

**THE COLLEGE OF DENTURISTS OF BRITISH COLUMBIA**  
**Financial Statements**  
**Year Ended March 31, 2016**

**THE COLLEGE OF DENTURISTS OF BRITISH COLUMBIA**  
**Index to Financial Statements**  
**Year Ended March 31, 2016**

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	Page
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Revenues and Expenditures	3
Statement of Changes in Net Assets	4
Statement of Cash Flow	5
Notes to Financial Statements	6 - 8

## INDEPENDENT AUDITOR'S REPORT

To the Members of The College of Denturists of British Columbia

We have audited the accompanying financial statements of The College of Denturists of British Columbia, which comprise the statement of financial position as at March 31, 2016 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The College of Denturists of British Columbia as at March 31, 2016 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.


Burnaby, British Columbia  
July 4, 2016


  
McDonald Rickett  
Chartered Professional Accountants

**THE COLLEGE OF DENTURISTS OF BRITISH COLUMBIA**  
**Statement of Financial Position**  
**March 31, 2016**

	2016	2015
<b>Assets</b>		
Current		
Cash	\$ 304,783	\$ 243,317
Accounts receivable	-	200
Government remittances receivable	-	4,474
Interest receivable	5,068	5,246
Prepaid expenses	3,516	1,818
	<b>313,367</b>	255,055
Long term Investments (Note 2)	<b>543,028</b>	575,496
Capital assets (Note 3)	<b>9,969</b>	9,500
	<b>\$ 866,364</b>	\$ 840,051
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities	\$ 10,075	\$ 40,648
Government remittances payable	8,734	-
Deferred income	273,434	238,384
	<b>292,243</b>	279,032
Discipline assessment surcharge	<b>139,760</b>	135,734
	<b>432,003</b>	414,766
<b>Net Assets</b>		
Capital assets	9,969	9,500
Discipline	80,837	76,971
General	343,555	338,814
	<b>434,361</b>	425,285
	<b>\$ 866,364</b>	\$ 840,051

Approved by the directors

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

See accompanying notes to financial statements

**THE COLLEGE OF DENTURISTS OF BRITISH COLUMBIA**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2016**

	2016	2015
<b>Revenues</b>		
License and registration fees	\$ 277,498	\$ 270,490
Examination fees	19,575	39,200
Inquiry income	20,500	3,500
Interest	11,818	12,442
Other	2,625	1,875
	<b>332,016</b>	<b>327,507</b>
<b>Expenditures</b>		
Amortization	2,750	6,383
Audit and legal	39,448	88,062
Board expenses	13,845	16,227
Committee expenses	7,826	12,293
Communications	17,962	18,268
Examination costs	27,530	29,091
Office	16,224	28,063
Professional development	2,935	994
Rental	21,664	20,896
Salaries and wages	167,895	147,125
Telephone	1,978	2,033
Utilities	2,883	2,536
	<b>322,940</b>	<b>371,971</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>\$ 9,076</b>	<b>\$ (44,464)</b>

See accompanying notes to financial statements

**THE COLLEGE OF DENTURISTS OF BRITISH COLUMBIA**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2016**

	Capital Assets	Discipline	General	2016	2015
<b>Net assets -</b>					
beginning of year	\$ 9,500	\$ 76,971	\$ 338,814	\$ 425,285	\$ 469,746
Excess of revenues over expenditures	469	3,866	4,741	9,076	(44,464)
<b>Net assets - end of year</b>	<b>\$ 9,969</b>	<b>\$ 80,837</b>	<b>\$ 343,555</b>	<b>\$ 434,361</b>	<b>\$ 425,282</b>

See accompanying notes to financial statements

**THE COLLEGE OF DENTURISTS OF BRITISH COLUMBIA**  
**Statement of Cash Flow**  
**Year Ended March 31, 2016**

	2016	2015
<b>Cash flows from operating activities</b>		
Excess (deficiency) of revenues over expenditures	\$ 9,076	\$ (44,464)
Item not affecting cash:		
Amortization of capital assets	2,750	6,383
	<b>11,826</b>	<b>(38,081)</b>
Changes in non-cash working capital:		
Accounts receivable	200	13,251
Interest receivable	178	598
Prepaid expenses	(1,698)	5,181
Accounts payable and accrued liabilities	(30,573)	14,476
Government remittances payable	13,208	(17,113)
Deferred income	35,050	(4,798)
Discipline assessment surcharge	4,026	505
	<b>20,391</b>	<b>12,100</b>
Cash flow from operating activities	<b>32,217</b>	<b>(25,981)</b>
<b>Investing activities</b>		
Purchase of capital assets	(3,219)	(1,380)
Long term Investments	32,468	(13,039)
Cash flow from (used by) investing activities	<b>29,249</b>	<b>(14,419)</b>
<b>Increase (decrease) in cash flow</b>	<b>61,466</b>	<b>(40,400)</b>
Cash - beginning of year	243,317	283,717
<b>Cash - end of year</b>	<b>\$ 304,783</b>	<b>\$ 243,317</b>

See accompanying notes to financial statements

**THE COLLEGE OF DENTURISTS OF BRITISH COLUMBIA**  
**Notes to Financial Statements**  
**Year Ended March 31, 2016**

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1. Summary of significant accounting policies

Nature of operations

The College of Denturists of British Columbia was established on December 8, 1995 under the provisions of the Health Professions Act. The College is responsible for licensing and regulating denturists and the practice of denturism within British Columbia. The College is responsible for preparing and administering the examinations required by all registrants, and for investigating and responding to complaints by members or by the public.

The College is a not-for-profit organization and is not subject to income tax.

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund accounting

The College of Denturists of British Columbia follows the restricted fund method of accounting for its operations.

The General Fund accounts for the unrestricted net assets of the College.

The Capital Asset Fund accounts for computers, equipment and their related components. This fund changes annually as a consequence of capital asset additions, disposals and annual amortization.

The Discipline Fund accounts for the special assessments levied against all registrants. The College restricts the use of these funds to paying the costs of disciplinary hearings. Income earned by the investments in this fund are retained within the fund.

Revenue recognition

The licensing and annual registration fees are recognized as revenue for the year in which the fees are levied. Fees received in advance are recorded as deferred revenues. Examination and application fees are recognized as revenue when received. Discipline fines, inquiry fines and cost recoveries are recognized when the College's internal hearing process is complete and their collection is assured.

Contributed services

Volunteers contribute to the activities of the College. As a result of the difficulty in determining the fair value of contributed services, they are not recognized in the financial statements.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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**THE COLLEGE OF DENTURISTS OF BRITISH COLUMBIA**  
**Notes to Financial Statements**  
**Year Ended March 31, 2016**

1. Summary of significant accounting policies (*continued*)

Cash equivalents

Cash and equivalents include investments having a maturity of three months or less from the date of purchase.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Computer equipment	30%	declining balance method
Computer software	100%	declining balance method
Furniture and fixtures	20%	declining balance method

2. Investments

	2016	2015
Guaranteed investment certificates - general fund	\$ 336,106	\$ 372,440
Guaranteed investment certificates - discipline surcharge	206,922	203,056
	<b>\$ 543,028</b>	<b>\$ 575,496</b>

3. Capital assets

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Computer equipment	\$ 40,380	\$ 35,770	\$ 4,610	\$ 4,362
Computer software	23,698	23,698	-	-
Furniture and fixtures	30,242	24,883	5,359	5,138
	<b>\$ 94,320</b>	<b>\$ 84,351</b>	<b>\$ 9,969</b>	<b>\$ 9,500</b>

4. Deferred income

Deferred revenues comprise license and registration fees received in advance for the 2017 fiscal year.

**THE COLLEGE OF DENTURISTS OF BRITISH COLUMBIA**  
**Notes to Financial Statements**  
**Year Ended March 31, 2016**

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5. Discipline assessment surcharge

The discipline assessment surcharge represents a liability to all registrants for the amounts they have paid to maintain a general funds balance of not less than \$100,000. The surcharge is used exclusively for the costs related to disciplinary hearings. The surcharge amounts are repayable, without interest, to registrants in good standing, when they withdraw from the College.

6. Financial instruments

The College is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the College's risk exposure and concentration as of March 31, 2016.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the College manages exposure through its normal operating and financing activities. The College is exposed to interest rate risk primarily through its investments.

7. Commitment

The College is bound by a premise operating lease agreement for its office premises expiring September 30, 2019. The annual lease commitment under the term of the agreement is \$19,820 to the expiration date.