

A photograph of two healthcare professionals, a woman on the left and a man on the right, both smiling warmly. They are wearing scrubs; the woman is in red and the man is in teal. They are in a clinical or office environment with a bulletin board in the background. A semi-transparent blue rectangular box is overlaid on the bottom right of the image, containing the title and logo.

National Nursing
Assessment Service
Annual Report
2018-2019



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Letter from the Chair & Executive Director

This is an exciting time at the National Nursing Assessment Service (NNAS). Although still a relatively new organization, we continue to look for ways to innovate and deliver the best service possible – to Internationally Educated Nurses (IENs), Regulatory Bodies and our stakeholders. 2018/2019 marked a critical stage in NNAS' development with the completion of our new Strategic Plan. The Plan articulates a new vision and mission for NNAS and outlines a road map that the Board believes will lead NNAS forward. Most importantly, the Strategic Plan reaffirms our strong commitment to IENs by placing the IEN at the centre of everything we do.

No plan, however, will be effective without a solid foundation. As a result, the Board of Directors began a review of our governance model in 2019. This review which will be completed in 2020, is critical to setting our directions for the future. A key aspect of the review is a commitment to shift to a competency-based Board of Directors. Once fully operationalized, this shift will open up opportunities for a wider range of perspectives and skill sets.

This year marks the beginning of Gayle Waxman's role as the Executive Director of NNAS. We are both excited to see the Strategic Directions fully realized, advancing the governance and operations of NNAS.

We would like to express our sincerest thanks to each and every member of the NNAS Board of Directors, our membership – the Nursing Regulatory Bodies, the NNAS staff and the CGFNS staff and management. Special thanks go to Greg Moors who was Interim Administrator for much of the past year and whose efforts helped strengthen NNAS. We look forward to the year ahead.



Lynn Power

Lynn Power,
Board Chair, NNAS



Gayle Waxman

Gayle Waxman
Executive Director, NNAS

About NNAS

NNAS is a non-profit organization whose membership is composed of 18 Nursing Regulatory Bodies in Canada. We represent the “first stop” Internationally Educated Nurses make on their journey to practice nursing in Canada and we are committed to protecting the public and the safety of Canada’s health care system.

Since 2014, NNAS has provided a single process for IEN credentials to be verified and their education compared to Canadian Nursing education. Serving all provinces (except Quebec and the Territories), NNAS issues Advisory Reports for all three nursing professions:

Registered Nurses (RN), Licensed Practical Nurses (LPN) and Registered Psychiatric Nurses (RPN). NNAS has an agreement with CGFNS, a not-for profit organization, to conduct the assessments.



Key Highlights



Strategic Plan 2019-2021



During 2018/19 the NNAS Board of Directors initiated a Strategic Planning process which culminated in a new plan, a new vision, a new mission and a renewed commitment to IENs, Regulatory Bodies and stakeholders. Moreover, we identified four priorities that articulate a clear path to grow the organization by improving our processes, engaging with our applicants and stakeholders and creating a strong governance framework. Together, these directions will act as a springboard for future growth and development.

Our Mission

NNAS exists to start Internationally Educated Nurses on their journey to nursing practice in Canada.

Our Vision

NNAS is recognized around the world as the gold standard for assessing nurses.



Priority Areas for Action

Through the strategic planning process, NNAS' Board had the opportunity to revisit our core purpose and envision a stronger future. The four priority areas that emerged are:

1. Improving the effectiveness of NNAS nursing assessment process
2. Strengthening NNAS organizational capacity
3. Transform NNAS Governance
4. Strengthening NNAS' relationships with key stakeholders (IENs, regulatory bodies, governments, immigration stakeholders)

We also identified specific initiatives under each of the priority areas to guide our progress and measure our success. Find out more in our 2019-2021 Strategic Plan.



Governance Review

All organizations require a strong foundation to meet the challenges of the future. To this end, NNAS' Board initiated a Governance Review. Overseen by the Board and carried out by the Governance Committee, the purpose of this initiative is to make sure that NNAS has the diversity of perspectives and skill sets we require to carry out our strategic vision. The review included several workshops where the Board discussed options for a new governance model. We anticipate that the final recommendations of the Governance Review will be presented in 2019/2020.



Record Number of Applications Received

IENs throughout the world continue to see Canada as a place where they would like to live and practice. This year, NNAS received 6679 new applications. This represents an increase of 7.4% over the previous year and continues the upward trend we have seen since NNAS' inception.



Issuing of Advisory Reports

In 2018/2019, NNAS issued 3685 Advisory Reports – approximately the same number that were issued in the previous fiscal year. Also similar to the previous fiscal year, 90% of Advisory Reports were issued within 12 weeks of an IEN submitting all their documents and NNAS determining that the documents submitted were complete and in order.



Becoming a Virtual Organization

The past year continued to see NNAS take the steps necessary to increase our responsiveness and create a flexible organization. To this end, NNAS now operates as a fully virtual organization with our professional team members working in a variety of locations across the country. As a result, NNAS is now better positioned to secure the best expertise available while containing operating costs.



New App Introduced

Following the successful launch of the new NNAS website in 2018, NNAS took on the task of building a free app to help applicants navigate the application process as smoothly as possible. The app was launched in January 2019 and enables IENs to review key documents wherever they are in the world, even without access to the internet.

Statistics

Number of Applications Initiated (Orders)

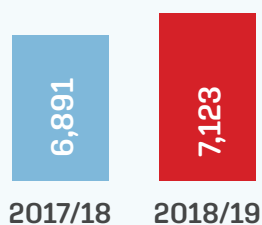
2016/17	2017/18	2018/19
5,378	6,217	6,679
	+ 15.6%	+ 7.4%

Percent of Advisory Reports Issued within 12 Weeks or Less*

2016/17	2017/18	2018/19
88%	90%	90%

* IEN submitting all documents and NNAS determining that the documents submitted were complete and in order.

Number of Advisory Reports Issued



Number of Applications Requesting Additional Nursing Group



Number of Calls Received at Applicant Support



Number of Emails Received at Applicant Support

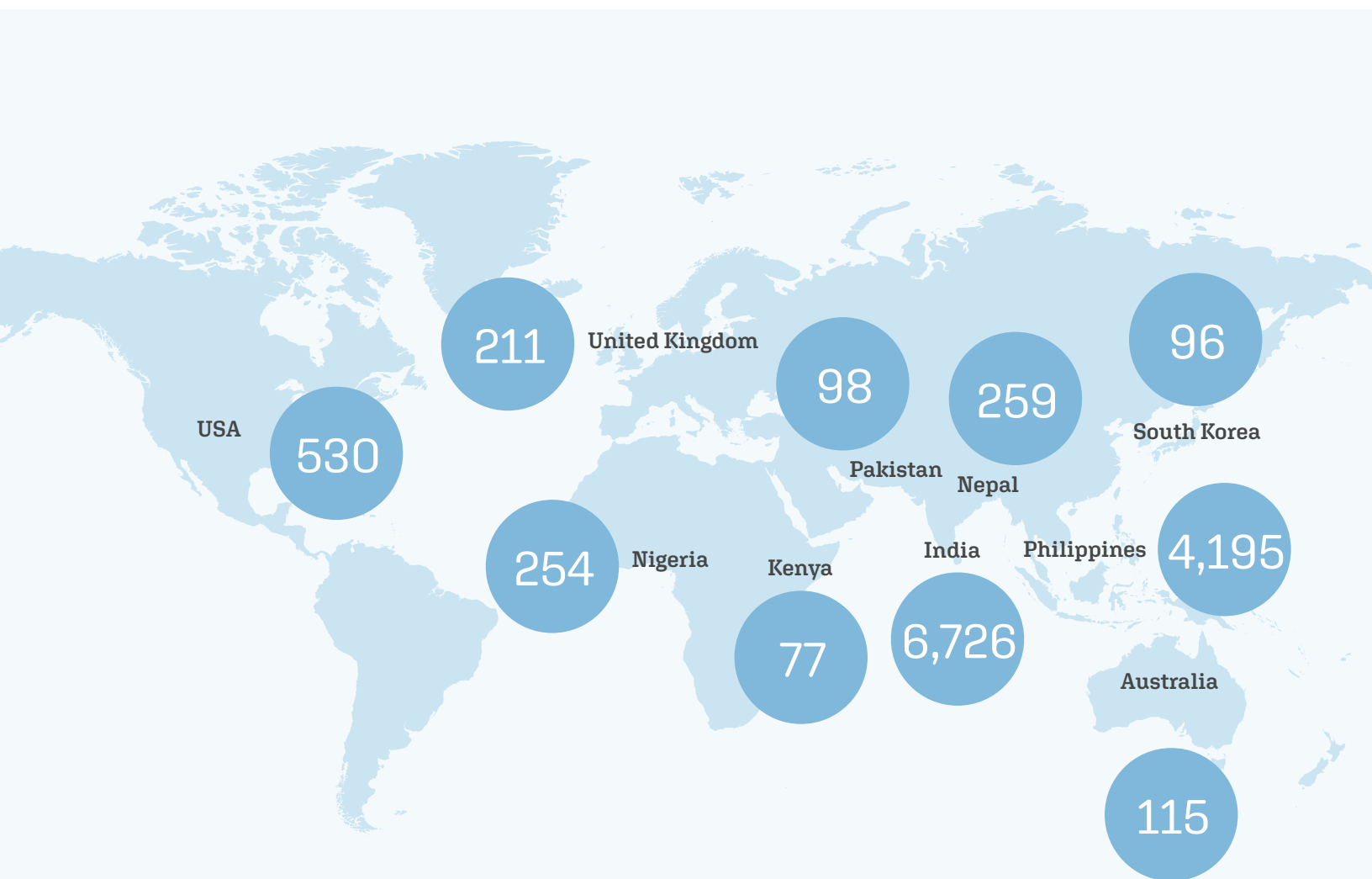


Number of Visits to NNAS Website



Number of App Downloads





Top Countries From Where Applications Were Received – 2018/2019

1.	India	6,726	6.	United Kingdom	211
2.	Philippines	4,195	7.	Australia	115
3.	USA	530	8.	Pakistan	98
4.	Nepal	259	9.	Korea [Rok, South]	96
5.	Nigeria	254	10.	Kenya	77

Looking Ahead

The next year will see the full implementation of the Strategic Plan begin. As part of this implementation, NNAS will be developing new performance measures to gauge our progress. The Board will also be defining our values to further guide all aspects of the organization. And we will also be putting in place some key strategies to improve our responsiveness to IENs and our support to Regulatory Bodies. We look forward to an exciting year of serving our IENs and continued collaboration with regulatory bodies, provincial governments and all stakeholders.





Financial Statements

Independent Auditor's Report

To the Members of National Nursing Assessment Service/ Service National D'évaluation Infirmiere

Opinion

We have audited the financial statements of National Nursing Assessment Service/Service National D'évaluation Infirmiere (the 'Organization'), which comprise the statement of financial position as at March 31, 2019, and the statements of operations, changes in net assets 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 Organization as at March 31, 2019, and its financial performance 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 Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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.
- 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 Organization’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 Organization’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 Organization 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.

BDO Canada LLP

Chartered Professional Accountants,
Licensed Public Accountants

July 9, 2019
Newmarket, Ontario



National Nursing Assessment Service / Service National D'évaluation Infirmiere Statement of Financial Position

For the year ended March 31	2019		2018	
Assets				
Current				
Cash	\$	3,314,605	\$	3,232,388
Amounts receivable		4,103		2,371
Prepaid expenses		5,038		4,473
Prepaid assessment fees		4,039,875		3,246,885
Short-term investments (Note 2)		789,627		635,701
		8,153,248		7,121,818
Long-term investments (Note 2)		3,280,246		1,903,603
Total	\$	11,433,494	\$	9,025,421
Liabilities and Net Assets				
Current				
Accounts payable and accrued liabilities	\$	394,702	\$	482,959
HST payable		42,350		94,484
Deferred application fees		6,725,029		5,326,234
Total		7,162,081		5,903,677
Net Assets				
Internally restricted (Note 3)		1,000,000		1,000,000
Unrestricted		3,271,413		2,121,744
		4,271,413		3,121,744
Total	\$	11,433,494	\$	9,025,421

National Nursing Assessment Service / Service National D'évaluation Infirmiere Statement of Changes in Net Assets

For the year ended March 31	Internally Restricted (Note 3)		Unrestricted		2019		2018	
Balance, beginning of the year	\$	1,000,000	\$	2,121,744	\$	3,121,744	\$	2,057,635
Excess of revenues over expenses		-		1,149,669		1,149,669		1,064,109
Balance, end of the year	\$	1,000,000	\$	3,271,413	\$	4,271,413	\$	3,121,744

National Nursing Assessment Service / Service National D'evaluation Infirmiere Statement of Operations

For the year ended March 31	2019	2018
Revenue		
Application fees	\$ 5,696,982	\$ 5,527,471
Interest and other income	78,116	53,960
Total	\$ 5,775,098	\$ 5,581,431
Expenses		
Assessment fees	3,528,696	3,425,105
Conference	13,361	8,133
Consultant fees	529,685	318,769
Foreign exchange (gain) loss	(38,763)	39,689
Information technology	59,634	71,139
Insurance	6,025	5,800
Office	5,761	17,618
Office rent	29,841	34,231
Professional fees	49,417	20,396
Service charges	160,269	143,272
Subscriptions	663	1,426
Telephone	5,098	4,935
Travel	106,458	142,297
Wages and benefits	169,284	284,512
	4,625,429	4,517,322
Excess of revenues over expenses	\$ 1,149,669	\$ 1,064,109

National Nursing Assessment Service / Service National D'évaluation Infirmiere Statement of Cash Flows

For the year ended March 31	2019	2018
Cash flows from operating activities		
Excess of revenues over expenses	\$ 1,149,669	\$ 1,064,109
Changes in non-cash working capital:		
Amounts receivable	(1,732)	13,606
Prepaid expenses	(565)	22,820
Prepaid assessment fees	(792,990)	(549,151)
Accounts payable and accrued liabilities	(88,257)	83,523
HST payable	(52,134)	61,027
Deferred application fees	1,398,795	863,745
	1,612,786	1,559,679
Cash flows from investing activities		
Purchase of investments	(1,530,569)	(39,304)
Net increase in cash	82,217	1,520,375
Cash, beginning of the year	3,232,388	1,712,013
Cash, end of the year	\$ 3,314,605	\$ 3,232,388

National Nursing Assessment Service / Service National D'évaluation Infirmiere Statement of Financial Position

1. Significant Accounting Policies

Nature and Purpose of Organization

National Nursing Assessment Service / Service National D'évaluation Infirmiere (the "Organization") was incorporated on June 13, 2012 under the Canada Not-for-Profit Corporations Act.

The purpose of the Organization is to coordinate a consistent national approach to the assessment of internationally educated nurses' education credentials to support registration/licensure by the provincial nursing regulatory bodies.

The members of the Organization are certain entities that regulate the practice of licensed practical and registered practical nurses, registered nurses, and registered psychiatric nurses and include:

- i. Licensed Practical Nurse and Registered Practical Nurse Regulatory Bodies;
- ii. Registered Nurse Regulatory Bodies; and
- iii. Registered Psychiatric Nurse Regulatory Bodies.

The Organization is a not-for-profit organization, as described in Section 149(1)(l) of the Income Tax Act, and therefore is not subject to income taxes.

Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Revenue Recognition

The Organization follows the deferral method of accounting for contributions.

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.

Application fees

Fees from the assessment of education credentials for individuals are recognized as revenue at the time the assessment is completed or at the expiration date of the application. Application fees received in advance of the completion of an assessment are recorded as deferred application fees.

Financial Instruments

Financial instruments are recorded at fair value at initial recognition. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in operations. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost. Financial instruments for the Organization include cash, short-term and long-term investments, which are shown at fair value, and accounts receivable, accounts payable and accrued liabilities and HST payable, which are shown at amortized cost.

Contributed Services

Volunteers contribute many hours per year to assist the Organization in carrying out its activities. Due to the

difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Prepaid Expenses

Prepaid expenses primarily comprise advance payments made to vendors in the current fiscal year for services to be received in the next fiscal year. Prepaid expenses are recognized as expenses in the period when the services are received.

Investments**Short-term investments**

Short-term investments consist of guaranteed investment certificates with maturity dates within one year.

Long-term investments

Long-term investments consist of guaranteed investment certificates with maturity dates greater than one year.

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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The principal estimates made in the preparation of these financial statements are the accrued liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future.

Foreign Currency Translation

Foreign currency transactions are translated at the rates of exchange in effect at the dates of the transaction. Resulting foreign currency denominated monetary assets and liabilities are translated at the rates of exchange in effect at the balance sheet date. Gains and losses on translation of monetary assets and liabilities are included in operations.

2. Investments

The carrying amounts of investments at market value are comprised of the following:

	2019	2018
Short-term investments		
GICs held at various financial institutions, 1.5%-2.3%, maturing on February 24, 2020 or March 13, 2020	\$ 789,627	-
GICs held at various financial institutions, 1.40%-1.46%, maturing on February 22, 2019 or February 25, 2019	-	635,701
Long-term investments		
GICs held at various financial institutions, 1.86%-3%, maturing between February 22, 2021 and March 13, 2024	3,280,246	-
GICs held at various financial institutions, 1.50%-3.00%, maturing between February 24, 2020 and March 21, 2023	-	1,903,603
Total	\$ 4,069,873	\$ 2,539,304

Of the amounts invested, \$1,000,000 (2018 - \$1,000,000) is restricted for the purpose of the Organization's operating reserve (see Note 3).

3. Internally Restricted Net Assets

	2019	2018
Operating reserve	\$ 1,000,000	\$ 1,000,000

The Board of Directors has internally restricted net assets of \$1,000,000, representing a reserve of approximately three months' of operating expenses for the Organization.

4. Commitments

The Organization is committed to the following minimum virtual office payments:

2020	\$ 2,988
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5. Economic Dependence

During the year, 78% (2018 - 77%) of the Organization's expenses were incurred to one provider of assessment services.

6. Financial Instruments

Credit risk

The Organization is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or if financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Organization's financial instruments that are exposed to concentrations of credit risk relate primarily to its amounts receivable. The majority of the Organization's receivables are from a third party provider of services, collection of which can be accomplished by a reduction in payments made to the party.

The Organization is also exposed to credit risk arising from its bank accounts being held at one financial institution and the balance exceeds insured deposits of up to \$100,000.

There have not been any changes in the risk from the prior year.

Interest rate risk

The Organization is exposed to interest rate risk on its fixed rate financial instruments. Fixed interest instruments subject the Organization to a fair value risk.

The Organization is exposed to changes in interest rates related to its investments in guaranteed investment certificates. The Organization’s primary objective is to ensure the security of principal amounts invested and provide for a high degree of liquidity, while achieving a satisfactory return.

The Organization mitigates interest rate risk on investments by diversifying the durations of the fixed-

income investments that are held at a given time. There have not been any changes in the risk from the prior year.

Currency risk

The Organization transacts in foreign currencies due to application fees received being denominated in U.S. dollars (USD); however, the majority of the Organization’s expenses are in Canadian dollars. Consequently, some assets are exposed to foreign exchange fluctuations.

Cash is exposed to currency risk in connection with U.S. denominated balances which amount to \$62,820 (\$47,070 USD) [2018 - \$373,384 (\$288,959 USD)].

The Organization does not use derivative financial instruments to manage its exposure to currency risk.

There have not been any changes in the risk from the prior year.

Board of Directors



Back row from left to right: Laurie Janes, Joy Peacock, Laura Panteluk, Stephen Mills, Tamara Richter, Sheila Marchant-Short, Katherine Stansfield.

Front row from left to right: Barbara Lowe, Lynn Power (Chair), Lynsay Nair (Vice-Chair), Dawn Rix-Moore.

Not in the photo: Jennifer Breton.

NNAS Members

- British Columbia College of Nursing Professionals
- College & Association of Registered Nurses of Alberta
- College of Licensed Practical Nurses of Newfoundland & Labrador
- College of Licensed Practical Nurses of Prince Edward Island
- College of Licensed Practical Nurses of Manitoba
- College of Licensed Practical Nurses of Alberta
- College of Nurses of Ontario
- College of Registered Nurses of Newfoundland and Labrador*
- College of Registered Nurses of Prince Edward Island
- College of Registered Nurses of Manitoba
- Nova Scotia College of Nursing**
- Nurses Association of New Brunswick
- Registered Psychiatric Nurses Association of Saskatchewan
- Saskatchewan Association of Licensed Practical Nurses
- The Saskatchewan Registered Nurses Association
- The Association of New Brunswick Licensed Practical Nurses
- The College of Registered Psychiatric Nurses of Manitoba
- The College of Registered Psychiatric Nurses of Alberta

NNAS Corporate Office

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Toronto, Ontario M5G 1Y8

Corporate Office Direct Line:

1 (877) 215-9989

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*Name changed from Association of Registered Nurses of Newfoundland and Labrador, effective September 1, 2019.

**The Nova Scotia College of Nurses was created on June 4, 2019 following the dissolution of its predecessor organizations, the College of Licensed Practical Nurses of Nova Scotia and the College of Registered Nurses of Nova Scotia.