

## Financial Statements

The New Brunswick College of Family  
Physicians Inc.

December 31, 2019

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# Independent Practitioner's Review Engagement Report

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To the Members of  
**The New Brunswick College of Family Physicians Inc.**

We have reviewed the accompanying financial statements of The New Brunswick College of Family Physicians Inc. that comprise the statement of financial position as at December 31, 2019, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these 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.

## **Practitioner's responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

# Independent Practitioner's Review Engagement Report (continued)

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of The New Brunswick College of Family Physicians Inc. as at December 31, 2019, 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.

Bathurst, Canada  
March 25, 2020

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants

# The New Brunswick College of Family Physicians Inc.

## Statements of Operations and Changes in Net Assets

Year ended December 31	2019	2018
Revenues		
Mainpro Revenue	\$ 16,700	\$ 23,600
CFPC transfer	88,158	61,117
Family medicine conference revenue	6,600	6,525
Membership dues	95,235	98,398
Interest	<u>2,336</u>	<u>1,588</u>
	<u>209,029</u>	<u>191,228</u>
Expenditures		
Equipment rental	353	2,574
Gifts, awards and donations	17,118	20,115
Honorariums	19,350	18,475
Insurance	1,316	1,184
Interest and bank charges	388	321
Miscellaneous	1,434	2,979
Office supplies	6,297	6,566
Professional fees	6,259	6,762
Rent	6,000	6,000
Salaries and employee benefits	61,499	61,665
Telephone	2,863	2,789
Travel	28,338	23,468
Travel and automotive	<u>9,592</u>	<u>9,108</u>
	<u>160,807</u>	<u>162,006</u>
Excess of revenues over expenditures before other item	48,222	29,222
Other income		
Insurance proceeds	<u>2,783</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ 51,005</u>	<u>\$ 29,222</u>
Surplus, beginning of year	\$ 331,534	\$ 302,312
Excess of revenues over expenditures	<u>51,005</u>	<u>29,222</u>
Surplus, end of year	<u>\$ 382,539</u>	<u>\$ 331,534</u>

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# The New Brunswick College of Family Physicians Inc.

## Statement of Financial Position

December 31

	2019	2018
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### Assets

#### Current

Cash	\$ 231,137	\$ 182,604
Short term investments	155,693	153,357
Receivables	<u>709</u>	<u>573</u>
	<u>\$ 387,539</u>	<u>\$ 336,534</u>

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### Liabilities

#### Current

Payables and accruals (Note 3)	\$ 5,000	\$ 5,000
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### Surplus

<u>382,539</u>	<u>331,534</u>
<u>\$ 387,539</u>	<u>\$ 336,534</u>

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On behalf of the board

\_\_\_\_\_ Member

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## The New Brunswick College of Family Physicians Inc.

### Statement of Cash Flows

Year ended December 31	2019	2018
<hr/>		
Increase (decrease) in cash and cash equivalents		
<b>Operating</b>		
Excess of revenues over expenditures	\$ 51,005	\$ 29,222
Change in non-cash working capital items		
Short term investments	(2,336)	(1,589)
Receivables	(136)	(573)
Payables and accruals	<u>-</u>	<u>(11,712)</u>
Increase in cash and cash equivalents	48,533	15,348
Cash and cash equivalents		
Beginning of year	<u>182,604</u>	<u>167,256</u>
End of year	<u>\$ 231,137</u>	<u>\$ 182,604</u>

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# **The New Brunswick College of Family Physicians Inc.**

## **Notes to the Financial Statements**

December 31, 2019

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### **1. Nature of operations**

The New Brunswick College of Family Physicians Inc. is a voluntary organization of family physicians that makes continuing medical education of its members mandatory. As a not-for-profit organization, it is exempt from federal and provincial corporate taxes under paragraph 149(1)(l) of the Income Tax Act of Canada.

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### **2. Summary of significant accounting policies**

The organization applies the Canadian accounting standards for not-for-profit organizations.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand and balances with banks.

#### **Revenue recognition**

Revenue is recognized as services are rendered, a persuasive evidence of an arrangement exists, price is fixed or determinable and collectability is reasonably assured.

#### **Donated material and services**

The organization is dependent on voluntary service of members. Donated services are not recognized in these statements.

#### **Equipment**

Equipment purchased are recorded as expenditures in the year they are acquired.

#### **Financial instruments**

The organization considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The organization accounts for the following as financial instruments:

- cash and cash equivalents
- trade and other receivables
- short term investments
- payables and accruals

A financial asset or liability is recognized when the organization becomes party to contractual provisions of the instrument.



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# The New Brunswick College of Family Physicians Inc.

## Notes to the Financial Statements

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December 31, 2019

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### 2. Summary of significant accounting policies (continued)

#### Financial instruments (continued)

##### Measurement

The organization initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the organization is in the capacity of management in which case they are accounted for in accordance with financial instruments.

The organization subsequently measures all of its financial assets and financial liabilities at amortized cost less any reduction for impairment.

Financial assets measured at cost or amortized cost less any reduction for impairment include cash and short-term investments.

Financial liabilities measured at amortized cost include payables and accruals.

##### Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

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### 3. Payables and accruals

	<u>2019</u>	<u>2018</u>
Trade payables and accruals	<u>\$ 5,000</u>	<u>\$ 5,000</u>

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### 4. Economic dependence

Revenues from the Canadian College of Family Physicians accounts for 98% (2018 - 95%) of the organization's revenues. The loss of this relationship could have a material adverse impact on the organization's operating results and financial position.

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# **The New Brunswick College of Family Physicians Inc.**

## **Notes to the Financial Statements**

December 31, 2019

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### **5. Financial instruments**

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposures and concentrations at December 31, 2019.

(a) Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting the obligations associated with its financial liabilities. The organization is exposed to this risk mainly in respect of its payables and accruals. In the opinion of management, the liquidity risk exposure to the organization is low and not material. There was no significant change in exposure from the prior year.

(b) Market risk

Market risk is the risk that the fair value or expected 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 organization is mainly exposed to interest rate risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk on its fixed and floating interest rate financial instruments. There was no significant change in exposure from the prior year.

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