

College of Denturists 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 Denturists of BC (CDBC), 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 CDBC's final fiscal year (April 1 to August 31, 2022) and determined they are financially sound.

As CDBC ceased to exist after August 31, 2022, BCCOHP is publishing CDBC'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 CDBC 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 oral health regulator.

The following individuals comprised the final CDBC Board:

Professional Representatives

Colin Harty (2022)
Carson Law (2020-2022)
Stacey MacAulay (2021-2022)
Michelle Nelson (2021-2022)
Alison Nicholls (2020-2022)
Mohammad Sarwari (2019-2022)

Public Representatives

Susan Birge (May 2021-2022)
Patricia Dooley
Robert Whiteley

College of Denturists of British Columbia

FINANCIAL STATEMENTS

Five Month Period Ended August 31, 2022

INDEPENDENT AUDITOR'S REPORT

MCDONALD RICKETT

CHARTERED PROFESSIONAL ACCOUNTANTS

A PARTNERSHIP OF INCORPORATED PROFESSIONALS

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To the Members of The College of Denturists of British Columbia

Opinion

We have audited the financial statements of The College of Denturists of British Columbia (the Company), which comprise the statement of financial position as at August 31, 2022, and the statements of revenues and expenditures, changes in net assets and cash flows for the five month 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 Company 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 (ASNPO).

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 Company 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 ASNPO, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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:

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INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Members of The College of Denturists of British Columbia
(continued)

- 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 Company'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 Company'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 Company 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.

Burnaby, British Columbia
November 8, 2022

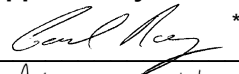

McDonald Rickett
Chartered Professional Accountants


STATEMENT OF FINANCIAL POSITION

August 31, 2022

	August 31 2022	March 31 2022
Assets		
Current		
Cash	\$ 299,825	\$ 466,800
Cashable GIC (Note 3)	248,378	249,112
Accounts receivable	17,338	-
Interest receivable	1,447	4,182
Prepaid expenses	425	3,509
	567,413	723,603
Property and equipment (Note 2)	280	280
Long term Investments (Note 3)	148,232	270,385
	\$ 715,925	\$ 994,268
Liabilities		
Current		
Accounts payable	\$ 32,099	\$ 16,543
Government remittances payable	5,788	6,461
Deferred revenue	228,242	391,273
	266,129	414,277
Deferred rent	1,113	1,113
Regulation fee	-	153,320
	267,242	568,710
Net Assets		
Capital assets	280	280
Regulation - internally restricted	148,232	77,156
General	300,171	348,122
	448,683	425,558
	\$ 715,925	\$ 994,268

Approved by the directors

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 _____ 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 Denturists of BC.

See notes to financial statements

STATEMENT OF REVENUES AND EXPENSES

Five Month Period Ended August 31, 2022

	<i>August 31</i> 2022	<i>March 31</i> 2022
Revenues		
License and registration fees	\$ 161,784	\$ 398,826
Examination fees	900	81,900
Inquiry income	15,000	560
Interest	6,711	10,466
Other	4,300	5,275
Regulation fee	35,152	-
	223,847	497,027
Expenses		
Amalgamation	14,633	36,697
Amortization	-	120
Audit and legal	18,232	18,235
Board expenses	6,306	4,789
Committee expenses	2,003	28,369
Communications	14,060	29,777
Examination costs	3,769	18,484
Office	5,669	6,735
Professional development	300	1,375
Rental	21,321	49,130
Salaries and wages	114,429	251,992
	200,722	445,703
Excess of revenues over expenses	\$ 23,125	\$ 51,324

See notes to financial statements

STATEMENT OF CHANGES IN NET ASSETS

Five Month Period Ended August 31, 2022

	Capital Assets	Regulation - internally restricted	General	August 31 2022	March 31 2022
Net assets - beginning of period	\$ 280	\$ 77,156	\$ 348,122	\$ 425,558	\$ 374,234
Excess of revenues over expenses	-	38,893	(15,768)	23,125	51,324
Sub-total	280	116,049	332,354	448,683	425,558
Transfers	-	32,183	(32,183)	-	-
Net assets - end of period	\$ 280	\$ 148,232	\$ 300,171	\$ 448,683	\$ 425,558

See notes to financial statements

STATEMENT OF CASH FLOWS

Five Month Period Ended August 31, 2022

	<i>August 31</i> 2022	<i>March 31</i> 2022
Cash flows from operating activities		
Excess of revenues over expenses	\$ 23,125	\$ 51,324
Item not affecting cash:		
Amortization of property and equipment	-	120
	23,125	51,444
Changes in non-cash working capital:		
Accounts receivable	(17,338)	53
Interest receivable	2,735	2,892
Prepaid expenses	3,084	(428)
Accounts payable	15,556	4,848
Government remittances payable	(673)	3,848
Deferred revenue	(163,031)	103,144
Deferred rent	-	2
Regulation fee	(153,320)	5,284
	(312,987)	119,643
Cash flows from operating activities	(289,862)	171,087
Cash flows from investing activity		
Long term Investments	122,153	235,755
Net change in cash and cash equivalents during the period	(167,709)	406,842
Cash and cash equivalents - beginning of period	715,912	309,070
Cash and cash equivalents - end of period	\$ 548,203	\$ 715,912
Cash consists of:		
Cash	\$ 299,825	\$ 466,800
Cashable GIC	248,378	249,112
	\$ 548,203	\$ 715,912

See notes to financial statements

Five Month Period Ended August 31, 2022

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 deferral method of accounting for contributions.

The General Fund accounts for the net assets of the College. Revenues and expenses related to program delivery and administrative activities are reported in the General Fund.

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

The internally restricted Regulation Fee Fund accounts for the special assessments levied against all registrants. The College internally restricts the use of these funds to specific circumstances, including paying the costs of disciplinary hearings or reviews conducted by the Health Professions Review Board. Income earned by the investments in this fund are retained within the fund. The financing of this fund balance is provided by net assets and regulation fees.

Revenue recognition

The licensing and annual registration fees are recognized as revenue for the year in which the fees are applied. Fees received in advance are recorded as deferred revenue. 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.

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NOTES TO FINANCIAL STATEMENTS

Five Month Period Ended August 31, 2022

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

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.

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.

Property and equipment

Property and equipment are stated at cost or deemed cost less accumulated amortization. Property and equipment are amortized over their estimated useful lives on a declining balance basis at 30% per annum.

2. Property and equipment

	<i>August 31</i> 2022		<i>March 31</i> 2022	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Computer equipment	\$ 3,212	\$ 2,932	\$ 3,212	\$ 2,932
Net book value	\$ 280		\$ 280	

3. Investments

	<i>August 31</i> 2022	<i>March 31</i> 2022
General fund: GIC's - short-term	\$ 248,378	\$ 249,112
Unrestricted general fund: long-term GIC's	-	40,643
Internally restricted regulation fee fund: long-term GIC's	148,232	229,742
	\$ 396,610	\$ 519,497

NOTES TO FINANCIAL STATEMENTS

Five Month Period Ended August 31, 2022

4. Deferred revenue

Deferred revenues comprise license and registration fees received in advance for the 2022 fiscal year.

5. Regulation fee

The regulation fee represents a liability to all registrants for the amounts they have paid to maintain an internally restricted Regulation Fee fund balance. The regulation fee is used for the costs incurred by the College in connection with specific circumstances, including a disciplinary hearing or a review conducted by the Health Professions Review Board. The regulation fee amounts are repayable, without interest, to registrants in good standing, when they withdraw from the College. The regulation fees were paid to its members as it is amalgamating and is no longer required.

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 August 31, 2022.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The College has a significant number of members which minimizes the concentration of credit risk.

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. Lease commitments

The College entered into a new operating lease agreement at their new location in Vancouver, B.C. The new lease commenced October 1, 2019 and runs until September 30, 2024 with escalating annual payments. The lease provides for the proportionate share of utilities, property taxes, maintenance costs, design, construction and/or installation of the facilities and equipment, and all common services provided. Future minimum lease payments as at August 31, 2022, are as follows:

	Base rent	Operating costs	Common area	Total
2023	\$ 9,705	\$ 7,204	\$ 11,457	\$ 28,366
2024	16,637	12,350	19,641	48,628
	\$ 26,342	\$ 19,554	\$ 31,098	\$ 76,994

Five Month Period Ended August 31, 2022

8. Covid 19

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the company's operations as at the date of these financial statements.

9. Subsequent events

On September 1, 2022 the College amalgamated with the College of Dental Hygienists of BC, the College of Dental Surgeons of BC and the College of Dental Technicians of BC. The intent is to form a single regulator for the oral health professionals, in alignment with the Government of BC's recommendations for modernizing the health profession regulatory system. The new college will be named the British Columbia College of Oral Health Professionals (BCCOHP).