

COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

A Not-for-Profit Organization

FINANCIAL STATEMENTS

March 31, 2012

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INDEPENDENT AUDITORS' REPORT

To the registrants of College of Dietitians of British Columbia;

We have audited the accompanying financial statements of College of Dietitians of British Columbia which comprise the statement of changes in net assets as at March 31, 2012 and the statements of operations and financial position 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 generally accepted accounting principles 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 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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the College of Dietitians of British Columbia as at March 31, 2012 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Society Act (British Columbia), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Galloway Bottiselle & Company

Certified General Accountants

Vancouver, BC
Canada
May 22, 2012

COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

STATEMENT OF OPERATIONS

For the year Ended March 31, 2012

	2012	%	2011	%
Revenue				
Registrant fees	\$ 660,010	94.7	638,685	94.1
Examination fees	21,200	3.0	22,000	3.2
Interest income	11,915	1.7	12,150	1.8
Other revenue	3,935	0.6	6,118	0.9
	<u>697,060</u>	<u>100.0</u>	<u>678,953</u>	<u>100.0</u>
Expenses				
Amortization	35,281	5.1	31,036	4.6
Bank charges	18,700	2.7	17,268	2.5
Board and committees	25,264	3.6	26,024	3.8
Contract services	74,051	10.6	72,822	10.7
General administrative	14,980	2.1	20,413	3.0
Insurance and dues	7,182	1.0	7,167	1.1
Occupancy	71,241	10.2	63,700	9.4
Per diems and honoraria	19,908	2.9	19,125	2.8
Professional services	38,553	5.5	34,607	5.1
Publications and communications	6,865	1.0	13,091	1.9
Staff travel and training	13,247	1.9	7,680	1.1
Wages and benefits	292,476	42.0	290,963	42.9
	<u>617,748</u>	<u>88.6</u>	<u>603,896</u>	<u>88.9</u>
Excess of revenue over expenses	<u>79,312</u>	<u>11.4</u>	<u>75,057</u>	<u>11.1</u>

See accompanying notes

COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2012

	Invested in Capital Assets	Restricted	Unrestricted	2012	2011
Balance, beginning of year	\$ 87,643	530,479	132,121	750,243	675,188
Excess of revenue over expenses	(11,958)	-	91,270	79,312	75,057
Transfer to restricted fund	-	91,915	(91,915)	-	-
Balance, end of year	\$ 75,685	622,394	131,476	829,555	750,245

See accompanying notes

COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

STATEMENT OF FINANCIAL POSITION

As at March 31, 2012

	2012	2011
ASSETS		
Current		
Cash and short term investments	\$ 703,127	708,740
Accounts receivable	-	4,035
Prepaid expenses	<u>16,359</u>	<u>16,291</u>
	719,486	729,066
Restricted funds (Note 3)	622,394	530,479
Capital assets (Note 4)	75,685	87,643
	\$ 1,417,565	1,347,188
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 4,500	4,000
Deferred revenue (Note 5)	<u>583,510</u>	<u>592,945</u>
	588,010	596,945
NET ASSETS		
Invested in capital assets	75,685	87,643
Restricted funds (Note 3)	622,394	530,479
Unrestricted	<u>131,476</u>	<u>132,121</u>
	829,555	750,243
	\$ 1,417,565	1,347,188

See accompanying notes

Approved on Behalf of the Board:

"Heather Martin"

Heather Martin, Chair

"Diana Stephenson"

Diana Stephenson, Vice-Chair

COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

NOTES TO FINANCIAL STATEMENTS

March 31, 2012

Note 1 Operations

The College of Dietitians of British Columbia ("the College") regulates dietetic practice in BC under the *Health Professions Act*. The College's primary function is to protect the public by ensuring all dietitians adhere to requirements for competent dietetic practice. The College was formally established on December 11, 2003 under section 18(1) of the *Health Professions Act*, with initial registration starting April 1, 2004.

Note 2 Significant accounting policies

Revenue recognition

The College follows the deferral method of accounting for contributions in which restricted contributions, if any, are deferred and recognized in the year in which the related expenses are incurred.

Short term investments

Short term investments are valued at the lower of cost or market value.

Amortization

Capital assets are recorded at cost. Amortization is provided for using the following annual rates and methods:

Computer equipment	30%	Declining balance
Computer software	50%	Straight line
Database software	20%	Straight line
Furniture and fixtures	20%	Declining balance
Leasehold improvements	20%	Straight line

Fund accounting

The College follows the restricted fund method of accounting for contributions. The General Fund is used to account for the College's general and administrative activities, while the restricted funds may only be accessed following a Board resolution approving unexpected costs relating to legal fees, discipline hearings, or related unforeseen expenses.

Financial instruments

The College accounts for its financial instruments in accordance with Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3855, *Financial Instruments - Recognition and Measurement*, and CICA Handbook Section 3861, *Financial Instruments - Disclosure and Presentation*.

Under Handbook Section 3855, all financial instruments are included on the statement of financial position and are measured at fair market value, with the exception of loans and receivables, investments held-to-maturity and other financial liabilities, which are measured at amortized cost.

The College has elected to continue to apply the financial instrument disclosure and presentation standards in accordance with CICA Handbook Section 3861, as permitted for not-for-profit organizations.

Statement of Cash Flows

A Statement of Cash Flows has not been prepared as it would not provide any information not already contained in the financial statements.

COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

NOTES TO FINANCIAL STATEMENTS

March 31, 2012

Note 3 Restricted funds

Funds are internally restricted and may only be accessed through a Board resolution for unexpected legal fees, discipline hearings, or related unforeseen expenses. The goal for this fund is \$1,000,000 (one million dollars).

Note 4 Capital assets

	<u>2012</u>	<u>2011</u>
Computer equipment	\$ 127,492	121,444
Computer software	37,661	22,607
Database software	42,400	42,400
Furniture and fixtures	52,284	51,164
Leasehold improvements	<u>18,551</u>	<u>17,450</u>
	278,388	255,065
Accumulated amortization	<u>202,703</u>	<u>167,422</u>
Net book value	<u>\$ 75,685</u>	<u>87,643</u>

Note 5 Deferred revenue

Consists of prepayments of registrant fees for the subsequent fiscal year.

Note 6 Inter-fund transfers

During the year, a total of \$91,915 was transferred from the unrestricted to the restricted fund. This balance transferred to restricted funds consists of a \$30,000 annual transfer, a \$50,000 transfer as per a motion passed at the June 10, 2011 Meeting of the Board of Directors, and interest earned of \$11,915.

Note 7 Related party transactions

Per diems and honoraria expensed on the Statement of Operations was paid to committee and board members of the College.

Note 8 Lease commitments

A lease for office space has been entered into with Fairmile Developments Ltd. that provided for a base rent plus operating expenses. The base rent due over the next five years is:

2013: \$35,000
2014: \$35,000
2015: \$35,000
2016: \$38,150
2017: \$39,200

COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

NOTES TO FINANCIAL STATEMENTS

March 31, 2012

Note 9 Financial instruments and risk management

Fair value

The carrying amount of accounts receivable, accounts payable and accrued liabilities approximates their fair value because of the short-term maturities of these items.

The carrying amount of short-term and long-term investments approximates their fair values because the interest rates approximate the market rates for these types of investments.

Credit risk

The College's financial assets that are exposed to credit risk are cash, short and long-term investments and accounts receivable. Credit risk associated with cash and short and long-term investments is minimized substantially by ensuring that these assets are invested in guaranteed investment certificates.