

**WATERLOO REGION NURSE
PRACTITIONER - LED CLINIC**

**FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024**

WATERLOO REGION NURSE PRACTITIONER - LED CLINIC

**MARCH 31, 2024
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INDEPENDENT AUDITORS' REPORT

To the Directors of
Waterloo Region Nurse Practitioner - Led Clinic

Opinion

We have audited the accompanying financial statements of **Waterloo Region Nurse Practitioner - Led Clinic** (the Organization), which comprise the statement of financial position as at March 31, 2024, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2024, and its financial performance 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 Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Organization'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 the directors either intend to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 Organization'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 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 the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Carolan Mathew Professional Corporation

Cambridge, Ontario
July 8, 2024

Chartered Professional Accountants, authorized to practise public
accounting by the Chartered Professional Accountants of Ontario

WATERLOO REGION NURSE PRACTITIONER - LED CLINIC

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS YEAR ENDED MARCH 31, 2024

	2024 \$	2023 \$
Revenue		
Ministry of Health (note 3)	2,641,719	2,661,411
Langs (Ontario Health Funding)	448,970	447,472
Other	167,551	181,772
Interest income	7,900	3,333
Deferred contribution recognition (note 7)	67,309	99,634
	3,333,449	3,393,622
Operating expenses		
Salaries and benefits	2,707,772	2,612,571
Facilities (note 6)	276,389	240,678
General overhead	108,356	173,224
Information technology	60,075	41,344
Insurance	13,647	16,410
Other expenses		7,422
Service fees	98,625	81,203
Amortization	67,309	99,634
	3,332,173	3,272,486
Excess of revenue over expenses from operations	1,276	121,136
Net assets, beginning of year	NIL	NIL
Due to Ministry of Health	(1,276)	(121,136)
Net assets, end of year	NIL	NIL

The explanatory financial notes form an integral part of these financial statements.

WATERLOO REGION NURSE PRACTITIONER - LED CLINIC

FINANCIAL POSITION MARCH 31, 2024

	2024 \$	2023 \$
ASSETS		
Cash	1,061,936	1,065,401
Accounts receivable	29,170	21,535
Government receivables	28,278	27,182
Prepaid expenses	24,056	19,565
Current assets	1,143,440	1,133,683
Capital assets (note 4)	180,129	177,815
	1,323,569	1,311,498
LIABILITIES		
Accounts payable and accrued liabilities (note 5)	308,961	278,980
Due to Ministry of Health	687,690	686,415
Deferred revenue	146,789	168,288
Current liabilities	1,143,440	1,133,683
Deferred provincial capital funding (note 7)	180,129	177,815
	1,323,569	1,311,498
NET ASSETS		
Net assets	NIL	NIL
	1,323,569	1,311,498

APPROVED BY THE BOARD:

_____ Director

_____ Director

WATERLOO REGION NURSE PRACTITIONER - LED CLINIC

STATEMENT OF CASH FLOWS YEAR ENDED MARCH 31, 2024

	2024 \$	2023 \$
Cash flows from operating activities:		
Excess of revenue over expenses for year	1,276	121,136
Item not involving cash:		
Amortization	67,309	99,634
	68,585	220,770
Net change in non-cash working capital balances relating to operations:		
Accounts receivable	(7,635)	22,110
Government receivables	(1,096)	1,138
Prepaid expenses	(4,491)	6,948
Deferred revenue	(21,499)	(38,273)
Accounts payable and accrued liabilities	29,980	(59,855)
Deferred provincial capital funding	2,314	(18,596)
Recoveries by Ministry of Health		(97,771)
	66,158	36,471
Cash flows from investment activities:		
Net additions to capital assets	(69,623)	(74,725)
Net decrease in cash	(3,465)	(38,254)
Cash, beginning of year	1,065,401	1,103,655
Cash, end of year	1,061,936	1,065,401

The explanatory financial notes form an integral part of these financial statements.

WATERLOO REGION NURSE PRACTITIONER - LED CLINIC

EXPLANATORY FINANCIAL NOTES YEAR ENDED MARCH 31, 2024

1. Nature of Organization

Waterloo Region Nurse Practitioner - Led Clinic provides high-quality, integrated health care for the residents of Waterloo Region. The Organization was incorporated without share capital by letters patent, under the Corporations Act (Ontario) and is funded by the Ministry of Health. Waterloo Region Nurse Practitioner - Led Clinic is exempt from tax under section 149(1)(1) of the Income Tax Act, Canada.

2. Summary of Significant Accounting Policies

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

(a) Amortization of capital assets

Capital assets are recorded at cost. Amortization is recorded using the straight-line method based on the estimated useful lives using the following rates:

Furniture, equipment and signs	5 years
Computers and software	3 years
Leasehold improvements	10 years

(b) Financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost less any discovered impairment.

(c) Revenue recognition

The Organization follows the deferral method of accounting for contributions which include government grants.

Grants approved but not yet received at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period.

Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Restricted contributions for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

(d) Use of estimates

The preparation of these financial statements in conformity 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

WATERLOO REGION NURSE PRACTITIONER - LED CLINIC

EXPLANATORY FINANCIAL NOTES YEAR ENDED MARCH 31, 2024

3. Economic Dependence

The Organization is dependent on annual contributions from The Ministry of Health in order to finance its operations. Should these contributions cease, the Organization would be unable to continue operations in its present form.

	2024	2023
	\$	\$
4. Capital Assets		
Cost		
Furniture and equipment	265,109	241,082
Signs	11,741	11,741
Computers and software	318,409	308,015
Leasehold improvements	617,444	582,242
	1,212,703	1,143,080
Accumulated amortization		
Furniture and equipment	201,249	183,266
Signs	11,741	11,741
Computers and software	289,454	248,820
Leasehold improvements	530,130	521,438
	1,032,574	965,265
Net Book Value	180,129	177,815

5. Accounts Payable and Accrued Liabilities

There were no amounts payable with respect to government remittances as of the year end date.

6. Commitments

The Organization is committed to lease office space with the Cambridge Child Development Centre Inc. until June 2026. The lease payments for the following three years are as follows:

	\$
2025	59,813
2026	61,580
2027	15,505

The Organization is committed to a 5-year lease expiring in May 2028 for its Kitchener location. The payments under the lease extension for the following five years are as follows:

2025	105,833
2026	107,665
2027	109,497
2028	111,330
2029	18,606

WATERLOO REGION NURSE PRACTITIONER - LED CLINIC

EXPLANATORY FINANCIAL NOTES YEAR ENDED MARCH 31, 2024

6. Commitments (Continued)

The Organization is committed to lease office space in Breslau from April 2022 to August 2028. The lease payments for the following five years are as follows:

	\$
2025	35,948
2026	36,673
2027	37,398
2028	37,700
2029	15,708

7. Deferred Provincial Capital Funding

Deferred provincial capital funding represents contributions from the Ministry of Health to purchase capital assets. The changes for the year are as follows:

	2024 \$	2023 \$
Balance, beginning of year	177,815	196,411
Additions	69,623	81,038
Recognized as income during the year	(67,309)	(99,634)
Balance, end of the year	180,129	177,815

8. Financial Instruments

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

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The entity is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and its amount due to Ministry of Health. This risk is reduced because of amounts held in cash.

Credit risk

The entity is exposed to credit risk with respect to its accounts receivable. The entity regularly assesses the collectibility of its accounts receivable and virtually never has any bad debts.

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 entity is not subject to significant market risk.