

**L'ASSOCIATION CANADIENNE DES PROFESSEURS DE LANGUES SECONDES INC. /
THE CANADIAN ASSOCIATION OF SECOND LANGUAGE TEACHERS INC.**

FINANCIAL STATEMENTS

MARCH 31, 2024

**L'ASSOCIATION CANADIENNE DES PROFESSEURS DE LANGUES SECONDES INC. /
THE CANADIAN ASSOCIATION OF SECOND LANGUAGE TEACHERS INC.**

TABLE OF CONTENTS

	PAGE
Independent Auditor's Report	1
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Financial Position	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Supplementary Financial Information	
Schedule of Project Summary	14

INDEPENDENT AUDITOR'S REPORT

To the Members of
L'Association canadienne des professeurs de langues secondes Inc. /
The Canadian Association of Second Language Teachers Inc.

Opinion

We have audited the financial statements of L'Association canadienne des professeurs de langues secondes Inc. / The Canadian Association of Second Language Teachers Inc. (the Association), which comprise the statement of financial position as at March 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 our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 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 Auditor's 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.

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.

Marcil Lavallée

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An independent member
of Moore North America, Inc.

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.

Marcil Lavallée

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario
June 7, 2024

**L'ASSOCIATION CANADIENNE DES PROFESSEURS DE LANGUES SECONDES INC. /
THE CANADIAN ASSOCIATION OF SECOND LANGUAGE TEACHERS INC.**

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2024

3

	2024	2023
REVENUES		
Grants and contributions (Note 3)	\$ 674,702	\$ 761,162
Memberships	94,901	34,428
Publication sales	32,278	14,490
Registration fees	20,195	-
National conference	-	177,918
Other (Note 4)	32,365	79,155
	854,441	1,067,153
EXPENSES		
Salaries and benefits	369,258	347,696
Contractuals and consultants	164,450	150,369
Printing and publicity	129,174	126,149
Travel and accommodation	99,585	297,193
Office expenses	19,259	66,669
Rent	16,068	33,134
Maintenance and repairs	10,159	-
Telecommunications	3,216	3,223
Insurance	1,977	2,140
Association dues	1,791	1,960
Professional fees	12,090	12,570
Bank and service charges	3,826	12,038
Amortization of capital assets	1,998	804
	832,851	1,053,945
EXCESS OF REVENUES OVER EXPENSES	\$ 21,590	\$ 13,208

**L'ASSOCIATION CANADIENNE DES PROFESSEURS DE LANGUES SECONDES INC. /
THE CANADIAN ASSOCIATION OF SECOND LANGUAGE TEACHERS INC.**

**STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2024**

4

	Unrestricted	Invested in Capital Assets	Special Initiative Fund	Risk Management Fund	2024 Total	2023 Total
BALANCE, BEGINNING OF YEAR	\$ -	\$ 2,241	\$ 38,043	\$ 141,653	\$ 181,937	\$ 168,729
Excess of revenues over expenses	23,588	(1,998)	-	-	21,590	13,208
Invested in capital assets	(10,372)	10,372	-	-	-	-
Interfund transfer (Note 10)	(13,216)	-	13,216	-	-	-
BALANCE, END OF YEAR	\$ -	\$ 10,615	\$ 51,259	\$ 141,653	\$ 203,527	\$ 181,937

**L'ASSOCIATION CANADIENNE DES PROFESSEURS DE LANGUES SECONDES INC. /
THE CANADIAN ASSOCIATION OF SECOND LANGUAGE TEACHERS INC.**

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2024

5

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash	\$ 124,856	\$ 390,449
Accounts receivable (Note 5)	76,845	48,026
Contributions receivable	6,775	-
Guaranteed investment certificate, 5.58 %, maturing July 2024	122,779	-
Prepaid expenses and deposits	25,567	14,556
	356,822	453,031
CAPITAL ASSETS (Note 6)	10,615	2,241
	\$ 367,437	\$ 455,272
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 8)	\$ 151,910	\$ 201,235
Deferred revenue	12,000	6,917
Deferred grants and contributions (Note 9)	-	65,183
	163,910	273,335
NET ASSETS		
Unrestricted	-	-
Internal Restrictions (Note 10)		
Invested in Capital Assets	10,615	2,241
Special Initiative Fund	44,651	38,043
Risk Management Fund	148,261	141,653
	203,527	181,937
	\$ 367,437	\$ 455,272

ON BEHALF OF THE BOARD

Carole M. Bonin, Director

Katherine Mueller, Director

**L'ASSOCIATION CANADIENNE DES PROFESSEURS DE LANGUES SECONDES INC. /
THE CANADIAN ASSOCIATION OF SECOND LANGUAGE TEACHERS INC.**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

6

	2024	2023
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 21,590	\$ 13,208
Adjustment for:		
Amortization of capital assets	1,998	804
	23,588	14,012
Net change in non-cash items related to operating activities:		
Accounts receivable	(28,819)	(30,256)
Contributions receivable	(6,775)	-
Prepaid expenses and deposits	(11,011)	7,499
Accounts payable and accrued liabilities	(49,325)	83,359
Deferred revenue	5,083	(913)
Deferred grants and contributions	(65,183)	(60,412)
	(156,030)	(723)
	(132,442)	13,289
INVESTING ACTIVITIES		
Net change in term deposits	-	225,000
Net change in investments	(122,779)	-
Acquisition of capital assets	(10,372)	-
	(133,151)	225,000
DECREASE (INCREASE) IN CASH AND CASH EQUIVALENTS	(265,593)	238,289
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	390,449	152,160
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 124,856	\$ 390,449

L'ASSOCIATION CANADIENNE DES PROFESSEURS DE LANGUES SECONDES INC. / THE CANADIAN ASSOCIATION OF SECOND LANGUAGE TEACHERS INC.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

7

1. STATUTE AND NATURE OF OPERATIONS

The Association is a not-for-profit organization, incorporated without share capital under the Canada Not-for-profit Corporations Act, was established to promote the advancement of second language teaching throughout Canada by creating opportunities for professional development, by encouraging research and by facilitating the sharing of information and the exchange of ideas among second language educators. The Association is a not-for-profit organization under the Income Tax Act and, as such, is exempt from income tax.

2. SIGNIFICANT ACCOUNTING POLICIES

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

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the amounts recognized as revenues and expenses for the periods covered. Actual results may differ from these estimates.

Revenue recognition

The Association follows the deferral method of accounting for grants and contributions. Under this method, grants and contributions restricted for future period expenses are deferred and recognized as revenue in the year in which the related expenses are incurred and when the amount can be reasonably estimated, and the collection is reasonably assured.

Revenue from the Languages Without Borders Conference (including registration fees, sponsorships and booth rentals) is recognized when the activity takes place.

Publication sales, advertising and interest are recognized as revenue in the period to which they relate.

Membership revenues are recognized in the period when they are invoiced or received.

Contribution receivable

A contribution receivable is recognized as an asset when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

**L'ASSOCIATION CANADIENNE DES PROFESSEURS DE LANGUES SECONDES INC. /
THE CANADIAN ASSOCIATION OF SECOND LANGUAGE TEACHERS INC.**

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

8

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed services

The Association would not be able to carry out its activities without the services of the many volunteers who donate a considerable number of hours. Because of the inherent difficulty in compiling these hours and determining their fair value, contributed services are not recognized in the Association's financial statements.

Capital assets

Capital assets are accounted for at cost. Amortization is calculated on their respective estimated useful life using the diminishing balance method at the following rates:

Office furniture and equipment	20%
Computer equipment	30%

Write-down of capital assets

When a capital asset no longer contributes to the Association's ability to provide services, its carrying amount is written down to residual value, if any. The excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

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.

Subsequent measurement

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

Financial assets measured at amortized cost include cash, accounts receivable, contributions receivable and guaranteed investment certificate.

**L'ASSOCIATION CANADIENNE DES PROFESSEURS DE LANGUES SECONDES INC. /
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NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

9

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 operations. 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 operations.

Cash and cash equivalents

The Association's policy is to present bank balances, including bank indebtedness with balances that can fluctuate from being positive to overdrawn, under cash and cash equivalents.

3. GRANTS AND CONTRIBUTIONS

	2024	2023
<i>Canadian Heritage</i>		
Programming	\$ 474,019	\$ 484,350
FSL Teacher Self-efficacy	158,776	119,724
Decolonization and Indigenization of Second Language Pedagogy	41,907	6,493
Blended Model	-	106,231
FSL Teacher Education	-	44,364
	\$ 674,702	\$ 761,162

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NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

10

4. OTHER REVENUES

	2024		2023	
Contract	\$	9,539	\$	-
Advertising		8,149		24,454
Interest		5,476		371
Sponsorships		800		24,150
Exhibitors		500		28,627
Other		7,901		1,553
	\$	32,365	\$	79,155

5. ACCOUNTS RECEIVABLE

	2024		2023	
Trade accounts	\$	76,845	\$	36,204
Sales tax		-		11,822
	\$	76,845	\$	48,026

6. CAPITAL ASSETS

	2024			2023	
	Cost	Accumulated amortization	Net book value	Net book value	
Office furniture and equipment	\$ 10,062	\$ 6,784	\$ 3,278	\$ 877	
Computer equipment	23,143	15,806	7,337	1,364	
	\$ 33,205	\$ 22,590	\$ 10,615	\$ 2,241	

7. BANK LOAN

The Association has an authorized line of credit of \$20,000, renewable annually, at prime lending rate plus 4.2%. This line of credit is secured by a general security agreement. As at March 31, 2024, the line of credit is unused.

**L'ASSOCIATION CANADIENNE DES PROFESSEURS DE LANGUES SECONDES INC. /
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NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

11

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Trade accounts and accrued liabilities	\$ 138,286	\$ 201,235
Government remittances	13,624	-
	\$ 151,910	\$ 201,235

9. DEFERRED GRANTS AND CONTRIBUTIONS

Variations in deferred grants and contributions are as follows:

	2024	2023
Balance, beginning of year	\$ 65,183	\$ 125,595
Plus: Amount granted during the year	609,519	700,750
Less: Amount recognized as revenue in the year	(674,702)	(761,162)
Balance, end of year	\$ -	\$ 65,183

Deferred grants and contributions are comprised of the following items:

	2024	2023
<i>Canadian Heritage</i>		
Decolonization and Indigenization of Second Language Pedagogy	\$ -	\$ 41,907
FSL Teacher Education	-	23,276
	\$ -	\$ 65,183

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NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

12

10. INTERNAL RESTRICTIONS

Special Initiative Fund

The Special Initiative Fund is created to address emergent or unforeseen initiatives that support the strategic plan and mandate of the Association. During the year, the Board of Directors authorized a transfer of \$13,216 (2023: \$12,953) to the Special Initiative Fund.

Risk Management Fund

The Risk Management Fund is created to manage the overall risk of the Association in order to cover operational costs for a minimum of a three-month transitional period should it require to fulfill legal or contractual obligations in the future.

During the year, the Board of Directors authorized a transfer of \$Nil (2023: \$12,953) to the Risk Management Fund.

11. CONTRACTUAL OBLIGATIONS

The commitment of the Association under a lease agreement aggregates to \$118,290. The instalments over the next five years are the following:

2025	\$	22,630
2026	\$	23,140
2027	\$	23,660
2028	\$	24,170
2029	\$	24,690

12. FINANCIAL INSTRUMENTS

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.

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. Approximately 82% of the total trade accounts are to be received from two entities. The Association considers that no risk arises from that situation.

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NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

13

13. CONTINGENCIES

Other indemnification agreements

In the normal course of operations, the Association signs agreements whereby funds are provided for the execution of projects which are subject to restrictions as to the use of the funds. The sponsors of these projects can perform an audit of the financial records of the Association to ensure compliance with the project requirements. In the event that amounts to be reimbursed to the sponsor of a project are identified, the necessary adjustments will be recognized in the year they are identified.

14. ECONOMIC DEPENDENCE

The Association currently generates a significant amount of its revenue from Canadian Heritage. The loss of these contributions could have a material adverse effect on the Association's results of operations, financial condition and cash flows.

15. COMPARATIVE FIGURES

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

**L'ASSOCIATION CANADIENNE DES PROFESSEURS DE LANGUES SECONDES INC./
THE CANADIAN ASSOCIATION OF SECOND LANGUAGE TEACHERS INC.**

**SUPPLEMENTARY FINANCIAL INFORMATION – SCHEDULE OF PROJECT SUMMARY
FOR THE YEAR ENDED MARCH 31, 2024**

14

The revenues and expenses incurred for each of the projects are as follows:

	Programming	Decolonization curriculum	Reinforcing FSL Teacher Self-efficacy	2024 Total	2023 Total
REVENUES					
Grants and contributions	\$ 474,019	\$ 41,907	\$ 158,776	\$ 674,702	\$ 761,162
Other	166,798	6,911	6,030	179,739	305,991
	640,817	48,818	164,806	854,441	1,067,153
EXPENSES					
Salaries and benefits	287,212	6,500	75,886	369,598	347,696
Honoraria	76,885	27,025	60,200	164,110	150,369
Travel	95,767	445	3,373	99,585	297,193
Publicity and printing	92,978	13,075	23,121	129,174	126,149
Operational costs	63,906	2,400	2,080	68,386	131,734
Other	1,998	-	-	1,998	804
	618,746	49,445	164,660	832,851	1,053,945
EXCESS OF REVENUES OVER EXPENSES	\$ 22,071	\$ (627)	\$ 146	\$ 21,590	\$ 13,208