

**CANADIAN ORGANIZATION
OF MEDICAL PHYSICISTS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

CONTENTS

Independent Auditor's Report

Balance Sheet

Statement of Changes in Net Assets

Statement of Revenues and Expenditures

Statement of Cash Flow

Notes to Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members:

Opinion

We have audited the accompanying financial statements of Canadian Organization of Medical Physicists which comprise the balance sheet as at December 31, 2019, and the statements of changes in net assets, revenue and expenditures and cash flow 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 Canadian Organization of Medical Physicists as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with Accounting Standards for Not-For-Profit Organizations (ASNPO).

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 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 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.

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 Auditing Standards (CASs), 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 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.



Smiths Falls, Ontario
May 22, 2020

Nephin Winter Bingley
Chartered Professional Accountants
Robert Winter CPA, CA, Partner

CANADIAN ORGANIZATION OF MEDICAL PHYSICISTS

BALANCE SHEET

AS AT DECEMBER 31, 2019

| | 2019 | 2018 |
|--|-------------|-------------|
| <hr/> | | |
| ASSETS | | |
| CURRENT | | |
| Cash | \$ 438,447 | \$ 499,242 |
| Accounts receivable - trade | 13,986 | 10,065 |
| - other | 18,103 | 8,413 |
| Prepaid expense | 40,192 | 9,009 |
| | <hr/> | |
| | \$ 510,728 | \$ 526,729 |
| | <hr/> | |
| LIABILITIES | | |
| CURRENT | | |
| Accounts payable and accrued liabilities | \$ 38,461 | \$ 33,164 |
| Due to Canadian Partnership for Quality Radiotherapy | 99,005 | 80,848 |
| Deferred revenue | 125,310 | 91,224 |
| | <hr/> | |
| | 262,776 | 205,236 |
| | <hr/> | |
| NET ASSETS | 247,952 | 321,493 |
| | <hr/> | |
| | \$ 510,728 | \$ 526,729 |
| | <hr/> | |

The accompanying notes are an integral part of the financial statements.

CANADIAN ORGANIZATION OF MEDICAL PHYSICISTS

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2019

| | 2019 | 2018 |
|---|-------------|-------------|
| UNRESTRICTED | | |
| Balance beginning of year | \$ 311,063 | \$ 263,141 |
| Excess (deficiency) of revenues over expenditures | (63,111) | 47,922 |
| | 247,952 | 311,063 |
| Balance end of year | 247,952 | 311,063 |
| RESTRICTED | | |
| Balance beginning of year | 10,430 | 10,430 |
| Transfer of Radiant funds to revenue | (10,430) | - |
| Balance end of year | - | 10,430 |
| Total net assets | \$ 247,952 | \$ 321,493 |

The accompanying notes are an integral part of the financial statements.

CANADIAN ORGANIZATION OF MEDICAL PHYSICISTS

STATEMENT OF REVENUES AND EXPENDITURE

FOR THE YEAR ENDED DECEMBER 31, 2019

| | 2019 | 2018 |
|--|--------------------|------------------|
| REVENUES | | |
| Advertising | \$ 28,075 | \$ 42,002 |
| Scientific meeting | 175,989 | 108,198 |
| Membership dues | 166,017 | 169,902 |
| Subscriptions | - | 889 |
| Winter school and mammography workshop | 68,604 | 98,537 |
| Canadian Nuclear Safety Commission | 15,847 | 31,455 |
| Miscellaneous revenue | 300 | 300 |
| Interest | 3,376 | 2,190 |
| | 458,208 | 453,473 |
| EXPENDITURES | | |
| Awards | 8,222 | 7,874 |
| Communications - newsletter | 29,809 | 26,345 |
| - website | 2,965 | 1,125 |
| - translations | 4,545 | 6,428 |
| - resource | 17,500 | 17,166 |
| - annual report | - | 195 |
| COMP/CCPM representation | 1,986 | 4,796 |
| Management services (note 5) | 129,500 | 105,601 |
| Bank charges | 9,912 | 7,156 |
| Memberships | 2,047 | 2,280 |
| Office operation | 10,985 | 8,830 |
| Scientific meeting | 160,935 | 22,497 |
| Survey | 3,000 | - |
| CCPM | 30,770 | 21,583 |
| Executive and committee meetings | 23,441 | 34,103 |
| Committee - other | 14,488 | 15,450 |
| Professional fees | 4,400 | 3,600 |
| Special projects, including CNSC | 15,847 | 37,780 |
| Subscriptions | - | 784 |
| Winter school and mammography workshop | 50,967 | 81,958 |
| | 521,319 | 405,551 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | \$ (63,111) | \$ 47,922 |

The accompanying notes are an integral part of the financial statements.

CANADIAN ORGANIZATION OF MEDICAL PHYSICISTS

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED DECEMBER 31, 2019

| | 2019 | 2018 |
|---|-------------------|-------------------|
| OPERATING ACTIVITIES | | |
| Excess (deficiency) of revenues over expenditures | \$ (63,111) | \$ 47,922 |
| CHANGES IN CERTAIN NON-CASH OPERATING ASSETS AND LIABILITIES | | |
| Amounts receivable | (13,611) | (2,201) |
| Prepaid expense | (31,184) | (573) |
| Accounts payable and accrued liabilities | 5,298 | 24,507 |
| Due to Canadian Partnership for Quality Radiotherapy | 18,157 | (6,449) |
| Adjustment to internally restricted funds | (10,430) | - |
| Deferred income | 34,086 | 11,061 |
| | 2,316 | 26,345 |
| INCREASE (DECREASE) IN CASH | (60,795) | 74,267 |
| CASH, BEGINNING OF YEAR | 499,242 | 424,975 |
| CASH, END OF YEAR | \$ 438,447 | \$ 499,242 |

The accompanying notes are an integral part of the financial statements.

CANADIAN ORGANIZATION OF MEDICAL PHYSICISTS

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

1. ORGANIZATION

The Canadian Organization of Medical Physicists (COMP) is a not-for-profit organization. The purpose of COMP is to encourage the application of physics in medicine. COMP accomplishes this through promotion of scientific knowledge, education, information and a forum for consensus-building.

COMP is exempt from income taxes under section 149 of the Income Tax Act.

2. GENERAL

Basis of Presentation:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of accounting*

Revenue and expenditures are recorded on the accrual basis whereby they are reflected in the accounts in the period in which they have been earned and incurred respectively, whether or not such transactions have been finally settled by the receipt or payment of money.

(b) *Revenue Recognition*

The Organization 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. 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.

Membership dues are recognized in the year they pertain to. Scientific meeting and winter school revenue is recognized when the event is held.

(c) *Use of estimates*

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts recorded in the financial statements and notes to the financial statements. Estimates are used for, but not limited to, the calculation of accrued interest receivable, allowance for doubtful accounts and accounts payable and accrued liabilities. These estimates are based on management's best knowledge of current events and actions that the organization may undertake in the future. Actual results may differ from these estimates.

CANADIAN ORGANIZATION OF MEDICAL PHYSICISTS

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

4. FINANCIAL INSTRUMENTS

The Organization's financial instruments consist of cash, investments, accounts receivable and accounts payable and accrued liabilities. The carrying amounts reported on the balance sheet for these financial instruments approximate fair market values due to their immediate or short-term maturities. Unless otherwise noted, it is management's opinion that the Organization is not subject to significant interest rate risk and credit risk arising from these financial statements.

There is no foreign currency risk.

The liquidity risk is constantly monitored through current and future cash flows and financial liability maturities.

The Organization's exposure to and management of risk has not changed materially since December 31, 2016.

5. CONTRACTUAL OBLIGATION

The organization has contracted for management services requiring annual base payments of 2019 - \$147,000, 2020 - \$149,940, and 2021-\$152,940 expiring December 2021. Either party may terminate the contract on 90 days notice.

6. CONTRIBUTION AGREEMENT

COMP entered into a contribution agreement dated October 4, 2019 with the Canadian Nuclear Safety Committee (CNSC). The main objective of the agreement is to promote the safe use of ionizing radiation in medicine. CNSC agreed to make a contribution not exceeding \$100,000 throughout the duration of the agreement to March 31, 2022. \$33,333 was received in fiscal 2019 and offset by \$853 in qualifying expenses. The balance will be applied against qualifying expenditures, as and when incurred.