrations at December 31, 2022.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Society is exposed to credit risk in connection with its accounts receivable and its fixed income investments because of the risk that one party to the financial instrument may cause a financial loss for the other party by failing to discharge an obligation. The allowance for doubtful accounts is \$nil (2021: \$nil).

Liquidity Risk

Liquidity risk is the risk that the Society will encounter difficulties in meeting obligations associated with financial liabilities. The Society's exposure to liquidity risk is mainly in respect of its accounts payable and accrued liabilities, due to related organizations and due to Sections. The Society expects to meet these obligations as they come due by generating sufficient cash flow from operations. There has been no change in the risk assessment from the prior fiscal year.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: currency risk, interest rate risk and other price risk. There has been no change in the risk assessment from the prior fiscal year.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Canadian dollar equivalent of amounts held by the Society denominated in U.S. dollars is \$985,944 (2021: \$1,133,609) of cash. The Society has not entered into any hedging instruments to mitigate its exposure to foreign currency risk. Management is of the opinion that the net exposure to foreign exchange fluctuation is not material to the financial statements as a whole.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society's fixed income securities (bonds) are not subject to risk in respect of fluctuating interest rates. However, there is risk of market value adjustments on these investments which may result in cash flow risk. The Society actively manages the risk by maintaining a balanced investment portfolio.

Continued...

13. FINANCIAL INSTRUMENTS (Continued)

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Society is exposed to this risk in its investment portfolio.

14. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation used in the current year.

CANADIAN ANESTHESIOLOGISTS' SOCIETY /
 SOCIÉTÉ CANADIENNE DES ANESTHÉSIOLOGISTES
**SCHEDULE 1 - SUPPLEMENTARY STATEMENT OF OPERATIONS -
 JOURNAL**
 FOR THE YEAR ENDED DECEMBER 31, 2022

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	2022	2021
	\$	\$
REVENUES		
Royalties (Note 9)	614,261	620,070
Subscription income	16,520	15,560
Government assistance	-	12,560
	630,781	648,190
EXPENSES		
Human resources (Note 11)	405,872	436,728
Board	29,410	2,778
Members' subscription to the Journal (Note 9)	19,572	18,664
Administration (Note 11)	18,302	20,751
Projects and resources	-	23,473
Occupancy (Note 11)	-	1,120
	473,156	503,514
EXCESS OF REVENUES OVER EXPENSES FOR THE YEAR	157,625	144,676

Continued...

CANADIAN ANESTHESIOLOGISTS' SOCIETY /
 SOCIÉTÉ CANADIENNE DES ANESTHÉSIOLOGISTES
SCHEDULE 2 - SUPPLEMENTARY STATEMENT OF OPERATIONS -
ANNUAL MEETING
 FOR THE YEAR ENDED DECEMBER 31, 2022

	2022	2021
	\$	\$
REVENUES		
Annual Meeting:		
Registration	561,389	60,190
Exhibits	100,250	22,500
Advertising and sponsorship	81,100	121,000
Total Annual Meeting revenues	742,739	203,690
Government assistance	-	28,260
	742,739	231,950
EXPENSES		
Annual Meeting:		
Program	170,924	78,066
External management	138,000	113,000
Registrant	134,212	10,233
Exhibit	44,552	-
Social program	31,934	-
Staffing	20,150	-
Facility	2,938	-
Total Annual Meeting expenses	542,710	201,299
Human resources (Note 11)	193,922	107,280
Administration (Note 11)	51,464	24,882
Occupancy (Note 11)	-	2,520
	788,096	335,981
(DEFICIENCY) OF REVENUES OVER EXPENSES FOR THE YEAR	(45,357)	(104,031)

Continued...

CANADIAN ANESTHESIOLOGISTS' SOCIETY /
 SOCIÉTÉ CANADIENNE DES ANESTHÉSIOLOGISTES
SCHEDULE 3 - SUPPLEMENTARY STATEMENT OF OPERATIONS -
ALL OTHER CAS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	2022	2021
	\$	\$
REVENUES		
Membership dues	1,060,737	987,205
Other	87,669	22,623
Advertising and sponsorship	81,596	75,762
Investment (loss)/income	(153,100)	47,369
Government assistance	-	168,510
	1,076,902	1,301,469
EXPENSES		
Human resources	762,183	623,628
Administration	214,713	232,199
Projects and resources	84,444	144,809
Board	61,654	32,505
Amortization	33,819	26,900
Other	38,459	24,000
Funding to related organizations (Note 6)	20,000	40,000
Award	5,630	5,221
Committees	4,226	3,052
Occupancy	-	11,680
	1,225,128	1,143,994
(DEFICIENCY)/EXCESS OF REVENUES OVER EXPENSES FOR THE YEAR	(148,226)	157,475