

COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

A Not-for-Profit Organization

FINANCIAL STATEMENTS

March 31, 2013

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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, 2013, and March 31, 2012 and the statements of operations and financial position for the years ended March 31, 2013 and March 31, 2012, 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 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 judgement, 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, these financial statements present fairly, in all material respects, the financial position of the College of Dietitians of British Columbia as at March 31, 2013, March 31, 2012, and April 1, 2011 and its financial performance for the years ended March 31, 2013 and March 31, 2012, in accordance with Canadian accounting standards for not-for-profit organizations.

Galloway Botteselle & Company

Certified General Accountants

Vancouver, BC
Canada
May 16, 2013

COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

STATEMENT OF OPERATIONS

For the year ended March 31, 2013

	2013	%	2012	%
Revenue				
Registrant fees	\$ 671,870	90.3	660,010	94.7
Examination fees	20,400	2.7	21,200	3.0
Grants	32,000	4.3	-	-
Interest income	15,432	2.1	11,915	1.7
Other revenue	3,995	0.6	3,935	0.6
	<u>743,697</u>	<u>100.0</u>	<u>697,060</u>	<u>100.0</u>
Expenses				
Amortization	38,006	5.1	35,281	5.1
Bank charges	19,399	2.6	18,700	2.7
Board and committees	25,775	3.5	25,264	3.6
Contract services	89,086	12.0	74,051	10.6
General administrative	15,479	2.1	14,980	2.1
Insurance and dues	7,298	1.0	7,182	1.0
Occupancy	72,772	9.8	71,241	10.2
Per diems and honoraria	19,756	2.7	19,908	2.9
Professional services	13,888	1.9	38,553	5.5
Publications and communications	9,486	1.3	6,865	1.0
Staff travel and training	11,664	1.6	13,247	1.9
Wages and benefits	354,677	47.7	292,476	42.0
	<u>677,286</u>	<u>91.3</u>	<u>617,748</u>	<u>88.6</u>
Excess of revenue over expenses	<u>66,411</u>	<u>8.7</u>	<u>79,312</u>	<u>11.4</u>

See accompanying notes

COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2013

	Invested in Capital assets	Restricted	Unrestricted	2013	2012
Balance, beginning of year	\$ 75,685	622,394	131,476	829,555	750,243
Excess of revenue over expenses	(11,505)	-	77,916	66,411	79,312
Transfer to restricted fund	-	110,432	(110,432)	-	-
Balance, end of year	\$ 64,180	732,826	98,960	895,966	829,555

See accompanying notes

COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

NOTES TO FINANCIAL STATEMENTS

March 31, 2013

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

Basis of accounting

The College prepares its financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 unrestricted 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.

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, 2013

Note 2 Significant accounting policies (cont.)

Use of estimates

When preparing financial statements according to ASNPO, the Association makes estimates and assumptions relating to:

- Reported amounts of revenue and expenses;
- Reported amounts of assets and liabilities; and
- Disclosure of contingent assets and liabilities.

Management's assumptions are based on a number of factors, including historical experience, current events and actions that the organization may undertake in the future, and other assumptions that we believe are reasonable under the circumstances. Actual results could differ from those estimates under different conditions and assumptions. Estimates were used when accounting for certain items, such as the useful lives of capital assets and impairment of long-lived assets.

Note 3 First time adoption of Accounting Standards for Not-For-Profit Organizations

Effective April 1, 2012, the College of Dietitians of British Columbia adopted Canadian accounting standards for not-for-profit organizations (ASNPO). Previously, the financial statements were presented in accordance with Canadian generally accepted accounting principles as issued in the CICA Handbook — Accounting Part V Pre-changeover standards. On adoption of ASNPO, an organization is permitted to selectively elect certain exemptions and choose accounting policies that may differ from the previously presented financial statement information. This can result in adjustments to the opening net assets at the transition date, which is the first day of the period for which comparative information is presented. Although the College of Dietitians of British Columbia made no changes to the previously presented financial statements, an opening statement of financial position at the date of transition has been presented, as required.

Note 4 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.

Note 5 Capital assets

	<u>2013</u>	<u>2012</u>
Computer equipment	\$ 134,351	127,492
Computer software	39,249	37,661
Database software	53,700	42,400
Furniture and fixtures	56,596	52,284
Leasehold improvements	20,993	18,551
	<u>304,889</u>	<u>278,388</u>
Accumulated amortization	240,709	202,703
Net book value	<u>\$ 64,180</u>	<u>75,685</u>

COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

NOTES TO FINANCIAL STATEMENTS

March 31, 2013

Note 6 Deferred revenue

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

Note 7 Inter-fund transfers

During the year, a total of \$110,432 was transferred from the unrestricted to the restricted fund. This balance transferred to restricted funds consists of a \$30,000 annual transfer, a \$65,000 transfer as per a motion passed at the June 8, 2012 Meeting of the Board of Directors, and interest earned of \$15,432.

Note 8 Related party transactions

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

Note 9 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:

2014: \$35,000
2015: \$35,000
2016: \$38,150
2017: \$39,200
2018: \$39,200

Note 10 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.