

**Canadian Pension and Benefits Institute**  
**Financial Statements**  
**For the year ended December 31, 2024**

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**Financial Statements**  
For the year ended December 31, 2024

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## Independent Auditor's Report

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**To the Board of Directors of the  
Canadian Pension and Benefits Institute**

### **Opinion**

We have audited the financial statements of the Canadian Pension and Benefits Institute (the "Institute"), which comprise the statement of financial position as at December 31, 2024, 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 Institute as at December 31, 2024, 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 Institute 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.

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## Independent Auditor's Report

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In preparing the financial statements, management is responsible for assessing the Institute'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 Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute'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.
- 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 Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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## Independent Auditor's Report

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- 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 Institute'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 Institute 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.

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*BDO Canada s.r.l./S.E.N.C.R.L./LLP*

Montréal, Québec  
May 21, 2025

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<sup>1</sup> CPA auditor, public accountancy permit No. A128349

## Canadian Pension and Benefits Institute Statement of Financial Position

December 31	2024	2023
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 515,538	\$ 676,271
Investments (Note 2)	1,764,337	1,607,036
Accounts receivable (Note 3)	13,516	23,687
Prepaid expenditures	102,078	136,615
	<u>2,395,469</u>	<u>2,443,609</u>
<b>Property and equipment (Note 4)</b>	3,658	9,208
<b>Intangible assets (Note 5)</b>	110,735	105,817
	<u>\$ 2,509,862</u>	<u>\$ 2,558,634</u>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 92,119	\$ 104,449
Membership dues received in advance (Note 6)	348,435	305,850
Activity revenue received in advance (Note 7)	154,555	237,594
	<u>595,109</u>	<u>647,893</u>
<b>Net Assets</b>		
Reserve for contingencies (Note 8)	474,515	431,392
Unrestricted	1,440,238	1,479,349
	<u>1,914,753</u>	<u>1,910,741</u>
	<u>\$ 2,509,862</u>	<u>\$ 2,558,634</u>

### Commitments (Note 9)

On behalf of the Board:



Director



Director

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**Canadian Pension and Benefits Institute**  
**Statement of Changes in Net Assets**

<b>For the year ended December 31</b>	<b>Reserve for Contingencies</b>	<b>Unrestricted</b>	<b>2024 Total</b>	<b>2023 Total</b>
<b>Balance, beginning of the year</b>	\$ 431,392	\$ 1,479,349	\$ 1,910,741	\$ 1,863,634
<b>Excess of revenue over expenditures for the year</b>	-	4,012	4,012	47,107
<b>Appropriation of unrestricted net assets to reserve for contingencies</b>				
Accrued interest for the year	43,123	(43,123)	-	-
<b>Balance, end of the year</b>	\$ 474,515	\$ 1,440,238	\$ 1,914,753	\$ 1,910,741

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

## Canadian Pension and Benefits Institute Statement of Operations

For the year ended December 31	2024	2023
<b>Revenues</b>		
Conferences, seminars and sponsorships	\$ 1,801,832	\$ 1,376,738
Membership dues	457,549	428,765
Interest and investment income (Note 2)	131,957	82,481
Other income	27,671	29,025
	<u>2,419,009</u>	<u>1,917,009</u>
<b>Expenditures</b>		
Conferences, seminars and other member activities	1,325,600	760,746
Salaries and employee benefits	600,828	572,806
Other administrative, marketing and communication expenditures	218,975	226,387
Contracted administrative services	185,248	220,459
Board, committees and regional councils	46,941	57,323
Rent	27,460	28,684
Amortization of property and equipment	9,945	3,497
	<u>2,414,997</u>	<u>1,869,902</u>
<b>Excess of revenue over expenditures for the year</b>	<b>\$ 4,012</b>	<b>\$ 47,107</b>

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

## Canadian Pension and Benefits Institute Statement of Cash Flows

For the year ended December 31	2024	2023
<b>Cash flows from operating activities</b>		
Excess of revenue over expenditures for the year	\$ 4,012	\$ 47,107
Item not affecting cash:		
Amortization of property and equipment	9,945	3,497
	<u>13,957</u>	<u>50,604</u>
Changes in non-cash working capital:		
Accounts receivable	10,171	(6,685)
Prepaid expenditures	34,537	(41,653)
Accounts payable and accrued liabilities	(12,330)	529
Membership dues received in advance	42,585	14,970
Activity revenue received in advance	(83,039)	124,815
	<u>5,881</u>	<u>142,580</u>
<b>Cash flows from investing activities</b>		
Acquisition of investments, net of proceeds on disposition of investments	(157,376)	(45,550)
Acquisition of property and equipment	(4,395)	(5,924)
Acquisition of intangible assets	(4,918)	(12,200)
	<u>(166,689)</u>	<u>(63,674)</u>
<b>Cash flows from financing activity</b>		
Canada Emergency Business Account	-	(40,000)
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(160,808)</b>	<b>38,906</b>
<b>Cash and cash equivalents, beginning of the year</b>	<b>680,993</b>	<b>642,087</b>
<b>Cash and cash equivalents, end of the year</b>	<b>\$ 520,185</b>	<b>\$ 680,993</b>
<b>Represented by:</b>		
Cash	\$ 515,538	\$ 676,271
Cash held in short-term investments	4,647	4,722
	<u>\$ 520,185</u>	<u>\$ 680,993</u>

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

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## Canadian Pension and Benefits Institute

### Notes to Financial Statements

December 31, 2024

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#### 1. Significant Accounting Policies

<b>Nature and Purpose of the Organization</b>	The Canadian Pension and Benefits Institute (the "Institute") is incorporated under Part II of the <i>Canada Corporations Act</i> as a national not-for-profit organization. The purpose of the Institute is to provide its members with the opportunity to participate in high-quality, cost-effective education and networking events across Canada, with a focus on best practices related to pensions, employee benefits and investments.
<b>Basis of Accounting</b>	These financial statements have been prepared using Canadian accounting standards for not-for-profit organizations ("ASNPO").
<b>Revenue Recognition</b>	<p>The Institute follows the deferral method of accounting for revenue. Revenue include conferences, seminars and other member activities. Unrestricted revenue are recognized as revenue when the amount to be received can be reasonably estimated and collection is reasonably assured.</p> <p>Revenue from membership dues are recognized on a straight-line basis over the membership period, which is January 1 to December 31, when the amount to be received can be reasonably estimated and collection is reasonably assured. Deferred revenue may arise as memberships are annual and paid up front, as such membership service may not have been fulfilled at year end resulting in a deferral of the remainder of the revenue to be recognized.</p> <p>Other income consists of job posting income and interest and investment income.</p> <p>Job posting income is recognized in the period the services are rendered when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.</p> <p>Interest and investment income on investments is generated through investments made in guaranteed investment certificates and diversified portfolio during the year. These investments bear fixed issuance and maturity dates as well as a guaranteed annual interest rate. Interest and investment income is recognized on the basis of accrual accounting.</p>

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## Canadian Pension and Benefits Institute

### Notes to Financial Statements

December 31, 2024

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#### 1. Significant Accounting Policies (continued)

**Property and Equipment** Property and equipment are recorded at cost less accumulated amortization. Amortization is calculated on a declining balance basis at the following annual rates:

	<b>Rates</b>
Furniture and equipment	20%
Computer equipment	55%

**Intangible Assets** Intangible assets with a definite life are recorded at cost less accumulated amortization. Amortization is based on the estimated useful life of the asset and is calculated as follows:

	<b>Method</b>	<b>Period</b>
Website and members' platform in development	Straight-line basis	5 years

**Long-lived Assets** Long-lived assets, comprised of property and equipment and intangible assets, are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. If the sum of the undiscounted future cash flows expected from use and residual value is less than carrying amount, the long-lived asset is considered impaired. An impairment loss is measured as the amount by which the carrying value of the long-lived asset exceeds its fair value.

**Cash and Cash Equivalents** Cash and cash equivalents include cash on hand, bank balances and short-term investments with a maturity of three months or less, from the date of acquisition.

**Financial Instruments** Arm's length financial instruments are recorded at fair value at initial recognition.

Related party financial instruments quoted in an active market or those with observable inputs significant to the determination of fair value or derivative contracts are recorded at fair value at initial recognition. All other related party financial instruments are recorded at cost at initial recognition.

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## Canadian Pension and Benefits Institute

### Notes to Financial Statements

December 31, 2024

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#### 1. Significant Accounting Policies (continued)

<b>Financial Instruments (continued)</b>	<p>In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.</p> <p>Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in the statement of operations.</p>
<b>Contributed Services</b>	<p>Volunteers contribute many hours per year to assist the Institute in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements. The Institute does not record the material and services rendered in nature.</p>
<b>Use of Estimates</b>	<p>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 at the date of the financial statements, and the reported amounts of operations during the reporting period. Significant items subject to estimates and assumptions include, but are not limited to, estimated useful life of property and equipment and intangible assets. Actual results could differ from management's best estimates as additional information becomes available in the future.</p>

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## Canadian Pension and Benefits Institute Notes to Financial Statements

December 31, 2024

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### 2. Investments

	2024	2023
<b>Unrestricted investments</b>		
Saving accounts bearing interest at rates varying between 0.5% and 1.0% and maturing in February 2025	\$ 3,120	\$ 3,359
Guaranteed investment certificates, bearing interest between 5.10% and 5.21% and maturing in February 2025	476,415	473,986
High-yield Investment savings account	251,443	161,618
Diversified fund (costs \$500,843; 2023 - \$485,286)	564,205	503,262
	<u>1,295,183</u>	<u>1,142,225</u>
<b>Investments held for the reserve for contingencies</b>		
Saving accounts bearing interest at rates varying between 0.5% and 1.0% and maturing in February 2025	1,528	1,362
Guaranteed investment certificates, bearing interest between 5.10% and 5.21% and maturing in February 2025	89,910	208,127
High-yield Investment savings account	101,052	8,251
Diversified fund (costs \$245,250; 2023 - \$237,071)	276,664	247,071
	<u>469,154</u>	<u>464,811</u>
	<u>\$ 1,764,337</u>	<u>\$ 1,607,036</u>

Interest and investment income includes \$40,405 (2023 - \$40,434) of interest and investment income earned on the above investments.

Unrestricted investments include an amount of \$100,000 given as a collateral for the credit card facilities whose balance as at December 31, 2024 amounts to \$7,916 (2023 - \$14,881).

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## Canadian Pension and Benefits Institute

### Notes to Financial Statements

December 31, 2024

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#### 3. Accounts Receivable

	2024	2023
Sundries receivable	\$ 12,370	\$ 12,833
Sales taxes receivable	1,146	10,854
	<u>\$ 13,516</u>	<u>\$ 23,687</u>

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#### 4. Property and Equipment

	2024		2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Furniture and equipment	\$ 912	\$ 354	\$ 912	\$ 171
Computer equipment	20,716	17,616	16,320	7,853
	21,628	17,970	17,232	8,024
	\$ 3,658		\$ 9,208	

#### 5. Intangible Assets

	2024			2023	
	Cost	Accumulated Amortization		Cost	Accumulated Amortization
Website and members' platform in development	\$ 110,735	\$ -	\$	105,817	\$ -
	\$ 110,735			\$ 105,817	

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## Canadian Pension and Benefits Institute

### Notes to Financial Statements

December 31, 2024

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#### 6. Membership Dues Received in Advance

	2024	2023
Balance, beginning of the year	\$ 305,850	\$ 290,880
Amounts received related to the following year	348,435	305,850
Revenue recognized during the year	(305,850)	(290,880)
Balance, end of the year	<u>\$ 348,435</u>	<u>\$ 305,850</u>

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#### 7. Activity Revenue Received in Advance

	2024	2023
Balance, beginning of the year	\$ 237,594	\$ 112,779
Amounts received related to the following year	154,555	237,594
Revenue recognized during the year	(237,594)	(112,779)
Balance, end of the year	<u>\$ 154,555</u>	<u>\$ 237,594</u>

Activity revenue received in advance consist of conference and other member activities revenue paid in advance.

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#### 8. Reserve for Contingencies

The Institute has a policy requiring it to maintain reserves of an original amount of \$500,000 in case of unforeseen costs or losses. Amounts are recorded as reserves in the financial statements when the Board of Directors explicitly appropriates unrestricted net assets.

The reserve is comprised of investments and has a balance of \$474,515 as at December 31, 2024 (2023 - \$431,392).

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## Canadian Pension and Benefits Institute

### Notes to Financial Statements

December 31, 2024

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#### 9. Commitments

The Institute is committed to a lease for the rental of office space expiring in April 2025. It has also made reservations for hotels, engaged speakers for future events and hired professionals to develop the website and members' platform. The estimated minimum financial commitments for the next three years are presented in the following table:

	Hotels, Speakers and Website and Members' Platform	Rent
2025	\$ 384,932	\$ 8,750
2026	554,393	-
2027	7,960	-
	<u>\$ 947,285</u>	<u>\$ 8,750</u>

The amounts disclosed as commitments for hotels, speakers and website and members' platform represent the full amount of the contracts signed at the date of the financial statements. Should conferences be cancelled, the amount the Institute will have to pay will be less. The Institute will fund future commitments with the unrestricted net assets.

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#### 10. Financial Instruments

##### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Institute is exposed to credit risk in relation to cash and cash equivalents, accounts receivable and investments. The Institute mitigates the risk of cash and cash equivalents and investments by dealing with creditworthy financial institutions and counterparties. The Institute mitigates the risk of accounts receivable by closely monitoring the aging of accounts receivable.

##### Liquidity risk

Liquidity risk is the risk that the Institute will encounter difficulty in meeting its obligations associated with financial liabilities. The Institute's liquidity risk arises from its accounts payable. The Institute manages this risk by monitoring working capital and cash flows needs.

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## Canadian Pension and Benefits Institute

### Notes to Financial Statements

December 31, 2024

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#### 10. Financial Instruments (continued)

##### Interest rate risk

The Institute is exposed to financial risks that arise from fluctuations of interest rates and the degree of volatility of these rates. The Institute is exposed to interest rate risk with respect to its fixed interest rate investments. The investments at fixed interest rate exposed the Institute to a fair value risk.

There have been no changes to the Institute's financial instruments risks exposure from the previous year.

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