

**NEWFOUNDLAND AND LABRADOR COLLEGE OF FAMILY PHYSICIANS INCORPORATED**

**Financial Statements**

**Year Ended June 30, 2020**

**NEWFOUNDLAND AND LABRADOR COLLEGE OF FAMILY PHYSICIANS INCORPORATED**

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**Year Ended June 30, 2020**

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# Michael E Bruce Professional Corporation

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Newfoundland and Labrador College of Family Physicians Incorporated

### *Opinion*

I have audited the financial statements of Newfoundland and Labrador College of Family Physicians Incorporated (the College), which comprise the statement of financial position as at June 30, 2020, and the statements of revenues and expenditures and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at June 30, 2020, and its results of operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### *Basis for Opinion*

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the College in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters relating 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 College's financial reporting process.

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

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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.

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Independent Auditor's Report to the Members of Newfoundland and Labrador College of Family Physicians Incorporated (*continued*)

- 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 College'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 College's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

St. John's, NL  
November 12, 2020

*Michael E Bruce*  
Chartered Professional Accountant

**NEWFOUNDLAND AND LABRADOR COLLEGE OF FAMILY PHYSICIANS INCORPORATED**

**Statement of Financial Position**

**June 30, 2020**

	2020	2019
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 202,744	\$ 169,952
Term deposits	51,189	50,706
Accounts receivable	29,566	26,108
Prepaid expenses	2,200	200
	<b>\$ 285,699</b>	<b>\$ 246,966</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 11,379	\$ 13,648
Harmonized sales tax payable	6,717	6,716
Employee deductions payable	1,838	1,829
Atlantic CPD deferred revenue	30,000	-
	<b>49,934</b>	<b>22,193</b>
<b>NET ASSETS</b>		
General fund	164,476	155,067
Internally restricted fund	51,189	50,706
Research and education special project fund	20,100	19,000
	<b>235,765</b>	<b>224,773</b>
	<b>\$ 285,699</b>	<b>\$ 246,966</b>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_ *Director*

\_\_\_\_\_ *Director*

See notes to financial statements

**NEWFOUNDLAND AND LABRADOR COLLEGE OF FAMILY PHYSICIANS INCORPORATED**  
**Statement of Revenues and Expenditures**  
**Year Ended June 30, 2020**

	2020	2019
<b>REVENUE</b>		
Transfer payment from National office	\$ 58,951	\$ 57,513
Memberships	53,725	83,368
FMF Surplus	35,472	29,207
Advances in labour and risk management	28,801	16,390
Family Medical Conference	22,897	15,066
Mainpro fees	6,780	9,300
Simulated office orals	-	10,500
	<b>206,626</b>	<b>221,344</b>
<b>EXPENSES</b>		
Secretariat support	72,039	72,859
Advances in labour and risk management	28,954	15,516
Family Medical Conference	25,308	20,581
Presidents' & Board honorariums	11,500	11,000
Promotion	11,142	4,121
National and provincial meetings	9,755	11,905
Office and insurance	8,600	7,399
Director of external engagement	7,844	1,006
Professional fees	5,500	5,500
Awards and awards dinner	2,841	9,797
We specialize in you campaign	2,400	-
Residents	2,670	6,465
Student fellowship	2,548	-
Medical students	616	6,238
Mainpro accreditation	500	3,025
FMF Membership networking	-	1,970
Networking corner	-	73
Office equipment and workshop equipment	-	4,376
Simulated office orals	-	10,251
	<b>192,217</b>	<b>192,082</b>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 14,409</b>	<b>\$ 29,262</b>

See notes to financial statements

**NEWFOUNDLAND AND LABRADOR COLLEGE OF FAMILY PHYSICIANS INCORPORATED**  
**Statement of Changes in Net Assets**  
**Year Ended June 30, 2020**

	General Fund	Internally Restricted Fund	Research and Education Special Projects Fund	<b>2020</b>	2019
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 155,067	\$ 50,706	\$ 19,000	<b>\$ 224,773</b>	\$ 195,805
Excess of revenue over expenses	14,409	-	-	<b>14,409</b>	29,262
Inter-fund transfers	(5,000)	-	5,000	-	-
Payments from special projects (Schedule 1)	-	-	(3,900)	<b>(3,900)</b>	(1,000)
Interest earned	-	483	-	<b>483</b>	706
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 164,476</b>	<b>\$ 51,189</b>	<b>\$ 20,100</b>	<b>\$ 235,765</b>	<b>\$ 224,773</b>

See notes to financial statements

**NEWFOUNDLAND AND LABRADOR COLLEGE OF FAMILY PHYSICIANS INCORPORATED**

**Notes to Financial Statements**

**Year Ended June 30, 2020**

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**1. DESCRIPTION OF BUSINESS**

Newfoundland and Labrador College of Family Physicians Incorporated (the "College") was incorporated under the laws of Newfoundland and Labrador on March 23, 2009 as a not-for-profit organization without share capital.

The College's principal business activity is to operate exclusively as a non-profit corporation and without limiting the generality of the foregoing to receive and maintain a fund or funds and from time to time to apply all or part thereof and/or the income therefrom for philanthropic, educational and scientific purposes and, for the attainment of such objects:

- (a) To promote the highest quality of medical care for the people of Newfoundland and Labrador.
- (b) To sustain and improve the professional qualifications of members of the medical profession who are engaged in family practice in Newfoundland and Labrador.
- (c) To enlighten and direct public opinion in relation to family medicine.
- (d) To encourage and strive for the provision of a high standard of teaching and training for undergraduate medical students and postgraduate residents in the Province of Newfoundland and Labrador.
- (e) To conduct, direct, encourage, support or provide research in matters relating to family medicine.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Cash

Cash includes monies held in a current account and in a term deposit at a Canadian bank.

Capital assets

Capital assets are expensed in the year of acquisition

Revenue recognition

The College recognizes revenues when they are earned.

Internally restricted fund

The Internally restricted fund reports resources that have been restricted by the board of Directors for a specific purpose.

Research and education special projects fund

The Research and education special projects fund reports resources that have been set aside by the board of Directors for a specific project. During the year, the Board of Directors approved the transfer of \$5,000 from the General fund to the Special projects fund.

*(continues)*



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

Use of estimates

the preparation of the financial statements in conformity with ASNPOs requires management to make estimates and assumptions that affect 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 revenue and expenses during the reporting period.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the College becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost.

Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

**3. STATEMENT OF CASH FLOWS**

A statement of cash flows has not been presented because it would not provide any additional meaningful information that is not readily determinable from information presented in the other financial statements.

**4. FINANCIAL INSTRUMENTS**

The College 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 College's risk exposure and concentration as of June 30, 2020.

***(a) Credit risk***

Credit risk related to cash and credit exposures on outstanding receivables. Cash is held at a major financial institution, and this minimizes any potential exposure to credit risk. It is management's opinion that the risk related to receivables is minimal, as the receivables are from organizations that historically have posed no collection issues.

**NEWFOUNDLAND AND LABRADOR COLLEGE OF FAMILY PHYSICIANS INCORPORATED**

**Research and Education Special Projects Fund In Partnership with Discipline of Family  
Medicine and NL CFP (Schedule 1)**

**Year Ended June 30, 2020**

	<b>2020</b>	<b>2019</b>
<b>Fund balance at beginning of year</b>	<b>\$ 19,000</b>	<b>\$ 15,000</b>
Transfer from general fund	<b>5,000</b>	5,000
	<b>24,000</b>	20,000
<b>Awards and expenses</b>		
Jennifer Smith	<b>2,000</b>	-
Transgender conference	<b>1,900</b>	-
Luke Duffley	-	500
Nguyet Nguyen	-	500
	<b>3,900</b>	1,000
<b>Fund balance, end of year</b>	<b>\$ 20,100</b>	<b>\$ 19,000</b>

See notes to financial statements