

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

**FINANCIAL STATEMENTS**

**MARCH 31, 2025**

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

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## 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, 2025, 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, 2025, 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.

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.



Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario  
June 6, 2025

**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, 2025**

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	<b>2025</b>	<b>2024</b>
<b>REVENUES</b>		
Grants and contributions (Note 3)	\$ 650,372	\$ 674,702
Publication sales	140,649	32,278
Memberships	70,865	94,901
Registration fees	32,141	20,195
Other (Note 4)	101,575	32,365
	<b>995,602</b>	<b>854,441</b>
<b>EXPENSES</b>		
Salaries and benefits	416,782	369,258
Contractuals and consultants	137,112	164,450
Printing and publicity	153,896	129,174
Travel and accommodation	139,689	99,585
Office expenses	17,285	19,259
Rent	16,427	16,068
Telecommunications	5,535	3,216
Association dues	3,174	1,791
Insurance	2,974	1,977
Maintenance and repairs	-	10,159
Professional fees	19,494	12,090
Bank and service charges	8,137	3,826
Amortization of capital assets	3,431	1,998
	<b>923,936</b>	<b>832,851</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 71,666</b>	<b>\$ 21,590</b>

**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, 2025**

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	Unrestricted	Internal restrictions				2025 Total	2024 Total
		Invested in Capital Assets	Special Initiative Fund	Management Fund	Risk Fund		
<b>BALANCE, BEGINNING OF YEAR</b>	\$ -	\$ 10,615	\$ 51,259	\$ 141,653	\$ -	\$ 203,527	\$ 181,937
Excess of revenues over expenses	75,097	(3,431)	-	-	-	71,666	21,590
Invested in capital assets	(3,841)	3,841	-	-	-	-	-
Interfund transfer	(71,256)	-	25,000	46,256	-	-	-
<b>BALANCE, END OF YEAR</b>	\$ -	\$ 11,025	\$ 76,259	\$ 187,909	\$ -	\$ 275,193	\$ 203,527

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

**STATEMENT OF FINANCIAL POSITION**

**MARCH 31, 2025**

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	2025	2024
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 188,520	\$ 124,856
Accounts receivable	115,113	76,845
Contributions receivable	-	6,775
Guaranteed investment certificate, 3.00 % to 3.85 %, maturing from April and May 2025	129,809	122,779
Prepaid expenses and deposits	237,390	25,567
	<b>670,832</b>	<b>356,822</b>
<b>CAPITAL ASSETS (Note 5)</b>	<b>11,025</b>	<b>10,615</b>
	<b>\$ 681,857</b>	<b>\$ 367,437</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 7)	\$ 131,337	\$ 151,910
Deferred revenue	263,748	12,000
Deferred grants and contributions (Note 8)	11,579	-
	<b>406,664</b>	<b>163,910</b>
<b>NET ASSETS</b>		
Unrestricted	-	-
Internal Restrictions		
Invested in Capital Assets	11,025	10,615
Special Initiative Fund	76,259	51,259
Risk Management Fund	187,909	141,653
	<b>275,193</b>	<b>203,527</b>
	<b>\$ 681,857</b>	<b>\$ 367,437</b>

ON BEHALF OF THE BOARD

\_\_\_\_\_, Director

\_\_\_\_\_, 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, 2025**

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	<b>2025</b>	<b>2024</b>
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 71,666	\$ 21,590
<b>Adjustment for:</b>		
Amortization of capital assets	3,431	1,998
	<b>75,097</b>	<b>23,588</b>
<b>Net change in non-cash items related to operating activities:</b>		
Accounts receivable	(38,268)	(28,819)
Contributions receivable	6,775	(6,775)
Prepaid expenses and deposits	(211,823)	(11,011)
Accounts payable and accrued liabilities	(20,573)	(49,325)
Deferred revenue	251,748	5,083
Deferred grants and contributions	11,579	(65,183)
	<b>(562)</b>	<b>(156,030)</b>
	<b>74,535</b>	<b>(132,442)</b>
<b>INVESTING ACTIVITIES</b>		
Net change in investments	(7,030)	(122,779)
Acquisition of capital assets	(3,841)	(10,372)
	<b>(10,871)</b>	<b>(133,151)</b>
<b>DECREASE (INCREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>63,664</b>	<b>(265,593)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>124,856</b>	<b>390,449</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 188,520</b>	<b>\$ 124,856</b>

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

## **NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2025**

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### **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 and other revenues 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.

#### **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.

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

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2025

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### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Capital assets

Capital assets are accounted for at cost. Amortization is calculated on their respective estimated useful life using the following methods, rates and period:

	Methods	Rates or period
Office furniture and equipment	Declining balance	20%
Computer equipment	Declining balance	30%
Leasehold Improvements	Straight-line	5 years

#### 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.

##### *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.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2025**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Cash and cash equivalents**

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

**3. GRANTS AND CONTRIBUTIONS**

	<b>2025</b>	<b>2024</b>
<b>Canadian Heritage</b>		
Programming	\$ 526,688	\$ 474,019
FSL - Pathway to Success	56,709	-
Success for All	66,975	-
FSL - Teacher Self-efficacy	-	158,776
Decolonization and Indigenization of Second Language Pedagogy	-	41,907
	<b>\$ 650,372</b>	<b>\$ 674,702</b>

**4. OTHER REVENUES**

	<b>2025</b>	<b>2024</b>
Insurance proceeds	\$ 71,950	\$ -
Advertising and sponsorships	19,180	8,949
Interest	7,030	5,476
Contract	2,665	9,539
Exhibitors	750	500
Other	-	7,901
	<b>\$ 101,575</b>	<b>\$ 32,365</b>

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

**MARCH 31, 2025**

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**5. CAPITAL ASSETS**

				<b>2025</b>	<b>2024</b>
	<b>Cost</b>	<b>Accumulated amortization</b>		<b>Net book value</b>	<b>Net book value</b>
Office furniture and equipment	\$ 11,247	\$ 7,558	\$	3,689	\$ 3,278
Computer equipment	12,351	5,932		6,419	7,337
Leasehold Improvements	1,146	229		917	-
	<b>\$ 24,744</b>	<b>\$ 13,719</b>	<b>\$</b>	<b>11,025</b>	<b>\$ 10,615</b>

**6. 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, 2025, the line of credit is unused.

**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

			<b>2025</b>	<b>2024</b>
Trade accounts and accrued liabilities	\$	113,498	\$	138,286
Government remittances		17,839		13,624
	<b>\$</b>	<b>131,337</b>	<b>\$</b>	<b>151,910</b>

**8. DEFERRED GRANTS AND CONTRIBUTIONS**

Variations in deferred grants and contributions are as follows:

		<b>2025</b>	<b>2024</b>
Balance, beginning of year	\$	-	\$ 65,183
Plus: Amount granted during the year		661,951	609,519
Less: Amount recognized as revenue in the year		(650,372)	(674,702)
Balance, end of year	<b>\$</b>	<b>11,579</b>	<b>\$ -</b>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2025**

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**8. DEFERRED GRANTS AND CONTRIBUTIONS (continued)**

Deferred grants and contributions are comprised of the following items:

	2025	2024
<b>Canadian Heritage</b>		
FSL - Pathway to Success	\$ 11,579	\$ -

**9. INTERNAL RESTRICTIONS**

**Special Initiative Fund**

The Special Initiative Fund is created to address emergent of unforeseen initiatives that support the strategic plan and mandate of the Association. During the year, the Board of Directors authorized a transfer of \$25,000 (2024: \$13,216) 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 \$46,256 (2024 : \$Nil) to the Risk Management Fund.

**10. CONTRACTUAL OBLIGATIONS**

The commitment of the Association under a lease agreement aggregates to \$91,235. The instalments over the next four years are the following:

2026	\$	21,525
2027	\$	22,200
2028	\$	23,240
2029	\$	24,270

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

## **NOTES TO THE FINANCIAL STATEMENTS**

**MARCH 31, 2025**

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### **11. 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 57% of the total trade accounts are to be received from two entities. The Association considers that no risk arises from that situation.

### **12. 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.

### **13. 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.

**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, 2025**

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

	Programming	FLS-Pathway to Success	Success for All	2025 Total	2024 Total
<b>REVENUES</b>					
Grants and contributions	\$ 526,688	\$ 56,709	\$ 66,975	\$ 650,372	\$ 674,702
Other	345,230	-	-	345,230	179,739
	871,918	56,709	66,975	995,602	854,441
<b>EXPENSES</b>					
Salaries and benefits	328,758	40,005	48,019	416,782	369,598
Honoraria	100,612	16,000	20,500	137,112	164,110
Travel	139,689	-	-	139,689	99,585
Publicity and printing	152,407	629	860	153,896	129,174
Operational costs	70,991	75	1,960	73,026	68,386
Other	3,431	-	-	3,431	1,998
	795,888	56,709	71,339	923,936	832,851
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 76,030</b>	<b>\$ -</b>	<b>\$ (4,364)</b>	<b>\$ 71,666</b>	<b>\$ 21,590</b>