

**THE CANADIAN ACADEMIC
ACCOUNTING ASSOCIATION**

FINANCIAL STATEMENTS

DECEMBER 31, 2024

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For the year ended
December 31, 2024



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**Management's Statement
of Responsibility**



The accompanying financial statements of The Canadian Academic Accounting Association (the "Association") are the responsibility of management and have been approved by the Board of Directors.

These financial statements have been prepared in conformity with Canadian accounting standards for not-for-profit organizations and, where appropriate, include amounts that are based on management's best estimates and judgments. Management has established internal control systems to ensure that the financial information is objective and reliable and that Association assets are safeguarded.

The financial statements have been audited by the independent auditors Graham Scott Enns LLP, Chartered Professional Accountants, Licensed Public Accountants, whose report outlines the scope of their examination and their opinion on the financial statements.

The Board of Directors carries out its responsibility for the financial statements through the Association's Finance Committee and its Treasurer. We have met with the auditors to consider the adequacy of internal controls and to review the financial statements and the auditors' report. The audited financial statements were reviewed prior to making recommendations to the Board of Directors in their acceptance for presentation to the membership.

Mark Anderson, PhD, CPA
President

Owais Khalid, CPA, CGA
Treasurer



INDEPENDENT AUDITORS' REPORT

To the Members of **The Canadian Academic Accounting Association:**

Opinion

We have audited the financial statements of **The Canadian Academic Accounting Association**, which comprise the statement of financial position as at December 31, 2024, and the statement of revenues and expenditures, statement of changes in fund balances 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, the Association's financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2024, 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

St. Thomas, Ontario

April 25, 2025

Graham Scott Enns LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

Statement of Financial Position



December 31, 2024

	General Fund	Internally Restricted Fund	Research Fund	Education Fund	Canadian Accounting Hall of Fame Fund	Total
Assets						
Current assets						
Cash	\$ 839,546	\$ -	\$ -	\$ -	\$ -	\$ 839,546
Accounts receivable (Note 11)	331,769	-	-	-	-	331,769
Due (to)/from interfund	(250,232)	82,787	161,936	526	4,983	-
Investments (Note 3)	507,960	-	-	-	-	507,960
Prepays	58,565	-	-	-	-	58,565
	1,487,608	82,787	161,936	526	4,983	1,737,840
Long term assets						
Investments (Note 3)	526,178	-	-	-	-	526,178
	\$ 2,013,786	\$ 82,787	\$ 161,936	\$ 526	\$ 4,983	\$ 2,264,018
Liabilities						
Current liabilities						
Accounts payable and accrued liabilities (Note 11)	\$ 82,193	\$ -	\$ -	\$ -	\$ -	\$ 82,193
Grant commitments outstanding	-	-	70,175	-	-	70,175
Deferred revenue (Note 10)	113,462	-	-	-	-	113,462
	195,655	-	70,175	-	-	265,830
Fund Balances						
Externally restricted	-	-	91,761	526	4,983	97,270
Internally restricted	-	82,787	-	-	-	82,787
Unrestricted	1,818,131	-	-	-	-	1,818,131
	1,818,131	82,787	91,761	526	4,983	1,998,188
	\$ 2,013,786	\$ 82,787	\$ 161,936	\$ 526	\$ 4,983	\$ 2,264,018

Approved on behalf of the Board:

Director Mark Anderson

Director [Signature]

Statement of Financial Position (continued)



December 31, 2023

	General Fund	Internally Restricted Fund	Research Fund	Education Fund	Canadian Accounting Hall of Fame Fund	Total
Assets						
Current assets						
Cash	\$ 802,623	\$ -	\$ -	\$ -	\$ -	\$ 802,623
Accounts receivable (Note 11)	295,738	-	-	-	-	295,738
Due (to)/from interfund	(221,778)	82,787	133,482	526	4,983	-
Investments (Note 3)	270,215	-	-	-	-	270,215
Prepays	31,107	-	-	-	-	31,107
	1,177,905	82,787	133,482	526	4,983	1,399,683
Long term assets						
Investments (Note 3)	721,388	-	-	-	-	721,388
	\$ 1,899,293	\$ 82,787	\$ 133,482	\$ 526	\$ 4,983	\$ 2,121,071
Liabilities						
Current liabilities						
Accounts payable and accrued liabilities (Note 11)	\$ 92,801	\$ -	\$ -	\$ -	\$ -	\$ 92,801
Grant commitments outstanding	-	-	77,977	-	-	77,977
Deferred revenue (Note 10)	169,502	-	-	-	-	169,502
	262,303	-	77,977	-	-	340,280
Fund Balances						
Externally restricted	-	-	55,505	526	4,983	61,014
Internally restricted	-	82,787	-	-	-	82,787
Unrestricted	1,636,990	-	-	-	-	1,636,990
	1,636,990	82,787	55,505	526	4,983	1,780,791
	\$ 1,899,293	\$ 82,787	\$ 133,482	\$ 526	\$ 4,983	\$ 2,121,071

Statement of Operations and Statement of Changes in Fund Balances



For the year ended December 31, 2024

Statement of Operations

	General Fund	Internally Restricted Fund	Research Fund	Education Fund	Canadian Accounting Hall of Fame Fund	Total
Revenues						
Advertising	\$ 5,700	\$ -	\$ -	\$ -	\$ -	\$ 5,700
Membership fees (Note 4)	144,185	-	-	-	-	144,185
Publications and submissions (Note 5)	614,176	-	-	-	-	614,176
Sustaining patrons and partners (Notes 6 and 8)	10,500	-	59,500	-	-	70,000
Conferences and courses (Note 7)	385,481	-	-	-	-	385,481
Investment income	42,768	-	-	-	-	42,768
Foreign exchange gain/(loss)	66,066	-	-	-	-	66,066
Sundry	650	-	26,931	-	-	27,581
	1,269,526	-	86,431	-	-	1,355,957
Expenses						
Administrative	70,721	-	-	-	-	70,721
Publications and submissions (Note 5)	183,537	-	-	-	-	183,537
Conferences and courses (Note 7)	322,622	-	-	-	-	322,622
Research awards (Notes 8)	-	-	70,175	-	-	70,175
Other awards and use of funds	-	-	-	-	-	-
Committees, president's travel and directors' liability	40,791	-	-	-	-	40,791
Website	29,746	-	-	-	-	29,746
Salaries and benefits	420,968	-	-	-	-	420,968
	1,068,385	-	70,175	-	-	1,138,560
Excess (deficiency) of revenues over expenses	\$ 201,141	\$ -	\$ 16,256	\$ -	\$ -	\$ 217,397

Statement of Changes in Fund Balances

Fund balances, beginning of year,	\$1,636,990	\$ 82,787	\$ 55,505	\$ 526	\$ 4,983	\$1,780,791
Excess (deficiency) of revenues over expenses	201,141	-	16,256	-	-	217,397
Interfund transfer (Note 8)	(20,000)	-	20,000	-	-	-
Fund balances, end of year	\$1,818,131	\$ 82,787	\$ 91,761	\$ 526	\$ 4,983	\$1,998,188

**Statement of Operations and
Statement of Changes in Fund Balances
(continued)**

For the year ended December 31, 2023



Statement of Operations

	General Fund	Internally Restricted Fund	Research Fund	Education Fund	Canadian Accounting Hall of Fame Fund	Total
Revenues						
Advertising	\$ 8,514	\$ -	\$ -	\$ -	\$ -	\$ 8,514
Membership fees (Note 4)	152,072	-	-	-	-	152,072
Publications and submissions (Note 5)	637,594	-	-	-	-	637,594
Sustaining patrons and partners (Notes 6 and 8)	10,500	-	59,500	-	-	70,000
Conferences and courses (Note 7)	457,058	-	-	-	-	457,058
Investment income	36,889	-	-	-	-	36,889
Foreign exchange gain/(loss)	(21,963)	-	-	-	-	(21,963)
Sundry	2,975	-	-	-	-	2,975
	1,283,639	-	59,500	-	-	1,343,139
Expenses						
Administrative	83,693	-	-	-	-	83,693
Publications and submissions (Note 5)	191,660	-	-	-	-	191,660
Conferences and courses (Note 7)	439,619	-	-	-	-	439,619
Research awards (Notes 8)	-	-	77,977	-	-	77,977
Other awards and use of funds	-	-	-	-	3,676	3,676
Committees, president's travel and directors' liability	38,405	-	-	-	-	38,405
Website	46,150	-	-	-	-	46,150
Salaries and benefits	360,114	-	-	-	-	360,114
	1,159,641	-	77,977	-	3,676	1,241,294
Excess (deficiency) of revenues over expenses	\$ 123,998	\$ -	\$ (18,477)	\$ -	\$ (3,676)	\$ 101,845

Statement of Changes in Fund Balances

Fund balances, beginning of year	\$1,532,992	\$ 82,787	\$ 53,982	\$ 526	\$ 8,659	\$1,678,946
Excess (deficiency) of revenues over expenses	123,998	-	(18,477)	-	(3,676)	101,845
Interfund transfer (Note 8)	(20,000)	-	20,000	-	-	-
Fund balances, end of year	\$1,636,990	\$ 82,787	\$ 55,505	\$ 526	\$ 4,983	\$1,780,791

Statement of Cash Flows



For the year ended December 31, 2024

	General Fund	Research Fund	Education Fund	Canadian Accounting Hall of Fame Fund	Total
Cash flows from operating activities					
Excess (deficiency) of revenues over expenses	\$ 201,141	\$ 16,256	\$ -	\$ -	\$ 217,397
Items not involving cash					
Interest accrued on investments	(74,223)	-	-	-	(74,223)
	126,918	16,256	-	-	143,174
Change in non-cash working capital items					
Accounts receivable	(36,031)	-	-	-	(36,031)
Due (to)/from interfund	28,454	(28,454)	-	-	-
Prepays	(27,458)	-	-	-	(27,458)
Accounts payable and accrued liabilities	(10,608)	-	-	-	(10,608)
Grant commitments outstanding	-	(7,802)	-	-	(7,802)
Deferred revenue	(56,040)	-	-	-	(56,040)
Cash provided (used) in operating activities	25,235	(20,000)	-	-	5,235
Cash flows from investing activities					
Purchase of investments	(265,272)	-	-	-	(265,272)
Redemptions of investments	296,960	-	-	-	296,960
Cash provided (used) in investing activities	31,688	-	-	-	31,688
Net change in cash	56,923	(20,000)	-	-	36,923
Cash, beginning of year	802,623	-	-	-	802,623
Interfund transfer (Note 8)	(20,000)	20,000	-	-	-
Cash, end of year	\$ 839,546	\$ -	\$ -	\$ -	\$ 839,546

Statement of Cash Flows (continued)



For the year ended December 31, 2023

	General Fund	Research Fund	Education Fund	Canadian Accounting Hall of Fame Fund	Total
Cash flows from operating activities					
Excess (deficiency) of revenues over expenses	\$ 123,998	\$ (18,477)	\$ -	\$ (3,676)	\$ 101,845
Items not involving cash					
Interest accrued on investments	(31,821)	-	-	-	(31,821)
	92,177	(18,477)	-	(3,676)	70,024
Change in non-cash working capital items					
Accounts receivable	(137,696)	-	-	-	(137,696)
Due (to)/from interfund	(39,763)	36,087	-	3,676	-
Prepays	65,373	-	-	-	65,373
Accounts payable and accrued liabilities	29,356	-	-	-	29,356
Grant commitments outstanding	-	(37,610)	-	-	(37,610)
Deferred revenue	(20,684)	-	-	-	(20,684)
Cash provided (used) in operating activities	(11,237)	(20,000)	-	3,676	(31,237)
Cash flows from investing activities					
Purchase of investments	(226,510)	-	-	-	(226,510)
Redemptions of investments	126,510	-	-	-	126,510
Cash provided (used) in investing activities	(100,000)	-	-	-	(100,000)
Net change in cash	(111,237)	(20,000)	-	-	(131,237)
Cash, beginning of year	933,860	-	-	-	933,860
Interfund transfer (Note 8)	(20,000)	20,000	-	-	-
Cash, end of year	\$ 802,623	\$ -	\$ -	\$ -	\$ 802,623

Notes to the Financial Statements

December 31, 2024



Nature and description of organization

The Canadian Academic Accounting Association ("Association") was incorporated by Letters Patent dated December 2, 1976 without share capital under the Provisions of Part II of the *Canada Corporations Act*. The Association is to be carried on without monetary gain to its members. Any profit or other accretions are to be used in promoting the Association's objectives.

The Association is a registered charity under the *Income Tax Act Canada* and is exempt from income tax under Section 149(1)(l) of the *Income Tax Act Canada*. Registration remains valid so long as the Association continues to fulfill the requirements of the Act and regulations in respect of registered charities.

The mission of the Association is to promote excellence in accounting research and education in Canada.

1 Summary of significant accounting policies

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations, and include the following significant accounting policies:

Fund Accounting

General Fund

The General Fund accounts for current operations and programs as well as the Association's general operations.

Internally Restricted Fund

Internally restricted net assets have been segregated to provide for continuity of the Association. The funds received as a result of the capital campaign undertaken to establish the Association are invested to generate an annual return in support of the general operations of the Association.

1 Summary of significant accounting policies (continued)

Fund Accounting (continued)

Research Fund

The Research Fund accounts for contributions and expenditures that have been internally and externally restricted for the operation of research projects as approved by the Research Committee as described in Note 8. Restricted contributions for this purpose are reported in this fund. Research awards are recorded as an expense in the year the grant is approved.

Education Fund

The Education Fund accounts for contributions and expenditures that have been externally restricted for the operation of educational seminars and other projects as approved by the Education Committee as described in Note 9.

Canadian Accounting Hall of Fame Fund

The Canadian Accounting Hall of Fame Fund accounts for contributions and expenditures that have been externally restricted for the operation of the activities of the Canadian Accounting Hall of Fame as described in Note 12.

Revenue recognition

The Association follows the restricted fund method of accounting for contributions whereby externally restricted contributions are recognized in the fund corresponding to the purpose for which they were contributed. Restricted contributions for which no corresponding restricted fund is presented must be recognized in the General Fund using the deferral method. Unrestricted contributions are recognized as revenues in the General Fund.

By agreement with the funding organizations, any interest earned on the investment of the funds restricted for research and education is recognized as revenue of the General Fund.

Advertising revenue is recognized in the period in which the advertisement is published. The portion of the advertising revenue invoiced but not yet published is recorded as deferred revenue.

Membership fees are recognized as revenue proportionately over the fiscal year to which they relate. The membership year of the Association coincides with that of the fiscal year of the Association, being January 1 to December 31. Membership fees received in advance of the membership year to which they relate are recorded as deferred revenue.

Publications revenue is recognized as payments are received from the publisher for publishing rights and other intellectual property. Publication revenue is recognized on the gross amount billed to a customer or the net amount retained based on whether the Association acts as principal or an agent in the transaction. An enterprise is acting as a principal when it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services.

1 Summary of significant accounting policies (continued)

Revenue recognition (continued)

Submission revenue is collected when a manuscript enters into the submission process. The submission process is initiated when the funds are provided and the manuscript is submitted. The manuscript is assessed to determine whether its topic falls within Contemporary Accounting Research's ("CAR") Aims and Scope, and whether the likelihood of success is sufficiently high to merit entering it into the peer review process. If the assessment results in the manuscript not being entered into the peer review process, part of the submission fee received is refunded to the author. Submission revenue is recognized at the final disposition of the manuscript. Final disposition can be either when the manuscript is rejected as it cannot be published or, when it proceeds to online publication.

Revenue from conferences and courses is recognized when conferences and courses are presented. The portion of conferences and courses revenue invoiced but not yet presented is recorded as deferred revenue.

Investment income comprises interest from cash and fixed income investments. Revenue is recognized on an accrual basis. Interest on fixed income investments is recognized over the terms of the investments using the effective interest rate method.

Government contributions are recognized as revenue in the year received or receivable, if the amount to be received can be reasonably estimated, collection is reasonably assured, and there is reasonable assurance that the Association has complied with, and will continue to comply with, all conditions necessary to obtain the funding.

Financial instruments

(i) Measurement of financial instruments

The Association initially measures its financial assets and financial liabilities at fair value adjusted by the amount of transaction costs directly attributable to the instrument.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost.

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

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Notes to the Financial Statements

December 31, 2024



1 Summary of significant accounting policies (continued)

Financial instruments (continued)

(ii) Impairment

At the end of each reporting period, the Association assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the Association, including but not limited to the following events: significant financial difficulty of the issuer; a breach of contract, such as a default or delinquency in interest or principal payments; and bankruptcy or other financial reorganization proceedings.

When there is an indication of impairment, the Association determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset.

When the Association identifies a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it reduces the carrying amount of the asset to the greater of the following:

- the present value of the cash flows expected to be generated by holding the asset discounted using a current market rate of interest appropriate to the asset; and
- the amount that could be realized by selling the asset at the statement of financial position date.

Any impairment of the financial asset is charged to income in the period in which the impairment is determined.

When the extent of impairment of a previously written-down financial asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement, but not in excess of the impairment loss. The amount of the reversal is recognized in income in the period the reversal occurs.

Donated materials and services

Donated materials and services are provided to the Association by individuals, universities, firms and other associations. These materials and services are not recorded in these financial statements because of the difficulty of determining their fair value.

The Association grants submission waivers to reviewers with no monetary consideration involved.

Notes to the Financial Statements



December 31, 2024

1 Summary of significant accounting policies (continued)

Foreign currency transactions

Monetary assets and monetary liabilities of the Association which are denominated in foreign currencies are translated at year end exchange rates. Non-monetary assets and non-monetary liabilities are translated at rates in effect at the date the assets were acquired and liabilities incurred. Revenues and expenses are translated at the rates of exchange in effect at their transaction dates. The resulting gains or losses are included in excess (deficiency) of revenues over expenses in the period.

Management estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent assets and contingent liabilities at the date of the financial position and the reported amounts of revenues and expenses during the current period. Actual results may differ from the estimates, the impact of which would be recorded in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Notes to the Financial Statements



December 31, 2024

2 Financial risk management

The Association regularly evaluates and manages the principal risks assumed with its financial instruments. The risks that arise from transacting in financial instruments include liquidity risk, credit risk, market risk, interest rate risk, and foreign currency risk. The following analysis provides a measure of the Association's risk exposure and concentrations. There are no significant changes in the risk exposures from the prior period.

The financial instruments of the Association and the nature of the risks to which it may be subject are as follows:

Financial instrument	Risks			
	Credit	Liquidity	Currency	Interest rate
Cash			X	
Accounts receivable	X		X	
Investments		X		X
Accounts payable and accrued liabilities		X		

Credit risk

The Association is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the Association could incur a financial loss. The Association does not hold directly any collateral as security for financial obligations of counterparties.

The maximum exposure of the Association to credit risk is as follows:

	2024	2023
Accounts receivable	\$ 331,769	\$ 295,738

The accounts receivable of the Association include \$198,636 (2023 - \$188,912) due from Wiley Periodicals Inc. (Note 5(i)). The Association regularly reviews its relationship with Wiley Periodicals Inc. to reduce its exposure to credit risk.

Liquidity risk

Liquidity risk is the risk that the Association will not be able to meet a demand for cash or fund its obligations as they come due.

The Association meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flows from operations and anticipated investing and financing activities and holding assets that can be readily converted into cash.

Notes to the Financial Statements



December 31, 2024

2 Financial risk management (continued)

Foreign currency risk

The Association enters into foreign currency purchase and sale transactions and has financial assets and financial liabilities that are denominated in foreign currencies and thus is exposed to the financial risk of earnings fluctuations arising from changes in foreign exchange rates and the degree of volatility of these rates.

At year end, the Association had the following amounts denominated in foreign currencies:

	<u>2024</u>	<u>2023</u>
Cash	\$ 485,234 USD	\$ 467,722 USD
Accounts receivable	\$ 138,047 USD	\$ 142,834 USD

Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

The Association is exposed to fair value risk on its fixed income investments.

The Association manages the interest rate risk exposure of its fixed income investments by using a laddered portfolio with varying terms to maturity. The laddered structure of maturities helps to enhance the average portfolio yield while reducing the sensitivity of the portfolio to the impact of interest rate fluctuations.

Fluctuations in market rates of interest on fixed income investments do not have a significant impact on the Association's results of operations.

The Association does not use derivative financial instruments to manage its exposure to interest rate risk.

The Association is not exposed to any significant market risk at the statement of financial position date.

Notes to the Financial Statements



December 31, 2024

3 Investments

The Association holds fixed income investments, as described below:

	<u>2024</u>	<u>2023</u>
Current	\$ 507,960	\$ 270,215
Long-term	526,178	721,388
	<u>\$1,034,138</u>	<u>\$ 991,603</u>

The investments have effective interest rates ranging from 3.35% to 5.15% (2023 - 2.20% to 4.90%), with maturity dates ranging from January 2025 to June 2027 (2023 - January 2024 to July 2026).

4 Membership fees

The Association has been collecting membership fees from members in Canada in Canadian dollars and from members outside Canada in U.S. dollars. Beginning November 2023, the Association changed its policy to collect membership fees worldwide in Canadian dollars.

5 Publications and submissions

(i) Publications

The Association is in a six-year publishing contract with Wiley Periodicals Inc. ("Wiley"), to December 31, 2025. Under the royalty-based agreement, Wiley handles all sales and marketing in connection with its *Contemporary Accounting Research* journal ("CAR") and *Accounting Perspectives* journal ("AP"), arranges and collects subscription fees, provides editorial management and plagiarism detection services, publishes and distributes both hard and digital copies of the two journals. The content for the two journals is provided by the Association and remains the property of the Association. In accordance with the agreement, Wiley remits \$10,000 USD for the support of Electronic Editorial Office and proofreading, \$30,000 USD with adjustments to the United States Consumer Price Index each year for editorial costs and a percentage of the revenues collected to the Association.

Notes to the Financial Statements



December 31, 2024

5 Publications and submissions (continued)

(ii) Submissions

The Association receives submission fees in connection with articles submitted for the annual CAR conference or for publication in the CAR journal.

	<u>2024</u>	<u>2023</u>
Revenues		
Publications	\$ 435,761	\$424,680
Submissions	178,415	212,914
	<u>\$ 614,176</u>	<u>\$637,594</u>

The Association incurs the following costs to support the publication of its two journals, CAR and AP:

	<u>2024</u>		
Expenses	CAR	AP	Total
Publication costs	\$ 100,270	\$ 29,730	\$130,000
Editors' academic and research support	41,000	12,000	53,000
	<u>\$ 141,270</u>	<u>\$ 41,730</u>	<u>\$183,000</u>
	<u>2023</u>		
Expenses	CAR	AP	Total
Publication costs	\$ 122,395	\$ 16,265	\$138,660
Editors' academic and research support	41,000	12,000	53,000
	<u>\$ 163,395</u>	<u>\$ 28,265</u>	<u>\$191,660</u>

Notes to the Financial Statements

December 31, 2024



6 Sustaining patrons and partners

Contributions are received from sustaining patrons and partners¹.

CPA Canada is the Association's partner. Contributions received were as follows:

	2024			
	Total Grants	Conferences and courses (Note 7)	Research program (Note 8)	General operations
CPA Canada ²	\$ 174,500	\$ 104,500	\$ 59,500	\$ 10,500
	2023			
	Total Grants	Conferences and courses (Note 7)	Research program (Note 8)	General operations
CPA Canada ²	\$ 174,500	\$ 104,500	\$ 59,500	\$ 10,500

In December 2022, the Association and CPA Canada signed a new three-year Memorandum of Understanding regarding an on-going funding support partnership for the Association's primary activities covering the years from December 1, 2022 through to November 30, 2025. CPA Canada will be providing \$104,500 annually for the CAAA Annual Conference, the CAR Conference, the CAR PhD Consortium and the AP Symposium and \$70,000 annually to be held in trust for the CPA Canada-CAAA Research Grant Program.

¹ The Association uses the terms "Partner" and "Partnership" to describe the style of the working relationship between the parties.

² The General Fund is allocated a portion of the funds received from its sustaining partners to administer the research funds. In 2023, \$10,500 was allocated from the \$70,000 contributed by CPA Canada (2022-\$7,500).

Notes to the Financial Statements



December 31, 2024

7 Conferences and courses

The Association holds two conferences during the year: its CAAA Annual Conference in late spring (including Professional Development and PhD courses) and its CAR Conference in the fall. Both 2023 conferences were hybrid conferences. Funds required for the organization of these conferences are provided by the following sources:

2024				
Revenues	CAAA Annual Conference	CAR Conference	AP Symposium	Total
Attendance fees	\$ 126,662	\$ 63,150	\$ -	\$ 189,812
Other sponsors	33,675	18,194	-	51,869
Exhibitors' booths and other revenue	10,000	-	-	10,000
CPA Canada (Note 6)	31,000	66,000	7,500	104,500
Submission fees for conference papers	-	29,300	-	29,300
	\$ 201,337	\$ 176,644	\$ 7,500	\$ 385,481
2023				
Revenues	CAAA Annual Conference	CAR Conference	AP Symposium	Total
Attendance fees	\$ 144,428	\$ 77,218	\$ -	\$ 221,646
Other sponsors	50,575	15,000	-	65,575
Exhibitors' booths and other revenue	16,000	-	-	16,000
CPA Canada (Note 6)	31,000	66,000	7,500	104,500
Submission fees for conference paper	-	49,337	-	49,337
	\$ 242,003	\$ 207,555	\$ 7,500	\$ 457,058

Notes to the Financial Statements



December 31, 2024

7 Conferences and courses (continued)

Funds which were required for the organization of these conferences are as follows:

Expenses	2024		
	CAAA Annual Conference	CAR Conference	Total
Administration	\$ 38,941	\$ 25,371	\$ 64,312
Venue costs	148,413	91,821	240,234
Editors and presenters travel	7,071	8,315	15,386
PhD students support	1,214	1,476	2,690
	\$ 195,639	\$ 126,983	\$ 322,622
Expenses	2023		
	CAAA Annual Conference	CAR Conference	Total
Administration	\$ 53,836	\$ 14,985	\$ 68,821
Venue costs	204,539	144,030	348,569
Editors and presenters travel	5,742	10,723	16,465
PhD students support	-	5,764	5,764
	\$ 264,117	\$ 175,502	\$ 439,619

PhD student travel/accommodation support reflects the amount directly reimbursed to students to offset travel and/or accommodation costs. The Association also waives or reimburses the registration fee for Association student members for the CAR conference and covers the cost of their meals and conference materials. Such costs are also covered for speakers at the PhD consortium.

Notes to the Financial Statements



December 31, 2024

8 Research program

The Association commissions research projects through its Research Committee to be undertaken by its members. Funding for such projects is provided to the Association on an annual basis by CPA Canada. In 2012, the Association established a new research fund which it funds from its General Fund on an annual basis. The reported Research Funds deficit represents revenue already recognized in fund balances in prior years. Part of accumulated research funds is now being used each year to increase the total amount of grants awarded per an agreement between the Association and CPA Canada. Among other uses, fund balances have allowed the establishment of the Special Education Research Grant Program.

2024						
	CPA AB & ON	CPA Canada	Deloitte	SAP AG	Association	Total
Fund balance, beginning of year	\$ 2,500	\$ 47,513	\$ 1,187	\$ 1,642	\$ 2,663	\$ 55,505
Research funding ¹	-	59,500	-	-	-	59,500
Research awards	-	(39,575)	-	-	(30,600)	(70,175)
Interfund transfer	-	-	-	-	20,000	20,000
Unused research and travel funds	-	18,675	-	-	8,257	26,932
Fund balance, end of year	\$ 2,500	\$ 86,113	\$ 1,187	\$ 1,642	\$ 320	\$ 91,762
Number of Projects Funded in 2024	-	4	-	-	4	8
2023						
	CPA AB & ON	CPA Canada	Deloitte	SAP AG	Association	Total
Fund balance, beginning of year	\$ 2,500	\$ 46,838	\$ 1,187	\$ 1,642	\$ 1,815	\$ 53,982
Research funding ¹	-	59,500	-	-	-	59,500
Research awards	-	(58,825)	-	-	(19,152)	(77,977)
Interfund transfer	-	-	-	-	20,000	20,000
Unused research and travel funds	-	-	-	-	-	-
Fund balance, end of year	\$ 2,500	\$ 47,513	\$ 1,187	\$ 1,642	\$ 2,663	\$ 55,505
Number of Projects Funded in 2023	-	5	-	-	3	8

Transfers from the General Fund to the Research Fund require Board of Directors approval. In 2024, the Board of Directors approved a transfer from the General Fund to the Research Fund of \$20,000 (2023 - \$20,000).

¹ The Association retains a portion of the funds received from its sustaining partners to administer the research funds. In 2024, \$10,500 was retained to administer the research funds (2023 - \$10,500).

Notes to the Financial Statements



December 31, 2024

9 Education program

The Association funds educational seminars and other projects through its Education Committee.

In 2016, the Board of Directors of the Association approved the undertaking of a pilot project to provide sponsorship funds and promotional support to events to be held in Canada between April 2017 and December 2019 that:

- Reinforce the Association's vision to promote excellence in academic accounting research and education;
- Represent areas of study not always well represented in other Association events or publications; and
- Reflect the diversity of Association membership.

The Association continued to fund such events through 2019 and stopped due to the Covid-19 pandemic.

The format of the event may be flexible: the Association looks to support any event that embraces independence, excellence, and innovation in the academic accounting field.

	2024	2023
	SAP AG	SAP AG
Fund balance, beginning of year	\$ 526	\$ 526
Outreach program expenses	-	-
Fund balance, end of year	\$ 526	\$ 526

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10 Deferred revenue

Deferred revenue of the Association consists of the following:

	<u>2024</u>	<u>2023</u>
Unearned membership revenue	\$ -	\$ 50,825
Unearned submissions revenue	113,462	118,127
Unearned conference revenue	-	550
	<hr/>	<hr/>
	\$ 113,462	\$ 169,502
	<hr/>	<hr/>

11 Government remittances

Included in accounts receivable is \$18,064 (2023 - \$31,326) due from the Receiver General relating to sales taxes recoverable.

Included in accounts payable and accrued liabilities is \$16,744 (2023 - \$8,101) due to the Receiver General and Ministère du Revenu du Québec relating to payroll withholdings.

12 Canadian Accounting Hall of Fame Fund

The Canadian Accounting Hall of Fame ("CAHF") was created as a program to recognize individuals who have made significant contributions to the development of the Canadian accounting profession or, as Canadians, have made contributions to the development of accounting elsewhere in the world, and to generate a curated biographical history of accounting in Canada. In 2024, the Association has covered a total of \$3,499 (2023 - \$5,000) of out-of-pocket expenses to start up the program, along with in-kind costs of staff, website, and awards ceremony support, that are included in the operating expenses of the Association's General Fund. In March 2022, CPA Canada provided one-time seed funding of \$10,000 to cover further start-up costs of the CAHF. In 2024, no of out-of-pocket CAHF-related costs have been charged to this fund (2023 - \$3,676) .

Notes to the Financial Statements



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13 Submission waivers outstanding

The Association grants submission waivers to Associate Reviewers who complete two prompt reviews (review completed within 30 days of the original review invitation) of articles submitted to be considered for publication in CAR. These submission waivers can be redeemed by the reviewers when they in turn wish to submit their own articles to be considered for publication in CAR. Reviewer fee waivers must be redeemed within 5 years from the date the first prompt review was completed, failing which the waiver is forfeited. Waivers have no monetary value and are not transferrable. The Association reserves the right to change the terms of its reviewer fee waivers program at any time.

The following submission waivers are outstanding:

	<u>2024</u>	<u>2023</u>
Submission waivers, beginning of year	1,486	1,441
Submission waivers granted	375	391
Submission waivers redeemed	(148)	(106)
Submission waivers expired	(224)	(240)
	<hr/>	<hr/>
Submission waivers, end of the year	1,489	1,486

Based on the redemption experience of the Association over the last 5 years, a submission waiver redemption of 123 waivers is expected in 2025. The fair value of the future waiver redemptions is not determinable at year end.

Notes to the Financial Statements



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14 Commitments

During the course of its normal operations, the Association enters into contracts with hotels in order to host its annual and CAR conferences. The facilities contracts contain cancellation terms which compensate the hotels in the event that the Association were to cancel its contract. The cancellation fees increase as the event date gets closer.

As at the date of these financial statements, the Association has entered into four future contracts:

1. 2025 CAAA Annual Conference - Marriott Downtown CF Toronto Eaton Centre beginning June 11:
Cancellation fee to June 30, 2024 \$38,317.50 gradually increasing to \$89,898 on May 16, 2025 to June 11.
 2. 2026 CAAA Annual Conference - Banff Centre for Arts and Creativity beginning June 17:
Cancellation fee to June 16, 2025 \$57,495 gradually increasing to \$264,750 on May 17, 2026 to June 17.
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