



PROFESSIONAL GEOSCIENTISTS ONTARIO



# ANNUAL REPORT 2019

*17<sup>th</sup>* ANNUAL  
REPORT

COVER PHOTO BY: AARON CURTIS

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## **MISSION**

Professional Geoscientists Ontario protects the public by regulating Ontario registered geoscientists and advancing professional practice.

## **VISION**

To maintain and continually improve PGO as a trusted, respected and effective regulatory authority.

**PRESIDENT**

Milan Situm, P.Geo.

**VICE PRESIDENT**

Scott McLean, P.Geo.

**PAST PRESIDENT**

Zen Keizars, P.Geo.

**CENTRAL ONTARIO  
COUNCILLORS**

Mark Goldie, P.Geo.

**NORTH WESTERN  
ONTARIO  
COUNCILLORS**

Pizye Nankamba, P.Geo.

**NORTH EASTERN  
ONTARIO  
COUNCILLORS**

Tafa Gomwe, P.Geo.

**SOUTH WESTERN  
ONTARIO  
COUNCILLORS**

David Leng, P.Geo.

**SOUTH EASTERN  
ONTARIO**

Paul Hubley, P.Geo.

**COUNCILLORS-AT-  
LARGE**

Robert Hearst, P.Geo.

Melanie Siewert, P.Geo.

Roger Phillips, P.Geo.

John Ryder, P.Geo.

**LIEUTENANT  
GOVERNOR-IN-  
COUNCIL APPOINTEES**

Nicole Januszczak,  
P.Geo.

**PUBLIC (NON-MEMBER)  
APPOINTEES**

Paul Connor, MBA

Carole Gilbert géo., LL.B/  
B.C.L.

Don Johnston, LL.B.

Susan Carlyle, LL.B.

Marco Simone, CPA, CA

**TREASURER**

Marco Simone, CPA, CA

**COUNCIL OF CHAIRS  
OF CANADIAN EARTH  
SCIENCE  
DEPARTMENTS  
(CCCESD)**

Dr. David Good, Ph.D.,  
P.Geo.

**TO SERVE AND  
PROTECT THE  
PUBLIC INTEREST**

**The Honourable Minister Greg Rickford**

Minister of Energy, Northern Development and Mines  
159 Cedar Street  
Sudbury, Ontario P3E 6A5

Dear Minister Greg Rickford:

On behalf of the Council of Professional Geoscientists Ontario (PGO formally APGO) and its staff and volunteers, I present to you our 2019 Annual Report. This report includes financial and audit reports for the 2019 year, as well as summaries of the achievements, activities, and varied tasks carried out by PGO, further substantiating our continued commitment to the responsible governance of the geoscience profession in Ontario.

PGO is quite appreciative that the Ministry staff has given their time to hear our plans and perspective on possible changes to the Professional Geoscientists Act. We look forward to more discussions on our aspirations to change the Act.

The number of our licensees has again continued to grow steadily in 2019, now with over 3,800 members, including fully practising or limited geoscientists and geoscientists-in-training, and 819 student members (data: December, 2019). As in years previous, these numbers reflect the success of PGO at promoting the profession.

I would like to add that PGO is so very pleased to be called upon as a resource by the various ministries, particularly MECP with regard to the commenting on the many regulation changes to several Acts that have or will be updated. We look forward to another year of growing collaboration and provide this report in hope that its content will help you assess PGO's annual accomplishments and establish how our contribution towards the Ministry's success in achieving its goals and objectives can continue to grow.

Sincerely,

Milan Situm, P.Geo.  
President

# PRESIDENT'S MESSAGE

MILAN SITUM, P.GEO.

Warmest greetings to all licencees. My reference to you as 'licencees' instead of 'members' is deliberate and has significance. You may have noticed that we have been changing our language in this respect over the past few months and this has been in parallel with removing the word 'Association' from our name to become Professional Geoscientists Ontario (PGO). We had noticed that there had been a growing tendency with some of our licensees to view PGO as an 'association' with an understanding that they are 'members'. Along with that came the reasonable expectation of member benefits and an advocacy role for PGO.

However, PGO is not an 'association' in that sense of the word – it is a self-regulatory body, which is quite different. Our mandate, articulated in the Professional Geoscientists Act Ontario, clearly indicates that we exist to protect the public and the environment and we

accomplish this by administering the registration of professional geoscientists, regulating their professional practice and facilitating continuing professional development. Thus the term 'licensee' as opposed to 'member'.

In recent times there have been a number of examples of self-regulatory bodies in Canada drifting away from their regulatory function and mandate of protecting the public to focus more on their 'membership' and as a consequence risking serious repercussions from their host governments and in some cases their very existence. We must remember that self-regulation is a privilege, not a right, and it is up to us to do what is necessary to preserve this privilege.

We do provide benefits to you, our licensees. Through our regulatory function we provide you with the right to practice your profession, we support

you with knowledge, information and guidance with respect to professional practice, and by regulating and maintaining standards we act to safeguard the reputation of the professional geoscience community as a whole, in the eyes of the public, the government and other key stakeholders.

This is challenging and demanding work and the past 12 months of my tenure as President has been no exception to this:

1. In my 12 years on council I have never plowed through more documentation in terms of updating or creation. There has never been more revising of terms-of-references or policy documentation, which sounds quite mundane but a necessary evil. In this sense everyone on council or committees can see in writing how their duties are framed in a public context.
2. We have seen the rejuvenation of particular committees: the Professional Practice Committee which contributes to who we are in professional development; the Enforcement & Compliance Committee in anticipation of changes to the Professional Geoscience Act, enabling us to protect the public from non-registrants more effectively; and most importantly, the Governance Committee who are the brain trust that keeps us on the straight and narrow with respect to our Act, Regulations and By-Laws.
3. A new subcommittee has been formed to focus on Communications. Every strategic plan from the Association's beginning has had large elements of communications either

internally or externally but real policies have never been made on how we communicate. This change is already happening.

4. In addition, I am reminded of the fact that we are licensees as we have made encouraging headway on the revisions to the Professional Geoscience Act after several meetings with various ministries and the Premier's Office.
5. Lastly, contributions to government policy and regulations have never been busier. With this very active new government we have been pleased to be recognized as a resource and as such have contributed to the review and amendments to five pieces of legislation.

This extraordinary progress would not be possible without thanks to the following groups and/or individuals:

- Employees of the various Ontario ministries and the Premier's office who were willing to work with us and the folks at Policy Concepts who coordinated those meetings;
- Our new CEO and rejuvenated support staff who have made my tenure function as smoothly as a Swiss watch;
- Our Volunteers, including Council and Committees.. Fortunately, we belong to a cadre of talent that is smarter than your average *Ursus Canadian*.
- Special thanks go out to a busier than average Ron Ormson and the Environmental Subcommittee who have represented PGO very well in response to "request for comment" on legislation and special projects that are current and pending from various Ministries of the Ontario Government.

- And to Simon Gautrey and the Review Panel who volunteered their time and expertise to work with the Ministry of Environment, Conservation and Parks (MECP) on matters concerning the bottled water moratorium.

I would be remiss not to make some mention of the current 'licensee' statistics. In summary, the practising numbers have not changed significantly (2252) but the GITs have gone up about 12% to 549 and the students have really jumped, by 30%, to 819.

Finally, in regards to my tenure and service to PGO, I want to begin by thanking my former employer Geophysics GPR International Inc. (Rejean Paul) who didn't question for a nanosecond as to whether my time with PGO would affect my management of the Ontario office. My tenure is not quite over because I have a duty as past president for one year but its been quite a stretch of 13 years when all is said and done. It began in the early years, 2004. Before we even had even begun introductions at the table of my first council meeting, I was chair of the Geophysics Subcommittee and by the end of the meeting I was chair of the Complaints Committee too. My first complaint was to myself for agreeing to be chair but that was quickly dismissed. It had no committee members, no manual and a complaint that was kicked back from the discipline committee for lack of due process. I chaired the Complaints Committee for over 10 years and I still remain as a member. About six years ago Marilen Miguel and I started the mentoring program, which is still going strong.

Throughout the years I have enjoyed the company and comradery of a substantial

number of staff, councillors and committee volunteers, particularly the non-member volunteers, who gave their time and perspective with no skin in the game. Looking back, there has been nothing but growth, recognition and good work. I leave PGO soon with this knowledge and I am encouraged by the volunteer interest. To all registrants I say look for opportunities on committees, run for council seats. If you don't get in the first time, try again, its worth it. And with that I also say Thank You and à bientôt.





# PAST PRESIDENT'S MESSAGE

ZEN KEIZARS, P.GEO.

Each year, the Past President gets a brief moment at the podium to reflect on the achievements and changes that have taken place during their time on Council. I don't think I need to go that far back, which is okay, because under CoVid conditions I also don't get a podium.

The past three years, beginning as Vice President of the APGO with Christine, then as President, through to today as Past President of the PGO with Milan, have seen an unprecedented amount of changes. The most visible changes have included the rotation of three CEO's, a radical change in business name and branding, and an increased focus on government relations. I can't take credit for any of these, other than doing my best to facilitate and filter all the ardent ideas and the very real needs of the PGO.

At the end of the day, I am simply a hydrogeologist, and I genuinely spend more time looking for voidspace than I do anything else. That said, my focus on Council for the past few years has been simply to consolidate voidspace – geologically and figuratively. More specifically:

1. consolidating our focus on our mandate as a Regulator;

2. consolidating our volunteer workers into a community, and increasing the recognition of our un-sung heroes - the Committee volunteers; and,
3. consolidating our inward legislative platform from which to efficiently carry out our business as a Regulator.

Our stamp is used to provide evidence that the holder stands by the integrity of their geoscience work. Going full circle to 2018 when I accepted the role of President, my promise was not to put my stamp on this work unless I was confident that I was leaving the PGO in a better place – just as Christine Vaillancourt, Tony Lotimer, Mark Priddle, Dave Hunter, and Andrew Cheatle did before me; and I am confident that Milan Situm, Scott McLean and Paul Hubley will be doing after me. Thank you to all of the Membership for the opportunity of the past few years. I look forward to working with you all, and continuing my focus with roles on several committees, including the new Communications Committee.

Yours in geoscience,



# CEO'S MESSAGE

DR. TONY ANDREWS

It is a pleasure to report on my first full year as CEO of Professional Geoscientists Ontario (PGO). For me personally it was a year of getting firmly and comfortably in the saddle, orientating myself into the organization, its processes and people, and becoming familiar with the issues. And notwithstanding my many years of accumulated experience managing in the not-for-profit sector, it was a year of discovering and learning about the nuances of the particular world of a self-regulatory organization.

I am pleased to report to you that for PGO as an organization, 2019 was a year of significant accomplishments and evolution. Here are a few of the highlights:

- We have rebuilt our staff into a lean, highly efficient team of 5 permanent and 2 part-time positions, occupied by highly-motivated individuals, four of whom are geoscientists;
- We have introduced many improvements and efficiencies to our online registration process to make it easier for applicants and licensees;
- We are well along the way to completing the digitization of our licensee database and rebranding and reconfiguring our website;
- We have planned and developed an Annual PGO Symposium for the benefit of professional geoscientists and their stakeholders, which is being launched this year as a virtual event commencing on June 30 (see program details on our website);

- We have completed a new strategic plan which lays out the direction and priorities of PGO for the next 3 years and where we want to be by 2023 (also on our website); and
- We are moving ahead with an initiative to help guide the practice of professional geoscientists in the areas of sustainability and climate change impacts.

As outlined in the Committee Reports of this Annual Report, the dedication and expertise of our volunteers have enabled us to build and maintain a strong, constructive relationship with our colleagues in the Ontario government, with constructive exchanges on multiple issues relevant to the geoscience profession. 2019 saw the continuation of a long-term trend of steadily increasing numbers of licensed P.Geos., Geoscientists in Training (GITs) and student members, and our 2019 audited, year-end financial statements reflect a stable, healthy financial situation resulting from the careful management of our resources.

Finally, while the COVID-19 pandemic continues to present unprecedented health and economic challenges for everyone at the time of writing, I very much appreciate the efforts and commitment of our staff and volunteers to ensure that PGO continues to function efficiently in all required areas while at the same time protecting the health of all involved by working remotely from the safety of our homes.

A photograph of a helicopter hoisting a person over a mountain range at sunset. The helicopter is in the upper right, and the person is suspended in a basket in the lower center. The sky is a mix of orange and yellow, with clouds and mountain silhouettes. A dark, triangular graphic element is on the left side.

# COMMITTEE REPORTS

# EXECUTIVE COMMITTEE

MILAN SITUM, P.GEO.

The Executive Committee is comprised of the President, Vice President, Past President, Treasurer, an appointed non-member, and the CEO (sitting as exofficio). The Executive Committee implements policy decisions and provides management duties on behalf of the Council, and may take interim action in the event of an emergency where time does not permit the meeting of Council.

During the 2019/2020 term, the committee has met a week or two before the council

meetings. The primary function of the meetings is to prepare an agenda for the council meetings. As well, there would be a review of various materials presented to council such as a preliminary budgets, or a progress report on the strategic plan.

PHOTO BY: ANDREW CHEATLE, P.GEO.

# REGISTRATION COMMITTEE

JOHN RYDER, P.GEO. AND  
AFTAB KHAN, P.GEO.

In 2019 the Registration Committee continued its work reviewing applications for registration and determining their acceptability. A total of 265 applications were reviewed for the following licensee categories:

- Full Practising
- Limited
- Geoscientists-in-training (GIT)

In the past five years, 562 licensees have retired or are no longer practicing geoscience in Ontario. A total of 852 new practicing licensees were added in the same period which is a net increase of 38%. Student numbers are still strong and have been steadily increasing over the five years.

Certificates of Authorization increased from 201 in 2015 to 213 in 2019. The current list of licensees in good standing and Certificates of Authorization can be searched on the PGO website at <http://www.pgo.ca>. The makeup of PGO licensees by type of geoscience practice is shown below.

The makeup of PGO licensees by gender is shown below and has not changed since 2018:

Practising Members (P. Geo):

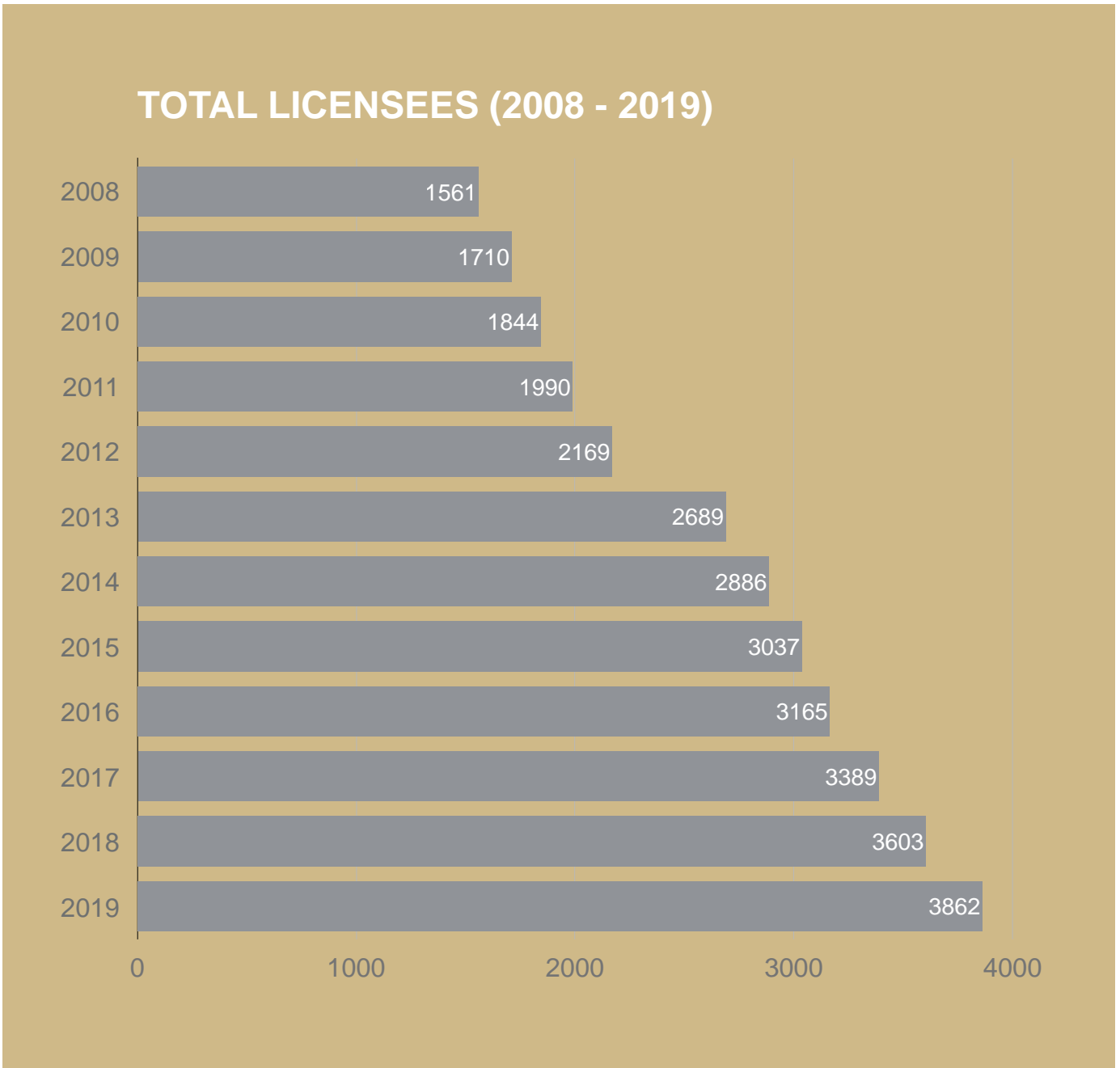
- 77% Male
- 23% Female Geoscientist in Training (GIT):
- 60% Male
- 40% Female

PGO wishes to express gratitude to the volunteer members of the Registration Committee for their ongoing dedication in assessing applications. The staff continues to be amazing and is the backbone of the Committee.

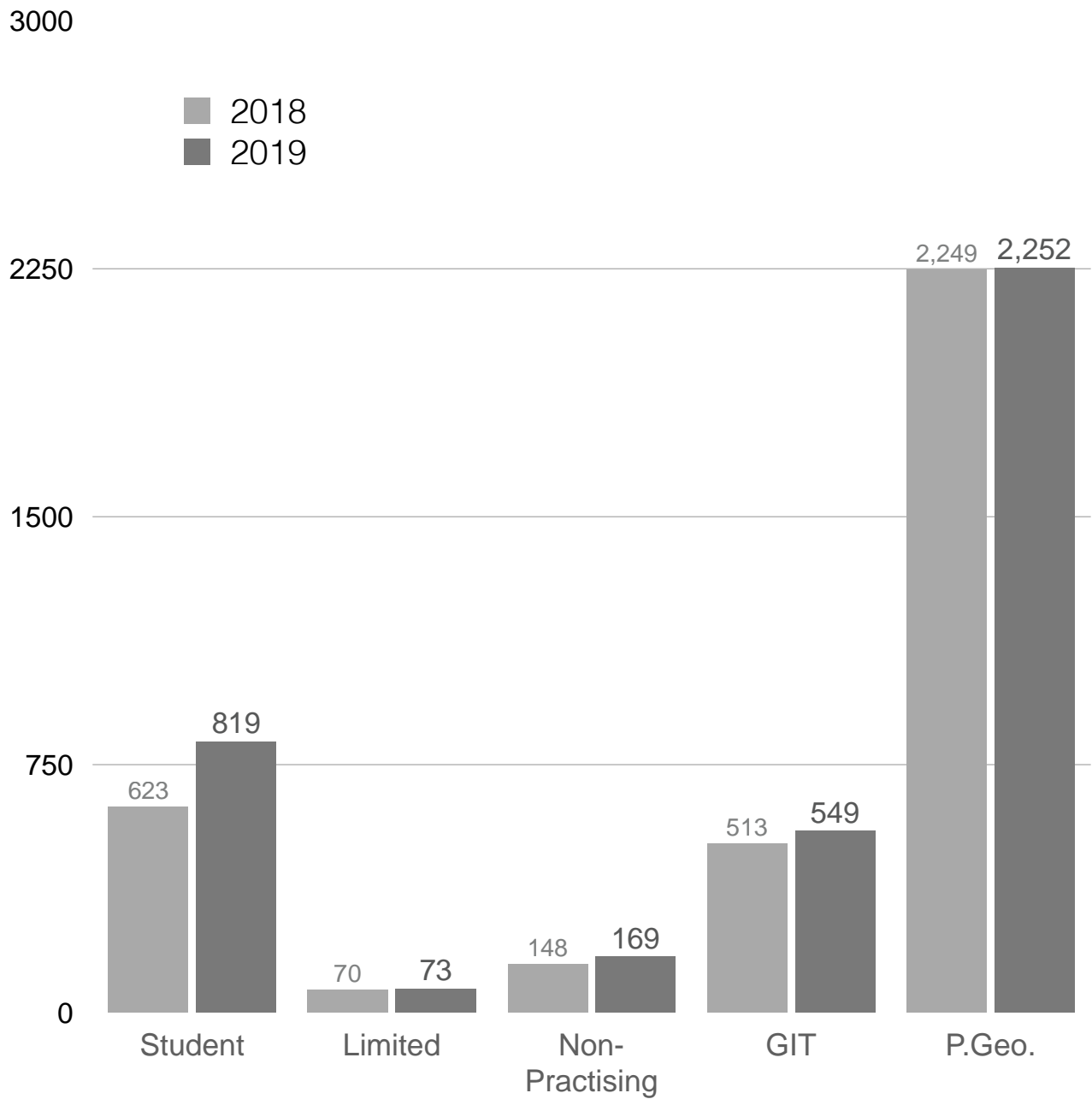
## NUMBER OF LICENSEES 2017-2019

	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>FULL P.GEO.</b>	2,125	2,249	2,252
<b>LIMITED P.GEO</b>	65	70	73
<b>NON- PRACTISING GIT</b>	123	148	169
<b>TOTAL</b>	<b>2,750</b>	<b>2,980</b>	<b>3,043</b>
<b>STUDENTS</b>	639	623	819
<b>RESIGNED/ RETIRED</b>	41	49	47
<b>DECEASED</b>	3	8	5

## LICENSEE STATISTICS

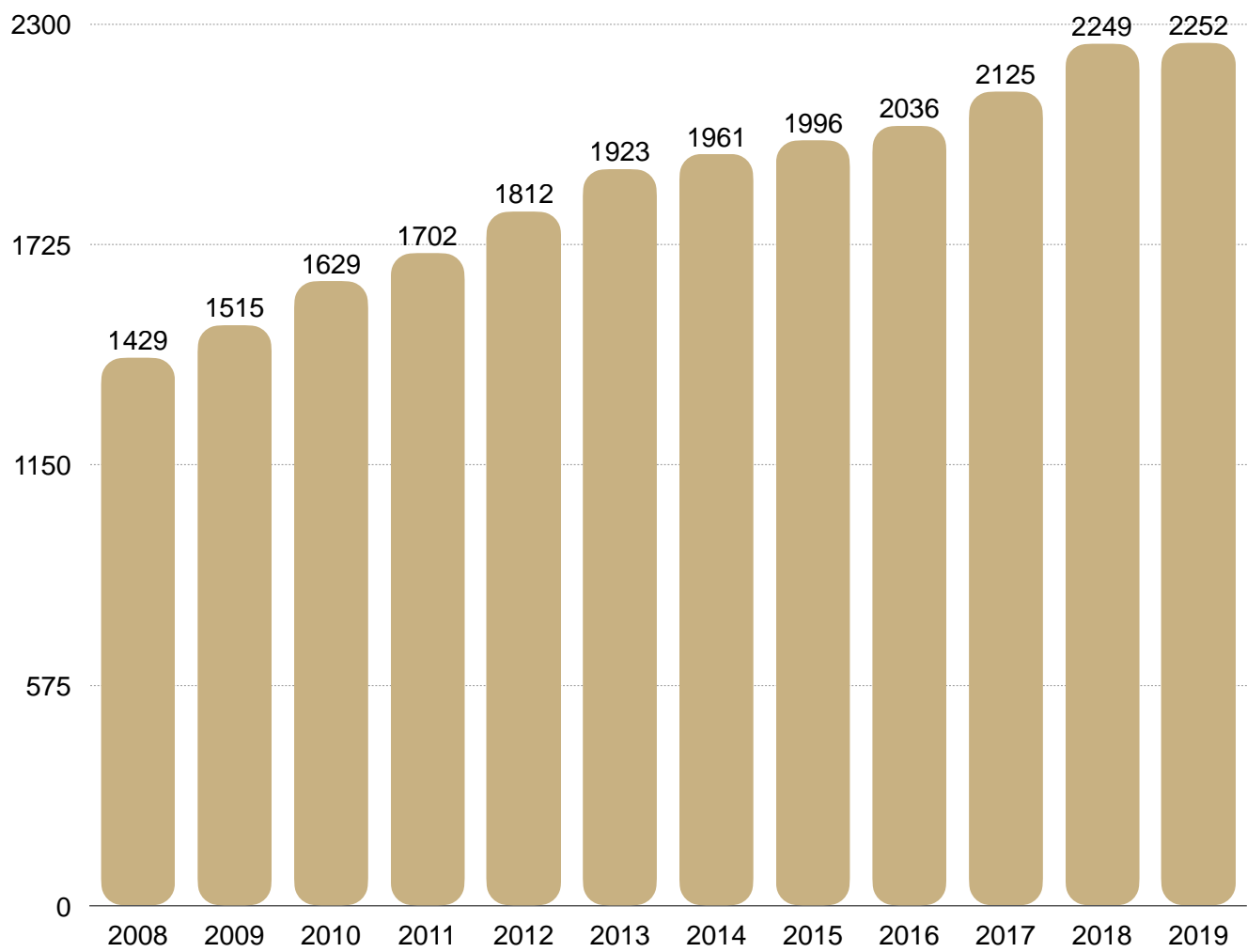


## LICENSEES BY CATEGORY (INCLUDING STUDENT MEMBERS)

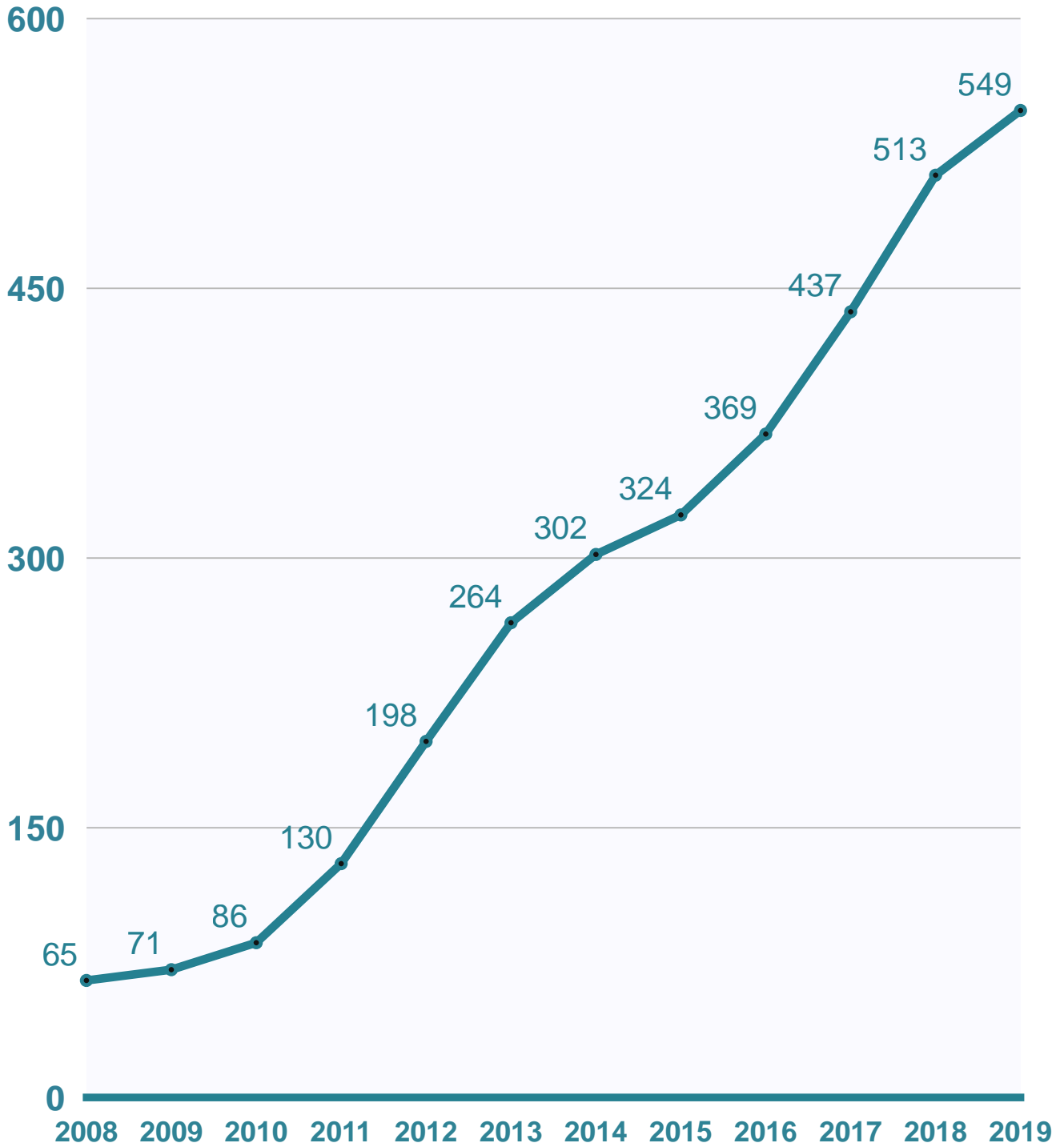




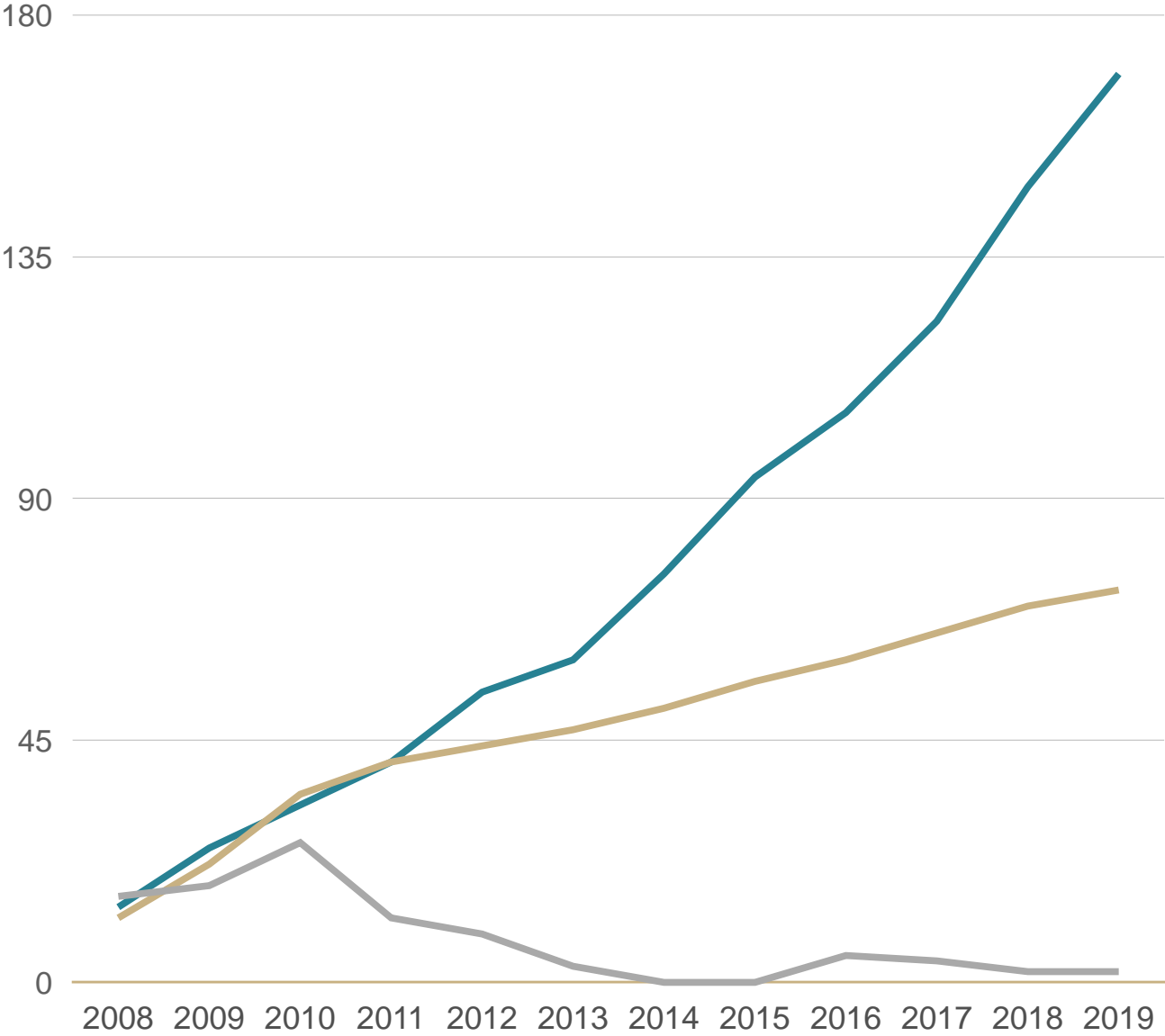
## FULL P.GEO. (2008 - 2019)



## GIT MEMBERSHIP (2008 - 2019)



# OTHER LICENSEES (2008 - 2019)



- Temporary P.Geo.
- Limited P.Geo.
- Non-Practising P.Geo.

# DISCIPLINE COMMITTEE

**MICHAEL JONES, P.GEO.**

The Discipline Committee is responsible for hearing and making determinations on cases of professional misconduct, malpractice, negligence or incompetence, brought against a Licensee or Certificate of Authorization holder by a complainant. The Committee convened one Hearing in 2019, resulting in a guilty verdict. Information on Hearing Panel decisions is available on the APGO website, under 'Discipline'.

Regular meetings of the Discipline Committee continued to be held by teleconference on a

quarterly basis. In 2019, the Committee focused on continued development of standardized procedures for hearings and internal training discussions.

Mike Jones is the current Chair of the Committee and Tammy Middleton is the Vice-Chair. Tammy will move to the Chair position on completion of the current Chair's mandate in June 2020. Our 17 members currently include members and non-member appointees from the PGO Council, and individual licensee volunteers.

PHOTO BY: RABEEA FATIMA, GIT

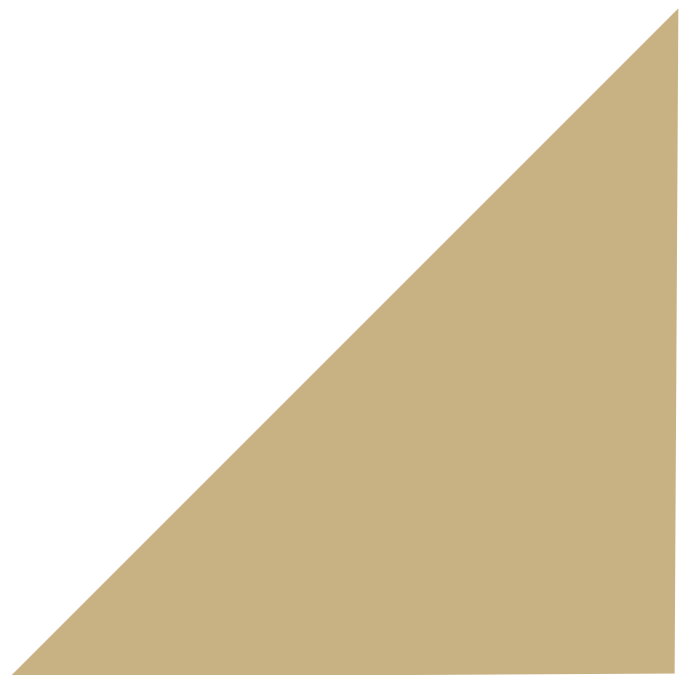
# AUDIT COMMITTEE

**DENNIS WADDINGTON, P.GEO.**

The Audit Committee is a Standing Committee of PGO reporting to Council, to assist Council fulfill its financial responsibilities for PGO's affairs by overseeing the independent audit process, recommending the annual financial statements for approval by Council, and managing the relationship with the external auditors. The committee is presently made up of four members, all independent from involvement in the daily accounting functions of PGO and a combination of financially literate non-member PGO Councillors, PGO member Councillors and PGO licensee volunteers.

The Audit Committee meets as needed during the year, mainly in the first few months to plan the audit and review audited financial statements for approval by Council. In 2019 it met on several occasions by

conference call with and without the auditors and/or management to oversee the annual audit process of the 2018 financial statements. During 2019 three of the four members retired from the committee and three replacements are coming aboard in 2020. Bateman MacKay LLP, headquartered in Burlington with offices in Mississauga, is PGO's auditor. The 2019 Year-End Audited financial statements are presented below..





LEFT: 2019 INCOMING PRESIDENT MILAN SITUM, P.GEO.  
RIGHT: 2019 OUTGOING PRESIDENT ZEN KEIZARS, P.GEO.

## PROFESSIONAL PRACTICE COMMITTEE

**PAUL HUBLEY, P.GEO.**

The Professional Practice Committee (PPC) has a mandate to develop guidelines for practising Geoscientists, contributing to professional development activities, maintaining standards of ethics, and overseeing the four member subcommittees (Geology, Geophysics, Environmental and Geomorphology).

The PPC developed the guideline Professional Geoscientists Reviewing Work Prepared By Another Professional Geoscientist, passed by PGO Council in May and published in June (with clerical revisions in August) – the guideline experienced numerous downloads and has been highly acclaimed and widely circulated.

The PPC provided direction and support to subcommittees for the active review of existing guidelines with the aim of identifying revisions where applicable, to ensure that PGO guidelines remain relevant to members.

The PPC participated in an audit of Continuing Professional Development (CPD) hours logged by membership.

The PPC also provided support to Council by developing individual tasks to support key initiatives described in the PGO's 3-year Strategic Plan, including identifying additional CPD opportunities, in addition to recommending methods of increasing diversity and participation in PGO.



PHOTO BY: ALLAN MACTAVISH, P.GEO.

## COMPLAINTS COMMITTEE

**DOUGLAS CATER P.GEO.**

The Complaints Committee was active during the second half of the year, with the review of one (1) Complaint C-133. The complaint was received in August 30, 2019 and decision rendered on January 8, 2020. The complaint while confidential in nature was reviewed using a panel format comprised of committee members and a Council representative.

On behalf of the Complaints Committee, I want to extend thanks to all our panelists who volunteered their time, to participate in the complaint review process seeing this complaint through to a timely conclusion.

# GOVERNANCE COMMITTEE

PAUL CONNOR, MBA

The Governance Committee is a Standing Committee of Council which monitors the overall function of Council and PGO to ensure compliance with the *Professional Geoscientist Act (2000)*, Regulations and By-laws and that it adheres to all other pertinent standards and practices expected of a self-regulating professional organization. We welcomed a number of new, highly qualified members to this committee in 2019-20: Carole Gilbert géo., LL.B/B.C.L., Melanie Siewert, P.Geo., and Paul Connor, MBA, with Paul taking the Chair.

In line with the Strategic Planning Framework developed after the April 2019 Council retreat, the Governance Committee will propose potentially significant process and performance improvements in PGO's governance. The aim is to maintain and enhance the trust PGO enjoys from the public, governments and stakeholders. The best governance practices of other organizations, particularly self-regulatory bodies like PGO, will be reviewed for potential improvements.

Council will be called upon to perform regular self-assessments and set goals for future performance enhancement. And finally, a full audit of PGO's governance will be commissioned in 2020-21.

## APGO's NEW NAME

Following careful deliberations among Council and Staff, Council made a decision to introduce the new business name of *Professional Geoscientists Ontario (PGO)* for use in day-to-day communications and activities. On June 14, 2019, the new name, *Professional Geoscientists Ontario* was launched.

The most compelling reason for this change was to remove the word *Association* in order to more clearly identify the organization's mandate to the public, members and key stakeholders. The legal name of *Association of Professional Geoscientists of Ontario (APGO)* will continue to be used for members' professional seals and certificates.



# GEOLOGY SUBCOMMITTEE

MARY-ANNE HILDEBRANDT, P.GEO.

The Geology Subcommittee is a branch of the Professional Practice Committee. Our mandate is to support the Professional Practice Committee in fulfilling its mandate, with respect to the practice of Geology, including developing guidelines for the practice of professional geoscience.

Highlights from 2019 included:

- Formal commentary on the draft of the CIM Estimation of Mineral Resources

and Mineral Reserves Best Practice Guidance;

- Revision of the Geology Subcommittee's Terms of Reference; and
- Consideration to comment on the draft of the PEO Professional Engineers Providing Reports on Mineral Properties.

In the year ahead, we will review the PGO Mineral Exploration Best Practice Guideline.

PHOTO BY: GEORGE GORRELL, P.GEO.



# ENVIRONMENTAL GEOSCIENCE SUBCOMMITTEE

RON ORMSON, P.GEO.

The Environmental Geoscience Subcommittee reports to the Professional Practice Committee. The mandate of the subcommittee is to support the work of the Professional Practice Committee including developing guidelines for the practice of professional environmental geoscience. Central to this mandate is liaison work with the Ontario Ministry of the Environment and Conservation and Parks (MECP) to monitor regulatory changes that affect the practice of environmental geoscience. In 2019, the subcommittee and its members continued to interact with the MECP on various regulatory changes and policy initiatives.

Highlights of the subcommittee's activities over the past year include:

- Formal commenting on the MECP Excess Soil Regulation posted on the Provincial Environmental Registry;
- Ongoing participation in the development of technical guidelines for the management of excess fill, including attendance at working group meetings for chemical standards and sampling;
- Meetings with senior MECP staff to reinforce the role of Qualified Professionals (QPs) and compliance with O.Reg.153/04 (Records of Site Condition) of the Environmental Protection Act and representation at

- the MECP Water Quantity Protection External Working Group;
- Formal comments on the MECP's proposed Terms of Reference for the Determination of Minimum Treatment for Municipal Residential Drinking Water Systems Using Subsurface Raw Water Supplies;
- Formal commenting on the Made-in-Ontario Environment Plan posted on the Provincial Environmental Registry;
- Formal commenting on proposed changes to O. Reg. 903 (Wells) under the Ontario Water Resources Act;
- Outreach to various post-secondary institutions including the University of Toronto, University of Waterloo and Conestoga College.

The subcommittee communicates via electronic mail and meets as required through teleconferencing.





PHOTO BY: MAURICIO NERI, P.GEO.

## GEOPHYSICS SUBCOMMITTEE

**LUC LAFRENIÈRE P.GEO., géo.**

The Geophysics Subcommittee is a subcommittee of the Professional Practice Committee, a Standing Committee of Council.

The mandate of the Geophysics Subcommittee is to support the Professional Practice Committee in fulfilling its mandate, with respect to the practice of Geophysics, including developing standards and guidelines for the practice of professional geophysics and undertaking other

professional practice matters as may arise from time to time.

This past year, the General Professional Practice Guidelines for Geophysicists reference document was reviewed by the subcommittee. There was much discussion on its contents and in the end, the final guidelines were published.

# GEOMORPHOLOGY SUBCOMMITTEE

ROGER T.J. PHILLIPS, P.GEO.

The Geomorphology Subcommittee supports the work of the Professional Practice Committee, including the development of standards and guidelines for professional practice in geoscience, and for applied geomorphology specifically.

A key initiative of the subcommittee in 2019 has been to develop a new Geomorphology Professional Practice guideline document, in line with existing guidelines for other sub-disciplines of geoscience.

This new guideline will further reinforce the geoscience foundations of applied geomorphology as outlined in the subcommittee's position statement, which also provides criteria to distinguish geomorphology as geoscience in interdisciplinary work.

Following completion of the new guideline in 2020, this initiative will continue with further outreach at academic and industry conferences.



FROM RIGHT: CHRISTINE VAILLANCOURT, P.GEO., PAST PRESIDENT, AFTAB KHAN, P.GEO., REGISTRAR, MEETING WITH MINISTER GREG RICKFORD, MINISTRY OF ENERGY, NORTHERN DEVELOPMENT AND MINES, MINISTER JOHN YAKABUSKI, MINISTRY OF NATURAL RESOURCES AND FORESTRY AND ONTARIO PREMIER DOUG FORD AT THE 2019 PDAC.

# PGO REPRESENTATION ON NATIONAL COMMITTEES, GEOSCIENTISTS CANADA (GC)

MARK PRIDDLE, P.GEO.

Geoscientists Canada (GC) exists to serve the profession of geoscience in Canada. The organization works on behalf of its members – nine regulatory bodies that register geoscientists and regulate their practice in Canada’s provinces/territories. GC also facilitates and coordinates national projects designed to enhance protection of the public and safeguard public interests as related to geoscience practice.

GC essentially completed the development of Phase 2 of the admission support tools (AST) for the profession. This included Pre-Arrival and Work Experience Competencies online tools to assist registration of internationally-trained applicants. Funding was provided by Employment and Social Development Canada.

A review of all professional practice guidelines for geoscience that are available in Canada has been completed and plans are in place to develop additional guidelines, as required. GC reprinted a document

entitled Geoscience and Canada Understanding our Earth: The Vital Role of Canada's geoscientists as a result of its popularity across the country.

GC completed the registration of Professional Geoscientist and P.Geo. as certification marks, thanks to the PGO (supporting Association).

GC continues to represent geoscientists in the international sphere, including connections with the American Institute of Professional Geologists and Association of State Boards of Geology.

PGO and our other Constituent Association members provided input on the “implementation table” which has given GC a mandate for ongoing initiatives in the coming years.

# COUNCIL OF CHAIRS OF CANADIAN EARTH SCIENCE DEPARTMENTS (CCCESD)

DAVID GOOD, P.GEO.

As the representative for Council of Chairs of Canadian Earth Science Departments (CCCESD), I have two activities to report for 2019/20.

September 18, 2019: I sent a group email to the chairs of each earth science department in Ontario with two messages: first to introduce myself as council representative and, second, to promote the APGO Education Foundation. Unfortunately, I received only 1 positive response from McMaster, so I don't know how many of the

departments redistributed my email. But I am aware that nobody responded to Deana Schwarz with regards to the appeal for information for the APGO Education Foundation.

February, 2020: I have gathered information regarding PGO and the positions of University professors to discuss at an upcoming council meeting.



PHOTO BY: TERRY CARTER, P.GEO.



## RECOGNITION OF 2019 CONTINUING PROFESSIONAL DEVELOPMENT (CPD) PROGRAM SPEAKERS AND SPONSORS

PGO gratefully acknowledges the professionals who generously provided their time and expertise as speakers at our learning events. We also acknowledge companies that supported our 2019 Annual General Meeting and Conference through sponsorships. Your collective contributions to PGO's CPD Program helped sustain our work in helping licensees keep current with their knowledge and maintain their professional competence.

### **2019 PGO Webinar Speakers**

Carl Friesen, MBA

*Is your LinkedIn profile doing its job of connecting you to opportunities?*

Tim Vipond

*Mining Financial Model & Valuation*

Grant Piraine

*Utility Infrastructure Awareness: The importance of Knowing Before You Dig*

Steve Holysh, P.Geo. and Rick Gerber, P.Geo.

*The Oak Ridges Moraine Groundwater Management Program – Online Portal to Groundwater Data*

Aziz Ahmed, P.Eng., Dennis Mutti, P.Eng., Monica

B. Emelko, Ph.D., and Ola Sokolowski, P.Eng.

*Newly Amended TOR for the Determination of Minimum Treatment for Municipal Residential Drinking Water Systems Using Subsurface Raw Water Supplies*

Craig Waldie, P.Geo. and James Whyte,  
P.Geo.

*Overview of NI 43-101 and Mining*

*Disclosure Basics*

*NI 43-101 Technical Reports: Basics and  
Pitfalls*

Warren Lusk, P.Geo.

*Water Well Licensing Considerations -  
Requirements and Exemptions, Education  
and Outreach*

### **2019 Short Courses**

Dr. David Good, P.Geo. and David Leng,  
P.Geo.

*Fundamentals of Geochemistry*

David Leng, P.Geo.

*Your Career and Public Reporting - The QP  
Short Course for Students*

Bill Leedham, P.Geo. and David Wade,  
P.Geo.

*Record Site Condition - Getting It Right from  
Aerials to Zoning*

### **2019 Annual Conference Speakers and Sponsors**

Ashley Kirwan, M.Sc., P.Geo., Co-founder,  
President, CEO & Principal Geologist, Orix  
Geoscience

Erica Richler, Partner, Steinecke Maciura  
LeBlanc

Mark Priddle, P.Geo., VP of Sustainable  
Communities with McIntosh Perry

Dr. Malcolm Lawrence Thurston, P.Geo.,  
Head of Mineral Resource Management,  
De Beers Group of Companies

Carl Friesen, Founder, Thought Leadership  
Resources (part of Global Reach  
Communications Inc.)

Jacquelyn Stevens, Partner, Willms & Shier  
Environmental Lawyers LLP

Stephanie Vanos P.Geo., Resource  
Geologist, Red Lake Gold Mine, Goldcorp

TD Insurance – Sponsor of 2019 PGO  
Reception

Hub International – Sponsor of Conference  
Presentation on “Review of work prepared  
by another professional geoscientist”





# **FINANCIAL STATEMENTS**

AUDITED YEAR-END DECEMBER 31, 2019

**ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO**  
*(Operating as Professional Geoscientists Ontario)*  
**Audited Financial Statements**  
**Year Ended December 31, 2019**

**ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO**

*(Operating as Professional Geoscientists Ontario)*

**Index to Audited Financial Statements**

**Year Ended December 31, 2019**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Association of Professional Geoscientists of Ontario (Operating as Professional Geoscientists Ontario)

### *Opinion*

We have audited the financial statements of Association of Professional Geoscientists of Ontario (the Association), which comprise the audited statement of financial position as at December 31, 2019, and the audited statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the audited financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying audited financial statements present fairly, in all material respects, the audited financial position of the Association as at December 31, 2019, and the audited results of its operations and audited cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-profit Organizations (ASNPO).

### *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 Audited Financial Statements* section of our report. We are independent of the Association in accordance with ethical requirements that are relevant to our audit of the audited 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 Audited Financial Statements*

Management is responsible for the preparation and fair presentation of the audited financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of audited financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the audited 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.

*(continues)*

*Auditor's Responsibilities for the Audit of the Audited Financial Statements*

Our objectives are to obtain reasonable assurance about whether the audited 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 audited 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 audited 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 audited 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 audited financial statements, including the disclosures, and whether the audited 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.

*Bateman Mackay LLP*

Mississauga, Ontario  
May 21, 2020

CHARTERED PROFESSIONAL ACCOUNTANTS  
Licensed Public Accountants

**ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO**

*(Operating as Professional Geoscientists Ontario)*

**Audited Statement of Financial Position**

**December 31, 2019**

	2019	2018
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 1,031,060	\$ 860,181
Short term investments <i>(Note 2)</i>	199,406	237,740
Membership fees receivable <i>(Note 3)</i>	221,325	241,350
Prepaid expenses	20,159	18,991
	<b>1,471,950</b>	1,358,262
PROPERTY AND EQUIPMENT <i>(Note 4)</i>	20,831	32,791
RESTRICTED RESERVE FUND INVESTMENTS <i>(Note 2)</i>	1,001,031	1,042,501
	<b>\$ 2,493,812</b>	\$ 2,433,554
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 59,187	\$ 53,842
HST and payroll taxes payable	152,510	141,376
Deferred revenues <i>(Note 5)</i>	1,153,349	1,135,720
	<b>1,365,046</b>	1,330,938
<b>NET ASSETS</b>		
Operating fund (unrestricted) <i>(Note 6)</i>	127,735	60,115
Contingency reserve fund (internally restricted) <i>(Note 6)</i>	878,940	878,940
Strategic initiatives fund (internally restricted) <i>(Note 6)</i>	122,091	163,561
	<b>1,128,766</b>	1,102,616
	<b>\$ 2,493,812</b>	\$ 2,433,554

LEASE COMMITMENTS *(Note 7)*

**ON BEHALF OF THE BOARD**

*Milan Sitem*

\_\_\_\_\_  
Councillor

*Marco F. Simone*

\_\_\_\_\_  
Councillor

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

**ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO***(Operating as Professional Geoscientists Ontario)***Audited Statement of Unrestricted Revenues and Expenditures****Year Ended December 31, 2019**

	2019	2018
<b>REVENUES</b>		
Membership dues	\$ 1,127,587	\$ 1,095,433
Registration fees	66,459	66,604
Interest earned	20,196	17,756
Professional development revenue	19,112	29,579
Exam fees	11,600	10,000
Advertising and sponsorship	8,015	6,026
Other income	1,500	5,074
Stamps and seals	744	2,357
Function fees	-	160
Administration fees	-	5
	<u>1,255,213</u>	<u>1,232,994</u>
<b>EXPENDITURES</b>		
Administrative wages and benefits	587,514	632,400
Legal, professional and government relations	116,830	147,915
Occupancy costs	106,531	104,232
CCPG (Geoscientists Canada) membership	85,577	86,806
Office and general	55,553	50,782
Accounting and audit	38,776	34,962
Interest, credit card and bank charges	36,034	32,780
Travel and accommodation	35,414	44,202
Website	28,132	35,063
Professional development	27,725	29,576
Communication	18,053	26,992
Liability insurance	17,074	15,546
Amortization	11,960	11,798
Examination services	8,275	7,512
Donations	5,509	5,900
Member meetings	4,643	12,298
Stamps, seals, cards and certificates	2,448	3,090
Advertising and promotion	1,545	3,606
Foundation support	-	1,555
	<u>1,187,593</u>	<u>1,287,015</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 67,620</u>	<u>\$ (54,021)</u>

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

**ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO**

*(Operating as Professional Geoscientists Ontario)*

**Audited Statement of Strategic Reserve Fund Expenditures**

**Year Ended December 31, 2019**

	<b>2019</b>	2018
<b>EXPENDITURES ON APRIL 2019 STRATEGIC PLANNING RETREAT</b>		
Facilitator	\$ 18,475	\$ -
Accommodations	13,896	-
Participants' meals	3,502	-
Networking event expenses	2,691	-
Travel	2,516	-
Supplies	390	-
<b>TOTAL EXPENDITURES</b>	<b>\$ (41,470)</b>	<b>\$ -</b>

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



**ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO**

*(Operating as Professional Geoscientists Ontario)*

**Audited Statement of Changes in Net Assets**

**Year Ended December 31, 2019**

	Operating Fund (unrestricted)	Contingency Reserve Fund (Internally Restricted)	Strategic Initiatives Fund (Internally Restricted)	<b>2019</b>	2018
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 60,115	\$ 878,940	\$ 163,561	\$ <b>1,102,616</b>	\$ 1,156,637
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	67,620	-	(41,470)	<b>26,150</b>	(54,021)
<b>NET ASSETS - END OF YEAR</b>	\$ 127,735	\$ 878,940	\$ 122,091	\$ <b>1,128,766</b>	\$ 1,102,616

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

**ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO***(Operating as Professional Geoscientists Ontario)***Audited Statement of Unrestricted Cash Flows****Year Ended December 31, 2019**

	<b>2019</b>	2018
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of unrestricted revenues over expenditures	\$ <b>67,620</b>	\$ (54,021)
Item not affecting cash:		
Amortization of property and equipment	<u><b>11,960</b></u>	11,798
	<u><b>79,580</b></u>	<u>(42,223)</u>
Changes in non-cash working capital:		
Membership fees receivable	<b>20,025</b>	25,514
Prepaid expenses	<b>(1,168)</b>	2,999
Accounts payable and accrued liabilities	<b>5,345</b>	11,431
Dues received before acceptance for membership	-	(5,474)
HST and payroll taxes payable	<b>11,134</b>	1,343
Deferred revenues	<u><b>17,629</b></u>	<u>55,544</u>
	<u><b>52,965</b></u>	<u>91,357</u>
Cash flow from operating activities	<u><b>132,545</b></u>	<u>49,134</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of equipment	-	(15,750)
Sale (purchase) of short term investments - net	<u><b>38,334</b></u>	<u>(117,752)</u>
Cash flow from (used by) investing activities	<u><b>38,334</b></u>	<u>(133,502)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>170,879</b>	(84,368)
Cash - beginning of year	<u><b>860,181</b></u>	<u>944,549</u>
<b>CASH - END OF YEAR</b>	<u><b>\$ 1,031,060</b></u>	<u>\$ 860,181</u>

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

# ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO

*(Operating as Professional Geoscientists Ontario)*

## Notes to Audited Financial Statements

Year Ended December 31, 2019

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### STATUS AND PURPOSE OF THE ORGANIZATION

The Association of Professional Geoscientists of Ontario is incorporated under the laws of the Province of Ontario. During the year, the Association of Professional Geoscientists of Ontario registered the name Professional Geoscientists Ontario and commenced operating under this name.

The purpose of the Association of Professional Geoscientists of Ontario is:

- to regulate the practice of professional geoscience;
- to develop, establish and maintain standards of knowledge and skill, professional qualification, practice and ethics among members of the profession; and
- to share information, promote public awareness of the role of geoscientists and interact on matters relating to professional practice of the geoscientists with registration, licensing or regulatory bodies.

The Association of Professional Geoscientists of Ontario is a tax-exempt, not-for-profit organization.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The audited financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-profit Organizations (ASNFPO). Canadian Accounting Standards for Not-for-profit Organizations are part of Canadian GAAP.

#### Revenue recognition

The Association follows the deferral method of accounting for revenues. Membership and registration fees are recognized as revenue in the year to which they relate. Exam fees are recognized when the respective exams are written. Revenues from sales of products or services is recognized when title passes to the customer, which generally coincides with the delivery and acceptance of goods. Interest revenue is recognized when earned based on the terms of the investment agreement

#### Financial instruments policy

The Association initially measures its financial assets and liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value

Financial assets subsequently measured at amortized cost include cash, short term investments and membership fees receivable.

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

*(continues)*

ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO

(Operating as Professional Geoscientists Ontario)

Notes to Audited Financial Statements

Year Ended December 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment

Property and equipment are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Furniture and fixtures	20%	declining balance method
Computer software	55%	declining balance method
Computer equipment	55%	declining balance method
Telephone system	20%	declining balance method

The Association regularly reviews its property and equipment to eliminate obsolete items.

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Leases

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital leases are amortized on a straight-line basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported periods.

Financial statement items subject to significant management judgment include revenue recognition, the valuation and estimated useful lives of property and equipment, and the completeness of accounts payable and accrued liabilities. Actual results may differ from estimates.

2. INVESTMENTS

	<u>2019</u>	<u>2018</u>
<u>Short term investments</u>		
Money market mutual funds	\$ 199,406	\$ 237,740
<u>Restricted reserve fund investments</u>		
Money market mutual funds	<u>1,001,031</u>	<u>1,042,501</u>
	<u>\$ 1,200,437</u>	<u>\$ 1,280,241</u>

**ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO**  
*(Operating as Professional Geoscientists Ontario)*

**Notes to Audited Financial Statements**  
**Year Ended December 31, 2019**

3. MEMBERSHIP FEES RECEIVABLE

Both newly accepted members and continuing members are expected to pay membership fees by January 1, 2020 for the upcoming fiscal 2020 year. As APGO accepts members prior to the upcoming year, unpaid fees are recorded as member fee receivable as at December 31, 2019 until payment is received in January 2020. On December 31, 2019, the number of fee paying members was 2,983 (2018 - 2,936), and the number of applications for memberships that were in process of approval was 313 (2018 - 334). Out of the \$221,325 total membership fees receivable at the end of the year, \$217,534 reflect members that have not paid the 2020 fees as at December 31, 2019.

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	<b>2019</b> Net book value
Furniture and fixtures	\$ 46,219	\$ 33,804	\$ <b>12,415</b>
Computer software	15,750	10,611	<b>5,139</b>
Computer equipment	59,825	58,026	<b>1,799</b>
Telephone system	7,833	6,355	<b>1,478</b>
	<b>\$ 129,627</b>	<b>\$ 108,796</b>	<b>\$ 20,831</b>
	Cost	Accumulated amortization	2018 Net book value
Furniture and fixtures	\$ 46,219	\$ 30,694	\$ 15,525
Computer software	15,750	4,331	11,419
Computer equipment	59,825	55,826	3,999
Telephone system	7,833	5,985	1,848
	<b>\$ 129,627</b>	<b>\$ 96,836</b>	<b>\$ 32,791</b>

5. DEFERRED REVENUES

The balances in the deferred revenue accounts are comprised of membership fees billed in October of the current calendar year (2019) for memberships for the following calendar year (2020). The full amount of memberships billed at the end of the year is deferred and will be included as income in the following year.

6. NET ASSETS

The net assets of the Association are allocated as follows, for the purposes described.

Operating fund (unrestricted)

The purpose of the Operating fund is to reflect the day-to-day operations of APGO and to house the surplus/deficits from operations. Council may move amounts from the operating fund to either of the two restricted funds.

*(continues)*

**ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO**  
*(Operating as Professional Geoscientists Ontario)*

**Notes to Audited Financial Statements**  
**Year Ended December 31, 2019**

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6. NET ASSETS *(continued)*

Contingency reserve fund (internally restricted)

The APGO's Contingency reserve fund (CRF) is intended to ensure that the Association has the financial resources to fund its operation in the event of unexpected or unbudgeted reduction of revenue or unexpected or unbudgeted increase of expenses, including expenses in defending or prosecuting legal challenges. The CRF is maintained in the amount equivalent to at least six months of operating requirement of the Association.

Strategic initiatives fund (internally restricted)

The Strategic initiatives fund (SIF) is a restricted fund that is used to provide funding for any special initiatives identified by council as part of its strategic planning. The SIF is intended to be used to cover some or all of the cost of discretionary projects/activities/initiatives that are outside of the APGO's day-to-day operational activities and are designed to help the APGO achieve its targeted goals outlined in the current Strategic Plan.

Council conducts an annual review of the SIF and CRF to ensure that the annual budget will achieve an appropriate operating surplus to allow these funds to be appropriately maintained.

7. LEASE COMMITMENTS

The Association entered into a new long term lease on December 20, 2016 that expires on November 30, 2022. Under the lease, the Association is required to pay a base annual rent for the five-year term. In addition to the base rent, the Association must pay for its proportionate share of utilities, property taxes, maintenance and other related costs for the leased premises. Combined base and additional rent for 2020 is \$9,050.82 per month or \$108,609.84 for the year.

Future minimum base lease payments as at year end are as follows:

2020	\$	56,440
2021		58,838
2022		<u>53,934</u>
	\$	<u>169,212</u>

8. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Association's risk exposure and concentration as of December 31, 2019.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk from members. Collection is reasonably assured since members need the membership to practice, and there is no history of default. There has been no change to the risk exposures from December 31, 2019.

The allowance for doubtful accounts at December 31, 2019 is \$nil (2018 - \$nil).

*(continues)*

**ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO**  
*(Operating as Professional Geoscientists Ontario)*

**Notes to Audited Financial Statements**  
**Year Ended December 31, 2019**

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8. FINANCIAL INSTRUMENTS *(continued)*

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. There has been no change to the risk exposures from December 31, 2019.

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 comprises three types of risk: currency risk, interest rate risk and other price risk. The Association is not exposed to any of these risks. There has been no change to the risk exposures from December 31, 2019.

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