



College of Dental Technicians of BC Annual Report

April 1, 2022 – August 31, 2022

Amalgamation of Oral Health Colleges in BC

On September 1, 2022, four oral health colleges, including the College of Dental Technicians of BC (CDTBC), were amalgamated to establish the BC College of Oral Health Professionals (BCCOHP).

This amalgamation was informed by recommendations outlined in the 2020 report, *Recommendations to modernize the provincial health profession regulatory framework*, specifically to reduce the number of health profession regulatory colleges in BC from 20 to six. This included a recommendation to create a single oral health regulatory college through the amalgamation of the College of Dental Surgeons of BC, College of Denturists of BC, College of Dental Hygienists of BC, and College of Dental Technicians of BC.

Following amalgamation, the BCCOHP Board and Financial, Audit and Risk Committee conducted due diligence to vet and approve the audited financial statements for CDTBC's final fiscal year (April 1 to August 31, 2022) and determined they are financially sound.

As CDTBC ceased to exist after August 31, 2022, BCCOHP is publishing CDTBC's annual report for the April 1, 2022 to August 31, 2022 fiscal year, on its behalf.

The Board

The creation of BCCOHP was only possible because the boards of CDTBC and the other three oral health colleges had the courage and conviction that amalgamating the colleges could build a stronger, more resilient, and more modern health regulator.

The following individuals comprised the final CDTBC Board:

ELECTED MEMBERS

Angus Barrie, RDT (Chair)
Hooman Janami, RDT
Min Suk Oh, Assistant
Neal Russell, RDT
Amandeep Singh, RDT
Lih Fen Young, RDT

APPOINTED MEMBERS

Patricia Dooley (Vice-Chair)
Rachel Ling
Dr. Robert F. Whiteley



College of Dental Technicians of British Columbia

FINANCIAL STATEMENTS

April 1, 2022 – August 31, 2022

INDEPENDENT AUDITORS' REPORT



17th floor, 1030 West Georgia St., Vancouver, BC, Canada V6E 2Y3

Tel: 604. 714. 3600 Fax: 604. 714. 3669 Web: manningelliott.com

To the Members of College of Dental Technicians of British Columbia

Opinion

We have audited the financial statements of College of Dental Technicians of British Columbia (the "College"), which comprise the statement of financial position as at August 31, 2022, and the statements of changes in net assets, revenues and expenses and cash flows for the period 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 as at August 31, 2022, and the results of its operations and cash flows for the period 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the College in accordance with 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 the 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.

Auditors' 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 auditors' 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.

INDEPENDENT AUDITORS' REPORT



17th floor, 1030 West Georgia St., Vancouver, BC, Canada V6E 2Y3

Tel: 604. 714. 3600 Fax: 604. 714. 3669 Web: manningelliott.com

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 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 auditors' 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 auditors' 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.

Manning Elliott LLP

Chartered Professional Accountants
Vancouver, British Columbia
December 8, 2022

STATEMENT OF FINANCIAL POSITION


AS AT AUGUST 31, 2022


	2022 August 31	2022 March 31
ASSETS		
CURRENT		
Cash	\$ 548,683	\$ 818,335
Term deposits	216,553	214,553
Accounts receivable	655	-
Prepaid expenses	3,528	-
	769,419	1,032,888
RESTRICTED CASH (Note 5)	163,831	162,718
CAPITAL ASSETS (Note 3)	8,061	12,211
	\$ 941,311	\$ 1,207,817
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 32,899	\$ 5,826
Deferred revenue (Note 4)	152,535	387,852
	185,434	393,678
NET ASSETS		
INVESTED IN CAPITAL ASSETS	8,061	12,211
DISCIPLINE LEGAL RESERVE (Note 5)	163,831	162,718
UNRESTRICTED	583,985	639,210
	755,877	814,139
	\$ 941,311	\$ 1,207,817

COMMITMENT (Note 6)

SUBSEQUENT EVENT (Note 7)

Approved by the Board:

 *
 _____ Director

 *
 _____ Director

*These financial statements were approved by members of the Board of the BC College of Oral Health Professionals on behalf of the legacy College of Dental Technicians of BC.

College of Dental Technicians of British Columbia
STATEMENT OF CHANGES IN NET ASSETS

FOR THE PERIOD ENDED AUGUST 31, 2022

	Invested in Capital Assets	Discipline Legal Reserve (Note 5)	Unrestricted	2022 August 31 (5 months)	2022 March 31 (12 months)
NET ASSETS - BEGINNING OF PERIOD	\$ 12,211	\$ 162,718	\$ 639,210	\$ 814,139	\$ 805,789
(Deficiency) excess of revenues over expenses for the period	-	1,113	(59,375)	(58,262)	8,350
Loss on disposal of capital assets	(1,141)	-	1,141	-	-
Amortization of capital assets	(3,009)	-	3,009	-	-
NET ASSETS - END OF PERIOD	\$ 8,061	\$ 163,831	\$ 583,985	\$ 755,877	\$ 814,139

STATEMENT OF REVENUES AND EXPENSES

FOR THE PERIOD ENDED AUGUST 31, 2022

	2022 <i>August 31</i> <i>(5 months)</i>	2022 <i>March 31</i> <i>(12 months)</i>
REVENUES		
License and registration fees	\$ 158,034	\$ 424,288
Interest	6,566	9,431
Fines and hearing fees	225	2,460
Other	-	1,067
	164,825	437,246
EXPENSES		
Salaries and benefits	121,517	234,323
Amalgamation costs	26,860	39,732
Repairs and maintenance	23,151	44,119
Rent	16,891	55,024
Legal and accounting	11,267	11,944
Liaison activities	6,144	604
Staff and member	4,367	6,350
Office supplies	3,434	3,305
Amortization of capital assets	3,009	5,233
Board and committee meetings	1,950	6,293
Bank charges and credit card processing	1,047	9,919
Telephone, fax and internet	966	2,440
Insurance	692	6,193
Registrant communications	401	1,268
Registrar	152	1,529
Benefits administration and WCB	98	620
	221,946	428,896
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	(57,121)	8,350
OTHER EXPENSE		
Loss on disposal of capital assets	1,141	-
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES FOR THE PERIOD	\$ (58,262)	\$ 8,350

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED AUGUST 31, 2022

	2022 <i>August 31</i> (5 months)	2022 <i>March 31</i> (12 months)
OPERATING ACTIVITIES		
Cash receipts from members	\$ (71,147)	\$ 418,301
Cash paid to suppliers and employees	(201,958)	(433,143)
Interest and other amounts received	6,566	9,431
	(266,539)	(5,411)
FINANCING ACTIVITIES		
Purchase of term deposits	(2,000)	(5,800)
Increase in restricted cash	(1,113)	(2,671)
	(3,113)	(8,471)
DECREASE IN CASH DURING THE YEAR	(269,652)	(13,882)
CASH - BEGINNING OF PERIOD	818,335	832,217
CASH - END OF PERIOD	\$ 548,683	\$ 818,335

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED AUGUST 31, 2022

PURPOSE OF THE COLLEGE

Effective December 7, 1995, the practice of Dental Technology became a designated Health Profession, regulated by the College of Dental Technicians of British Columbia (the "College"), under the authority of the Health Professions Act and the Dental Technician Regulations. The College is a not-for-profit organization under the Income Tax Act (Canada) and, as such, is exempt from income taxes.

The College establishes, monitors and enforces standards of education, qualifications and practice for dental technicians, issues practicing certificates, conducts certificate inspections and, where necessary, suspends or cancels certificates.

The COVID-19 health pandemic has had a significant impact on social and economic activity through the restrictions put in place by various levels of government regarding travel, business operations and isolation/quarantine orders. The College continues to monitor its operations and assess the impact COVID-19 will have on its operating activities and will make any necessary adjustments to maintain its financial position.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") under Part III of the CPA Handbook – Accounting. Financial statements prepared in accordance with ASNPO are also in accordance with Canadian generally accepted accounting principles ("GAAP").

These financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies noted below:

(a) Cash

Cash consists of funds held on deposit. Cash subject to restrictions that prevents its use for current purposes is excluded from current assets and presented as a long-term asset in the statement of financial position.

(b) Capital assets

Capital assets are recorded at historical cost and amortized over their estimated useful lives applying the declining balance method at the following annual rates:

Computer equipment	30%
Computer software	30%

The College monitors the recoverability of capital assets based on their long-term service potential. When a capital asset no longer has any long-term service potential to the College, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of revenues and expenses. Write-downs recognized under this policy are not reversed.

(c) Revenue recognition

The College follows the deferral method of accounting for revenue. License and registration fees are recognized as revenue throughout the license year or when an individual becomes eligible for registration during the year. When a member has not paid their annual dues by March 31, that individual is removed from the register and must pay a reinstatement fee in addition to the regular fee. This policy results in revenue being recorded only when the reinstatement fee is paid.

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED AUGUST 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (*continued*)

(d) Deferred revenue

Deferred revenue includes license and registration fees and other amounts received in the current period relating to the following license year.

(e) Deferred contributions

Deferred contributions for the purchase of capital assets that will be amortized are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets.

(f) Discipline legal reserve

This reserve is to be used to pay the costs, including legal expenses, related to the disciplinary actions undertaken by the College. In 1997, the College Board resolved to transfer \$25,000 per year into the reserve up to a maximum of \$100,000. The Board further resolved that the reserve be invested in a Guaranteed Investment Certificate with all interest earned on the investment to be retained in the reserve. During 2001, College contributions to the reserve resulted in a balance of \$100,000 and as such, no further contributions will be made to the reserve unless the balance is drawn down to pay approved costs.

(g) Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, revenues and expenses as at the end of or during the reporting period. Management believes that the estimates used are reasonable and prudent, however, actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the determination of the useful lives of assets for calculating amortization, measurement of deferred revenue, and the amounts recorded as accrued liabilities.

(h) Financial instruments

Measurement

The College's financial instruments consist of cash, term deposits, restricted cash, and accounts payable.

The College initially measures all of its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The College subsequently measures all of its financial assets and liabilities at amortized cost.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of any write-down that is determined is recognized in the statement of revenues and expenses. A previously recognized impairment loss may be reversed to the extent of any improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenues and expenses in the period in which it is determined.

FOR THE PERIOD ENDED AUGUST 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (*continued*)

(h) Financial instruments (*continued*)

Transaction costs

The College recognizes its transaction costs in income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

2. FINANCIAL INSTRUMENTS RISKS

The College's financial instruments are described in Note 1(h). In management's opinion, the College is not exposed to significant credit, liquidity, market, currency, interest rate and other price risks arising from these financial instruments. In addition, the College is not exposed to any material concentrations of risk and there has been no significant change in risk exposures from the prior year.

Credit risk

Credit risk is the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The College's financial asset that is exposed to credit risk is cash. The risk is minimized to the extent that it is primarily placed with financial institutions.

Although the COVID-19 health pandemic has impacted many organizations, based on the nature of the College's operations, management has determined the College's credit risk to be minimal and will continue to monitor cash collections to mitigate any potential credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty meeting obligations associated with financial liabilities. The College is exposed to this risk mainly in respect of its receipt of funds from registrants and other related sources in order to meet its obligations associated with its accounts payable. The College mitigates its exposure to liquidity risk by ensuring that it documents when authorized payments become due and monitors its cash balances and cash flows generated from operations against its anticipated, committed and contemplated outflows.

Although the COVID-19 health pandemic has impacted many organizations, based on the nature of the College's operations, management has determined the College's liquidity risk to be minimal and will continue to monitor cash collections to mitigate any potential liquidity risk.

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 risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk that the fair value or future cash year end flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The College is not exposed to currency risk as all operations and financial instruments are conducted and denominated in Canadian dollars.

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED AUGUST 31, 20222. FINANCIAL INSTRUMENTS RISKS *(continued)*

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. The College is exposed to interest rate risk through its term deposits. The College mitigates risk by investing in fixed rate term deposits with minimal risk.

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.

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 August 31 Net book value	2022 March 31 Net book value
Computer equipment	\$ 10,255	\$ 9,221	\$ 1,034	\$ 2,886
Computer software	150,334	143,307	7,027	9,325
	\$ 160,589	\$ 152,528	\$ 8,061	\$ 12,211

4. DEFERRED REVENUE

Deferred revenue is comprised of the following amounts relating to the subsequent fiscal year:

	2022 August 31	2022 March 31
License and registration fees	\$ 152,535	\$ 387,852

5. DISCIPLINE LEGAL RESERVE

Restricted cash represents amounts for the discipline legal reserve as explained in Note 1(f).

The revenue allocated to the reserve during the current period is comprised of interest income of \$1,113 (2022 - \$2,671).

FOR THE PERIOD ENDED AUGUST 31, 2022

6. COMMITMENT

The College is under a premises lease agreement that expires in October 2023.

The anticipated minimum lease payments, excluding operating costs, for the remaining period of the lease agreement is \$33,902.

7. SUBSEQUENT EVENT

On September 1, 2022, the College amalgamated with three other regulators, the College of Dental Hygienists of British Columbia, the College of Dental Surgeons of British Columbia and the College of Denturists of British Columbia, to form the British Columbia College of Oral Health Professionals.