

Financial Statements

Infection Prevention and Control Canada

December 31, 2020

Contents

	Page
Independent Auditor's Report	1 - 2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Financial Position	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 8

Independent Auditor's Report

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To the Members of
Infection Prevention and Control Canada

Opinion

We have audited the financial statements of Infection Prevention and Control Canada, which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net assets, 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 accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2020, and its results of 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 organization 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.

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 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report (continued)

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 organization'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 organization'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 organization 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.

Winnipeg, Canada
May 13, 2021

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script font.

Chartered Professional Accountants

Infection Prevention and Control Canada

Statement of Operations

Year ended December 31

	2020	2019
Revenues		
Awards sponsorship	\$ 2,300	\$ 46,713
Corporate membership fees	96,130	80,435
Distance education	123,286	121,194
Donations	3,114	4,588
Education	34,445	48,790
Infection control products	197	403
Interest earned	1,558	3,856
Journal	55,935	50,559
Membership fees	178,074	187,389
National conferences	1,812	458,000
Other projects	-	48,138
Routine practice E-learning	3,859	1,225
Website income	7,257	2,400
	<u>507,967</u>	<u>1,053,690</u>
Expenditures		
Annual general meeting	1,614	11,663
Audit, legal and accounting services	26,521	24,433
Awards	2,986	44,035
Bank, credit card charges and foreign exchange	14,526	21,491
Distant education costs	49,505	61,696
Donations	-	4,277
Education	49,517	52,447
External committees	345	10,653
Governance and advocacy	30,066	79,265
Infection control products	2,443	3,745
Insurance	11,095	10,591
Interest groups	1,325	5,806
Internal committees	11,162	22,692
Media Releases	604	3,070
National conferences	23,014	515,979
National office staff	122,820	121,604
Office and administration	33,403	35,205
Routine practice tool	5,665	717
Translation	1,102	4,092
Website	21,980	26,518
	<u>409,693</u>	<u>1,059,979</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 98,274</u>	<u>\$ (6,289)</u>

Infection Prevention and Control Canada

Statement of Changes in Net Assets

Year ended December 31

	General Fund	Chapter President's Fund	Total 2020	Total 2019
Balance, beginning of year	\$ 156,457	\$ 1,817	\$ 158,274	\$ 164,455
Excess (deficiency) of revenues over expenditures	98,274	-	98,274	(6,289)
Chapter donations	-	1,450	1,450	1,600
Chapter expenses	-	-	-	(1,492)
Balance, end of year	<u>\$ 254,731</u>	<u>\$ 3,267</u>	<u>\$ 257,998</u>	<u>\$ 158,274</u>

Infection Prevention and Control Canada

Statement of Financial Position

December 31

2020

2019

Assets

Current

Cash	\$ 214,167	\$ 127,627
Accounts receivable	53,383	81,035
Prepaid expenses	310,594	155,809
Goods and services tax recoverable	<u>3,039</u>	<u>24,036</u>
	<u>\$ 581,183</u>	<u>\$ 388,507</u>

Liabilities

Current

Accounts payable	\$ 49,298	\$ 78,253
Prepaid memberships	97,035	93,673
Deferred revenue	<u>176,852</u>	<u>58,307</u>
	<u>323,185</u>	<u>230,233</u>

Fund balances

General Fund	254,731	156,457
Chapter President's Fund	<u>3,267</u>	<u>1,817</u>
	<u>257,998</u>	<u>158,274</u>
	<u>\$ 581,183</u>	<u>\$ 388,507</u>

On behalf of the board

_____ Member

Infection Prevention and Control Canada

Statement of Cash Flows

Year ended December 31

2020

2019

Increase (decrease) in cash

Operating

Excess (deficiency) of revenues over expenditures	\$ 98,274	\$ (6,289)
Change in non-cash working capital items		
Accounts receivable	27,652	(48,830)
Prepaid expenses	(154,785)	(67,051)
Goods and services tax	20,997	(10,793)
Accounts payable	(28,955)	47,039
Prepaid memberships	3,362	4,259
Deferred revenue	118,545	52,307
	<u>85,090</u>	<u>(29,358)</u>

Financing

Donations to Chapter Presidents Fund	<u>1,450</u>	<u>108</u>
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Increase (decrease) in cash **86,540** (29,250)

Cash

Beginning of year	<u>127,627</u>	<u>156,877</u>
End of year	<u>\$ 214,167</u>	<u>\$ 127,627</u>

Infection Prevention and Control Canada

Notes to the Financial Statements

December 31, 2020

1. Basis of presentation

Infection Prevention and Control Canada prepares their financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

2. Purpose of Association

Infection Prevention and Control Canada was founded in 1976 and is a not-for-profit charitable organization. The organization is a national multidisciplinary association committed to inspire, nurture and advance a culture committed to infection prevention and control.

3. Significant accounting policies

Revenue recognition

Infection Prevention and Control Canada 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 contribution are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Seminar and conference related fees and revenues are recognized as revenue in the fiscal year when the events are held and the related costs are incurred.

Fair value

The carrying value of cash, accounts receivable, and accounts payable approximate fair value because of the near-term maturity of those instruments.

Financial risk

Financial risk is the risk that arises from the fluctuation in interest and market rates and the degree of volatility of those rates. The Association does not use derivative instruments to reduce its exposure to measurement uncertainty.

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

Infection Prevention and Control Canada

Notes to the Financial Statements

December 31, 2020

3. Significant accounting policies (continued)

Income taxes

The Association is a registered charity as defined in the Income Tax Act and consequently is not subject to corporation income taxes.

Chapter President Fund

A Fund was established to provide financial assistance to Chapter Presidents so they can attend Chapter Presidents meetings. Only donations specifically designated to the Fund will be allocated to the Chapter Presidents Fund.

4. Impacts of COVID-19

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

While governments and central banks have reacted with monetary and fiscal interventions designed to stabilize economic conditions, the duration and extent of the impact of the COVID-19 outbreak, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of the consequences of COVID-19, as well as the impact on the financial position and results of the organization for future periods.