THE COLLEGE OF NATUROPATHS OF ONTARIO

FINANCIAL STATEMENTS

MARCH 31, 2026

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KRIENS~LAROSE, LLP
CHARTERED PROFESSIONAL
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INDEPENDENT AUDITOR'S REPORT

To the Members of
The College of Naturopaths of Ontario

Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of The College of Naturopaths of Ontario, which comprise the statement of financial position as at March 31, 2026, 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, the accompanying financial statements present fairly, in all material respects, the financial position of The College of Naturopaths of Ontario as at March 31, 2026, and the results of its operations and its cash flows for the year then ended, in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion
We conducted our audit in accordance with Canadian generally accepted auditing standards. 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 Naturopaths 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.

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INDEPENDENT AUDITOR'S REPORT (continued)

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the College or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the College's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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INDEPENDENT AUDITOR'S REPORT (continued)

- 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.

KRIENS~LAROSE, LLP

KRIENS~LAROSE, LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
July 29, 2026

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2026

	2026 $	2025 $
ASSETS		
CURRENT		
Cash and cash equivalent (Note 2)	4,132,991	4,142,634
Accounts receivable (Note 3)	1,830,511	1,607,174
Prepaid expenses	130,198	148,037
Loan receivable (Note 4)	32,532	-
	6,126,232	5,897,845
LOAN RECEIVABLE (Note 4)	129,339	-
EQUIPMENT (Note 5)	34,075	44,354
	6,289,646	5,942,199
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	297,276	272,304
Deferred revenue (Note 6)	3,920,664	3,312,844
HST payable	436,756	371,676
	4,654,696	3,956,824
NET ASSETS (NOTE 7)		
Unrestricted net assets	(431,561)	(82,256)
Patient Relations	91,375	90,385
Business Continuity	1,114,684	1,114,684
Investigations & Hearings	810,452	810,452
Succession Planning	50,000	52,110
	1,634,950	1,985,375
	6,289,646	5,942,199

APPROVED ON BEHALF OF THE COUNCIL:

________________________, Director ________________________, Director

See accompanying notes to the financial statements

THE COLLEGE OF NATUROPATHS OF ONTARIO
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2026

	Unrestricted net assets 2026 $	Patient relations 2026 $	Business continuity 2026 $	Investigations & hearings 2026 $	Succession planning 2026 $	Total 2026 $	Total 2025 $
Balance, beginning of year	(82,256)	90,385	1,114,684	810,452	52,110	1,985,375	1,988,612
Excess (deficiency) of revenues over expenses for the year	(349,305)	(1,120)	-	-	-	(350,425)	(3,237)
Interfund transfers	-	2,110	-	-	(2,110)	-	-
Transfer from Investigations & Hearings	-	-	-	-	-	-	-
Balance, end of year	(431,561)	91,375	1,114,684	810,452	50,000	1,634,950	1,985,375

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2026

	2026 $	2025 $
REVENUES		
Registration and member renewal fees	3,485,020	3,377,642
Examination fees	322,770	288,120
Inspection and hearing fees	108,100	66,200
Investment Income	59,400	98,066
Incorporation fees	53,529	43,339
Misc Income	-	45
TOTAL REVENUES	4,028,819	3,873,412
TOTAL EXPENSES	4,379,244	3,876,419
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FOR THE YEAR	(350,425)	(3,007)

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2026

	2026 $	2025 $
EXPENSES		
Salaries and benefits	2,747,083	2,353,444
Rent and utilities	176,056	171,493
Exam fees and expenses	253,332	230,052
Consulting fees		
Consultants - Complaints and inquiries	130,806	86,912
Consultants - General	14,103	35,259
Consultants - Assessors/inspectors	50,560	60,656
Legal fees		
Legal fees - Discipline	145,938	287,875
Legal fees - Complaints	72,648	50,155
Legal fees - General	31,230	40,435
Council fees and expenses	194,641	67,118
Office and general (Note 3)	123,683	181,791
Public education	136,083	59,863
License	72,046	78,914
Equipment maintenance	52,582	47,252
Translation	18,195	21,938
Insurance	34,961	32,924
Audit fees	19,883	17,996
Travel accommodation & meals	14,514	12,132
Education and training	10,707	2,934
Discipline & FTP Committee	9,892	9,016
Amortization	23,056	13,961
Patient relations fund expenses allocation	1,120	4,810
Website	7,141	7,269
Printing and postage	2,599	1,434
Patient relations Committee	885	786
Risk programs	35,500	-
TOTAL EXPENSES	4,379,244	3,876,419

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2026

	2026 $	2025 $
CASH FROM OPERATING ACTIVITIES		
Cash receipts registration and membership renewal	3,843,578	3,493,391
Cash receipts from inspection fees	105,900	71,700
Cash receipts from examination fees	350,895	288,320
Cash receipts from incorporation fees	53,529	43,339
Interest and other income	59,400	98,111
Cash paid to suppliers and employees	(4,248,297)	(3,904,892)
	165,005	89,969
CASH FROM INVESTING ACTIVITIES		
(Purchase) of equipment	(12,777)	(10,225)
Loan advanced to CANRA	(161,871)	-
	(174,648)	(10,225)
Change in cash	(9,643)	79,744
Cash, beginning of year	4,142,634	4,062,890
Cash, end of year	4,132,991	4,142,634
Cash consists of:		
Cash in bank account	2,360,700	1,837,142
Manulife Money Market Fund & Cashable GIC	1,772,291	2,305,492
Cash, end of year	4,132,991	4,142,634

PURPOSE OF THE ORGANIZATION

The College of Naturopaths of Ontario is incorporated under the Regulated Health Professions Act, 1991 and the Naturopathy Act, 2007.

The College received proclamation on July 1, 2015.

The College of Naturopaths of Ontario is responsible for developing the regulations, policies, by-laws and necessary business operations to govern the profession.

The College operations include:

- sets requirements for entering the profession;
- establishes standards for practicing;
- administers quality assurance programs; and
- holds its members accountable for their conduct and practice.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook and include the following significant accounting policies:

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. Changes in fair value are recognized in the statement of operations.

Financial assets measured at cost or amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Where there is an indication of impairment and such an impairment is determined to have occurred, the carrying amount of financial assets, measured at amortized cost is reduced to the greater of discounted cash flows expected or proceeds that could be realized from the sale of financial assets. Such impairments can be subsequently reversed if the value subsequently improves, but cannot exceed the amount that would have been reported at the date of the reversal, had impairment not been recognized previously.

Continued...

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Significant financial statement items that require the use of estimates includes useful lives of property and equipment, rates of amortization, and accrued liabilities. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations in the year they become known.

Cash and Cash Equivalent

Cash and cash equivalents consist of cash on hand and fixed income investments with maturities of less than 90 days.

Prepaid Expenses

Prepaid expenses are recorded for goods and services to be received in the next fiscal year, which were paid for in the current year.

Equipment

Equipment is stated at acquisition cost. Amortization is provided on the following basis at the following annual rates:

Office equipment	5 years straight-line
Computer equipment	3 years straight-line

Equipment are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. If any potential impairment is identified, the amount of the impairment is quantified by comparing the carrying value of the equipment to its fair value. Any impairment of the equipment is recognized in the income in the year in which the impairment occurs.

An impairment loss is not reversed if the fair value of the equipment subsequently increases.

Revenue Recognition

The College follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Amounts received in advance of the period of service are deferred to the year the service is substantially complete.

Continued...

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

Registrations, members renewal fees, examination fees, inspection fees, hearing fees and incorporation fees are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Amounts received in advance of the period of service are deferred to the year the service is substantially complete.

Unrestricted investment income is recognized as revenue when earned.

Donated Property and Services

During the year, voluntary services were provided. Because these services are not normally purchased by the College, and because of the difficulty of determining their fair value, donated services are not recognized in these statements.

2. CASH AND CASH EQUIVALENT

Cash and cash equivalent is summarized as follows:

	2026 $	2025 $
Cash	2,360,700	1,837,143
Manulife Money Market Fund	1,772,291	1,734,998
Cashable Guaranteed investment certificate, Prime minus 4.95%, maturing November, 2025	-	570,493
	4,132,991	4,142,634

Cashable Guaranteed investment certificates are cashable at any time, and interest is paid to the date it is cashed as long as the investment has been held for 30 days or more.

The College has a revolving line of credit facility with the Royal Bank of Canada of $100,000. The credit is available at prime plus 3.5% and is secured by a general security agreement covering all assets of the College. The line of credit was not utilized as at March 31, 2026.

Continued...

3. ACCOUNTS RECEIVABLE

	2026 $	2025 $
Accounts receivable	1,894,473	1,656,880
Other receivables - Ordered DC Cost	-	77,283
Allowance for doubtful accounts	(63,962)	(126,989)
Total	1,830,511	1,607,174

As at March 31, 2026, allowance for doubtful accounts consists of an allowance for impairment of $nil (2025: $77,283) recognized with respect to a penalty order made by the discipline committee in the fiscal year of 2023 and a 3% allowance for impairment of $63,962 (2025: $49,706) recognized with respect to accounts receivable. Bad debt of $24,796 (2025: $86,473) is included in the office and general expenses as of March 31, 2026.

4. LOAN RECEIVABLE

The College holds a loan receivable of $161,871 from the Canadian Alliance of Naturopathic Regulatory Authorities ("CANRA"). The loan bears interest of 4.50% per annum and is repayable in monthly instalments of $3,262 commencing November 1, 2025 over a five year term. The loan is unsecured.

	2026 $	2025 $
Current	32,532	-
Non Current	129,339	-
Total	161,871	-

Continued...

5. EQUIPMENT

	2026		2025	
	Cost $	Accumulated amortization $	Cost $	Accumulated amortization $
Office equipment	157,257	146,701	157,257	138,677
Computer equipment	124,248	100,729	111,471	85,697
	281,505	247,430	268,728	224,374
Net book value	34,075		44,354	

6. DEFERRED REVENUE

Deferred revenue represents examination fees and membership registrations received in advance of the period in which the service is to be provided.

	2026 $	2025 $
Registration fees	3,853,839	3,271,944
Examination fees	63,525	35,400
Inspection fee	2,300	5,500
Quality assurance fee	1,000	-
Total	3,920,664	3,312,844

Continued...

7. NET ASSETS

Patient Relations Fund
The College set aside $100,000 for potential obligations under the *Regulated Health Professions Act, 1991* (the “Act”) with respect to cases where a patient alleges they were sexually abused by a Registrant and sought funding for counselling. Decisions on granting funding rest with the Patient Relations Committee as set out in the Act. The funds set aside are reviewed on an annual basis. In fiscal 2026, $1,120 (2025: $5,040) was spent from the patient relations fund and $2,110 was transferred into the fund.

Business Continuity Fund
In fiscal year 2021, the College established the restricted net asset to ensure the College will have adequate funds available to sustain day-to-day operations in the event of an unforeseen incident. The initial contribution was coming from strategic initiative fund for $75,385 in addition to another $1,000,000 set aside from unrestricted net assets. As directed by the Council, the CEO is responsible to maintain the fund at a minimum of $3,000,000 up to a maximum of $4,000,000 as soon as it is practicable. In the 2026 fiscal year $Nil (2025: $Nil) was spent from fund and $- was transferred into the fund.

Investigations and Hearings Fund
In fiscal year 2021, the College established the restricted net asset to ensure the College can cover any cost that exceeds the budgeted amounts in a given fiscal year related to legal costs for investigations and hearings, including appeals before any tribunal, conducting investigations, and conducting discipline and fitness to practice hearings. The initial contribution was coming from unrestricted net assets in the amount of $1,000,000. As directed by the Council, the CEO is responsible to maintain the fund at a minimum of $1,000,000 up to a maximum of $2,000,000 as soon as it is practicable. In the 2026 fiscal year $Nil (2025: $Nil) was spent from the fund, $- was transferred into the fund and $Nil was transferred to unrestricted net assets.

Succession Planning Fund
In fiscal year 2021, the College established the restricted net asset to fund the process necessary to plan for the succession of the senior management positions. The initial contribution was coming from unrestricted net assets in the amount of $50,000. As directed by the Council, the CEO is responsible to maintain the fund at $50,000. In the 2026 fiscal year $Nil (2025: $Nil) was spent from the fund and $(2,110) was transferred into the fund.

Unrestricted Net Assets
In the 2026 fiscal year $nil was transferred into the unrestricted net assets from the Investigations and Hearings Fund.

Continued...

8. COMMITMENTS

Premises Lease Commitment
The College is committed to total minimum rentals under a long-term lease for premises, which expires on February 28, 2028. Minimum rental commitments remaining under this lease approximate $190,808 as follows:

2027	95,404
2028	95,404
	190,808

In addition the College is required to pay common areas costs, which are estimated to be $82,000 per year.

Other Commitments

The College is committed under a professional service agreement with Satori Consulting, which was effect on April 1, 2024 until December 31, 2027. The service fee under this agreement is $96,000. The remaining commitment are $24,700 in the fiscal year of 2027 and $21,800 in the fiscal year of 2028.

The College is committed to psychometric services agreements with Yardstick Assessment Strategies, Inc. effect on January 1, 2026 for a period of one year. The total contract amount is $86,135. The remaining commitment is $64,600 in the fiscal year of 2027.

The College is committed to exam administration agreements with Yardstick Assessment Strategies, Inc. effect on January 1, 2026 for a period of one year. The guaranteed annual payment is $14,500.

The College is committed to a retained service agreement with MDR Strategy Group Ltd effective on April 1, 2026 to March 31, 2027. Total total committed amount is $78,000 in 2027 fiscal year.

Continued...

9. FINANCIAL INSTRUMENTS

The College is exposed to various risks through its financial instruments. The following presents the College's risk exposures and concentrations at March 31, 2026.

Credit Risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The College's credit risk would occur with their cash, investments and accounts receivable.

The College's bank accounts are held at one financial institution and funds on deposit exceed the maximum insured and, hence, there is a concentration of credit risk. Credit risk related to cash and investments is minimized by ensuring that these assets are held with and/or invested in credit-worthy parties.

Actual exposure to credit losses from account receivable has been moderate in prior years. The allowance for doubtful accounts is $63,962 (2025: $126,989).

Liquidity Risk
Liquidity risk is the risk the College will encounter difficulties in meeting obligations associated with financial liabilities. The College's exposure to liquidity risk mainly is in respect of its accounts payable. The College expects to meet these obligations as they come due by generating sufficient cash flow from operations. There has been no change in the risk assessment from the prior period.

Market Risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: currency risk, interest rate risk and other price risk.

Currency Risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The College is not exposed to foreign currency 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 does not have a significant interest rate risk.

Continued...

9. FINANCIAL INSTRUMENTS (continued)

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The College is not exposed to other price risk.