
Financial statements of The Ontario College of Family Physicians

March 31, 2025

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Independent Auditor's Report

To the Members of
the Ontario College of Family Physicians

Opinion

We have audited the financial statements of the Ontario College of Family Physicians (the "College"), which comprise the statement of financial position as at March 31, 2025, and the statements of operations, 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 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2025, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 College 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 audit 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 related 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

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 GAAS 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 GAAS, 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 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 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 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.

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.

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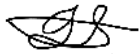
Chartered Professional Accountants
Licensed Public Accountants
June 23, 2025


The Ontario College of Family Physicians
Statement of financial position
As at March 31, 2025

	Notes	2025 \$	2024 \$
Assets			
Current assets			
Cash		3,027,869	3,454,368
Short-term investments	3	480,854	411,194
Accounts receivable		203,695	21,178
Prepaid expenses		60,024	92,888
Due from College of Family Physicians of Canada ("CFPC")		62,340	38,044
		3,834,782	4,017,672
Investments	3	4,033,010	3,849,515
Capital assets	4	233,713	257,509
		8,101,505	8,124,696
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	5	396,036	551,990
Due to Ministry of Health ("MOH")	6	8,704	154,436
Deferred revenue	7	953,854	914,425
Deferred lease inducements		40,684	40,684
		1,399,278	1,661,535
Deferred lease inducements		172,910	213,594
		1,572,188	1,875,129
Commitments	8		
Net assets			
Invested in capital assets		233,713	257,509
Operating		—	—
Internally restricted	11	6,295,604	5,992,058
		6,529,317	6,249,567
		8,101,505	8,124,696

The accompanying notes are an integral part of the financial statements.

On behalf of the Board


_____, Director


_____, Director

The Ontario College of Family Physicians
Statement of operations
Year ended March 31, 2025

	Operating	Invested in capital assets	2025 Total	Operating	Invested in capital assets	2024 Total
	\$	\$	\$	\$	\$	\$
	(Note 12)					
Revenue						
Membership fees	3,729,595	—	3,729,595	3,490,442	—	3,490,442
Program revenue						
Family Medicine Summit	—	—	—	139,837	—	139,837
Mainpro	146,750	—	146,750	104,700	—	104,700
Continuing Professional Development	316,645	—	316,645	186,501	—	186,501
	463,395	—	463,395	431,038	—	431,038
Project revenue						
Practising Well Program	283,047	—	283,047	1,165,114	—	1,165,114
Osteoporosis	55,000	—	55,000	55,023	—	55,023
	338,047	—	338,047	1,220,137	—	1,220,137
Interest income	107,661	—	107,661	117,119	—	117,119
Investment income	211,752	—	211,752	77,537	—	77,537
Other income	—	—	—	2,674	—	2,674
	319,413	—	319,413	197,330	—	197,330
	4,850,450	—	4,850,450	5,338,947	—	5,338,947
Expenses						
Salaries and benefits	2,264,879	—	2,264,879	2,503,164	—	2,503,164
Operating	873,000	—	873,000	585,975	—	585,975
Professional fees	321,221	—	321,221	388,136	—	388,136
Board of Directors and Committees	179,835	—	179,835	234,091	—	234,091
Program	609,777	—	609,777	335,228	—	335,228
Externally restricted projects						
Practising Well Program	283,047	—	283,047	1,165,114	—	1,165,114
Osteoporosis	55,000	—	55,000	55,023	—	55,023
Amortization of capital assets	—	42,000	42,000	—	40,257	40,257
	4,586,759	42,000	4,628,759	5,266,731	40,257	5,306,988
Excess (deficiency) of revenue over expenses for the year before the undernoted	263,691	(42,000)	221,691	72,216	(40,257)	31,959
Unrealized gains on investments	58,059	—	58,059	175,437	—	175,437
Excess (deficiency) of revenue over expenses for the year	321,750	(42,000)	279,750	247,653	(40,257)	207,396

The accompanying notes are an integral part of the financial statements.

The Ontario College of Family Physicians
Statement of changes in net assets
Year ended March 31, 2025

	Notes	Operating \$	Invested in capital assets \$	Internally restricted \$	2025 Total \$	2024 Total \$
				(Note 11)		
Net assets, beginning of year		—	257,509	5,992,058	6,249,567	6,042,171
Excess (deficiency) of revenue over expenses for the year		321,750	(42,000)	—	279,750	207,396
Inter-fund transfers	11	(321,750)	18,204	303,546	—	—
Net assets, end of year		—	233,713	6,295,604	6,529,317	6,249,567

The accompanying notes are an integral part of the financial statements.

The Ontario College of Family Physicians

Statement of cash flows

Year ended March 31, 2025

	2025 \$	2024 \$
		(Note 12)
Operating activities		
Excess of revenue over expenses	279,750	207,396
Items not affecting cash:		
Amortization of capital assets	42,000	40,257
Amortization of deferred lease inducements	(40,684)	(40,690)
Unrealized gains on investments	(58,059)	(175,437)
	223,007	31,526
Changes in non-cash operating working capital items		
Prepaid expenses	32,864	(44,896)
Accounts receivable	(182,517)	123
Due from CFPC	(24,296)	12,916
Accounts payable and accrued liabilities	(155,954)	2,260
Due to MOH	(145,732)	(44,353)
Deferred revenue	39,429	79,216
	(213,199)	36,792
Investing activities		
Acquisition of capital assets	(18,204)	(9,787)
Purchase of investments, net	(195,096)	(1,906,485)
	(213,300)	(1,916,272)
Net change in cash	(426,499)	(1,879,480)
Cash, beginning of year	3,454,368	5,333,848
Cash, end of year	3,027,869	3,454,368

The accompanying notes are an integral part of the financial statements.

1. Nature of organization and basis of presentation

The Ontario College of Family Physicians (the "College") is incorporated under the laws of Ontario as a not-for-profit organization without share capital. The objectives of the College are to ensure the highest quality of health care for the people of Ontario by promoting and encouraging the highest standards in the practice of family medicine in Ontario.

2. Significant accounting policies

Basis of accounting

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPOs") and include the following significant accounting policies:

Revenue recognition

The College follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the period in which the related expenses are incurred. Unrestricted contributions are recognized as revenue in the period received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership fees are billed on a fixed annual date, July 1, for all members and are recognized evenly over the 12-month period which the membership fees cover. Fees applicable to the following year are recorded as deferred revenue.

Family Medicine Summit fees and sponsorships are recognized as revenue when the event is held.

Investment income earned on restricted resources is recognized as revenue when stipulated in the funding agreement. Other investment income is recognized as revenue when earned. Investment income is recorded on an accrual basis and includes interest income and dividends.

Invested in capital assets fund

The invested in capital assets fund reports the assets, liabilities, revenues and expenses related to the College's capital assets.

Internally restricted fund

The Internally restricted fund reports resources that have been restricted by the Board of Directors for a specific purpose (Note 11). The Internally restricted fund is comprised of:

Emergency reserve fund: this fund allows the College to meet payroll, remittances, rent and other mandatory obligations for a defined period of time in the event of a significant prolonged or permanent disruption to revenue.

Opportunities reserve fund: this fund is for strategic investments in the interest of the long-term growth and viability of the College. Opportunities should connect directly to the Strategic Plan priorities to meet member needs and deliver against the College's mission, vision and values.

Operational reserve fund: this fund is used to absorb any unplanned annual deficits of the College due to unexpected increased costs or decreased revenues during the course of regular operations.

2. Significant accounting policies (continued)

Capital assets

Capital assets are stated at cost less the estimated salvage value and accumulated amortization. Amortization is recorded over the estimated useful lives of the assets as follows:

Leasehold improvements	16 years
Furniture and fixtures	16 years
Computer hardware	5 years
Computer software	3 years

Impairment of long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. An impairment loss is recognized when the carrying amount of a long-lived asset is not recoverable and exceeds its fair value.

Deferred lease inducements

Deferred lease inducements, consisting of a period of free rent and a leasehold improvement allowance, are amortized on the straight-line basis over the term of the lease.

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 except for investments which are carried at fair value. Changes in fair value are recognized in the statement of operations as unrealized gains (losses) on investments.

Fair value

Fair values of pooled fund investments are valued at the unit values supplied by the pooled fund administrator, which represents the pooled fund's proportionate share of the underlying net assets at fair values determined using closing market values.

The fair value of guaranteed investment certificates approximates their cost plus accrued interest due to their short to medium-term nature.

Use of estimates

The preparation of the financial statements in conformity with ASNPOs requires management to makes 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. Accounts requiring significant estimates and assumptions include investments, capital assets, accrued liabilities and deferred revenue.

3. Investments

Investments include guaranteed investment certificates and pooled funds holding bonds, Canadian and international equities.

	2025	2024
	\$	\$
Pooled funds	3,601,199	2,935,983
Guaranteed investment certificates	912,665	1,324,726
	4,513,864	4,260,709
Less: short-term	480,854	411,194
	4,033,010	3,849,515

The effective yields on the Guaranteed investments certificates are between 1.1% and 2.16% (between 0.85% and 2.28% in 2024) and mature between September 30, 2025 and November 2, 2026 (between October 18, 202 and November 2, 2026, in 2024).

4. Capital assets

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
	\$	\$	\$	\$
Leasehold improvements	344,121	225,860	118,261	139,769
Furnitures and fixtures	183,959	107,505	76,454	83,073
Computer hardware	269,237	230,239	38,998	34,667
	797,317	563,604	233,713	257,509

5. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities includes remittances payable to the government of nil (nil in 2024) relating to harmonized sales tax.

6. Due to the Ministry of Health

The amount due to the Ministry of Health is comprised of the following:

	2025	2024
	\$	\$
Practising well program	—	145,733
Osteoporosis program	8,704	8,703
	8,704	154,436

7. Deferred revenue

Deferred revenue is comprised of the following:

	2025 \$	2024 \$
Membership fees	940,091	898,442
Practicing Wisely	3,986	3,986
Other	9,777	11,997
	953,854	914,425

8. Commitments

The College has entered into an agreement to rent office space until June 2030. The minimum payments, which do not include share of operating expenses, utilities or property taxes are as follows:

	\$
2026	235,721
2027	236,817
2028	236,817
2029	236,816
2030	236,816
Thereafter	59,205
	1,242,192

9. Allocation of general expenses

Under the specific programs, funders allow the allocation of certain general expenses to the programs which include administration and human resources costs. These expenses are allocated based on the funding requirements and guidelines for each funder.

10. Financial instruments and risk management

Credit risk

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The College is exposed to this risk through its investments, as this balance bears interest at varying rates and are subject to change due to, without limitation, such factors as interest rates and general economic conditions.

10. Financial instruments and risk management (continued)

Liquidity risk

Liquidity risk is the risk that the College will encounter difficulty in meeting the obligations associated with its financial liabilities. The College is exposed to this risk mainly in respect of its account payables and accrued liabilities.

11. Internally restricted fund

	Emergency Reserve Fund \$	Operational Reserve Fund \$	Opportunities Reserve Fund \$	2025 Total \$	2024 Total \$
Internally Restricted Fund, beginning of year	3,267,491	500,000	2,224,567	5,992,058	5,754,192
Transfer from Operating Fund	—	—	303,546	303,546	237,866
Inter-fund transfers	301,853	—	(301,853)	—	—
Internally Restricted Fund, end of year	3,569,344	500,000	2,226,260	6,295,604	5,992,058

12. Prior year amounts

Certain of the prior year comparative amounts have been reclassified to conform to the current year's financial statement presentation.