

**CAMPBELL RIVER AND DISTRICT  
DIVISION OF FAMILY PRACTICE SOCIETY  
Financial Statements - March 31, 2023**

Independent Auditor's Report  
Statement of Financial Position  
Statement of Operations and Changes in Net Assets  
Statement of Cash Flows  
Notes to Financial Statements



## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of the Campbell River & District Division of Family Practice Society

### **Opinion**

We have audited the financial statements of the Campbell River & District Division of Family Practice Society (the "Division"), which comprise the statement of financial position as at March 31, 2023, 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 Division as at March 31, 2023, and the results of its operations and 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 Financial Statements section of our report. We are independent of the Division 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 the financial statements in accordance with ASNPO, 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 Division'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 Division or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's 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 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 financial statements.

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

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 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 Division'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 Division'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 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 Division 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.

### **Report on Other Legal and Regulatory Requirements**

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with the prior year.

*Chan Nawrood Boates Inc*

Chartered Professional Accountants  
Campbell River, BC

June 26, 2023

# CAMPBELL RIVER & DISTRICT DIVISION OF FAMILY PRACTICE SOCIETY

## Statement of Financial Position

March 31, 2023

2023

2022

### ASSETS

#### Current Assets

Cash	\$ 883,435	\$ 766,779
Accounts Receivable	-	1,011
Government Remittances Receivable	3,495	1,895
Prepaid Expenses	780	-
	<u>\$ 887,710</u>	<u>\$ 769,685</u>

### LIABILITIES

#### Current Liabilities

Accounts Payable (Note 3)	\$ 226,081	\$ 207,559
Government Remittances Payable	18,539	19,237
Due to Doctors of BC (Note 4)	16,810	218,173
Deferred Revenue (Note 5)	<u>580,277</u>	<u>278,713</u>
	841,707	723,682

### NET ASSETS

	<u>46,003</u>	<u>46,003</u>
	<u>\$ 887,710</u>	<u>\$ 769,685</u>

Approved by the Directors:

*N. Richardson*

\_\_\_\_\_  
Director

*P. Bernard*

\_\_\_\_\_  
Director

# CAMPBELL RIVER & DISTRICT DIVISION OF FAMILY PRACTICE SOCIETY

## Statement of Operations and Changes in Net Assets

Year ended March 31, 2023

2023

2022

### Revenues

GP Inpatient Care Solutions Initiative	\$ 500,000	\$ 501,081
Infrastructure	371,185	439,743
Doctor of the Day	179,573	182,100
Residential Care Initiative	126,414	135,354
COVID-19	43,591	13,784
Miscellaneous	<u>508,138</u>	<u>251,599</u>
	1,728,901	1,523,661
Interest	<u>-</u>	<u>1,566</u>
	<u>1,728,901</u>	<u>1,525,227</u>

### Expenditures

Advertising	5,171	6,326
Bank Charges and Interest	2,572	435
Events	10,646	13,338
Insurance	780	650
Licenses and Dues	866	90
Meeting	13,894	12,025
Office	52,627	47,918
Professional Fees	20,023	23,484
Salaries and Wages - Physicians and Staff	1,114,221	1,041,997
Salaries and Wages - Doctor of the Day	178,850	178,850
Sub-Contracts	301,573	185,187
Telephone	4,926	3,222
Training	12,103	5,459
Travel	10,490	1,421
Workshop	<u>159</u>	<u>4,825</u>
	<u>1,728,901</u>	<u>1,525,227</u>

### Excess of Revenues Over Expenditures

-

-

### Net Assets - Beginning of Year

46,003

46,003

### Net Assets - End of Year

\$ 46,003

\$ 46,003

# CAMPBELL RIVER & DISTRICT DIVISION OF FAMILY PRACTICE SOCIETY

## Statement of Cash Flows

Year Ended March 31, 2023

2023

2022

### Cash Flows From Operating Activities:

Cash Received from Funding	\$ 2,020,860	\$ 1,637,035
Cash Paid to Suppliers and Employees	(1,930,030)	(1,440,538)
Interest Received	<u>25,826</u>	<u>3,392</u>
	<u>116,656</u>	<u>199,889</u>
<b>Increase in Cash</b>	116,656	199,889
<b>Cash - Beginning of Year</b>	<u>766,779</u>	<u>566,890</u>
<b>Cash - End of Year</b>	<u>\$ 883,435</u>	<u>\$ 766,779</u>

# CAMPBELL RIVER & DISTRICT DIVISION OF FAMILY PRACTICE SOCIETY

---

## Notes to Financial Statements

March 31, 2023

---

### 1. Purpose of the Organization:

Campbell River and District Division of Family Practice Society ("the Society") is a non-profit society formed for the purpose of improving patient access to local primary care, increasing physicians' influence on health care delivery and policy and providing professional support for physicians in Campbell River and the surrounding district.

The Society was incorporated on August 27, 2013 under the Canada Corporations Act as a Not-for-Profit organization and is not taxable under the Income Tax Act.

### 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 (ASNPO).

#### Revenue Recognition

The Society follows the deferral method of accounting for restricted contributions which include government grants. Restricted grants are recognized as revenue in the period in which the related expenses are incurred. Interest revenue earned on investments or deposits relating to restricted funds is deferred and recognized when expenditures are incurred.

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

#### Financial Instruments Policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

The fair values of cash, investments, accounts receivable, accounts payable, wages payable and deferred revenue approximate their carrying values due to their short-term maturity.

#### Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. A significant estimate of the Society is the valuation of accounts receivable at year-end and throughout the year.

# CAMPBELL RIVER & DISTRICT DIVISION OF FAMILY PRACTICE SOCIETY

## Notes to Financial Statements

March 31, 2023

### 3. Accounts Payable:

Included in accounts payable is \$20,347 (2022 - \$15,113) due to Directors of the Division. These liabilities arose from transactions that were in the Division's normal course of operations.

### 4. Due to Doctors of BC:

Amounts presented as owing to Doctors of BC at March 31, 2023 are related to the expiry of COVID funding at year-end. In the prior year, amounts presented as owing to Doctors of BC were the result of the expiry of the Physician Master Agreement between Doctors of BC and all the Divisions with BC, which has since been renewed.

### 5. Deferred Revenue:

The Society receives funding through the General Practice Service Committee ("GPSC"), a collaboration between the Doctors of BC and the Ministry of Health ("MOH").

	Opening Balance	Amount Received	Amount Recognized	Payable to DoBC	Closing Balance
Doctor of the Day	\$ 44,209	\$ 182,500	\$ 179,573	\$ -	\$ 47,136
Infrastructure	25,000	388,863	371,186	-	42,677
Maternity Spread Network	70,857	-	67,357	-	3,500
Attachment Mechanism	-	75,000	21,312	-	53,688
Residential Care Initiative	18,461	127,759	126,414	-	19,806
PMH Innovation	16,161	-	16,161	-	-
PCN Service Planning	41,798	542,026	259,456	-	324,368
Interest Income	1,826	25,826	-	-	27,652
Inpatient Care Initiative	-	500,000	500,000	-	-
Physician Engagement	-	130,768	76,754	-	54,014
COVID Funding	60,401	-	43,591	16,810	-
Physician Integration	-	45,750	43,501	-	2,249
Emergency Planning	-	10,000	10,000	-	-
Perinatal Community	-	18,783	13,596	-	5,187
	<u>\$ 278,713</u>	<u>\$ 2,047,275</u>	<u>\$ 1,728,901</u>	<u>\$ 16,810</u>	<u>\$ 580,277</u>

### 6. Economic Dependence:

The Society's primary source of revenue is from grants disbursed by the GPSC, which are received through the Doctors of BC. The grant funding can be cancelled if the Society does not observe certain established guidelines. The Society's ability to continue viable operations is dependent upon following criteria within GPSC's guidelines. As of the date of these financial statements, the Society believes that it is in compliance with the guidelines. The continuation of this funding is required for the Society to continue providing the present level of service.



# CAMPBELL RIVER & DISTRICT DIVISION OF FAMILY PRACTICE SOCIETY

## Notes to Financial Statements

March 31, 2023

---

### 7. Financial Instruments:

The Society, as part of its operations, carries numerous financial instruments. It is management's opinion that as of March 31, 2023 the Society is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments. There has been no change from the prior year.

### 8. Director, Contractor and Employee Remuneration:

Directors are compensated for time spent on Division activities, including meeting and committee involvement. Total remuneration for Directors, solely for their activities as Directors during the year is noted below.

	<u>2023</u>	<u>2022</u>
Dr. Ninette Fourie	\$ 12,360	\$ 12,757
Dr. Angela Logan	-	6,637
Ms. Wendy Richardson	7,995	5,127
Mr. Brian Everden	2,705	4,411
Dr. Brianna Crighton	1,473	3,418
Dr. Jordyn Vanderveen	22,353	3,299
Dr. Jan Coetzee	1,908	2,782
Ms. Pauline Bernard	20,601	2,623
Dr. Erika Kellerhals	2,747	2,305
Dr. Aaron Johnson	1,788	1,510
Dr. Kelly Hadfield	-	795
Dr. Julia Robson	638	-
	<u>\$ 74,568</u>	<u>\$ 45,664</u>

Total remuneration to employees and contractors paid over \$75,000 during the year was \$197,721 (2022 - \$106,121).