

**THE GERONTOLOGICAL NURSING ASSOCIATION ONTARIO**

**Financial Statements**

**Year Ended October 31, 2018**

**MPW**

CHARTERED PROFESSIONAL ACCOUNTANTS LLP

**THE GERONTOLOGICAL NURSING ASSOCIATION ONTARIO**  
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**Year Ended October 31, 2018**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of The Gerontological Nursing Association Ontario

We have audited the accompanying financial statements of The Gerontological Nursing Association Ontario, which comprise the statement of financial position as at October 31, 2018 and the statements of changes in net assets, revenues and expenditures and cash flow 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 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### *Basis for Qualified Opinion*

In common with many charitable organizations, the association derives revenue from Membership fees the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the association and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

(continues)

Independent Auditor's Report to the Members of The Gerontological Nursing Association Ontario *(continued)*

*Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section, the financial statements present fairly, in all material respects, the financial position of The Gerontological Nursing Association Ontario as at October 31, 2018 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**Strathroy, Ontario  
March 20, 2019**

**MPW**

**Chartered Professional Accountants LLP  
Licensed Public Accountants**

**THE GERONTOLOGICAL NURSING ASSOCIATION ONTARIO**  
**Statement of Financial Position**  
**October 31, 2018**

	2018	2017
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 53,100	\$ 37,620
Term deposits, <i>at market value (Note 3)</i>	11,057	16,496
Accounts receivable	7,828	-
HST recoverable	1,760	602
Prepaid expenses	-	5,000
	<b>73,745</b>	<b>59,718</b>
LONG TERM DEPOSITS, <i>at market value (Note 3)</i>	<b>62,663</b>	<b>42,054</b>
	<b>\$ 136,408</b>	<b>\$ 101,772</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 3,935	\$ 4,023
DEFERRED FUNDS <i>(Note 4)</i>	<b>32,777</b>	<b>-</b>
	<b>36,712</b>	<b>4,023</b>
NET ASSETS, Unrestricted	<b>99,696</b>	<b>97,749</b>
	<b>\$ 136,408</b>	<b>\$ 101,772</b>

**ON BEHALF OF THE BOARD**

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

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

See notes to financial statements

**THE GERONTOLOGICAL NURSING ASSOCIATION ONTARIO**  
**Statement of Changes in Net Assets**  
**Year Ended October 31, 2018**

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	<b>2018</b>	2017
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 97,749</b>	\$ 77,062
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>1,947</b>	20,687
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 99,696</b>	\$ 97,749

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**THE GERONTOLOGICAL NURSING ASSOCIATION ONTARIO**  
**Statement of Revenues and Expenditures**  
**Year Ended October 31, 2018**

	2018	2017
<b>REVENUES</b>		
Membership fees	\$ 57,505	\$ 70,236
Conference revenue	2,573	17,307
Student grants	-	2,600
Other income	881	437
HST rebate	2,490	1,617
Interest income	1,239	797
	<b>64,688</b>	<b>92,994</b>
<b>EXPENSES</b>		
CGNA fees	28,160	30,325
Membership rebates to regional chapters	10,468	13,641
Travel and meetings	7,953	7,441
Administration services and expenses	5,221	4,963
Professional fees	4,407	7,699
Office	3,528	3,825
Meetings and conventions	1,892	3,386
Insurance	680	680
Honorary and free membership	432	347
	<b>62,741</b>	<b>72,307</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 1,947</b>	<b>\$ 20,687</b>

**THE GERONTOLOGICAL NURSING ASSOCIATION ONTARIO**  
**Statement of Cash Flow**  
**Year Ended October 31, 2018**

	2018	2017
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 1,947	\$ 20,687
Changes in non-cash working capital:		
Accounts receivable	(7,828)	-
Accounts payable and accrued liabilities	(88)	(2,214)
Prepaid expenses	5,000	(5,000)
HST payable	(1,158)	(426)
	(4,074)	(7,640)
Cash flow from (used by) operating activities	(2,127)	13,047
<b>INVESTING ACTIVITY</b>		
Long term deposits, at market value	(20,609)	(3,191)
<b>FINANCING ACTIVITY</b>		
Deferred funds - inactive chapters	32,777	-
<b>INCREASE IN CASH FLOW</b>	<b>10,041</b>	<b>9,856</b>
Cash - beginning of year	54,116	44,260
<b>CASH - END OF YEAR</b>	<b>\$ 64,157</b>	<b>\$ 54,116</b>
<b>CASH FLOW SUPPLEMENTARY INFORMATION</b>		
Interest received	\$ 1,239	\$ 797
<b>CASH CONSISTS OF:</b>		
Cash	\$ 53,100	\$ 37,620
Term deposits	11,057	16,496
	\$ 64,157	\$ 54,116

See notes to financial statements



**THE GERONTOLOGICAL NURSING ASSOCIATION ONTARIO**  
**Notes to Financial Statements**  
**Year Ended October 31, 2018**

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**1. PURPOSE OF THE ORGANIZATION**

GNAO (the "association") is a not-for-profit organization incorporated provincially under the Not-for-profit Corporations Act of Province. As a registered charity the association is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The association operates to promote a high standard of nursing care in all aspects relating to health of elderly, to foster growth of gerontological nurses through education, to communicate and co-operate with other gerontological groups, and to advocate for and with older adults and gerontological nurses.

**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 (ASNFPPO).

Cash and cash equivalents

Cash includes cash and guaranteed investment certificates maturing within one year including accrued interest and are presented at market value. Guaranteed investment certificates with maturity dates beyond one year are shown as long term deposits and are presented at market value.

Measurement uncertainty

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 amount 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.

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.

Management is of the opinion that the organization is not exposed to significant credit, market, currency, interest rate or other price risks due to the nature of its operations and investments.

Revenue recognition

The Gerontological Nursing Association Ontario follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Investment income is recognized as revenue when earned.

Seminar and other income are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured

**THE GERONTOLOGICAL NURSING ASSOCIATION ONTARIO**  
**Notes to Financial Statements**  
**Year Ended October 31, 2018**

**3. TERM DEPOSITS**

Term deposits are comprised of Scotiabank Guaranteed Income Certificates (GIC) and are recorded at market value.

	2018	2017
GIC, 1.10%, Matures April 2018	\$ -	\$ 16,136
GIC, 2.15%, Matures March 2020	12,000	12,000
GIC, 2.16%, Matures October 2021	10,995	10,995
GIC, 1.50%, Matures October 2019	10,727	10,727
GIC, 2.00%, Matures April 2020	7,724	7,724
Variable GIC: Matures May 2021	13,996	-
GIC, 2.75%: Matures April 2023	16,583	-
Subtotal	72,025	57,582
Accrued interest receivable	1,694	968
Less: Long-term portion of Guaranteed Investment Certificate	(62,663)	(42,054)
	<b>\$ 11,056</b>	<b>\$ 16,496</b>

**4. DEFERRED FUNDS**

These funds are for inactive chapters which are currently being held onto by GNAO and will be remitted to the chapters should they be restarted, chapter funds are still allocated to these funds in the year.

	2018
Kingston Chapter	\$ 10,336
Ottawa Chapter	14,984
Bluewater Chapter	3,459
London Chapter	3,998
	<b>\$ 32,777</b>

**5. COMPARATIVE FIGURES**

Some of the comparative figures have been reclassified to conform to the current year's presentation. Prior year figures have been audited by another firm, who expressed a qualified opinion.