CANADIAN ASSOCIATION OF MIDWIVES

FINANCIAL STATEMENTS

DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Directors of
Canadian Association of Midwives

Opinion

I have audited the financial statements of Canadian Association of Midwives (the Association), which comprise the balance sheet as at December 31, 2024, 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 my opinion, the accompanying 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

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Association in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Matter

The financial statements for the year ended December 31, 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 6, 2024.

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.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

Billy Mokas CPA inc.[1]

Laval, Québec, June 6, 2025

[1] By CPA auditor, public accountancy permit No. A134491

CANADIAN ASSOCIATION OF MIDWIVES

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2024

	2024	2023
Revenues (Note 11)		
Membership Dues	$ 675,269	$ 637,901
Journal & Merchandise	43,898	41,384
Conferences	6,380	152,679
General	6,028	11,108
	731,575	843,072
Grants (Notes 10 and 11)	7,217,590	4,715,840
	7,949,165	5,558,912
Expenses (Note 11)		
Salaries and benefits	2,778,049	2,627,073
Consulting & Honoraria	2,088,456	1,033,289
Travel expenses	938,961	568,968
Office and administrative cost (including amortization of $10,914 (2023 - $11,478))	689,821	542,352
Project partner expenses	672,656	135,278
Advertising and communication	405,265	283,475
Meetings & events	297,096	334,713
Merchandise	25,817	24,228
	7,896,121	5,549,376
Excess of revenues over expenses from operations	53,044	9,536
Other Income (Expenses)		
Unrealized foreign exchange (loss) gain	38,839	(22,497)
Excess (deficiency) of revenues over expenses	$ 91,883	$ (12,961)

See accompanying notes to financial statements.

CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2024

	Internally Restricted NCIM	Unrestricted	2024 Total	2023 Total
Balance, beginning of year (Note 8)	$ 9,689	$ 320,194	$ 329,883	$ 342,844
Excess (deficiency) of revenues over expenses	-	91,883	91,883	(12,961)
Balance, end of year	$ 9,689	$ 412,077	$ 421,766	$ 329,883

		2024		2023
Assets				
Current assets				
Cash	$	905,949	$	2,161,927
Guaranteed Investment Certificates (Note 3)		25,000		25,000
Accounts receivable (Note 4)		516,550		1,474,496
Prepaid expenses		95,264		47,008
		1,542,763		3,708,431
Property, plant and equipments (Note 5)		14,964		23,037
	$	1,557,727	$	3,731,468

		2024		2023
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities (Note 6)	$	496,646	$	626,940
Deferred revenues (Note 7)		4,385		8,833
Deferred contributions (Note 12)		634,930		2,765,812
		1,135,961		3,401,585
Net assets				
Internally restricted net assets - NCIM (Note 8)		9,689		9,689
Unrestricted net assets		412,077		320,194
		421,766		329,883
	$	1,557,727	$	3,731,468

Contingencies (Note 12)

Commitments (Note 13)

See accompanying notes to financial statements.

Signed for the Board,

___________________________, Director

___________________________, Director

	2024	2023
Operating activities		
Excess (deficiency) of revenues over expenses	$ 91,882	$ (12,961)
Non-cash item:		
Amortization of property, plant and equipments	10,914	11,478
	102,796	(1,483)
Net change in non-cash items related to operating activities:		
Accounts receivable	957,947	(1,328,734)
Prepaid expenses	(48,256)	13,006
Accounts payable and accrued liabilities	(130,295)	243,001
Deferred revenues	(4,448)	1,230,773
Deferred contributions	(2,130,882)	(1,796)
	(1,355,934)	156,250
	(1,253,138)	154,767
Investing activity		
Acquisition of property, plant and equipment	(2,840)	(6,762)
Increase (decrease) in cash and cash equivalents	(1,255,978)	148,005
Cash and cash equivalents, beginning of year	2,186,927	2,038,922
Cash and cash equivalents, end of year	$ 930,949	$ 2,186,927
Cash and cash equivalents		
Cash	$ 905,949	$ 2,161,927
Guaranteed Investment Certificates	25,000	25,000
	$ 930,949	$ 2,186,927

See accompanying notes to financial statements.

1. Incorporation and nature of activities

The Association represents individual midwives, provincial/territorial midwifery associations and the profession of midwifery in Canada Incorporated (the "Organization"), incorporated under the provisions of Part II of the Canada Business Corporations Act, on January 10, 2001 and commenced operations on April 1, 2001.The organization is a non-profit organization and actis as an Association is a non-profit organization, it is not subject to income taxes.

2. Significant accounting policies

The Association applies the Canadian accounting standards for not-for-profit organizations.

Revenue recognition

The Association 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 received can be reasonably estimated and collection is assured.

Conference, courses, grant and publication revenues are recognizedwhen persuasive evidence of an arrangement exists and delivery has occurred, provided the fee is fixed or determinable, collectability is probable and the arrangement does not require significant customization.

Membership dues are recognized as revenue proportionately over the fiscal year to which they relate.

The liability for the portion of services invoiced but not yet provided is recorded as deferred revenue.

Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.The critical estimates relate to the provision for doubtful accounts, and the useful lives of property, plant and equipment subject to amortization.

2. Significant accounting policies (continued)

Financial instruments

Initial measurement

The Association initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Association is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. When the instrument has repayment terms, cost is determined using the undiscounted cash flow(s), excluding interest and dividend payments, of the instrument less any impairment losses previously recognized. When the instrument does not have repayment terms, the cost is determined using the consideration transferred or received by the Association in the transaction.

Subsequent measurement

The Association subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of these financial instruments are recognized in income in the period incurred.

Financial assets measured at amortized cost using the straight-line method include cash, term deposits, trade and other receivables..

A financial liability issued by the Association in an arm's length transaction indexed to a measure of the Association's financial performance or to changes in the value of the Association's equity is remeasured at the higher of the amortized cost of the debt or the amount that would be due at the balance sheet date if the formula determining the additional amount was applied at that date. The amount of the adjustment relating to the additional amount is recognized in income and presented as a separate component of interest expense.

Transaction costs

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

2. Significant accounting policies (continued)

Financial instruments (continued)

Impairment

For financial assets measured at cost or amortized cost, the Association determines whether there are indications of possible impairment. When there are, and the Association determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

Allocation of costs

The Association records its expenses by function: General Administration, Project and Membership services. Office and communication expenses are prorated on the basis of the time spent and resources utilized.

Translation of foreign currency transactions and items

The Association uses the temporal method to translate its foreign currency transactions.

Monetary assets and liabilities are translated at the exchange rate in effect at the balance sheet date. Other assets and liabilities are translated at the exchange rate in effect at the transaction date. Revenues and expenses are translated at the exchange rate in effect at the transaction date. Exchange gains and losses are included in the Statement of Income.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid investments that have maturities of three months or less at the date of acquisition.

Property, plant and equipments

Property, plant and equipments are accounted for at cost. Contributed tangible capital assets are recognized at fair value at the date of contributions plus costs directly related to their acquisition. ln unusual circumstances when fair value cannot be reasonably determined, the tangible capital asset and the related contribution shall be recorded at nominal value. Amortization is calculated on their respective estimated useful life using the straight-line method over the following periods:

	Periods
Equipment, furniture and fixtures	5 years
Computer	3 years
Leasehold improvements	5 years

2. Significant accounting policies (continued)

Impairment of long-lived assets

Property, plant and equipment and intangible assets subject to amortization are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Intangible assets that are not subject to amortization are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may exceed their fair value. The impairment test involves comparing the fair value of the assets with their carrying amount. When the carrying amount exceeds the fair value, an impairment loss is recognized in an amount equal to the excess.

3. Guaranteed Investment Certificates

	2024	2023
Matured in 2024	$ -	$ 24,437
Maturing June 16, 2025 bearing interest at 4.55 %	5,000	5,000
Maturing February 2, 2026 bearing interest at 3 %	10,000	10,000
Maturing May 5, 2025 bearing interest at 3 %	10,000	10,000
	$ 25,000	$ 49,437

4. Accounts receivable

	2024	2023
Accounts receivable	$ 210,844	$ 993,648
Grants receivable (Note 12)	143,330	400,153
Sales taxes receivable	162,376	80,696
	$ 516,550	$ 1,474,497

5. Property, plant and equipments

	2024			2023
	Cost	Accumulated amortization	Net book value	Net book value
Equipment, furniture and fixtures	$ 41,629	$ 40,757	$ 872	$ 1,344
Computer	69,469	58,251	11,218	17,439
Leasehold improvements	31,710	28,836	2,874	4,254
	$ 142,808	$ 127,844	$ 14,964	$ 23,037

6. Accounts payable and accrued liabilities

	2024	2023
Trade and accrued liabilities	$ 396,800	$ 520,662
Accrued wages and expenses	97,350	105,003
Government remittances	2,496	1,275
	$ 496,646	$ 626,940

7. Deferred contributions

During 2009, the board approved the creation of The Ghislaine Francoeur Fund, to support midwifery projects and education in Haïti in partnership with the Canadian Foundation for Women's Health (CFWH) a registered charity which funds research for women's sexual and reproductive health in Canada and around the world. Donors who require a charitable tax receipt for donations of $50 or more to the Ghislaine Francoeur Fund, donate directly to CFWH.

As of December 31, 2024 CFWH is not holding on behalf of the Association (2023- $4,683) which is available for disbursements in accordance with the purpose of the Ghislaine Francoeur Fund.

The Association has organized fund raising activities to support the Canadian Black midwifery students. During the prior years, the Association had collected a total of (2023 $4,385). The remaining funds on hand as of December 31, 2024 are to be distributed in the following year.

The amounts of the Ghislaine Francoeur Fund and fund raising to support black midwifery recognized in these financial statements represent the balance of unspent resources received from the Association from these fund raising activities.

Changes in the deferred contributions balances are as follows:

Fund raising activities	Balance December 31, 2023	Receipts	Disbursements	Balance December 31, 2024
The Ghislaine Francoeur Fund	$ 4,448	$(4,448)	$ -	$ -
Canadian Black midwifery students	$ 4,385	$ -	$ -	$ 4,385

8. Restrictions on members equity

During previous years the board approved the use of funds for travel bursaries. Total restrictions at the end of the year amounted to 9,689 (2023-$9,689) of funds raised by NCIM (The National Council of Indigenous Midwives)

9. Financial instruments

Financial risks

The significant risks arising from financial instruments to which the Association is exposed as at December 31, 2024 are detailed below.

Credit risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for the Association by failing to discharge an obligation. The Association's credit risk is mainly related to accounts receivable and notes receivable.

9. Financial instruments (continued)

Credit risk (continued)

The Association provides credit to its clients in the normal course of its operations. It carries out, on a continuing basis, credit checks on its clients and maintains provisions for contingent credit losses which, once they materialize, are consistent with management's forecasts.

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its accounts payable and accrued expenses..

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Association receives project grants in foreign currencies giving rise to exposure to market risks from changes in foreign exchange rates from the date of receipt of funding until the date of recognition as revenue. As of December 31, 2024 the Association had deferred revenue originally received in US dollars converted into Canadian dollars of $195,111 (2023 - $138,944), US dollar cash holdings converted into Canadian dollars of $467,012 (2023- $831,396), US dollar cash advances to project partners of $268,915 (2023 - $117,463) and US dollar accounts payable converted into Canadian dollars of $10,438 (2023- $51,065).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Association is exposed to interest rate risk on its fixed-interest rate financial instruments. Fixed interest rate instruments subject the Association to a fair value risk, since fair value fluctuates inversely to changes in market interest rates.

10. Grants

	2024	2023
Health Canada, the Department of Indigenous Services Canada (DISC)	$ 2,116,933	$ 795,802
Health Canada	2,077,682	971,624
The Association received contributions from the United Nations Population Fund Fund (UNFPA)	1,621,496	1,189,787
Global Affairs Canada (GAC)	946,965	945,706
The Johnson & Johnson Foundation	188,336	286,157
Public Health Agency of Canada (PHAC)	180,173	417,610
Donations and sponsorships	36,771	9,866
Association of Ontario Midwives (AOM)	28,055	-
Canadian Institutes of Health Research (CIHR)	17,180	99,288
Yukon gouvernment	3,999	-
	$ 7,217,590	$ 4,715,840

11. Allocations of revenues and costs

	General Administration	Project	Membership Services	2024 Total	2023 Total
REVENUES					
Conferences	$ -	$ -	$ 6,380	$ 6,380	$ 152,679
General	6,028	-	-	6,028	11,108
Journal & Merchandise	2,324	-	41,574	43,898	41,384
Membership Dues	675,269	-	-	675,269	637,901
Donor Funding (Note 10)	407,230	6,778,360	32,000	7,217,590	4,715,840
	1,090,851	6,778,360	79,953	7,949,165	5,558,912
EXPENSES					
Salaries and benefits	539,644	2,162,153	76,251	2,778,049	2,627,073
Meetings & Events	7,873	288,262	961	297,096	334,713
Consulting & Honoraria	101,911	1,895,587	90,958	2,088,456	1,033,289
Office and administrative costs	166,995	520,633	2,193	689,821	542,352
Advertising and communications	18,188	366,960	20,117	405,265	283,475
Travel & Per Diem	63,089	871,656	4,216	938,961	568,968
Project Partner Expenses	-	672,656	-	672,656	135,278
Merchandise	2,589	453	22,775	25,817	24,228
	900,289	6,778,360	217,471	7,896,121	5,549,376
Excess (deficiency) of revenues before unrealized foreign exchange (Loss) Gain over expenses from operations	190,562	-	(137,518)	53,044	9,536
Unrealized foreing exchange (Loss) Gain	38,839	-	-	38,839	(22,497)
Excess (deficiency) of revenues	$ 229,401	$ -	$ (137,518)	$ 91,883	$ (12,961)

12. Contingent liabilities and guarantees

The Association received contributions from the United Nations Population Fund (UNFPA), Global Affairs Canada (GAC), Public Health Agency of Canada (PHAC), Health Canada, the Department of Indigenous Services Canada (DISC), Canadian Institutes of Health Research (CIHR) and the Johnson & Johnson Foundation that are subject to restrictions as to the use of the funds. The Association's accounting records are subject to audit by these organizations to identify instances, if any, in which the amounts charged to projects have not complied with the agreed terms and conditions, and which, therefore, would be refundable to the funding agency.

Adjustments to the financial statements as a result of these audits will be recorded in the period in which they become known. In the normal course of operations, the Association provides indemnification agreements with funding agencies. Under these agreements, the Association agrees to indemnify the funding agency against loss or liability arising from the acts or omissions of the Association in relation to the agreement. The nature of the indemnification agreements prevents the Association from making a reasonable estimate of the maximum potential amount that the Association would be required to pay to such counterparties.

The Association deferred contributions are from various donors to support its ongoing projects. These deferred contributions were primarily provided by Health Canada and the Department of Indigenous Services Canada (DISC), which together contributed $365,924 (2023: $1,461,358). The United Nations Population Fund (UNFPA) in the amount of $80,568 (2023: $47,456), and from Global Affairs Canada (GAC), which the deferred contributed is $72,753 (2023: $114,421).

There were no deferred contributions in the current year from the Johnson & Johnson Foundation (2023: $195,326), the Public Health Agency of Canada (PHAC) (2023: $150,351), or the Government of Yukon (2023: $3,999). These deferred contributions are recognized in accordance with the Association’s revenue recognition policy and are allocated to the respective projects as expenditures are incurred.

13. Commitments

The commitment of the Association under a lease agreement aggregates to $114,750. The instalments over the next three years are the following:

2025	$	36,750
2026		39,000
2027		39,000
	$	114,750

14. Comparative figures

Certain figures for 2023 have been reclassified to conform to the presentation adopted in 2024.