

COLLEGE OF DENTURISTS OF BRITISH COLUMBIA

FINANCIAL STATEMENTS

MARCH 31, 2008

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AUDITORS' REPORT

To the Registrants of
College of Denturists of British Columbia

We have audited the balance sheets of the College of Denturists of British Columbia as at March 31, 2008 and 2007 and the statements of operations and changes in fund balances for the years then ended. These financial statements are the responsibility of the College's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2008 and 2007 and the results of its operations and changes in fund balances for the years then ended in accordance with Canadian generally accepted accounting principles.

Burnaby, Canada

Chartered Accountants

June 19, 2008

COLLEGE OF DENTURISTS OF BRITISH COLUMBIA
BALANCE SHEETS
AS AT MARCH 31

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	2008			2007	
	General Fund	Capital Fund	Discipline Surcharge Fund	Total	Total
ASSETS					
Current					
Cash and equivalents	\$ 232,255	\$ -	\$ 7	\$ 232,262	\$ 228,290
Interest receivable	1,770	-	3,067	4,837	7,362
Other receivables	-	-	-	-	210
Prepaid expenses	4,899	-	-	4,899	5,045
	238,924	-	3,074	241,998	240,907
Investments	132,786	-	164,283	297,069	282,953
Equipment (Note 3)	-	10,274	-	10,274	13,662
	\$ 371,710	\$ 10,274	\$ 167,357	\$ 549,341	\$ 537,522
LIABILITIES AND FUND BALANCES					
Current					
Accounts payable	\$ 18,611	\$ -	\$ -	\$ 18,611	\$ 22,150
Deferred revenue (Note 4)	105,600	-	-	105,600	132,069
	124,211	-	-	124,211	154,219
Discipline fund surcharge (Note 5)	-	-	125,913	125,913	124,401
Fund Balances					
Invested in capital assets	-	10,274	-	10,274	13,662
Internally restricted	-	-	41,444	41,444	40,426
Unrestricted	247,499	-	-	247,499	204,814
	247,499	10,274	41,444	299,217	258,902
	\$ 371,710	\$ 10,274	\$ 167,357	\$ 549,341	\$ 537,522

Nature of operations (Note 1)

Commitment (Note 9)

On behalf of the Board:

(original signed) Director (original signed) Director

The accompanying notes are an integral part of these financial statements.

COLLEGE OF DENTURISTS OF BRITISH COLUMBIA
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCES
YEAR ENDED MARCH 31

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	2008			2007	
	General Fund	Capital Fund	Discipline Surcharge Fund	Total	Total
REVENUES					
License and registration fees	\$ 213,974	\$ -	\$ -	\$ 213,974	\$ 213,066
Examination fees	20,398	-	-	20,398	22,000
Fines and discipline assessments	-	-	-	-	2,000
Interest income	5,557	-	2,530	8,087	10,001
Other income	225	-	-	225	425
	<u>240,154</u>	<u>-</u>	<u>2,530</u>	<u>242,684</u>	<u>247,492</u>
EXPENSES					
Amortization	-	5,352	-	5,352	5,856
Audit and legal	8,435	-	-	8,435	6,586
Board expenses	11,065	-	-	11,065	14,707
Committee expenses	3,946	-	-	3,946	11,652
Communications	2,753	-	-	2,753	3,368
Consulting	5,946	-	-	5,946	-
Discipline investigation costs	-	-	-	-	185
Examination costs	17,341	-	-	17,341	16,506
Office and miscellaneous	12,871	-	-	12,871	10,778
Professional development	-	-	-	-	699
Rent	13,996	-	-	13,996	13,996
Salaries and benefits	114,120	-	-	114,120	110,712
Telephone	4,545	-	-	4,545	4,737
Utilities	1,999	-	-	1,999	1,215
	<u>197,017</u>	<u>5,352</u>	<u>-</u>	<u>202,369</u>	<u>200,997</u>
Excess (deficiency) of revenues over expenses	43,137	(5,352)	2,530	40,315	46,495
Fund balances, beginning of year	204,814	13,662	40,426	258,902	212,407
Interfund transfers (Note 6)	<u>(452)</u>	<u>1,964</u>	<u>(1,512)</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 247,499</u>	<u>\$ 10,274</u>	<u>\$ 41,444</u>	<u>\$ 299,217</u>	<u>\$ 258,902</u>

The accompanying notes are an integral part of these financial statements.

1. 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 mounting 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.

2. SIGNIFICANT ACCOUNTING POLICIES

Restricted fund method

The general fund accounts for general operations.

The unamortized cost of equipment is reported in the capital fund.

The discipline surcharge fund reports 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 annual license and registration fees are recognized as revenue for the year in which the fees are levied. Fees received in advance are recorded as deferred revenue. Non-refundable examination and application fees are recognized as revenue when received. Discipline 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.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles 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 amount of revenues and expenses during the year. Actual results could differ from these estimates.

Cash and cash equivalents

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Investments

Investments are recorded at cost in the appropriate fund. The College has adopted a conservative investment policy. The objectives of capital preservation and liquidity take precedence over financial returns.

Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is provided for annually using the declining balance method as follows:

Computer equipment	30%
Computer software	100%
Office furniture and equipment	20%

The College amortizes at one half the annual rate in the year of acquisition.

3. EQUIPMENT

	2008			2007		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Computer equipment	\$ 29,401	\$ 23,045	\$ 6,356	\$ 28,313	\$ 19,269	\$ 9,044
Computer software	14,727	14,289	438	13,851	13,583	268
Office furniture and equipment	<u>19,499</u>	<u>16,019</u>	<u>3,480</u>	<u>19,499</u>	<u>15,149</u>	<u>4,350</u>
	\$ 63,627	\$ 53,353	\$ 10,274	\$ 61,663	\$ 48,001	\$ 13,662

4. DEFERRED REVENUE

Deferred revenue consists of license and registration fees received in advance for the 2008 fiscal year.

5. DISCIPLINE FUND SURCHARGE

The discipline fund surcharge represents amounts assessed against registrants to maintain a balance of available funds of not less than \$100,000. The fund is used exclusively for the costs related to disciplinary hearings. The surcharge amounts are unsecured and are repayable, without interest, to registrants when they withdraw from the College.

6. INTERFUND TRANSFERS AND INTERNALLY RESTRICTED NET ASSETS

Interfund transfers of \$1,964 (2007 - \$4,461) represent funds transferred from the General Fund to the Capital Fund to finance equipment acquisitions and \$1,512 (2006 - \$Nil) represent funds transferred from the Discipline Surcharge Fund to the General Fund to pay refunds of discipline surcharge fees and deposits to the fund.

Investment income earned on the discipline fund surcharge assessments is internally restricted, and may only be used to cover the costs of disciplinary hearings.

7. STATEMENT OF CASH FLOWS

A statement of cash flows has not been prepared, as in the opinion of management this information is provided within the financial statements.

8. FINANCIAL INSTRUMENTS

The College's financial instruments consist of cash, interest receivable, other receivables, investments and accounts payable. Unless otherwise noted, it is management's opinion that the College is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

9. COMMITMENT

The College has entered into an operating lease agreement for its office premises. The annual lease commitment under the term of the agreement is as follows:

2009	\$ 13,996
2010	<u>6,998</u>
	<u>\$ 20,994</u>