

INTERNATIONAL ACTUARIAL ASSOCIATION
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

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PARKER PRINS LEBANO
Chartered Professional Accountants
Professional Corporation

INDEPENDENT AUDITORS' REPORT

To the Members of the:
INTERNATIONAL ACTUARIAL ASSOCIATION

Opinion

We have audited the consolidated financial statements of the International Actuarial Association (IAA), which comprise the Consolidated Statement of Financial Position as at December 31, 2024, and the Consolidated Statements Of Changes In Net Assets, Revenues And Expenses, and Cash Flows for the year then ended, and Notes To The Consolidated Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of IAA 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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of IAA in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

Emphasis of Matter - Supplementary Consolidated Financial Information

The supplementary information presented on page 13 was derived from the underlying accounting and other records used to prepare the consolidated financial statements. The supplementary information is presented for the purposes of additional information, is not a required part of the consolidated financial statements, and is marked as unaudited. Such supplementary information is the responsibility of management.

Other Matters

The conflict in the Ukraine has raised some further uncertainty regarding the financial impacts to the organization due to its global reach. As the longer-term effect of the conflict from a financial perspective remains undetermined, it is not possible at this time to estimate any potential negative impacts on investments or the excess of revenues over expenditures that might result.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in IAA's Annual Report, but does not include the consolidated financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free

from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing IAA's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 IAA'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 IAA's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause IAA to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.



Parker Prins Lebano Chartered Professional Accountants Professional Corporation
Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

Ottawa, Ontario
May 25, 2025

INTERNATIONAL ACTUARIAL ASSOCIATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 345,493	\$ 497,779
Investments (Note 4)	453,746	444,573
Trade receivables	94,587	32,717
Government receivables, net	65,254	17,413
Inventories	-	45,600
Prepaid expenses	553,564	109,441
	1,512,644	1,147,523
INVESTMENTS (Note 4)	4,122,627	4,115,262
CAPITAL ASSETS (Note 5)	121,531	14,505
	\$ 5,756,802	\$ 5,277,290
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 391,972	\$ 161,715
Deferred revenue	40,166	19,907
	432,138	181,622
CONTRIBUTIONS HELD FOR:		
Congress Bursary Fund Article 34 (Note 6)	293,594	277,436
Advice and Assistance Fund (Note 7)	-	26,753
IAA Special Fund (Note 8)	187,583	187,583
	481,177	491,772
	913,315	673,394
Contractual obligations (Note 10)		
NET ASSETS		
INVESTED IN CAPITAL ASSETS	121,531	14,505
UNRESTRICTED NET ASSETS	4,721,956	4,589,391
	4,843,487	4,603,896
	\$ 5,756,802	\$ 5,277,290

INTERNATIONAL ACTUARIAL ASSOCIATION
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>2024</u>	<u>2023</u>
BALANCE, BEGINNING OF THE YEAR	\$ 4,603,896	\$ 4,091,055
EXCESS OF REVENUES OVER EXPENSES	<u>239,591</u>	<u>512,841</u>
BALANCE, END OF THE YEAR	<u>\$ 4,843,487</u>	<u>\$ 4,603,896</u>

INTERNATIONAL ACTUARIAL ASSOCIATION

CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>2024</u>	<u>2023</u>
REVENUES		
Membership dues	\$ 2,448,635	\$ 2,382,266
Interest and investment	158,864	154,621
Book sales	2,305	4,922
Other income (Note 9)	424,580	308,998
	<u>3,034,384</u>	<u>2,850,807</u>
EXPENSES		
ADMINISTRATION		
Amortization - office assets	6,167	4,509
Office and overhead	322,740	213,415
Professional services	128,570	90,836
Support staff	326,815	256,929
	<u>784,292</u>	<u>565,689</u>
GOVERNANCE		
Gifts and awards	41,045	36,189
Insurance	16,942	22,413
Professional services (audit)	33,651	27,000
Support staff	128,704	82,045
	<u>220,342</u>	<u>167,647</u>
COMMUNICATIONS AND IT		
Amortization - IT hard and software	37,540	33,406
Bursaries	47,801	78,064
Communication tools and services	138,658	139,538
Initiatives	91,431	75,690
Marketing	4,898	27,541
Support staff	61,829	131,048
	<u>382,157</u>	<u>485,287</u>
EVENTS		
Statutory and other meetings	491,436	356,548
Support staff	143,652	142,094
	<u>635,088</u>	<u>498,642</u>
IMPACT		
Engagement and representation	139,150	90,967
Support staff	92,780	77,147
	<u>231,930</u>	<u>168,114</u>
ASSURE		
Support staff	138,999	150,871
	<u>138,999</u>	<u>150,871</u>
ADVANCE		
Engagement and representation	68,042	-
Support staff	333,943	301,716
	<u>401,985</u>	<u>301,716</u>
	<u>2,794,793</u>	<u>2,337,966</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 239,591</u>	<u>\$ 512,841</u>

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

INTERNATIONAL ACTUARIAL ASSOCIATION

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>2024</u>	<u>2023</u>
CASH FLOWS (USED FOR) FROM OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 239,591	\$ 512,841
Items not affecting cash:		
Amortization	43,707	37,915
Loss on disposal of assets	2,204	-
Unrealized gain on investments	(308,847)	(269,876)
Revenues of Assistance and Section Funds	(26,753)	(188,438)
Net change in non-cash working capital:		
Trade receivables	(61,870)	8,062
Government receivables	(47,841)	3,133
Inventories	45,600	9,353
Prepaid expenses	(444,123)	90,246
Accounts payable and accrued liabilities	230,257	(19,886)
Deferred membership revenue	20,259	(450)
	<u>(307,816)</u>	<u>182,900</u>
CASH FLOWS FROM (USED FOR) INVESTING ACTIVITIES		
Additions to capital assets, net of dispositions	(152,936)	(3,369)
Purchases of investments, net of proceeds from dispositions	292,308	(117,014)
	<u>139,372</u>	<u>(120,383)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions received from held funds	16,158	122,167
NET (DECREASE) INCREASE IN CASH DURING THE YEAR	<u>(152,286)</u>	184,684
CASH AND EQUIVALENTS, BEGINNING OF YEAR	<u>497,779</u>	<u>313,095</u>
CASH AND EQUIVALENTS, END OF YEAR	<u>\$ 345,493</u>	<u>\$ 497,779</u>

INTERNATIONAL ACTUARIAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024

1. NATURE OF THE ASSOCIATION

The International Actuarial Association (IAA) was incorporated in accordance with the laws of Switzerland. Founded in 1895, and reformed in 1998 with a new constitution, the IAA is the worldwide association of professional actuarial associations, with a number of special interest sections for individual actuaries. The International Actuarial Association Services (IAA Services), a subsidiary of IAA, was incorporated in accordance with the laws of the Canada Not-For-Profit Corporations Act on February 27, 2024, with its operations formally starting on April 1, 2024. The IAA's mission is to represent the actuarial profession and promote its role, reputation and recognition in the international domain and to promote professionalism, develop education standards and encourage research.

The IAA, and its subsidiary IAA Services, is a non-profit organization under the Income Tax Act and, as such, is exempt from income taxes.

A number of Sections operate under the jurisdiction of the IAA constitution - Financial Risks and ERM (AFIR/ERM), Actuarial Studies in Non-Life Insurance (ASTIN), IAA Health Section (IAAHS), International Association of Consulting Actuaries (IACA), IAA Life Section (IAALS) and Pensions, Benefits and Social Security (PBSS).

2. SIGNIFICANT ACCOUNTING POLICIES

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

REVENUE RECOGNITION

The IAA 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 to be received can be reasonably estimated and collection is reasonably assured.

Membership dues are recognized in the year to which the dues relate. Dues revenue received in advance are deferred to the year to which the dues relate.

Revenues from Colloquia/Web seminars are recognized in the year in which these events are held, when the IAA assumes the organization of the events.

Interest and investment revenue is recognized on an accrual basis.

Book sales are recognized when the books are delivered.

Unrealized gains and losses on investments represent market value changes in the year, net of reallocation of prior year realized gains/losses on securities sold during the year.

IN-KIND CONTRIBUTIONS

Contributed materials and services which are used in the normal course of the IAA's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

USE OF ESTIMATES

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The area of significant estimate includes the useful life of the tangible capital assets.

INTERNATIONAL ACTUARIAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

DECEMBER 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

FINANCIAL INSTRUMENTS

Measurement

The IAA initially measures its financial assets and liabilities at fair value. The IAA subsequently measures all its financial assets and liabilities at amortized cost, except for short-term and long-term investments which are measured at fair value. Changes in fair value are recognized in the Statement Of Revenues And Expenses.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment.

Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in the statement of revenues and expenses in the year incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in the statement of revenues and expenses over the life of the instrument using the straight-line method.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist primarily of cash on hand and cash deposits with banks and investment accounts.

INVENTORIES

Inventories are measured at the lower of cost and net realizable value. The cost is determined on a first-in, first-out basis. An amount of \$45,441 was written off in 2024 as it became obsolete during the year.

CAPITAL ASSETS

Purchased capital assets are stated at cost less accumulated amortization. Amortization is provided based on the assets' respective estimated useful lives using the diminishing balance and straight-line methods, with one-half of amortization taken in the year of acquisition, at the following rates:

Software	55%
Computer equipment	55%
Furniture	20%
Leasehold improvements	duration of the lease
Equipment under capital lease	duration of the lease

Capital assets prior to 2024 were fully amortized and / or disposed in the year; all 2024 additions are amortized at the above listed new rates, and therefore does not represent a change in policy, and, as such, no retroactive restatement of capital assets and amortization has been made.

ALLOCATION OF EXPENSES

IAA records its payroll and related expenses by function: Administration, Governance, Communications and IT, Events, Impact, Assure, and Advance. Support staff costs are allocated based on the employee's assessment of time spent on each function.

FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated into Canadian dollars using the temporal method. Foreign currency transactions are translated at the rates of exchange prevailing at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate in effect at year-end. Gains and losses on translation are reflected in the statement of revenues and expenses.

INTERNATIONAL ACTUARIAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

DECEMBER 31, 2024

3. FINANCIAL INSTRUMENTS

PRICE RISK

Investment in financial instruments renders the IAA subject to price risks. There are three types of price risk: currency risk, interest rate risk and market risk. Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The IAA, through its subsidiary IAA Services, is exposed to currency risk through its various international transactions resulting in foreign exchange differences. The IAA is exposed to interest rate risk on its fixed-interest bonds, and exposed to market risk through its investments in exchange traded funds.

CONCENTRATION OF RISK

Concentrations of risk exist when a significant proportion of the portfolio is invested in securities with similar characteristics or subject to similar economic, political or other conditions. Management believes that the concentrations described above do not represent excessive risk to the IAA.

CURRENCY RISK

The organization enters into foreign currency purchase and revenue transactions and has assets and liabilities denominated in foreign currencies, and is therefore exposed to financial risk of earnings fluctuations arising from changes in foreign exchange rates and the degree of volatility of these rates. As at December 31, 2024, cash and investments of \$22,189 and \$6,181 (2023 - \$1,061 and \$467) are shown in US dollars and Euros respectively, and converted into Canadian dollars. The IAA does not use derivative instruments to reduce exposure to foreign exchange risk.

Investments held in currencies, bonds and funds within the affected regions of the Ukraine-Russia conflict or financial instruments affected by the conflict globally, may be subject to a higher level of market and credit risk. The organization is monitoring and actively managing any effects of this increased risk.

4. INVESTMENTS

Unless otherwise noted, cost approximates fair market value.

	<u>2024</u>	<u>2023</u>
SHORT-TERM INVESTMENTS:		
IAA (excluding Sections)		
Money market fund	\$ 254,345	\$ 223,232
AFIR/ERM		
Money market fund	140,001	126,870
ASTIN		
Money market fund	30,749	41,022
IAAHS		
Money market fund	9,004	7,808
IACA		
Money market fund	9,699	12,328
IAALS		
Money market fund	8,228	21,518
PBSS		
Money market fund	1,720	11,795
	<u>\$ 453,746</u>	<u>\$ 444,573</u>

INTERNATIONAL ACTUARIAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

DECEMBER 31, 2024

4. INVESTMENTS (continued)

	<u>2024</u>	<u>2023</u>
LONG-TERM INVESTMENTS:		
IAA (excluding Sections)		
Exchange traded bond fund (cost \$1,225,771; 2023 - \$1,230,207)	\$ 1,249,654	\$ 1,216,144
Exchange traded indexed fund (cost \$646,506; 2023 - \$794,822)	850,607	877,847
AFIR/ERM		
Exchange traded bond fund (cost \$337,680; 2023 - \$342,591)	344,259	338,675
Exchange traded indexed fund (cost \$155,620; 2023 - \$187,922)	204,749	207,552
ASTIN		
Exchange traded bond fund (cost \$444,104; 2023 - \$446,967)	452,758	441,857
Exchange traded indexed fund (cost \$193,271; 2023 - \$251,342)	254,286	277,597
IAAHS		
Exchange traded bond fund (cost \$56,594; 2023 - \$58,367)	57,697	57,699
Exchange traded indexed fund (cost \$38,651; 2023 - \$37,150)	50,854	41,030
IACA		
Exchange traded bond fund (cost \$140,248; 2023 - \$146,102)	142,981	144,432
Exchange traded indexed fund (cost \$63,286; 2023 - \$74,175)	83,265	81,924
IAALS		
Exchange traded bond fund (cost \$210,086; 2023 - \$207,880)	214,179	205,504
Exchange traded indexed fund (cost \$95,451; 2023 - \$120,973)	125,585	133,610
PBSS		
Exchange traded bond fund (cost \$52,409; 2023 - \$52,442)	53,430	51,842
Exchange traded indexed fund (cost \$29,128; 2023 - \$35,808)	38,323	39,549
	<u>\$ 4,122,627</u>	<u>\$ 4,115,262</u>

5. CAPITAL ASSETS

	<u>2024</u>			<u>2023</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Software	\$ 105,730	\$ 29,076	\$ 76,654	\$ 463
Computer equipment	14,868	5,800	9,068	10,629
Furniture and fixtures	25,045	2,555	22,490	786
Leasehold improvements	14,019	700	13,319	2,627
	<u>\$ 159,662</u>	<u>\$ 38,131</u>	<u>\$ 121,531</u>	<u>\$ 14,505</u>

During the year, certain capital assets were contributed to the IAA Services subsidiary and is included in the above consolidated figures; the remaining net book value was disposed, recognizing a loss of \$2,204, as detailed in Notes 9 and 11. In 2023, capital assets total cost and accumulated amortization amounted to \$425,096 and \$410,591 respectively.

INTERNATIONAL ACTUARIAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

DECEMBER 31, 2024

6. CONTRIBUTIONS HELD FOR CONGRESS BURSARY FUND

The Congress Bursary Fund represents contributions received in support of bursaries relating to congresses. This fund is externally restricted.

	<u>2024</u>	<u>2023</u>
Beginning balance	\$ 277,436	\$ 343,707
Add: contributions received	16,158	122,167
Less: amounts utilized	-	(188,438)
Ending balance	<u>\$ 293,594</u>	<u>\$ 277,436</u>

7. CONTRIBUTIONS HELD FOR ADVICE AND ASSISTANCE FUND

The Advice and Assistance Fund represents contributions received in support of IAA membership requirements to member associations, to associations seeking to become members of the IAA, and to establish new associations or strengthen existing associations and develop the elements of actuarial education and an actuarial profession. This fund is externally restricted.

	<u>2024</u>	<u>2023</u>
Beginning balance	\$ 26,753	\$ 26,753
Less: amounts utilized	(26,753)	-
Ending balance	<u>\$ -</u>	<u>\$ 26,753</u>

8. CONTRIBUTIONS HELD FOR IAA SPECIAL FUND

The IAA Special Fund represents contributions received to finance the Committee and Council meetings, and to support IAA's initiative to fund travel costs of delegates from developing countries to attend IAA Committee and Council meetings. This fund is externally restricted.

	<u>2024</u>	<u>2023</u>
Beginning balance	\$ 187,583	\$ 187,583
Less: amounts utilized	-	-
Ending balance	<u>\$ 187,583</u>	<u>\$ 187,583</u>

9. OTHER INCOME

	<u>2024</u>	<u>2023</u>
Subscriptions	\$ 18,425	\$ 19,215
Assistance and Section Funds:		
ICA Bursary contributions recognized (Notes 6 to 8)	26,753	188,438
ICA Bursary expenses	(26,753)	(188,438)
(Loss) gain on foreign exchange	(22,282)	2,019
Realized gains on sale of investments, net of losses	82,139	1,058
Unrealized gains (losses) on investments, net	308,847	269,876
Loss on disposal of assets (Note 5)	(2,204)	-
Other (Note 10)	39,655	16,830
	<u>\$ 424,580</u>	<u>\$ 308,998</u>

INTERNATIONAL ACTUARIAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

DECEMBER 31, 2024

10. CONTRACTUAL OBLIGATIONS

The IAA had leased premises, for which the lease agreement expired in October 2024. The IAA Services has leased its premises, with a lease agreement expiring in March 2030.

Minimum payments over the next five years are as follows:

2025	\$	21,944
2026	\$	21,944
2027	\$	21,944
2028	\$	21,944
2029	\$	21,944
Thereafter	\$	<u>5,486</u>
	\$	<u>115,206</u>

A portion of the office space under this lease has been sublet to a third party for \$2,500 per month plus applicable taxes, expiring October 2026. Other income on the Statement Of Revenues And Expenses includes \$27,500 related to this rental recovery (2023 - \$8,750).

The IAA Services has also entered into multiple contracts for hotel and venue accommodations for biannual conferences. While the IAA Services agrees to pay for the events accommodation, cancellation insurance is purchased, alleviating the organization from financial commitment.

11. RELATED PARTY TRANSACTIONS / CONTROLLED ENTITY

On February 6, 2024, the organization approved the signing of an agreement to revise the operational structure of the International Actuarial Association (IAA) to regularise the legal structure of the IAA with the creation of International Actuarial Association Services (IAA Services), a Canadian not-for-profit corporation. The IAA Services is a subsidiary of IAA and wholly controlled by IAA. IAA Services houses IAA operations including staff, human resource contracts, and operational liabilities. The IAA Services was granted \$6,727 capital assets by IAA which is recognized as contributed capital in the non-consolidated current year net assets, and eliminated in these consolidated financial statements under the full consolidation method.

During the year, the organization paid \$2,211,506 (2023 - \$nil) to its subsidiary IAA Services for operational professional services performed for and on behalf of IAA. These transactions are in the normal course of operations, are measured at the exchange amount which is the amount determined, agreed to by the related parties, and have been eliminated in these consolidated financial statements under the full consolidation method.

The close relationship occasionally gives rise to inter-entity transactions resulting in balances receivable from or payable to the related organization. At year end, IAA had a receivable from IAA Services of \$309,319 (2023 - \$nil), which bears no interest and has no terms of repayment, and has been eliminated in these consolidated financial statements under the full consolidation method.

12. COMPARATIVE FIGURES

Certain of prior year's figures have been reclassified to conform to the current year's presentation.

INTERNATIONAL ACTUARIAL ASSOCIATION

CONSOLIDATED SCHEDULE OF REVENUES AND EXPENSES (Unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2024

	IAA Excluding IAA Sections	AFIR/ERM	ASTIN	IAAHS	IACA	IAALS	PBSS	2024	2023
REVENUES									
Interest and investment	\$ 95,187	\$ 20,441	\$ 20,765	\$ 3,115	\$ 6,622	\$ 9,827	\$ 2,907	\$ 158,864	\$ 154,621
Membership - Associates	2,568	-	-	-	-	-	-	2,568	2,250
Membership - Patron	20,000	-	-	-	-	-	-	20,000	20,000
Membership - Full	2,131,803	60,990	79,089	30,567	29,775	58,550	35,293	2,426,067	2,360,016
Book sales and other income (Note 9)	220,587	55,621	68,258	9,440	24,911	36,033	12,035	426,885	313,920
	<u>2,470,145</u>	<u>137,052</u>	<u>168,112</u>	<u>43,122</u>	<u>61,308</u>	<u>104,410</u>	<u>50,235</u>	<u>3,034,384</u>	<u>2,850,807</u>
EXPENSES									
ADMINISTRATION									
Amortization - office assets	6,167	-	-	-	-	-	-	6,167	4,509
Office and overhead	301,504	3,459	4,659	1,972	6,526	2,714	1,906	322,740	213,415
Professional services	128,570	-	-	-	-	-	-	128,570	90,836
Support staff	326,815	-	-	-	-	-	-	326,815	256,929
	<u>763,056</u>	<u>3,459</u>	<u>4,659</u>	<u>1,972</u>	<u>6,526</u>	<u>2,714</u>	<u>1,906</u>	<u>784,292</u>	<u>565,689</u>
GOVERNANCE									
Gifts and awards	3,816	8,128	6,109	-	3,159	15,381	4,452	41,045	36,189
Insurance	16,942	-	-	-	-	-	-	16,942	22,413
Professional services (audit)	18,205	3,367	4,219	1,558	1,340	3,209	1,753	33,651	27,000
Support staff	128,704	-	-	-	-	-	-	128,704	82,045
	<u>167,667</u>	<u>11,495</u>	<u>10,328</u>	<u>1,558</u>	<u>4,499</u>	<u>18,590</u>	<u>6,205</u>	<u>220,342</u>	<u>167,647</u>
COMMUNICATIONS AND IT									
Amortization - IT hard and software	23,002	2,423	2,423	2,423	2,423	2,423	2,423	37,540	33,406
Bursaries	-	7,404	17,684	2,000	3,076	10,256	7,381	47,801	78,064
Communication tools and services	105,844	5,262	17,803	342	342	5,841	3,224	138,658	139,538
Initiatives	-	1,615	48,555	789	2,020	37,575	877	91,431	75,690
Marketing	3,096	1,433	-	-	369	-	-	4,898	27,541
Support staff	61,829	-	-	-	-	-	-	61,829	131,048
	<u>193,771</u>	<u>18,137</u>	<u>86,465</u>	<u>5,554</u>	<u>8,230</u>	<u>56,095</u>	<u>13,905</u>	<u>382,157</u>	<u>485,287</u>
EVENTS									
Statutory and other meetings	454,176	2,296	4,579	4,786	19,694	2,295	3,610	491,436	356,548
Support staff	143,652	-	-	-	-	-	-	143,652	142,094
	<u>597,828</u>	<u>2,296</u>	<u>4,579</u>	<u>4,786</u>	<u>19,694</u>	<u>2,295</u>	<u>3,610</u>	<u>635,088</u>	<u>498,642</u>
IMPACT									
Engagement and representation	139,150	-	-	-	-	-	-	139,150	90,967
Support staff	92,780	-	-	-	-	-	-	92,780	77,147
	<u>231,930</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,930</u>	<u>168,114</u>
ASSURE									
Support staff	138,999	-	-	-	-	-	-	138,999	150,871
ADVANCE									
Engagement and representation	68,042	-	-	-	-	-	-	68,042	-
Support staff	333,943	-	-	-	-	-	-	333,943	301,716
	<u>401,985</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>401,985</u>	<u>168,114</u>
	2,495,236	35,387	106,031	13,870	38,949	79,694	25,626	2,794,793	2,337,966
Section administration (recoveries)	(238,755)	49,258	63,389	25,133	23,955	47,541	29,479	-	-
	<u>2,256,481</u>	<u>84,645</u>	<u>169,420</u>	<u>39,003</u>	<u>62,904</u>	<u>127,235</u>	<u>55,105</u>	<u>2,794,793</u>	<u>2,337,966</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 213,664</u>	<u>\$ 52,407</u>	<u>\$ (1,308)</u>	<u>\$ 4,119</u>	<u>\$ (1,596)</u>	<u>\$ (22,825)</u>	<u>\$ (4,870)</u>	<u>\$ 239,591</u>	<u>\$ 512,841</u>