

**MIDDLESEX CENTRE REGIONAL MEDICAL CLINIC**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

**MIDDLESEX CENTRE REGIONAL MEDICAL CLINIC  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

---

- 1- Independent Auditor's Report
- 2- Statement of Financial Position
- 3- Statement of Operations and Net Assets (Liabilities)
- 4- Statement of Cash Flows
- 5- Notes to the Financial Statements

**INDEPENDENT AUDITOR'S REPORT**

---

**To the Board of Directors of the Middlesex Centre Regional Medical Clinic**

We have audited the accompanying financial statements of Middlesex Centre Regional Medical Clinic, which comprise the Statement of Financial Position as at December 31, 2017, and the Statements of Operations and Net Assets (Liabilities), 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.

**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 and fair presentation 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 overall presentation of the financial statements.

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

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Middlesex Centre Regional Medical Clinic as at December 31, 2017, and its net assets and its changes in cash flows for the year then ended in accordance with Canadian standards for not-for-profit organizations.

**June 20, 2018**  
**London, Canada**

*Scrimgeour & Company*  
**LICENSED PUBLIC ACCOUNTANT**

**MIDDLESEX CENTRE REGIONAL MEDICAL CLINIC  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2017**

	2017	2016
<b>ASSETS</b>		
<b>CURRENT</b>		
Accounts receivable	\$ 144,259	\$ 104,651
	<b>\$ 144,259</b>	<b>\$ 104,651</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Due to the Municipality of Middlesex Centre Accounts payable and accrued liabilities	\$ 109,263	\$ 107,930
	<b>9,305</b>	<b>8,649</b>
	<b>118,568</b>	<b>116,579</b>
<b>NET ASSETS (LIABILITIES) (page 3)</b>	<b>25,691</b>	<b>(11,928)</b>
	<b>\$ 144,259</b>	<b>\$ 104,651</b>

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

**MIDDLESEX CENTRE REGIONAL MEDICAL CLINIC  
STATEMENT OF OPERATIONS AND NET ASSETS (LIABILITIES)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	2017	2016
<b>REVENUE</b>		
Rental	\$ 153,126	\$ 152,164
<b>EXPENDITURES</b>		
Insurance	1,541	1,636
Landscaping and snow removal	4,493	10,966
Janitorial services	24,184	24,495
Professional fees	2,220	5,111
Property taxes (note 2)	39,608	39,928
Repairs and maintenance	6,929	8,710
Utilities	36,532	41,920
	<b>115,507</b>	<b>132,766</b>
Excess of revenue over expenditures	<b>37,619</b>	19,398
<b>NET ASSETS (LIABILITIES), BEGINNING OF YEAR</b>	<b>(11,928)</b>	(31,326)
<b>NET ASSETS (LIABILITIES), END OF YEAR</b>	<b>\$ 25,691</b>	\$ (11,928)

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

**MIDDLESEX CENTRE REGIONAL MEDICAL CLINIC  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	2017	2016
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>OPERATING</b>		
Excess of revenue over expenditures (page 3)	\$ 37,619	\$ 19,398
Net change in working capital other than cash (A)	(37,619)	(19,398)
<b>CASH, END OF YEAR</b>	<b>\$ NIL</b>	<b>\$ NIL</b>

(A) Net change in working capital other than cash includes the net change in accounts receivable, due from the Municipality of Middlesex Centre, accounts payable and accrued liabilities.

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

**MIDDLESEX CENTRE REGIONAL MEDICAL CLINIC  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

---

The Middlesex Centre Regional Medical Clinic (the Clinic) was incorporated under letters patent in the Province of Ontario on May 21, 2009 as a non-profit corporation under the name of Middlesex Centre Family Medicine Clinic. The name was changed to Middlesex Centre Regional Medical Clinic on June 21, 2011. The Clinic's objects are to operate a community health care centre by providing medical, health, and support services for the general public. In addition, the Clinic will provide and/or operate facilities for education and research in the field of family medicine in conjunction with the aforementioned health care centre. The Clinic opened in June 2010.

**1. Accounting policies**

The financial statements of the Clinic are the representation of the Board prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are summarized as follows:

**a. Reporting entity**

The financial statements reflect the assets, liabilities, revenue and expenditures and net assets of the Clinic.

**b. Basis of accounting**

Revenue and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

**c. Revenue recognition**

Revenue is recognized in the month to which the rental revenue relates according to leases.

**d. 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 at the date of the financial statements and the reported amounts of revenue and expenditures during the period. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. Actual results could differ from management's best estimates, as additional information becomes available in the future.

**MIDDLESEX CENTRE REGIONAL MEDICAL CLINIC  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

---

**2. Commitment**

The lease, which was effective January 1, 2014, expired August 31, 2015 and has a provision for a three year extension. This lease requires monthly payments plus a proportionate share of the property taxes as assessed by the Municipal Property Assessment Corporation.