

COLLEGE OF VETERINARIANS OF ONTARIO
FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

COLLEGE OF VETERINARIANS OF ONTARIO

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INDEPENDENT AUDITOR'S REPORT

To the Council of: College of Veterinarians of Ontario

Opinion

We have audited the accompanying financial statements of the College of Veterinarians of Ontario, which comprise the statement of financial position as at September 30, 2025 and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College of Veterinarians of Ontario as at September 30, 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 of 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 College of Veterinarians of Ontario 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 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 a 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 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.

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 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.



Guelph, Ontario
December 17, 2025

Chartered Professional Accountants
Licensed Public Accountants

COLLEGE OF VETERINARIANS OF ONTARIO
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	\$ 362,696	\$ 518,261
Investments (note 4)	3,888,993	4,623,338
Accounts receivable	30,356	61,202
HST receivable	407,915	180,954
Prepaid expenses	<u>209,440</u>	<u>152,604</u>
	4,899,400	5,536,359
TANGIBLE CAPITAL ASSETS (note 5)	<u>1,409,832</u>	<u>1,566,032</u>
	<u>\$ 6,309,232</u>	<u>\$ 7,102,391</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ <u>470,190</u>	\$ <u>628,203</u>
NET ASSETS		
INVESTED IN TANGIBLE CAPITAL ASSETS	1,409,832	1,566,032
UNRESTRICTED	<u>4,429,210</u>	<u>4,908,156</u>
	<u>5,839,042</u>	<u>6,474,188</u>
	<u>\$ 6,309,232</u>	<u>\$ 7,102,391</u>

COLLEGE OF VETERINARIANS OF ONTARIO
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Invested in Tangible Capital Assets	Unrestricted	2025	2024
NET ASSETS, beginning of year	\$ 1,566,032	\$ 4,908,156	\$ 6,474,188	\$ 6,937,057
Deficit of revenue over expenses for the year	<u>(156,200)</u>	<u>(478,946)</u>	<u>(635,146)</u>	<u>(462,869)</u>
NET ASSETS, end of year	<u><u>\$ 1,409,832</u></u>	<u><u>\$ 4,429,210</u></u>	<u><u>\$ 5,839,042</u></u>	<u><u>\$ 6,474,188</u></u>

COLLEGE OF VETERINARIANS OF ONTARIO
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	2025	2024
REVENUES		
Registration fees	\$ 6,299,841	\$ 6,112,665
Accreditation fees	277,270	275,420
Corporation fees	233,300	193,124
Application and examination fees	217,770	125,876
Interest income	180,350	236,834
Penalties and other (note 7)	173,448	245,393
	<u>7,381,979</u>	<u>7,189,312</u>
EXPENSES		
Salaries	3,961,105	3,544,978
Transition Council	652,664	0
Legal	580,374	689,251
Office facilities	523,912	511,579
Information management system	471,381	446,930
Council and committees	337,514	465,763
Special projects	269,225	632,626
Interest and bank charges	199,222	186,857
Amortization	156,200	202,571
Networking and representation	138,584	127,520
Insurance	136,213	146,252
Investigations and hearings	120,050	157,551
Communication	118,475	130,281
Quality assurance	102,611	100,359
Office	73,940	67,887
Accounting and audit	67,417	45,100
Premises inspections	61,105	82,937
Exam administration	18,812	85,897
Policy development	18,571	14,447
Professional health program	9,750	13,395
	<u>8,017,125</u>	<u>7,652,181</u>
DEFICIT OF REVENUE OVER EXPENSES for the year	<u>\$ (635,146)</u>	<u>\$ (462,869)</u>

COLLEGE OF VETERINARIANS OF ONTARIO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	2025	2024
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Deficit of revenue over expenses for the year	\$ (635,146)	\$ (462,869)
Items not requiring an outlay of cash		
Amortization	<u>156,200</u>	<u>202,571</u>
	(478,946)	(260,298)
Changes in non-cash working capital		
Accounts receivable	30,846	(47,562)
HST receivable	(226,961)	(135,429)
Prepaid expenses	(56,836)	60,815
Accounts payable and accrued liabilities	<u>(158,013)</u>	<u>(165,438)</u>
	<u>(889,910)</u>	<u>(547,912)</u>
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Purchase of investments	(4,157,655)	(2,870,025)
Withdrawals from investments	<u>4,892,000</u>	<u>3,710,705</u>
	<u>734,345</u>	<u>840,680</u>
NET (DECREASE) INCREASE IN CASH	(155,565)	292,768
NET CASH, BEGINNING OF YEAR	<u>518,261</u>	<u>225,493</u>
NET CASH, END OF YEAR	<u>\$ 362,696</u>	<u>\$ 518,261</u>

COLLEGE OF VETERINARIANS OF ONTARIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

1. NATURE OF OPERATIONS

The College of Veterinarians of Ontario (the College) was established in 1874 and incorporated on March 11, 1879 under The Veterinarians Act of the Province of Ontario and continued under The Veterinarians Act, 1989, proclaimed April 4, 1990.

The College protects and serves the public interest through the regulation of the practice of veterinary medicine. Accordingly, veterinarians are licensed, facilities are accredited, standards and policies are developed and maintained, and an investigations and resolutions process is available. The College licenses more than 5,300 veterinarians and accredits over 2,300 veterinary facilities in Ontario.

The College is exempt from income taxes as a not-for-profit organization.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) REVENUE RECOGNITION

The College follows the deferral method of accounting for contributions. Contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Registration fees and corporate registration fees, which are non-refundable, are recognized as revenue in the year the licence is renewed.

Premises inspection fees are recognized in the year that the annual accreditation fee is paid.

Application fees are recognized when received and examination fees are recognized in the period the exam takes place. Penalties and recovered costs are recognized in the period received.

Interest and other revenue is recognized when earned.

(b) TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost and amortized on the basis of their estimated useful life using the following methods and rates:

Furniture and fixtures	- 10 years straight line basis
Office equipment	- 3 years straight line basis
Leasehold improvements	- 15 years straight line over lease term

(c) IMPAIRMENT OF LONG LIVED ASSETS

Long lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

COLLEGE OF VETERINARIANS OF ONTARIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian accounting principles for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts 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 year. Significant areas requiring management's estimates include useful life of capital assets and accrued liabilities. Actual results could differ from those estimates.

(e) FINANCIAL INSTRUMENTS

The College initially measures its financial assets and liabilities at fair value.

The College subsequently measures all its financial assets and financial liabilities at amortized cost, unless otherwise noted below.

Investments in equity instruments that are quoted in an active market are measured at fair value. Changes in fair value are recognized in revenue.

Impairment

At the end of each reporting period, the College assesses whether there are any indications that a financial asset measured at cost or amortized cost may be impaired. If there are indicators of impairment, and the College determines there has been a significant adverse change in the expected amount or timing of future cash flows, an impairment is recognized. If circumstances change, a previously recognized impairment may be reversed.

Transaction costs

Transaction costs attributable to financial instruments subsequently measured at fair value are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

(f) LEASES

Leases are classified as either capital or operating leases. A lease that transfers substantially all the benefits and risks incidental to the ownership of property is classified as a capital lease. All other leases are accounted for as operating leases wherein rental payments are amortized on a straight-line basis over the term of the lease to rental expense. At the inception of a capital lease, an asset and obligation is recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of such lease.

COLLEGE OF VETERINARIANS OF ONTARIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

3. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the College is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from its financial instruments.

The extent of the College's exposure to these risks did not change in 2025 compared to the previous period.

The College does not have a significant exposure to any individual customer or counterpart.

Market risk

Market risk is the risk that the fair value or future cash flows of the College's financial instruments will fluctuate because of changes in market prices. Some of the College's financial instruments expose it to this risk, which comprises of interest rate risk.

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 interest rate risk on its investment savings accounts, which have a floating interest rate.

4. INVESTMENTS

	2025	2024
Guaranteed investment certificates at face value with interest rates of 1.29% to 4.76% (2024 - 0.80% to 4.90%) with maturity dates up to December 2027	\$ 3,006,331	\$ 3,577,531
Investment savings accounts	813,719	969,853
Accrued interest	<u>68,943</u>	<u>75,954</u>
	<u>\$ 3,888,993</u>	<u>\$ 4,623,338</u>

5. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2025	Net 2024
Furniture and fixtures	\$ 39,377	\$ 39,377	\$ 0	\$ 3,935
Office equipment	231,439	231,439	0	41,537
Leasehold improvements	<u>1,754,492</u>	<u>344,660</u>	<u>1,409,832</u>	<u>1,520,560</u>
	<u>\$ 2,025,308</u>	<u>\$ 615,476</u>	<u>\$ 1,409,832</u>	<u>\$ 1,566,032</u>

COLLEGE OF VETERINARIANS OF ONTARIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

6. COMMITMENTS

The College has entered into a fifteen-year lease for office space at 71 Hanlon Creek Blvd. in Guelph Ontario starting December 1, 2022. The College's obligations per fiscal year under this operating lease are as follows:

2026	\$ 474,586
2027	474,586
2028	499,066
2029	507,226
2030	507,226
Thereafter	<u>3,300,722</u>
	<u>\$ 5,763,412</u>

7. PENALTIES AND OTHER REVENUE

Included in penalties and other revenue is \$15,000 (2024 - \$0) received from the Ontario Association of Veterinary Technicians to support the College's transition to the new legislation.

8. DISCIPLINARY COST ORDERS

As of year end, the College has \$634,320 (2024 - \$1,016,910) in disciplinary cost orders. These cost orders are disciplinary receivables owed to the College by members who have been instructed to pay the College these funds for offences committed in their professional role. These receivables have not been recorded by the College as the amount and collection is uncertain, but they will be recognized as revenue in the period received.