



RNAO

Registered Nurses' Association of Ontario
L'Association des infirmières et infirmiers
autorisés de l'Ontario

ANNUAL **REPORT**

VISION
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Y
LEADER
SHIP

LEADING THE WAY FORWARD FOR NURSING

Growing
stronger
Promoting
nursing excellence
Speaking
out

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RNAO's Mission

Our mission is to foster knowledge-based nursing practice, promote quality work environments, deliver excellence in professional development, and advance healthy public policy to improve health. We promote the full participation of present and future registered nurses in improving health, and shaping and delivering health-care services.

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RNAO's Values

We believe health is a resource for everyday living and health care is a universal human right.

We respect human dignity and are committed to diversity, inclusivity, equity, social justice, democracy and voluntarism.

We value leadership in all nursing roles across all sectors, in order to advance individual and collective health. Through collective leadership we collaborate with nurses, government, organizations and the public to advance healthy public policy.

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Rhonda
Seidman-Carlson



Doris
Grinspun

A message from RNAO's President and Chief Executive Officer

This year's annual general meeting (AGM) theme: "Leading the way forward for nursing," perfectly sums up RNAO's work: shaping nursing practice and public policy that advances health for all.

Building on the tremendous momentum created in 2012 with the release of *Primary Solutions for Primary Care*, and *Enhancing Community Care for Ontarians* (ECCO) - two influential reports that tackle health system transformation by anchoring services in primary care and robust community capacity - we are now ready to release RNAO's vision for health and nursing in Ontario. It is a bold document that ensures people are served by a health system that better reflects their needs and fully utilizes the expertise of nurses.

The pages of this annual report tell the story of our accomplishments, and the contributions we've made to our profession, the province and Ontarians over the past year.

At RNAO's 2013 AGM, Premier Kathleen Wynne promised to enhance RNs' scope of practice. Soon after, RNAO developed and delivered the first-ever *Primary Care Institute* and, following its success, delivered a second one. This, along with the ministry's decision to heed RNAO's advice and establish a primary care nursing advisor, underscores the commitment we believe the government shares in strengthening primary care. Our report also prompted the Ministry of Health to make funding available for RNs and RPNs that work in primary care so they can enhance their knowledge and skills and realize their own goals of working to full scope.

Another important achievement advanced by RNAO, in partnership with the province's Chief Nursing Officer, is Health Minister Deb Matthews' announcement at the association's February 2014 *Queen's Park Day* to fund 75 new nurse practitioner (NP) positions in long-term care over the next three years. The move represents the kind of system change we have long been advocating for as we strive to provide residents in nursing homes with enhanced, person-centred, quality care and prevent unnecessary transfers to hospitals.

As we celebrate the government's investment in NPs, RNAO continues to urge politicians and employers to add RN positions. This is absolutely critical if we want to improve timely access to quality care and bring the province's RN-to-population ratio (the second worst in Canada) in line with the national average.

RNAO and its members have also vigorously advocated for the rights of working people by demanding an increase in the minimum wage to \$14 an hour. It is unconscionable that

no political party, in a province as rich as Ontario, has had the courage to lift working people out of poverty.

The association's role in promoting environmental determinants of health is also impressive. This year, as part of a large coalition, we celebrated the coming closure of the last coal plant, marking the end of Ontario's use of dirty coal for electricity production. The move - hailed by former U.S. Vice-President Al Gore as an impressive international precedent for action on smog and climate change - is also good for our health. RNAO continues to lead a group of experts on toxics reduction, working closely with the Ministry of the Environment. We are also actively engaged in encouraging politicians to invest in public transit, a fundamental aspect of environmental and physical health.

The superb efforts of our International Affairs and Best Practice Guidelines Centre continue to amaze. RNAO's clinical guidelines are changing the way nurses and other health-care professionals think about and provide care. The various programs and initiatives of the centre, including smoking cessation, mental health and addictions, e-Health, NQuIRE, Nursing Order Sets, the National Falls Collaborative, the Long-Term Care Best Practices Initiative, and the Nursing Best Practice Research Centre have been embraced by organizations and governments at home and abroad, and, as a result, are leaving a mark globally.

That so much could be achieved during the past year is a testament to the superb governance and dedication of RNAO's board of directors, the commitment and hard work of our assembly, the loyalty and active engagement of 36,000 RNAO members and nursing students, our expert staff, and the amazing partners (internal and external to our profession) with whom we have worked throughout the year.

We thank each and every one of our members and commit to continue our work to ensure that the association remains strong and relevant to our members, the health system, and Ontarians.

Rhonda Seidman-Carlson, RN, MN
PRESIDENT

Doris Grinspun, RN, MSN, PhD, LLD(hon), O.ONT
CHIEF EXECUTIVE OFFICER

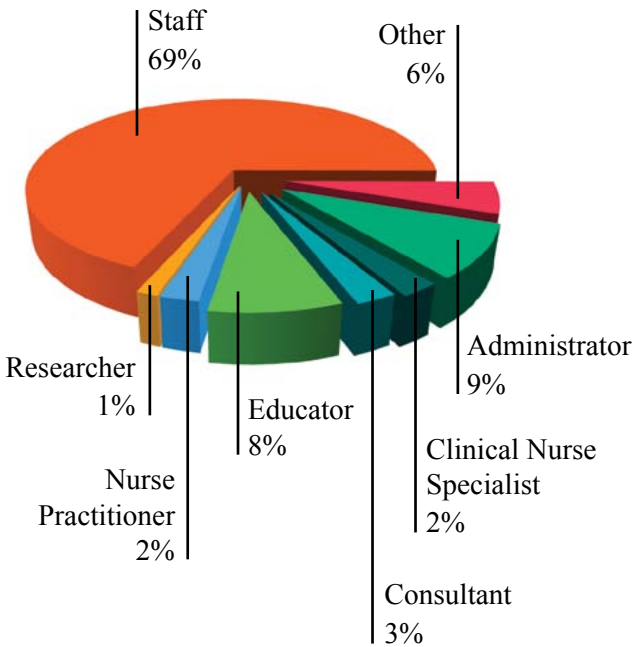
An organization gets its strength from its members. With 36,000 RNs, NPs and nursing students, RNAO carries a lot of weight when it comes to representing nursing in Ontario.

Our ability to shape the changes needed in the profession and the health system is the result of having knowledgeable and passionate members working in every sector and in every corner of the province advocating for the health and well-being of Ontarians.

Our collective voice is like a magnet. Over the past decade, we have almost doubled our membership. We are immensely proud of our growth because our strength is built on a foundation that RNAO is a value-driven, visionary, and courageous organization. And that's something worth being part of.

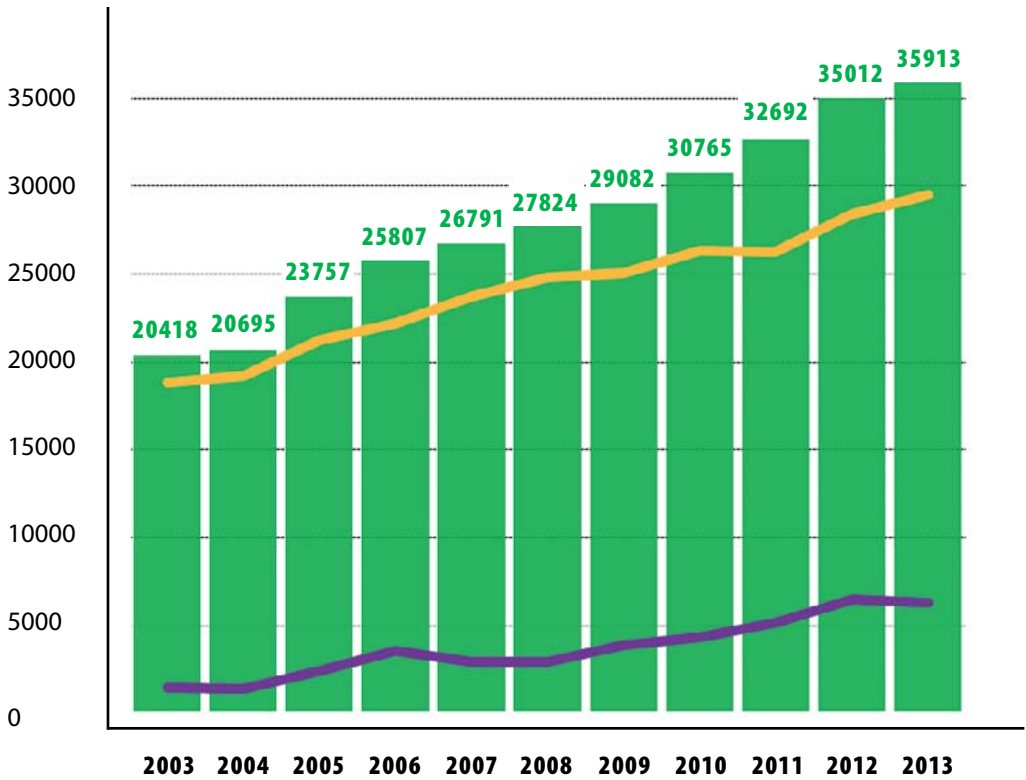
35,913

RNAO Membership by role 2013



RNAO Membership 2003-2013

- All members
- RNs and NPs
- Nursing students





Left: RNAO members from the London area took part in a run/walk in April 2013 to honour Janet Wilson, and to raise money for the Brain Tumour Foundation of Canada. Wilson, president of Oxford chapter at the time, died two weeks later from brain cancer.



Left: Nurses raise awareness about the need for affordable housing at a Toronto rally.

Below: Region 10 (Ottawa) members get a tour of Parliament Hill.



Below: RNAO members line up to greet Premier Kathleen Wynne, who addressed nurses at the association's 2013 AGM.



Below: RNAO members discuss a resolution during the association's 2013 annual general meeting (AGM).



Above: Many RNs, such as Ottawa's Janique Gagnon, take their nursing skills overseas. Gagnon spent six months in the Central African Republic last year volunteering with Médecins Sans Frontières.



Above: Nurse practitioner Tannice Fletcher-Stackhouse (right) helps a client with Fetal Alcohol Spectrum Disorder (FASD) during a community kitchen in Thunder Bay. Photo: Sandi Krasowski.

When it comes to name recognition, RNAO is on the leading edge in the area of clinical excellence.

Since the pioneering best practice guidelines program first got off the ground in 1998, it has grown and developed a worldwide reputation. With 50 guidelines released to date, including three this past year on safe sleep practices for infants, interprofessional health care, and care transitions, we help to improve the lives of millions of Ontarians. And since care and evidence

Below: Ontario's Chief Nursing Officer Debra Bournes gives remarks at RNAO's Best Practice Spotlight (BPSO) symposium in March of this year.



Above: PhD students from the University of Ottawa's School of Nursing attend this year's BPSO symposium.



Above: Registered nurses from Two Rivers Family Health Team pose in front of their display at this year's BPSO symposium.

continue to evolve, updated editions of three other guidelines on pain management, diabetic foot ulcers, and nursing leadership were also released.

RNAO's guidelines are sought after around the world. South Africa signed an agreement this past November to become a Best Practice Spotlight Organization (BPSO) Host, joining other international organizations, including ones in Australia and Spain. Closer to home, the School of Nursing at St. Francis Xavier University in Nova Scotia became our latest academic BPSO in December. These two new partners bring the total number of BPSOs to 73 with more than 320 sites around the world. RNAO also released a request for proposals for BPSOs tailored to the needs of long-term care homes.

BPSOs remain one of the key ways to ensure that RNAO's guidelines are adopted by nurses and organizations. Of course, they would not be successful without the commitment and passion of over 18,000 champions who have helped transform their workplaces into evidence-based practice environments.

Another way RNAO ensures that guidelines are making a difference in patient care is through the collection of data. The Nursing Quality Indicators for

Reporting and Evaluation (NQIRE) was launched last year as a quality improvement measure, producing data reports to highlight the success of guideline implementation. This project has captured the interest of others, so much so that RNAO launched an international advisory committee with the brightest minds in the field, chaired by Dr. Judith Shamian, President of the International Council of Nurses.

The association's work on nursing order sets - which translates guideline recommendations into nursing interventions - also continued. Over the past year, 31 nursing order sets were developed, complementing the most commonly used BPGs. Thirteen hospitals, one home health care agency and two primary care organizations are currently using RNAO's nursing orders sets. In addition, as a result of its work in nursing order sets, RNAO was accredited as a Research and Development Centre by the International Council of Nurses (ICN). We are one of only 11 organizations in the world with such a distinction.

RNAO continues to contribute at a national level. By partnering with the Canadian Nurses Association, our work on the diabetic foot ulcer guideline continues with the Council of the Federation, comprised of Canada's 13 provincial and territorial premiers. To further spread the word about our best practices in foot care, RNAO teamed up with the Canadian Association of Wound Care to produce a new, online journal dedicated to sharing the latest evidence in diabetic foot care.

RNAO's guidelines serve as a point of pride with members, and have cemented our expertise in clinical and healthy work environment knowledge. From institutes and workshops to webinars and video conferences, thousands benefitted from educational and professional development offerings, ultimately helping clinicians to provide higher quality care.



Left: RNAO's Monique Lloyd (right) poses with Vicki Bassett, a member of the best practice guideline panel on safe sleep practices for infants. Lloyd gave a presentation about the guideline when it was released in February of this year.



Above: Irmajean Bajnok (right) travelled to Nova Scotia in December 2013 to sign an agreement with St. Francis Xavier University's School of Nursing's director Diane Duff. The Antigonish institution became the latest academic BPSO.



Left: RNAO President Rhonda Seidman-Carlson (third from the left) visited Sarnia's Bluewater Health during Nursing Week 2013 to mark the organization's status as a BPSO.



Left: RNAO's Heather McConnell (left) poses with members of Bayshore Health Care during a Nursing Week 2013 visit.

One of the measures of an advocacy organization's influence is its ability to meet with politicians.

During the past year, our members demonstrated an unparalleled amount of influence by meeting with 103 of 107 members of provincial parliament (MPPs) in their local constituencies as part of *Queen's Park on the Road* and *Take Your MPP to Work*. In February 2014, members had another chance to gather with MPPs over breakfast as part of RNAO's *Queen's Park Day*. The association's president and chief executive officer also have regular meetings with the premier, opposition leaders, the health minister, and health critics. These interactions are key to building relationships and to shaping public policy that results in a healthier place for people to live, work and play.

Key areas where RNAO spoke out during the past year:

- calling for the retention and recruitment of RNs
- expanding RNs' scope of practice
- pushing for more RNs and NPs in long-term care homes
- addressing bullying in the workplace
- proposing health system changes to remove duplication and inefficiencies
- opposing the privatization of health services - user fees, co-payments, income-based means testing and medical tourism
- promoting access to supervised injection services
- advocating for the rights of refugees to receive proper health services
- pushing for a renewal of the federal *Health Accord*
- calling for the minimum wage to be raised to \$14/hr
- demanding more investments in affordable housing
- insisting social assistance rates reflect the cost of living
- leading health and environmental groups on a government toxics reduction strategy
- helping to ban coal-fired electricity
- speaking out for better transit



Above: NDP Leader Andrea Horwath and France Gélinas, the party's health critic, talk to members during *Queen's Park Day* 2014.



Above: RNAO President Rhonda Seidman-Carlson in conversation with Liberal cabinet minister Glen Murray during the association's *Queen's Park Day* in February of this year.



Left: Progressive Conservative Health Critic Christine Elliott, party leader Tim Hudak and RNAO President-Elect Vanessa Burkoski listen to speeches during RNAO's 2014 *Queen's Park Day*.

We've called attention to these and other important issues in a number of ways: from action alerts and letters to government ministers and the premier, to appearances before government committees, holding events and speaking out at rallies. Connecting with politicians and advocating for changes that result in healthier public policies helps advance the health and well-being of Ontarians. RNAO also has a successful track record when it comes to getting our messages out in the media. It's through this coverage that members of the public can gain an awareness of our work and an appreciation of what our mandate is all about.



Above: NDP MPP Jagmeet Singh holds a copy of RNAO's brochure *Why Your Health Matters* after meeting with board member Paula Manuel, during *Queen's Park on the Road* in 2013.



Above: Progressive Conservative MPP Jim McDonnell (middle) spends part of a shift with RNs at Cornwall Community Hospital during a *Take Your MPP to Work* visit in May 2013.



Above: Nurse practitioner Maurice Michelin tends to a senior on a home care visit as Liberal MPP Laura Albanese (far right) looks on.

Right: Members of RNAO, including board member Claudette Holloway (middle), at a *National Day of Action* rally in June 2013 to protest changes to insurance coverage for refugees.

Below: RNAO CEO Doris Grinspun (front row, second from left) at a March 2014 announcement by Health Minister Deb Matthews (back row, third from the left) regarding the creation of 75 nurse practitioner positions in nursing homes across the province.



Below: The link between health and poverty prompted RNAO to join an awareness campaign about the need for more affordable housing. Senior policy analyst Lynn Anne Mulrooney (right) poses with the head of the Ontario Non-Profit Housing Association at an event in May 2013.

Right: RNAO's senior economist Kim Jarvi (left) meets with Minister of Energy Bob Chiarelli in October 2013 when the Liberals announced Lambton Generating Station would stop burning coal.



Above: RNAO staff, including CEO Doris Grinspun, Tim Lenartowych and Kim Jarvi meet with Minister of Health Deb Matthews (far left) in December 2013.



Right: People shared their stories about making ends meet at a poverty consultation RNAO organized last September. Representatives from all three provincial political parties also attended.



THEREFORE BE IT RESOLVED that RNAO request the Ministry of Health to ask the hospitals and other sectors (home health-care and public health, etc. to follow) to be encouraged through various incentives to share their tools as they are developed, and have them hosted on the RNAO’s central database, that can be risk-adjusted and bench-marked for performance management and evaluation using centralized provincial funding to create a portal, i.e. a toolkit to allow all organizations to use tools as they become available.

RNAO’s home office is in discussion with the Ontario Hospital Association and the Ministry of Health and Long-Term Care to assess options that relate to the implementation of this resolution.

THEREFORE BE IT RESOLVED that RNAO advocate for the inclusion of males into the Ontario grade 8 HPV publicly-funded immunization program with the Ministry of Health and Long-Term Care.

In response to an article on tackling HPV by Beatrice Fantoni on August 10, 2013 in the *Windsor Star*, Jennifer Johnston, in her role as Windsor-Essex chapter president, continued the public discussion. Ms. Johnston’s letter to the editor, “HPV shots for males sensible,” was published on August 23, 2013 in the *Windsor Star*. The timeliness, relevance, brevity, and call to action in this letter were used by RNAO’s communications department as an example during its presentation at the February 28, 2014 assembly meeting.

An environmental scan and updated review of the scientific literature was completed by Amy Wiley. Ms. Wiley is an experienced public health nurse completing a practicum RNAO’s health and nursing policy department - as part of her masters of public health program at the University of Waterloo. Dr. Lynn Anne Mulrooney, senior policy analyst at RNAO, and Ms. Wiley discussed the findings of this review with the member who proposed the resolution, Dana Boyd, and a plan of action was agreed upon. RNAO has sent a letter requesting the inclusion of males into the publicly funded immunization program to the Minister of Health and Long-Term Care, Deb Matthews, which includes a referenced fact sheet.

THEREFORE BE IT RESOLVED that RNAO develop strategic partnerships with locally relevant and collaborative partners across sectors to call for an integrated strategy to address adolescent suicide that includes: prevention, recognition/diagnosis, evidenced-based interventions, and appropriate support services for youth and families, and is inclusive of those at highest risk who are often marginalized.

In October 2013, Ontario’s Ministry of Children and Youth Services announced a *Youth Suicide Prevention Plan* including: funding to support local initiatives; annual regional forums; a web-based, community mobilization guide; and targeted support to Aboriginal children and youth. Representatives from RNAO were able to provide feedback on the ministry’s approach to youth suicide prevention at a community forum in Toronto on March 7, 2014 and in Thunder Bay on March 27, 2014.

Dr. Lynn Anne Mulrooney, RNAO’s senior policy analyst, will continue to work with the members who proposed the resolution, Alana Halfpenny and Rachel Colquhoun, pertinent RNAO interest groups, and community allies to advocate for a comprehensive, integrated approach to preventing adolescent suicide and improving mental health and well-being. Related advocacy will include: safeguarding public safety during interactions with police services, and improving health and health care within correctional settings.

THEREFORE BE IT RESOLVED that RNAO advocate for the sustainability of nursing stations as a viable model of care in Ontario, through increased funding for nurse practitioner and registered nurse positions and to include employment incentives.

RNAO has launched a high profile and precedent-setting provincial task force that specifically focuses on identifying strategies to sustain the rural, remote and northern nursing workforce. The task force is chaired by David McNeil, immediate RNAO past-president and Vice-President, Clinical Programs and Chief Nursing Officer at Health Sciences North/Horizon Santé-Nord Ramsey Lake Health Centre; and by Louise Paquette, Chief Executive Officer at the North East Local Health Integration Network. It includes broad representation from government, stakeholders and professional groups including the movers of this resolution, the Nurse Practitioners’ Association of Ontario (NPAO).

In addition, information on a plan to increase the presence of nursing stations in the Muskoka region was included in the January/February 2014 issue of *Registered Nurse Journal*. RNAO also continues to advocate for compensation equity across sectors as a key policy priority.

BOARD COMMITTEES

BYLAWS

Denise Wood, Chair
Janson Chan, NSO Representative
Una Ferguson, Board Representative
Shirley Kennedy, RNAO Member
Meredith Whitehead, RNAO Member
Susan Yates, Assembly Representative
Riek Van Den Berg, Parliamentarian
Doris Grinspun, Chief Executive Officer, ex-officio
Penny Lamanna, Board Affairs Co-ordinator

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Christian Aagaard, Journalist, non-voting
Shelly Archibald, RNAO Member
Rebecca Harbridge, Board Representative
Kelly Kokus, NSO Representative (until December 2013)
Sandy Oliver, RNAO Member
Carol Timmings, Board Representative
Ronda Seidman-Carlson, President, ex-officio
Doris Grinspun, Chief Executive Officer, ex-officio
Marion Zych, Publisher, *Registered Nurse Journal* and Director of Communications
Kimberley Kearsey, Managing Editor, *Registered Nurse Journal*

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Vanessa Burkoski, President-Elect
Maureen Cava, LAP Chair
Claudette Holloway, Board Representative
Brenda McCurdy, Assembly Representative
Alison Vagnini, NSO Representative
Rhonda Seidman-Carlson, President, ex-officio
Doris Grinspun, Chief Executive Officer, ex-officio
Nancy Campbell, Director, Finance and Administration
Bertha Rodrigues, Administrative Assistant

INTEREST GROUPS

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Chair of each Provincial Interest Group
Chair of each Associated Interest Group
Chair of each Pending Associated Interest Group
Chair of each Affiliated Group
Rhonda Seidman-Carlson, President, ex-officio
Doris Grinspun, Chief Executive Officer, ex-officio
Daniel W. Lau, Director, Membership and Services

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Mary Lou McKelvey, RNAO Member
Cathy Olsiak, Nurse Lawyer, non-voting
Melanie Phelps, Board Representative (until January 2014)
Francine Young, RNAO Member
Doris Grinspun, Chief Executive Officer, ex-officio
Nancy Campbell, Director, Finance and Administration
Mara Haase, LAP Administrator

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Crystal Culp, RNAO Member
Josephine Dalmacio, RNAO Member
Mirna Iskandar, RNAO Member
Nicholas Lutowicz, NSO Representative
Denise Wood, Board Representative
Rhonda Seidman-Carlson, President, ex-officio
Doris Grinspun, Chief Executive Officer, ex-officio
Daniel W. Lau, Director, Membership and Services
Jody Smith, Membership and Services Project Co-ordinator

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Elizabeth Edwards and Priya Herne, PNEIG Co-Chairs
Una Ferguson, RNAO Member representing SNIG
Mary Guise, RNAO Member representing PNEIG
Mary McAllister, Board Representative
Jennifer O’Neil, RNAO Member representing NLN Community
Gail Orr, RNAO Member representing CAAT
Karen Poole, RNAO Member representing COUPN
Valeria Thompson, RNAO Member representing NLN Acute
Rhonda Seidman-Carlson, President, ex-officio
Doris Grinspun, Chief Executive Officer, ex-officio
Lynn Anne Mulrooney, Senior Policy Analyst

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Leigh Baetz-Craft, Representing MCNIG
Marianne Cochrane, Board Representative
Debbie Daly, Representing OARN
Melissa Northwood, RNAO Member
Hilda Swirsky, Representing DNIG
Rhonda Seidman-Carlson, President, ex-officio
Doris Grinspun, Chief Executive Officer, ex-officio
Tim Lenartowych, Special Projects Manager, Office of the CEO

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Cheryl Forchuk, Nursing Research Community Representative #2
Deborah Kane, Board Representative
Paula Manuel, Board Representative
Christine McPherson, Nursing Research Community Representative #1
Nancy Purdy, Representing NRIG
Rhonda Seidman-Carlson, President, ex-officio
Doris Grinspun, Chief Executive Officer, ex-officio
Kim Jarvi, Senior Economist

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Shelly Archibald, RNAO Member
Natasha Beckles, RNAO Member
Louise Dayboll, RNAO Member
Ioana Gheorghiu, NSO Representative
Claudette Holloway, Board Representative
Cheryl Yost, Non-voting Observer
Rhonda Seidman-Carlson, President, ex-officio
Doris Grinspun, Chief Executive Officer, ex-officio
Shelley Martel, Nursing and Health Policy Co-ordinator

PROVINCIAL NOMINATIONS

David McNeil, Chair (*Immediate Past-President*)
Mary Ferguson-Paré, RNAO Member
Gurjit Sangha, RNAO Member
Susan Yates, RNAO Member
Doris Grinspun, Chief Executive Officer, ex-officio
Penny Lamanna, Board Affairs Co-ordinator

PROVINCIAL RESOLUTIONS

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Alison Middlebro, RNAO Member
Connie Wootten, RNAO Member
Riek Van Den Berg, Parliamentarian
Doris Grinspun, Chief Executive Officer, ex-officio
Penny Lamanna, Board Affairs Co-ordinator

EXTERNAL REPRESENTATION

REGISTERED NURSES’ FOUNDATION OF ONTARIO

Doris Grinspun, Board member, ex-officio

CANADIAN NURSES PROTECTIVE SOCIETY

Mary Ferguson-Paré, CNPS President and Chair of the Board
Elsabeth Jensen, Adjudication Committee
Carmen Rodrigue, Adjudication Committee

COMMITTEE REPORTS

BYLAWS

The committee met once during the year, discussing the election process for the interest groups representative to the board position. The process of election for this position is different from that of other board of director positions. All RNAO board positions, other than the interest groups representative, are elected via the *One member, one vote* process. The committee agreed that “laddering” is very important to maintain a strong board. The committee also agreed that the election of this position could be harmonized with the other elections. A recommendation by the committee was brought forward to the board of directors at its March 1, 2014 meeting.

I would like to thank members for their participation in the business of the committee this year.

Denise Wood, RN, GNC(C)
Chair

EDITORIAL ADVISORY

This committee is established to review each issue of the association’s flagship publication, *Registered Nurse Journal*. Comprised of RNAO board members, general nursing members, a nursing student, as well as a journalist, our primary function is to provide feedback on each published issue by reflecting on the priorities and initiatives of

the association. Each member is able to offer a valid and distinct perspective based on their unique role. Working in collaboration with the communications team, the committee members offer ideas for future issues and provide much-needed perspective on the present-day issues of the overall nursing profession. Offering the bimonthly digital version of the magazine continues to be successful, and the communications team strives to enhance its digital strategy by offering supplementary content on RNAO’s website. Many members still choose to receive the bimonthly *Journal* in hardcopy although a digital version of the magazine continues to be offered to enhance the reader’s experience. In 2013, *Registered Nurse Journal* was honoured with first place in the External Publications category of the Health Care Public Relations Association’s Hygeia Awards, recognizing excellence in health-care communication.

In summary, I would like to thank all committee members for their commitment and their contributions. None of our work would be worthwhile if not for the dedicated and hardworking editorial team at home office. It is a pleasure to work with them and to learn from them. Abundant thanks are extended to the editorial team for putting significant effort into each and every issue. And I would be remiss if I didn’t thank the many nurses who have contributed and

shared their nursing experiences as RNAO members. These are a joy to read, and we, as a membership, benefit from their stories. Our *Registered Nurse Journal* is truly remarkable and inspiring. Thank you for sharing.

Marianne Cochrane, RN, MHSc(N)
Chair

FINANCE
General Fund

With a strict human resources management strategy and better than projected revenues, a significant turnaround in annual financial results was realized for the fiscal year ending October 31, 2013. The general fund reported a surplus of \$15,834 compared to a loss of \$98,689 in 2012.

Revenue from membership increased .6 per cent to \$5,276,266 (\$5,246,232 in 2012) and other revenue sources such as *Registered Nurse Journal* advertising and iaBPG Centre institutes and educational programs also increased over 2012. The 2013 annual general meeting expenses were \$105,331 compared to \$168,796 in 2012 due to board of directors’ decision to not include membership executive network officers and strict cost control by staff in all areas of the event. Information management costs were \$46,970 in 2013 compared to \$69,278 in 2012, as we see the positive effects of using open

source and in-house technology to keep pace with the digital environment while improving services to members. Membership and Services Department costs were \$285,509 in 2013 compared to \$272,543, with the increase attributable to target marketing and higher postage costs. Canadian Nurses Association fees were \$1,407,703 in 2013 compared to \$1,400,148 in 2012. Canadian Nurses Protective Society (CNPS) fees increased to \$595,346 compared to \$394,435 in 2012. CNPS fees will increase again by another 20 per cent in the current year (2014). RNAO home office salaries and benefits, exclusive of special projects, which are recovered, were lower by a net amount of \$71,382. The staff complement is monitored for effectiveness and productivity, and currently, one full-time equivalent is vacant.

Legal Assistance Program Fund

For the fiscal year October 31, 2013, the LAP Fund reported a surplus of \$610,830 compared to \$684,195 in 2012. Revenue from members rose one per cent to \$1,102,472. Legal fees reimbursed to members outside of the retainer increased to \$153,201 from \$97,170. This is due to the timing of some files closing and files such as WSIB issues that are not included in the retainer.

Fund Balances

The total surplus from all funds is

\$16,559,395 as of October 31, 2013. Of this surplus, \$9.7 million is in the form of land and buildings.

The committee reviews financial results and operating activity using a risk-based model. The committee will be closely monitoring quarterly results, and will make recommendations to the board as they deem appropriate. At year end, the committee reviewed the financial statements with KPMG, the external auditors, and is satisfied the statements adequately disclose the scope of activities of the association. I would like to thank all finance committee members for their work, and home office staff for their expert advice and support.

*Carol Timmings, RN, BNSc,
MEd(Admin)
Chair*

INTEREST GROUPS

Interest group chairs met twice during the past year. We continued to profile different groups including the Complementary Therapies Nurses' Interest Group (CTNIG), the Independent Practice Nurses Interest Group (IPNIG) the Clinical Nurse Specialist (CNS) Association of Ontario Interest Group, and Nursing Students of Ontario (NSO)

This past year also provided interest groups (IG) with the opportunity to participate in an IG open house that was organized by the student nursing community at

the University of Ontario Institute of Technology – Durham College Collaborative BScN program. The event, which took place in November 2013, was co-sponsored by the local Durham/Northumberland Chapter of RNAO. This event was attended by 18 IGs who were able to interact one-on-one with nursing students. Irmajean Bajnok of RNAO's home office gave an inspirational speech about best practice guidelines.

IG chairs were also in contact with each other about issues such as ensuring stable IG executives, ongoing meetings with MPPs, interacting with the media, the active involvement of nursing students and mentoring for succession planning.

IG chairs continue to collaborate with home office to strengthen their membership involvement in RNAO. In collaboration with the Nursing Practice Committee, a call was extended to IGs to develop a nursing profile for their specific area of nursing. Interested IGs were reviewed based on the following four factors: their commitment to build and refine a profile, the relevance of highlighting their sector at this moment in time, the relevance of the sector within RNAO's ongoing advocacy work and the anticipated outcome that their profile would produce. As a result, the Gerontological Nursing Association of Ontario (GNAO) and the Ontario Correctional Nurses'

Interest Group (OCNIG) will be working on their profiles over the coming months. These profiles will be posted to the *Careers in Nursing* website.

IGs also took advantage of opportunities to learn about and participate in *Queen's Park on the Road* (QPOR) activities as well as *Queen's Park Day*, which took place in February.

It has been a privilege to represent interest groups on RNAO's board of directors during the past two years and I thank the chairs for their support and commitment to their IGs and to the nursing profession.

*Marianne Cochrane, MHSc(N)
Chair*

LEGAL ASSISTANCE PROGRAM (LAP)

Since its inception, the Legal Assistance Program has supported registered nurses in a variety of professional and employment matters. Terminations from employment, including wrongful and constructive dismissals, and other employment matters, as well as College complaints, continue to make up the majority of legal cases supported by LAP. The program also provides educational presentations and written articles in the *Registered Nurse Journal* on legal issues relevant to nursing practice, as well as access to employment relations counseling. In 2013, educational

presentations on legal issues by webcast were introduced and the Committee made amendments to the LAP brochure, website and program policies manual for the sake of accuracy and clarification.

In 2013, more than 19,211 RNAO members subscribed to LAP. The Committee monitors trends to inform and make recommendations to the Board. Committee representatives are always pleased to speak on this or other matters of interest to chapters or interest group, and welcome feedback about trends observed in the profession.

*Maureen Cava, BScN, MN, FCCSL
Chair*

MEMBERSHIP RECRUITMENT AND RETENTION

The Membership Recruitment and Retention Committee oversees efforts to get registered nurses and nursing students to join RNAO, and works to keep them in the association. During the past year, RNAO's membership reached just under 36,000 members, a growth rate of 2.6 per cent.

We also have the honour of determining which members receive RNAO recognition awards. The winners will be honoured during the association's annual general meeting in May. Reviewing the best in nursing – across sectors, across geography, and at all

career stages – is challenging and inspiring.

This year, committee members spent a considerable amount of time looking at each nomination and discussed the merits of each. The winners represented the best in each category.

In the future, the committee will be seeking an amendment to the committee's terms of reference to include an additional RN member. We believe this will help the committee to strengthen its commitment to recruitment and retention for RNAO.

Thank you to all committee members for their energy and time spent working to support our profession.

*Jacqueline Graham, RN
Chair*

NURSING EDUCATION

The Nursing Education Committee's (NEC) purpose is to identify and monitor educational trends and/or initiatives within the current educational and practice context, guided by the mission and ENDS of RNAO. The key ENDS are (1) to engage with RNs and nursing students to promote RNAO (2) to advance the role and image of nurses within health (3) to speak out on emerging member issues and (4) to influence healthy public policy.

The committee may also make recommendations to the RNAO Board of Directors (BOD) that address issues of relevance to nursing education. NEC committee members met via teleconference in June 2013, September 2013 and February 2014, and are scheduled to meet in April 2014.

As of 2015, BScN graduates in Ontario and elsewhere in Canada will write the American National Council of State Boards of Nursing's NCLEX-RN exam (National Council Licensure Examination for Registered Nurses) and the College of Nurses of Ontario (CNO) jurisprudence exam. Nursing students remain concerned about the shift to the NCLEX exam, as only recently has the CNO confirmed to students that the North American NCLEX exam will be the Ontario registration exam into the future. Many undergraduate programs are investing in NCLEX preparation programs for their students, which provide adaptive testing practice. Students are asking for more details about how they will make appointments for the exam, how long it will take to get an appointment, and how long it will take for results to become available. They also wonder how transferrable their registration will be in the U.S., and the impact this may have on nursing brain drain to the U.S. As our future nurses, our students need to feel confident that they are being appropriately

prepared for registration in the profession.

Ongoing concerns that NEC members have identified include: the availability of test-writing centres, access to test-writing appointments, and most importantly, the responsibility of faculty to prepare students to write the NCLEX-RN exam. NEC plans to continue to identify concerns and opportunities and share these with our colleagues.

The posting of CRNE program/school examination results for the public alerted nursing students to low passing rates in their programs. This was reported to be distressing to students. It is unclear if such posting will impact future student applications to these programs, but this would be an important outcome to track in the future. The BOD was alerted to student concerns and encouraged to advocate for timely responses to student concerns.

Concerns were also raised about decisions academic committees made to overlook clinical failures and return students to clinical practice. While due process is important and the rights of students to appeal a clinical failure must be acknowledged, the patient safety implications are a concern to nurse educators. Students raised concerns about final consolidation experiences in placements that did not challenge

the students effectively, were not a student choice, and did not offer a qualified RN preceptor. The BOD was alerted to these concerns, and urged to advocate on behalf of students with the Ministry of Health for support to ensure that all BScN nursing students have RN preceptors for their final consolidation, and access to clinical placements that will prepare them effectively to transition to the role of an RN.

Thanks to the Nursing Education Committee members who took time out of their busy schedules to participate in our teleconferences, identify shared issues to be addressed, and advocated for excellence in nursing education.

*Geraldine (Jody) Macdonald, RN, BScN, MEd, EdD
Chair*

NURSING PRACTICE

The Nursing Practice Committee (NPC) has a cohesive and active membership, with representation from general membership as well as the rehabilitation, diabetes care and maternal child interest groups. The NPC made great strides on three key priorities. First, the NPC *Terms of Reference* were reviewed in the context of appropriate representation of nursing membership. While many clinical practice oriented interest groups have opportunities to be a member of the NPC every six years, it was

clear that several clinical practice oriented interest groups did not have the same opportunities. NPC submitted amendments that included adding another grouping of interest groups, including nurses involved in RNAO's corrections, family practice and gerontology interest groups. This change was approved by the board of directors, and will be implemented going forward.

The second priority addressed by the NPC was the establishment and publishing of nursing practice profiles. We collaborated with RNAO home office to confirm a process for development and review of new and existing nursing practice profiles, posted on the *Careers in Nursing* website. Currently, five nursing profiles, reflecting different nursing roles, are posted on the webpage. This year, a call for profile development was disseminated among RNAO interest groups, and two proposals were submitted and accepted. These two new profiles will be developed over the next few months, and will be posted by the end of 2014.

The final priority addressed by the NPC is the development of a nursing practice issue matrix that allows us to consult with members and feed relevant issues to RNAO home office. The matrix has been populated by NPC members as a first step, based on their own practice experiences

and those of members of their respective interest groups. Issues that have been added to the matrix include: funding for professional development, operationalizing full scope of nursing practice, and skill mix issues related to care of clients in long-term care settings.

As I complete my term as Member-at-Large for Nursing Practice, I'd like to thank the members of the NPC, because without them, we would not have achieved what we have. Their passion for practice and their enthusiasm to engage in new ways to build consensus are truly inspirational. I'd also like to thank the staff at RNAO home office for their attention to detail and creative energy. I look forward to watching this vibrant and energized NPC continue its good work under the leadership of the incoming Member-at-Large for Nursing Practice.

*Mary McAllister, RN(EC), PhD
Chair*

NURSING RESEARCH

The mandate of the Nursing Research Committee (NRC) is to: identify, address and collaborate with other committees to support research activities across the province; address research issues; and to promote the visibility of nursing research on behalf of the association. The committee ensures the voice of nursing researchers in Ontario reaches RNAO's board of

directors, decision-makers at the provincial government level, and granting bodies who fund health-care research. The committee meets three times annually and includes nurses with varied expertise and interest in advancing the art and science of nursing through research.

The committee had several discussions this past year regarding the barriers that face novice researchers in Ontario, particularly those who are practising in clinical settings and/or working in community colleges. The NRC is committed to raising awareness at all levels of the health-care system regarding this important issue. The first step will be to move forward with a motion to the Canadian Nurses Association (CNA) in partnership with RNAO's Nursing Research Interest Group. The motion will focus on the need to engage policy-makers and organizational decision-makers in discussions about the barriers that present funding challenges for novice nurses and nurse researchers practising in the above mentioned areas. This motion will be submitted to the CNA for consideration prior to the deadline for its June annual general meeting.

The committee has also moved forward with a change to the structure of the NRC. A call for membership will be announced in April 2014, with two new members added to the committee:
•One member who is interested in

conducting research and who is employed in an active practice role or community college;
•One RNAO graduate nursing student – non-voting.

We look forward to another exciting year for the NRC and a new member-at-large for nursing research. Thanks to committee members for sharing their time, expertise and passion.

*NP Tammy O'Rourke, BS/MS, PhD
Chair*

**POLICY ANALYSIS
AND DEVELOPMENT**
This committee attempts to build on the advocacy and political work of the association.

Over the past year, the committee recruited three new members. The committee held one meeting to discuss RNAO's *Queen's Park on the Road* and *Queen's Park Day*. Members of this committee support both these initiatives, as well as *Take Your MPP to Work*. All but four of 107 MPPs held meetings with members during the past year. Members used RNAO's policy brochure *Why Your Health Matters* to enage politicians about the importance of social determinants of health and the need to create more RNs positions.

The member-at-large (MAL) met with the former RNAO director of nursing and health policy and the RNAO chief executive officer to discuss the MAL role. The RNAO governance committee is set to look at all the MAL roles and responsibilities, and to determine a plan going forward. This will occur at a later date, and the proposed plan will be sent to the board of directors for discussion.

*Maureen Cava, BScN, MN, FCCHSE
Chair*

PROVINCIAL RESOLUTIONS
The Provincial Resolutions Committee met twice to discuss the one resolution received at RNAO's home office by the deadline, 1700 hours (5:00 p.m.) on December 30, 2013.

This resolution will be brought forward for discussion at RNAO's annual general meeting (AGM) during the afternoon consultation session.

Members are reminded that resolutions can be submitted at any point during a year, up to the deadline date, which is normally in December. If resolutions are submitted well ahead of the deadline date, the committee will review submissions by email

and provide feedback to the submitters. This gives submitters more time to have their resolution well prepared prior to the deadline.

Resolutions coming forward from a member of the association, as an additional new business item prior to the commencement of business at the AGM, will not be accepted. This meets the stipulations in RNAO policy 6.07(5). Members are encouraged to meet the deadline for submission of resolutions to the AGM. The board of directors has the right to submit a resolution at any time up to the date of the AGM.

I would like to recognize and say thanks to my fellow committee members. Also appreciated is the guidance and counsel of RNAO home office. We work on behalf of all members to give them a voice through their resolutions. Finally, I would like to acknowledge and thank the members of the association who develop and submit important resolutions for consideration.

*Jillian Chandler, RN
Chair*

Registered Nurses' Association of Ontario

FINANCIAL STATEMENTS

Years ended October 31, 2013 and 2012

MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements and all other information contained in this annual report are responsibility of the management of the Registered Nurses' Association of Ontario. The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and have been approved by the Board of Directors.

Preparation of financial information is an integral part of management's broader responsibilities for the ongoing operations of the Association, which includes adherence by all employees to the Association's code of conduct. Management maintains a system of internal accounting controls to provide reasonable assurance that transactions are accurately recorded on a timely basis, are properly approved and result in reliable financial information. Such information also includes data based on management's best estimates and judgments.

The Finance Committee reviews the audited financial statements and recommends them to the Board of Directors for approval. In addition, the Finance Committee meets periodically with financial officers of the Association and the external auditors, and reports to the Board of Directors thereon. The Finance Committee also reviews the annual report in its entirety.

The accompanying financial statements have been audited by the auditors who are engaged by the Board of Directors on the recommendation of the Finance Committee and whose appointment was ratified at the annual meeting of members. The auditors have access to the Finance Committee, without management present, to discuss the results of their work.



Rhonda Seidman-Carlson, RN, MN
President



Doris Grinspun, RN, MSN, PhD, LLD(hon), O.ONT
Chief Executive Officer

INDEPENDENT AUDITORS' REPORT

To the Members of Registered Nurses' Association of Ontario

We have audited the accompanying financial statements of Registered Nurses' Association of Ontario, which comprise the statements of financial position as at October 31, 2013, October 31, 2012 and November 1, 2011, the statements of operations, changes in fund balances and cash flows for the years ended October 31, 2013 and October 31, 2012, and notes, comprising 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 our 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, we consider 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 the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits 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 Registered Nurses' Association of Ontario as at October 31, 2013, October 31, 2012, and November 1, 2011, and its results of operations and its cash flows for the years ended October 31, 2013 and October 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants, Licensed Public Accountants

March 1, 2014
Toronto, Canada

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Statements of Financial Position

October 31, 2013, October 31, 2012 and November 1, 2011

	General Fund	Permanent Education Fund	Legal Assistance Fund	PhD Fellowships Fund	Special Projects	Total
October 31, 2013						
Assets						
Current assets:						
Cash	\$ 3,935,609	\$ 15,503	\$ 103,674	\$ 26,658	\$ 1,653,900	\$ 5,735,344
Accounts receivable and accrued interest	231,877	6,292	583,267	9,074	86,499	917,009
Prepaid expenses	266,040	—	—	—	2,373	268,413
	4,433,526	21,795	686,941	35,732	1,742,772	6,920,766
Investments (note 2)	949,381	559,596	4,495,339	987,418	—	6,991,734
Loans receivable	—	61,863	—	—	—	61,863
Loan receivable from General Fund (note 3)	(1,500,000)	—	1,500,000	—	—	—
Capital assets (note 4)	7,555,221	—	2,110,812	—	—	9,666,033
	\$ 11,438,128	\$ 643,254	\$ 8,793,092	\$ 1,023,150	\$ 1,742,772	\$ 23,640,396
Liabilities and Fund Balances						
Current liabilities:						
Accounts payable and accrued liabilities (note 5)	\$ 2,115,575	\$ —	\$ 69,142	\$ —	\$ 229,087	\$ 2,413,804
Deferred revenue (note 6)	2,655,423	—	498,089	—	—	3,153,512
Deferred revenue - grants (note 7)	—	—	—	—	1,513,685	1,513,685
	4,770,998	—	567,231	—	1,742,772	7,081,001
Fund balances (note 8)	6,667,130	643,254	8,225,861	1,023,150	—	16,559,395
Commitments (note 9)						
Contingent liability (note 10)						
	\$ 11,438,128	\$ 643,254	\$ 8,793,092	\$ 1,023,150	\$ 1,742,772	\$ 23,640,396

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Statements of Financial Position (continued)

October 31, 2013, October 31, 2012 and November 1, 2011

	General Fund	Permanent Education Fund	Legal Assistance Fund	PhD Fellowships Fund	Special Projects	Total
October 31, 2012						
Assets						
Current assets:						
Cash	\$ 3,619,301	\$ 20,468	\$ 182,301	\$ 39,184	\$ 1,592,594	\$ 5,453,848
Accounts receivable and accrued interest	274,222	6,861	547,920	9,309	488,466	1,326,778
Prepaid expenses	238,787	—	—	—	—	238,787
	4,132,310	27,329	730,221	48,493	2,081,060	7,019,413
Investments (note 2)	899,001	525,612	3,842,045	960,947	—	6,227,605
Loans receivable	—	56,612	—	—	—	56,612
Loan receivable from General Fund (note 3)	(1,500,000)	—	1,500,000	—	—	—
Capital assets (note 4)	7,784,498	—	2,110,812	—	—	9,895,310
	\$ 11,315,809	\$ 609,553	\$ 8,183,078	\$ 1,009,440	\$ 2,081,060	\$ 23,198,940
Liabilities and Fund Balances						
Current liabilities:						
Accounts payable and accrued liabilities (note 5)	\$ 2,240,653	\$ —	\$ 93,942	\$ —	\$ 245,051	\$ 2,579,646
Deferred revenue (note 6)	2,423,860	—	474,105	—	82,721	2,980,686
Deferred revenue - grants (note 7)	—	—	—	—	1,753,288	1,753,288
	4,664,513	—	568,047	—	2,081,060	7,313,620
Fund balances (note 8)	6,651,296	609,553	7,615,031	1,009,440	—	15,885,320
Commitments (note 9)						
Contingent liability (note 10)						
	\$ 11,315,809	\$ 609,553	\$ 8,183,078	\$ 1,009,440	\$ 2,081,060	\$ 23,198,940

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Statements of Financial Position (continued)

October 31, 2013, October 31, 2012 and November 1, 2011

November 1, 2011	General Fund	Permanent Education Fund	Legal Assistance Fund	PhD Fellowships Fund	Special Projects	Total
Assets						
Current assets:						
Cash	\$ 3,243,263	\$ 2,130	\$ 101,695	\$ 53,425	\$ 1,001,537	\$ 4,402,050
Accounts receivable and accrued interest	680,605	7,083	445,953	11,870	625,677	1,771,188
Prepaid expenses	221,798	—	—	—	1,962	223,760
	4,145,666	9,213	547,648	65,295	1,629,176	6,396,998
Investments (note 2)	870,517	504,872	3,224,125	941,716	—	5,541,230
Loans receivable	—	77,258	—	—	—	77,258
Loan receivable from General Fund (note 3)	(1,500,000)	—	1,500,000	—	—	—
Capital assets (note 4)	7,983,503	—	2,110,812	—	—	10,094,315
	\$ 11,499,686	\$ 591,343	\$ 7,382,585	\$ 1,007,011	\$ 1,629,176	\$ 22,109,801

Liabilities and Fund Balances

Current liabilities:						
Accounts payable and accrued liabilities (note 5)	\$ 2,302,097	\$ —	\$ 40,679	\$ 13,766	\$ 49,639	\$ 2,406,181
Deferred revenue (note 6)	2,450,254	—	436,149	—	—	2,886,403
Deferred revenue - grants (note 7)	—	—	—	—	1,579,537	1,579,537
	4,752,351	—	476,828	13,766	1,629,176	6,872,121
Fund balances (note 8)	6,747,335	591,343	6,905,757	993,245	—	15,237,680
Commitments (note 9)						
Contingent liability (note 10)						
	\$ 11,499,686	\$ 591,343	\$ 7,382,585	\$ 1,007,011	\$ 1,629,176	\$ 22,109,801

See accompanying notes to financial statements.

On behalf of the Board:



Rhonda Seidman-Carlson, RN, MN, President



Doris Grinspun, RN, MSN, PhD, LLD(hon), O.ONT, Chief Executive Officer

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Statements of Operations

Years ended October 31, 2013 and 2012

2013	General Fund	Permanent Education Fund	Legal Assistance Fund	PhD Fellowships Fund	Special Projects	Total
Revenue:						
Memberships	\$ 5,276,266	\$ —	\$ 1,102,472	\$ —	\$ —	\$ 6,378,738
iaBPG Centre (note 7)	1,180,128	—	—	—	—	1,180,128
Investment and other	547,576	33,727	154,226	26,236	—	761,765
Membership programs and services	184,884	—	—	—	—	184,884
Grants (note 7)	—	—	—	—	12,895,571	12,895,571
	7,188,854	33,727	1,256,698	26,236	12,895,571	21,401,086
Expenses:						
Staff costs	2,817,310	—	151,500	—	—	2,968,810
Membership programs and services	2,576,975	—	—	12,500	—	2,589,475
iaBPG Centre	608,736	—	—	—	—	608,736
Occupancy and administration costs	506,587	26	209,991	26	—	716,630
Executive	208,434	—	—	—	—	208,434
Policy	115,716	—	—	—	—	115,716
Information management and technology	46,970	—	—	—	—	46,970
Professional fees	48,450	—	284,377	—	—	332,827
Nursing education and other initiatives (note 7)	—	—	—	—	12,895,571	12,895,571
	6,929,178	26	645,868	12,526	12,895,571	20,483,169
Excess of revenue over expenses before amortization	259,676	33,701	610,830	13,710	—	917,917
Amortization	243,842	—	—	—	—	243,842
Excess of revenue over expenses	\$ 15,834	\$ 33,701	\$ 610,830	\$ 13,710	\$ —	\$ 674,075

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Statements of Operations (continued)

Years ended October 31, 2013 and 2012

2012	General Fund	Permanent Education Fund	Legal Assistance Fund	PhD Fellowships Fund	Special Projects	Total
Revenue:						
Memberships	\$ 5,246,232	\$ —	\$ 1,091,675	\$ —	\$ —	\$ 6,337,907
iaBPG Centre (note 7)	1,164,568	—	—	—	—	1,164,568
Investment and other	669,986	20,849	118,875	29,120	—	838,830
Membership programs and services	175,639	—	—	—	—	175,639
Grants (note 7)	—	—	—	—	13,286,573	13,286,573
	7,256,425	20,849	1,210,550	29,120	13,286,573	21,803,517
Expenses:						
Staff costs	2,862,721	—	142,000	—	—	3,004,721
Membership programs and services	2,406,896	2,467	—	12,500	—	2,421,863
iaBPG Centre	591,857	—	—	—	—	591,857
Occupancy and administration costs	600,311	172	129,987	425	—	730,895
Executive	288,147	—	—	—	—	288,147
Policy	205,121	—	—	—	—	205,121
Information management and technology	69,278	—	—	—	—	69,278
Professional fees	72,397	—	229,289	—	—	301,686
Nursing education and other initiatives (note 7)	—	—	—	—	13,286,573	13,286,573
	7,096,728	2,639	501,276	12,925	13,286,573	20,900,141
Excess of revenue over expenses before amortization	159,697	18,210	709,274	16,195	—	903,376
Amortization	255,736	—	—	—	—	255,736
Excess (deficiency) of revenue over expenses	\$ (96,039)	\$ 18,210	\$ 709,274	\$ 16,195	\$ —	\$ 647,640

See accompanying notes to financial statements.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Statements of Changes in Fund Balances

Years ended October 31, 2013 and 2012

	General Fund	Permanent Education Fund	Legal Assistance Fund	PhD Fellowships Fund	Special Projects	Total
2013	(note 8)					
Fund balances, beginning of year	\$ 6,651,296	\$ 609,553	\$ 7,615,031	\$ 1,009,440	\$ –	\$ 15,885,320
Excess of revenue over expenses	15,834	33,701	610,830	13,710	–	674,075
Fund balances, end of year	\$ 6,667,130	\$ 643,254	\$ 8,225,861	\$ 1,023,150	\$ –	\$ 16,559,395
2012	(note 8)					
Fund balances, beginning of year	\$ 6,747,335	\$ 591,343	\$ 6,905,757	\$ 993,245	\$ –	\$ 15,237,680
Excess (deficiency) of revenue over expenses	(96,039)	18,210	709,274	16,195	–	647,640
Fund balances, end of year	\$ 6,651,296	\$ 609,553	\$ 7,615,031	\$ 1,009,440	\$ –	\$ 15,885,320

See accompanying notes to financial statements.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Statements of Cash Flows

Years ended October 31, 2013 and 2012

2013	General Fund	Permanent Education Fund	Legal Assistance Fund	PhD Fellowships Fund	Special Projects	Total
Excess of revenue over expenses	\$ 15,834	\$ 33,701	\$ 610,830	\$ 13,710	\$ –	\$ 674,075
Operating activities:						
Items not involving cash:						
Amortization	243,842	–	–	–	–	243,842
Unrealized gains on investments	(22,916)	(17,067)	(45,127)	–	–	(85,110)
Change in non-cash operating working capital:						
Decrease (increase) in accounts receivable and accrued interest	42,345	569	(35,347)	235	401,967	409,769
Decrease in prepaid expenses	(27,253)	–	–	–	(2,373)	(29,626)
Increase in loans receivable	–	(5,251)	–	–	–	(5,251)
Decrease in accounts payable and accrued liabilities	(125,078)	–	(24,800)	–	(15,964)	(165,842)
Increase (decrease) in deferred revenue	231,563	–	23,984	–	(82,721)	172,826
Decrease in deferred revenue - grants	–	–	–	–	(239,603)	(239,603)
Net cash generated from (used in) operating activities	342,503	(21,749)	(81,290)	235	61,306	301,005
Investing activities:						
Purchase of capital assets	(14,565)	–	–	–	–	(14,565)
Increase in cost of investments	(27,464)	(16,917)	(608,167)	(26,471)	–	(679,019)
Net cash used in investing activities	(42,029)	(16,917)	(608,167)	(26,471)	–	(693,584)
Change in cash	316,308	(4,965)	(78,627)	(12,526)	61,306	281,496
Cash, beginning of year	3,619,301	20,468	182,301	39,184	1,592,594	5,453,848
Cash, end of year	\$ 3,935,609	\$ 15,503	\$ 103,674	\$ 26,658	\$ 1,653,900	\$ 5,735,344

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Statements of Cash Flows (continued)

Years ended October 31, 2013 and 2012

2012	General Fund	Permanent Education Fund	Legal Assistance Fund	PhD Fellowships Fund	Special Projects	Total
Excess (deficiency) of revenue over expenses	\$ (96,039)	\$ 18,210	\$ 709,274	\$ 16,195	\$ –	\$ 647,640
Operating activities:						
Items not involving cash:						
Amortization which does not involve cash	255,736	–	–	–	–	255,736
Unrealized gains on investments	(2,650)	(4,088)	(25,077)	–	–	(31,815)
Change in non-cash operating working capital:						
Decrease (increase) in accounts receivable and accrued interest	406,383	222	(538,116)	2,561	137,211	8,261
Decrease (increase) in prepaid expenses	(16,989)	–	–	–	1,962	(15,027)
Decrease in loans receivable	–	20,646	–	–	–	20,646
Increase (decrease) in accounts payable and accrued charges	374,705	–	53,263	(13,766)	195,412	609,614
Increase (decrease) in deferred revenue	(462,543)	–	474,105	–	82,721	94,283
	301,556	20,868	(10,748)	(11,205)	417,306	717,777
Net cash generated from operating activities	458,603	34,990	673,449	4,990	417,306	1,589,338
Financing activities:						
Increase in amounts due to Ministry of Health and Long-Term Care	–	–	–	–	173,751	173,751
Investing activities:						
Purchase of capital assets	(56,731)	–	–	–	–	(56,731)
Increase in cost of investments	(25,834)	(16,652)	(592,843)	(19,231)	–	(654,560)
Net cash used in investing activities	(82,565)	(16,652)	(592,843)	(19,231)	–	(711,291)
Change in cash	376,038	18,338	80,606	(14,241)	591,057	1,051,798
Cash, beginning of year	3,243,263	2,130	101,695	53,425	1,001,537	4,402,050
Cash, end of year	\$ 3,619,301	\$ 20,468	\$ 182,301	\$ 39,184	\$ 1,592,594	\$ 5,453,848

See accompanying notes to financial statements.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Notes to Financial Statements (continued)

Years ended October 31, 2013 and 2012

The Registered Nurses' Association of Ontario (the "Association") is an independent, voluntary, professional association of registered nurses in Ontario, interested in providing a strong, credible voice to lead the nursing profession to influence and promote healthy public policy and promoting the full participation of all nurses in shaping and delivering health-care services now and in the future.

The Association, in conjunction with the Ministry of Health and Long-Term Care ("MOHLTC"), administers a Nursing Education Initiative ("NEI") to fund education and training grants to eligible nurses and to encourage the development of training programs for nurses so that nurses' knowledge and skills will be increased to enhance the quality of care and services provided to patients (note 7).

The Association is classified as a non-profit organization under the Income Tax Act (Canada) and, as such, is exempt from income taxes.

On November 1, 2012, the Association adopted Canadian accounting standards for not-for-profit organizations ("Not-for-Profit Standards") in Part III of CPA Canada Handbook. These are the first financial statements prepared in accordance with Not-for-Profit Standards.

In accordance with the transitional provisions in Not-for-Profit Standards, the Association has adopted the changes retrospectively, subject to certain exemptions allowed under these standards. The transition date is November 1, 2011 and all comparative information provided has been presented by applying Not-for-Profit Standards.

A summary of transitional adjustments recorded to fund balances and excess of revenue over expenses is provided in note 12.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Notes to Financial Statements (continued)

Years ended October 31, 2013 and 2012

1. Significant accounting policies:

The financial statements have been prepared in accordance with Not-for-Profit Standards.

The Association follows the deferral method of accounting for contributions in conjunction with fund accounting.

(a) Fund accounting:

Revenue and expenses relating to program delivery and administrative activities are reported in the General Fund.

Revenue and expenses relating to the activities of providing financial support, by way of loans to members continuing their nursing studies, are reported in the Permanent Education Fund. At October 31, 2013, there were 40 loans outstanding (October 31, 2012 - 40; November 1, 2011 - 51).

Revenue and expenses relating to the activities of providing financial assistance (to a maximum \$10,000 per file) to eligible members for access to legal counsel concerning professional discipline and employment related issues are reported in the Legal Assistance Fund.

Revenue and expenses relating to the activities of providing annual doctoral fellowship grants to eligible candidates are reported in the PhD Fellowships Fund.

Revenue and expenses relating to the activities of programs under NEI are reported in the Special Projects fund (formerly MOHLTC Fund).

(b) Revenue recognition:

Membership fees relating to the current membership year are recorded as revenue in the accounts of the Association upon receipt. Membership fees received that correspond to the upcoming membership year are accounted for as deferred revenue as at October 31 each year and recognized as revenue in the following year.

Fees received for programs provided by the International Affairs and Best Practice Guidelines Centre (iaBPG Centre) and other conferences and workshops are recorded as deferred revenue and recognized as revenue in the year the related expenses are incurred.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Notes to Financial Statements (continued)

Years ended October 31, 2013 and 2012

1. Significant accounting policies (continued):

Grants received from MOHLTC for programs under NEI are recognized as revenue in the year in which the related expenses are incurred. Investment income related to NEI funding belongs to MOHLTC and is reported as a liability owing to MOHLTC when it is earned.

Revenue generated from the RN Journal, membership programs, sales of iaBPG Centre program materials and other revenue, consisting of administration and project management fees, are recorded as revenue when they are earned.

Investment income consists of dividends and interest income and realized and unrealized investment gains and losses and are recognized as revenue of the appropriate fund when earned in the statements of operations.

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

(c) Capital assets:

Capital assets are recorded in the General Fund at cost. When a capital asset no longer contributes to the Association's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates:

Building	25 years
Office furniture and equipment	10 years
Computer hardware	5 years
Computer software	2 years

(d) Contributed services:

A substantial number of volunteers contribute a significant amount of their time each year. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Notes to Financial Statements (continued)

Years ended October 31, 2013 and 2012

1. Significant accounting policies (continued):

(e) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the years. Actual results could differ from those estimates.

(f) Allocation of expenses:

The Association receives grant funding for several programs (note 7). The Association identifies the related general support expenses to be charged to each program. Staffing is allocated to the program based on hours for personnel and estimated usage for premise and other expenses. This basis is applied consistently each year.

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at amortized cost, unless management has elected to carry the instruments at fair value. The Association has elected to carry mutual funds at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Association determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Association expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Notes to Financial Statements (continued)

Years ended October 31, 2013 and 2012

2. Investments:

	October 31, 2013	October 31, 2012	November 1, 2011
General Fund:			
Fixed income investments	\$ 818,557	\$ 793,995	\$ 770,000
Mutual funds	130,824	105,006	100,517
	949,381	899,001	870,517
Permanent Education Fund:			
Fixed income investments	442,775	431,145	419,119
Mutual funds	116,821	94,467	85,753
	559,596	525,612	504,872
Legal Assistance Fund:			
Fixed income investments	4,157,964	3,561,049	2,962,926
Mutual funds	337,375	280,996	261,199
	4,495,339	3,842,045	3,224,125
PhD Fellowships Fund:			
Fixed income investments	987,418	960,947	941,716
	\$ 6,991,734	\$ 6,227,605	\$ 5,541,230

Fixed income investments consist of bonds and term deposits bearing interest from 2.30% to 4.51% (October 31, 2012 - 1.04% to 5.06%; November 1, 2011 - 2.60% to 5.06%) per annum, with maturity dates ranging from 2013 to 2018.

3. Loan receivable from General Fund/payable to Legal Assistance Fund:

In 2005, the Board of Directors approved the transfer of \$1,500,000 from the Legal Assistance Fund to the General Fund by way of a loan to finance the purchase of land and building located at 154/158 Pearl Street, Toronto, Ontario. The loan is non-interest bearing with no specific terms of repayment.

The Board of Directors approved the Legal Assistance Fund as an investor in the Pearl Street property. The Legal Assistance Fund is entitled to its proportionate share of any future capital gains from the sale of the property.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Notes to Financial Statements (continued)

Years ended October 31, 2013 and 2012

4. Capital assets:

October 31, 2013	Cost	Accumulated amortization	Net book value
Land:			
General Fund	\$ 4,385,262	\$ —	\$ 4,385,262
Legal Assistance Fund	2,110,812	—	2,110,812
Building	4,475,789	1,455,817	3,019,972
Office furniture and equipment	510,446	382,368	128,078
Computer hardware	174,185	152,276	21,909
Computer software	174,271	174,271	—
	\$ 11,830,765	\$ 2,164,733	\$ 9,666,033

October 31, 2012	Cost	Accumulated amortization	Net book value
Land:			
General Fund	\$ 4,385,262	\$ —	\$ 4,385,262
Legal Assistance Fund	2,110,812	—	2,110,812
Building	4,475,789	1,276,785	3,199,004
Office furniture and equipment	510,446	331,324	179,122
Computer hardware	159,620	138,510	21,110
Computer software	174,271	174,271	—
	\$ 11,816,200	\$ 1,920,890	\$ 9,895,310

November 1, 2011	Cost	Accumulated amortization	Net book value
Land:			
General Fund	\$ 4,385,262	\$ —	\$ 4,385,262
Legal Assistance Fund	2,110,812	—	2,110,812
Building	4,422,428	1,097,754	3,324,674
Office furniture and equipment	507,076	280,279	226,797
Computer hardware	159,620	123,945	35,675
Computer software	174,271	163,176	11,095
	\$ 11,759,469	\$ 1,665,154	\$ 10,094,315

During 2011, the Association purchased a parcel of land. The land purchase was split evenly between the General Fund and the Legal Assistance Fund for a total purchase price of \$4,221,624.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Notes to Financial Statements (continued)

Years ended October 31, 2013 and 2012

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$442,432 (October 31, 2012 - \$370,393; November 1, 2011 - \$379,181), which includes amounts payable for harmonized sales tax and payroll-related taxes.

6. Deferred revenue:

The Association's deferred revenue consists of the following:

	October 31, 2013	October 31, 2012	November 1, 2011
Membership fees received for the upcoming membership year	\$ 3,080,474	\$ 2,731,354	\$ 2,464,771
Centre for Professional Nursing Excellence	–	153,377	208,960
Deposits received for upcoming conferences	73,038	13,234	212,672
Special projects	–	82,721	–
	\$ 3,153,512	\$ 2,980,686	\$ 2,886,403

7. Special projects:

The Association received monies from Human Resources and Skills Development Canada ("HRSDC") and MOHLTC to fund various programs related to nursing practice and education and patient care. The monies are advanced in accordance with agreements between the Association and the funding agencies.

(a) Human Resources and Skills Development Canada:

The Association has signed an agreement with HRSDC for the period from May 9, 2012 to March 31, 2015 in relation to Elder Abuse Awareness - Prevention, Identification and Interventions: A Best Practice Initiative. In the event of termination of the agreement, all eligible expenditures incurred to the date of termination will be paid by HRSDC pursuant to the satisfaction of HRSDC that costs incurred are reasonable and properly attributable to the termination of the agreement.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Notes to Financial Statements (continued)

Years ended October 31, 2013 and 2012

7. Special projects (continued):

(b) Ministry of Health and Long-Term Care:

The Association has signed an agreement with MOHLTC for the period from April 1, 2012 to March 31, 2015 in relation to Clinical Best Practice Guidelines, Healthy Work Environment Best Practice Guidelines, Advanced Clinical Practice Fellowships, Recruitment and Retention, Nursing Education Grants, Long-Term Care Coordinator initiative, and Nursing Quality Indicators for Reporting and Evaluation ("NQIRE"). In the event of termination of the agreement, MOHLTC has agreed to the provision of funds reasonably necessary to wind down the programs, notwithstanding that pursuant to the provisions of the Financial Administration Act (Ontario), if the Province of Ontario (the "Province") does not receive the necessary appropriation from the Ontario Legislature, the Province shall not be obligated to make any additional payments exceeding the remaining funds under the control of the Association. Similar wind-down provisions are included in annual agreements for other programs related to nursing practice and education and patient care. Management believes that MOHLTC is fully committed to these projects.

(c) Health Canada:

The Association signed an agreement with Health Canada for the period from January 5, 2012 to March 31, 2012 in relation to a Federal Tobacco Control Strategy.

The following is a summary of expenditures incurred on MOHLTC programs:

	2013	2012
Education Grants	\$ 4,477,098	\$ 5,229,801
Best Practice Guidelines	2,365,113	2,132,485
Long-Term Care Best Practice Co-ordinators RNs	1,551,253	1,694,583
Advanced Clinical Fellowships	740,877	451,428
Smoking Cessation	697,057	582,036
Best Practice Guidelines - Healthy Work Environment	499,234	437,034
Recruitment and Retention	491,344	383,410
Nursing Retention Fund	141,685	316,907
Long-Term Care Best Practice Co-ordinators Administration	495,394	479,151
Methadone Maintenance	500,922	517,042
NQIRE	174,024	62,168
ECHO Mid-Life	—	12,288
Ontario MD	174,782	—
	\$ 12,308,783	\$ 12,298,333

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Notes to Financial Statements (continued)

Years ended October 31, 2013 and 2012

7. Special projects (continued):

The above-noted MOHLTC program expenditures include the following amounts paid to the Association's General Fund: (i) \$622,155 (2012 - \$513,655) for estimated staff costs related to non-MOHLTC fund employees who work on MOHLTC programs during the year; (ii) \$183,500 (2012 - \$188,875) for the MOHLTC program's estimated share of office administration and overhead costs such as office supplies, telephone and utilities; and (iii) \$90,000 (2012 - \$85,000) management fee. These costs are set forth in the agreements with MOHLTC and represent General Fund cost recoveries. As such, they are netted against the underlying General Fund expense.

Also included in the above-noted MOHLTC fund expenditures are registration and other fees totaling \$107,040 (2012 - \$72,170) paid to the Association's iaBPG Centre for providing MOHLTC-funded programs and services. These amounts are recorded as revenue of the iaBPG Centre in the General Fund and are supported by the Association staffing costs totalling \$70,662 (2012 - \$80,881).

Due to the timing differences in year ends between the Association (October 31) and MOHLTC (March 31) and in the receipt of funding from MOHLTC and the related program expenditures, there is often unspent funding on-hand at October 31. Any unspent funding on-hand is shown as deferred revenue - MOHLTC. Subsequent to year end, the Association has incurred expenditures out of this balance to deliver services in accordance with the annual agreements with MOHLTC.

The deferred revenue - grants is summarized as follows:

	2013	2012
Balance, beginning of year	\$ 1,753,288	\$ 1,579,537
True up of actual	—	(158,963)
Funding received	13,017,639	12,863,382
Interest earned on funds	2,610	3,492
Expenses incurred	(12,895,571)	(12,298,333)
Due from MOHLTC	(364,281)	—
Previous year's unspent funding returned to the Ministry	—	(235,827)
Balance, end of year	\$ 1,513,685	\$ 1,753,288

Included in the balance of unspent funding due to MOHLTC as at October 31, 2013 is \$148,169 (October 31, 2012 - \$145,559; November 1, 2011 - \$142,978) in accumulated interest income earned on funding received from MOHLTC.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Notes to Financial Statements (continued)

Years ended October 31, 2013 and 2012

8. Changes in General Fund balance:

	Invested in capital assets	Unrestricted	Best practice guideline sales	Total
Balance, October 31, 2012	\$ 7,784,498	\$ (1,219,416)	\$ 86,214	\$ 6,651,296
Excess (deficiency) of revenue over expenses	(243,842)	206,429	53,247	15,834
Net investment in capital assets	14,565	(14,565)	—	—
Total excess (deficiency) of revenue over expenses	(229,277)	191,864	53,247	15,834
Balance, October 31, 2013	\$ 7,555,221	\$ (1,027,552)	\$ 139,461	\$ 6,667,130

	Invested in capital assets	Unrestricted	Best practice guideline sales	Total
Balance, November 1, 2011	\$ 7,983,503	\$ (1,322,382)	\$ 86,214	\$ 6,747,335
Excess (deficiency) of revenue over expenses	(255,736)	159,697	—	(96,039)
Net investment in capital assets	56,731	(56,731)	—	—
Total excess (deficiency) of revenue over expenses	(199,005)	102,966	—	(96,039)
Balance, October 31, 2012	\$ 7,784,498	\$ (1,219,416)	\$ 86,214	\$ 6,651,296

9. Commitments:

The Association has entered into operating leases for certain office equipment, which require the following minimum annual lease payments:

2014	\$ 59,643
2015	30,941
2016	25,323
2017	21,343
2018	7,114

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Notes to Financial Statements (continued)

Years ended October 31, 2013 and 2012

10. Contingent liability:

The Association has been named as one of a number of defendants in a statement of claim by a member claiming damages of \$500,000. The outcome of this action is currently undeterminable. Management believes the exposure to liability is low and, therefore, no amounts have been accrued in these financial statements.

11. Financial risks and concentration of credit risk:

(a) Currency risk:

The Association is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. In the normal course of business, the Association transacts in U.S. dollars due to certain revenue and operating costs being denominated in U.S. dollars. The Association does not currently enter into forward contracts to mitigate this risk. There has been no change to the risk exposure from 2012.

(b) Liquidity risk:

Liquidity risk is the risk that the Association will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Association manages its liquidity risk by monitoring its operating requirements. The Association prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. Additionally, the Association believes it is not exposed to significant liquidity risk as all investments are held in instruments that are highly liquid and can be disposed of to settle commitments. There has been no change to the risk exposures from 2012.

(c) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Association is exposed to credit risk with respect to the accounts receivable. The Association assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts.

(d) Interest rate risk:

The Association is exposed to interest rate risk on its fixed interest rate financial instruments. Further details about the fixed rate investments are included in note 2.

REGISTERED NURSES' ASSOCIATION OF ONTARIO

Notes to Financial Statements (continued)

Years ended October 31, 2013 and 2012

12. Transitional adjustments:

(a) Net assets:

The following table summarizes the impact of the transition to Not-For-Profit Standards on the Association's net assets as of November 1, 2011:

Net assets:	
As previously reported under Canadian generally accepted accounting principles, October 31, 2011	\$ 15,237,680
Transition election to record investments at fair value	—
Restated, November 1, 2011	\$ 15,237,680

(b) Excess of revenue over expenses:

As a result of the above noted elections and the retrospective application of Not-for-Profit Standards, the Association recorded the following adjustments to excess of revenue over expenses for the year ended October 31, 2012:

Excess of revenue over expenses:	
As previously reported under Canadian generally accepted accounting principles for year ended October 31, 2012	\$ 615,825
Transition election to record investments at fair value ⁽ⁱ⁾	31,815
Restated for the year ended October 31, 2012	\$ 647,640

⁽ⁱ⁾ Previously, changes in fair value were recognized directly in changes in fund balances.

BOARD OF DIRECTORS

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Melanie Phelps	Region 11 Representative <i>(resigned January 2014)</i>
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