COLLEGE OF MEDICAL RADIATION AND IMAGING TECHNOLOGISTS OF ONTARIO

FINANCIAL STATEMENTS

DECEMBER 31, 2024

HILBORN LLP

HILBORN LLP

Independent Auditor's Report

To the Council of the College of Medical Radiation and Imaging Technologists of Ontario

Opinion

We have audited the financial statements of the College of Medical Radiation and Imaging Technologists of Ontario (the "College"), which comprise the statement of financial position 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 our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the College 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.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the annual report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The annual report is expected to be made available to us after the date of our auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

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 ability of the College 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 College or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the College.

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Independent Auditor's Report (continued)

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 the 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 internal control of the College.
- 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 ability of the College 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 College 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Hilborn LLP

Toronto, Ontario
March 21, 2025

Chartered Professional Accountants
Licensed Public Accountants

Statement of Financial Position

December 31	2024 $	2023 $
ASSETS		
Current assets		
Cash	**439,982**	416,766
Investments (note 3)	**414,634**	742,067
Prepaid expenses	**68,927**	41,427
	923,543	1,200,260
Long-term investments (note 3)	**1,800,000**	1,860,000
Capital assets (note 4)	**139,854**	176,685
Intangible assets (note 5)	**156,568**	212,979
	2,096,422	2,249,664
	3,019,965	3,449,924
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	**602,915**	371,286
Deferred registration fees	**2,986,733**	2,877,423
	3,589,648	3,248,709
Deferred lease incentives (note 7)	**80,070**	96,084
	3,669,718	3,344,793
NET ASSETS (DEFICIENCY IN NET ASSETS)		
Invested in capital and intangible assets	**296,422**	389,664
Unrestricted net assets (deficiency)	**(946,175)**	(284,533)
	(649,753)	105,131
	3,019,965	3,449,924

The accompanying notes are an integral part of these financial statements

Approved on behalf of the Council:

Chair Amanda Lee

Vice-Chair D Ribeiro

Statement of Operations

Year ended December 31	2024 $	2023 $
Revenues		
Registration fees	**5,895,432**	5,658,196
Investment income	**127,189**	119,370
	6,022,621	5,777,566
Expenses		
Human resources (note 8)	**4,245,796**	3,924,659
Operating	**602,811**	607,722
Rent (note 7)	**380,508**	379,242
Communications and legal	**928,088**	536,914
Committee meetings	**344,899**	220,773
Education and quality assurance	**158,464**	185,699
Amortization - capital assets	**60,528**	59,057
Amortization - intangible assets	**56,411**	76,291
	6,777,505	5,990,357
Excess of expenses over revenues for year	**(754,884)**	(212,791)

The accompanying notes are an integral part of these financial statements

COLLEGE OF MEDICAL RADIATION AND IMAGING TECHNOLOGISTS OF ONTARIO

Statement of Changes in Net Assets

Year ended December 31

	Invested in capital and intangible assets $	Unrestricted $	2024 Total $
Balance, beginning of year	389,664	(284,533)	**105,131**
Excess of expenses over revenues for year	-	(754,884)	**(754,884)**
Amortization of capital assets	(60,528)	60,528	**-**
Amortization of intangible assets	(56,411)	56,411	**-**
Purchase of capital assets	23,697	(23,697)	**-**
Balance, end of year	296,422	(946,175)	**(649,753)**

	Invested in capital and intangible assets $	Unrestricted $	2023 Total $
Balance, beginning of year	459,689	(141,767)	317,922
Excess of expenses over revenues for year	-	(212,791)	(212,791)
Amortization of capital assets	(59,057)	59,057	-
Amortization of intangible assets	(76,291)	76,291	-
Purchase of capital assets	30,599	(30,599)	-
Purchase of intangible assets	34,724	(34,724)	-
Balance, end of year	389,664	(284,533)	105,131

The accompanying notes are an integral part of these financial statements

COLLEGE OF MEDICAL RADIATION AND IMAGING TECHNOLOGISTS OF ONTARIO

Statement of Cash Flows

Year ended December 31	2024 $	2023 $
Cash flows from operating activities		
Excess of expenses over revenues for year	**(754,884)**	(212,791)
Adjustments to determine net cash provided by (used in) operating activities		
Amortization - capital assets	**60,528**	59,057
Amortization - intangible assets	**56,411**	76,291
Amortization of deferred lease incentives	**(16,014)**	(16,014)
	(653,959)	(93,457)
Change in non-cash working capital items		
Increase in prepaid expenses	**(27,500)**	(5,795)
Increase (decrease) in accounts payable and accrued liabilities	**231,629**	(45,119)
Increase in deferred registration fees	**109,310**	104,007
	(340,520)	(40,364)
Cash flows from investing activities		
Purchase of investments	**(2,830,866)**	(2,440,568)
Proceeds from disposal of investments	**3,218,299**	2,537,752
Purchase of capital assets	**(23,697)**	(30,599)
Purchase of intangible assets	**-**	(34,724)
	363,736	31,861
Net change in cash	**23,216**	(8,503)
Cash, beginning of year	**416,766**	425,269
Cash, end of year	**439,982**	416,766

The accompanying notes are an integral part of these financial statements

December 31, 2024

Nature and description of the organization

The College of Medical Radiation and Imaging Technologists of Ontario ("CMRITO") regulates medical radiation and imaging technologists in Ontario. Health professions in Ontario are governed under the *Regulated Health Professions Act, 1991* (RHPA) and individual health profession Acts (for the CMRITO, the *Medical Radiation and Imaging Technology Act, 2017*).

This legislative framework establishes health regulatory colleges, which regulate the professions in the public interest. CMRITO does this by establishing standards of practice for the profession and setting entry to practice requirements for medical radiation and imaging technologists. Additionally, it ensures the continued competence of its registrants through a quality assurance program and addresses concerns from the public through a complaints and discipline process.

CMRITO is a not-for-profit organization, as described in Section 149(1)(l) of the Income Tax Act, and therefore is not subject to income taxes.

1. **Significant accounting policies**

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

(a) **Revenue recognition**

Registration fees

Registration fees are recognized as revenue in the fiscal year to which they relate. Registration fees received in advance of the fiscal year to which they relate are recorded as deferred registration fees.

Investment income

Investment income, recognized on an accrual basis, comprises interest from cash and investments.

1. **Significant accounting policies (continued)**

(b) **Capital assets**

The costs of capital assets are capitalized upon meeting the criteria for recognition as a capital asset, otherwise, costs are expensed as incurred. The cost of a capital asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

Capital assets are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization is provided for, upon commencement of the utilization of the assets, on a straight-line basis at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Office equipment	10 years
Computer equipment	3 years

Amortization of leasehold improvements is provided for on a straight-line basis over the remaining term of the respective lease.

A capital asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. If any potential impairment is identified, the amount of the impairment is quantified by comparing the carrying value of the capital asset to its fair value. Any impairment of the capital asset is recognized in income in the year in which the impairment occurs.

An impairment loss is not reversed if the fair value of the capital asset subsequently increases.

(c) **Intangible assets**

The costs of intangible assets are capitalized upon meeting the criteria for recognition as an intangible asset, otherwise, costs are expensed as incurred. The cost of an intangible asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization is provided for, upon commencement of the utilization of the assets, on a straight-line basis at a rate designed to amortize the cost of the intangible assets over their estimated useful lives. The annual amortization rate is as follows:

Computer software	5 years

1. **Significant accounting policies (continued)**

(c) **Intangible assets (continued)**

An intangible asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. If any potential impairment is identified, the amount of the impairment is quantified by comparing the carrying value of the intangible asset to its fair value. Any impairment of the intangible asset is recognized in income in the year in which the impairment occurs.

An impairment loss is not reversed if the fair value of the intangible asset subsequently increases.

(d) **Deferred lease incentives**

Lease incentives include free rent benefits and tenant inducements received in cash for purposes other than capital in nature.

Lease incentives are amortized to income on a straight-line basis over the term of the respective lease.

(e) **Financial instruments**

Measurement of financial assets and liabilities

The College initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

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

Amortized cost is the amount at which a financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and minus any reduction for impairment.

Financial assets measured at amortized cost include cash and investments.

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

1. **Significant accounting policies (continued)**

(e) **Financial instruments (continued)**

Impairment

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

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

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

- the present value of the cash flows expected to be generated by holding the financial asset discounted using a current market rate of interest appropriate to the financial asset; and

- the amount that could be realized by selling the financial asset at the statement of financial position date.

Any impairment of the financial asset is recognized in income in the year in which the impairment occurs.

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

(f) **Pension plan**

The College is an employer member of the Healthcare of Ontario Pension Plan (the "Plan"), which is a multi-employer defined benefit pension plan. Sufficient information is not available to the College to use defined benefit plan accounting, therefore the College accounts for the Plan as a defined contribution pension plan. The College expenses pension contributions when made.

1. **Significant accounting policies (continued)**

(g) **Management estimates**

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

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

2. **Financial instrument risk management**

The College is exposed to various risks through its financial instruments. The following analysis provides a measure of the College's risk exposure and concentrations.

The financial instruments of the College and the nature of the risks to which those instruments may be subject, are as follows:

	Risks				
			Market risk		
Financial instrument	Credit	Liquidity	Currency	Interest rate	Other price
Cash	X				
Investments	X			X	
Accounts payable and accrued liabilities		X			

Credit risk

The College is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the College could incur a financial loss.

2. **Financial instrument risk management (continued)**

Credit risk (continued)

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

	2024 $	2023 $
Cash	439,982	416,766
Investments	2,214,634	2,602,067
	2,654,616	3,018,833

The College reduces its exposure to the credit risk of cash by maintaining balances with a Canadian financial institution.

The College manages its exposure to the credit risk of investments through their investment policy which restricts the types of eligible investments.

Liquidity risk

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

The liquidity of the College is monitored by management to ensure sufficient cash is available to meet liabilities as they become due.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

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 College is not exposed to currency risk.

Interest rate risk

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

2. **Financial instrument risk management (continued)**

Market risk (continued)

Other price risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The College is not exposed to other price risk.

Changes in risk

There have been no significant changes in the risk profile of the financial instruments of the College from that of the prior year.

3. Investments

	2024 $	2023 $
High-rate interest savings account	47,248	80,597
Guaranteed investment certificates	2,167,386	2,521,470
	2,214,634	2,602,067

The guaranteed investment certificates have effective interest rates ranging from 3.85% to 5.40% (2023 - 1.96% to 5.85%) and maturity dates ranging from January 2025 to April 2028 (2023 - January 2024 to July 2026).

In accordance with the reserves policy of the College, amended September 16, 2021, the Council of the College has restricted investments for the purposes of funding unforeseen expenditures arising from the operations of the College and special projects.

In the current year, investments in the amount of $1,800,000 (2023 - $1,860,000) have been restricted. Restricted investments are presented as long-term investments.

The restriction is subject to the direction of the Council upon the recommendation of the Finance and Audit Committee.

	2024 $	2023 $
Classified as:		
Current	414,634	742,067
Long-term	1,800,000	1,860,000
	2,214,634	2,602,067

December 31, 2024

4. **Capital assets**

	Cost $	Accumulated Amortization $	2024 Net Book Value $
Office equipment	368,735	239,981	128,754
Computer equipment	208,643	197,543	11,100
Leasehold improvements	431,256	431,256	-
	1,008,634	868,780	139,854

	Cost $	Accumulated Amortization $	2023 Net Book Value $
Office equipment	368,735	204,058	164,677
Computer equipment	197,915	185,907	12,008
Leasehold improvements	431,256	431,256	-
	997,906	821,221	176,685

During the year, capital assets with a net book value of nil (cost and accumulated amortization both of $12,969) were disposed of for no gain or loss.

During the prior year, capital assets with a net book value of nil (cost and accumulated amortization both of $20,802) were disposed of for no gain or loss.

5. **Intangible assets**

	Cost $	Accumulated Amortization $	2024 Net Book Value $
Computer software	885,934	729,366	156,568

	Cost $	Accumulated Amortization $	2023 Net Book Value $
Computer software	885,934	672,955	212,979

During the prior year, intangible assets with a net book value of nil (cost and accumulated amortization both of $10,800) were disposed of for no gain or loss. There were no disposals in the current year.

6. **Accounts payable and accrued liabilities**

	2024 $	2023 $
Trade payables and accrued liabilities	201,633	160,673
Accrued liabilities - complaints and discipline	265,976	73,609
Government remittances payable	135,306	137,004
	602,915	371,286

7. **Deferred lease incentives**

	Cost $	Accumulated Amortization $	2024 Net Book Value $
Tenant inducements	88,061	44,030	44,031
Free rent benefits	72,079	36,040	36,039
	160,140	80,070	80,070

	Cost $	Accumulated Amortization $	2023 Net Book Value $
Tenant inducements	88,061	35,224	52,837
Free rent benefits	72,079	28,832	43,247
	160,140	64,056	96,084

Amortization of lease incentives, received in connection with the lease of its office premises, in the amount of $16,014 (2023 - $16,014) was credited to rent expense in the statement of operations in the current year.

8. **Pension plan**

Employees of the College are members of the Plan, which is a multi-employer defined benefit pension plan. Plan members will receive retirement benefits based on the member's contributory service, the highest average annualized earnings during any consecutive five-year period, and the most recent three-year average year's maximum pensionable earnings. As at December 31, 2024, the Plan is 111% funded. Contributions to the Plan made during the current year ended December 31, 2024 by the College on behalf of its employees amounted to $324,345 (2023 - $298,609) and are recorded in human resources expense in the statement of operations. Employees' contributions to the Plan in 2024 were $257,417 (2023 - $237,039).

December 31, 2024

9. Commitment

The College is committed to lease its office premises until December 31, 2029. The future annual lease payments, including an estimate of premises common area expenses, are as follows:

	$
2025	413,607
2026	413,607
2027	413,607
2028	413,607
2029	413,607
	2,068,035

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