

COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

A Not-for-Profit Organization

FINANCIAL STATEMENTS

March 31, 2014

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INDEPENDENT AUDITOR'S 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, 2014, and March 31, 2013 and the statements of operations and financial position for the years ended March 31, 2014 and March 31, 2013, 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 and its financial performance for the years ended March 31, 2014 and March 31, 2013, in accordance with Canadian accounting standards for not-for-profit organizations.

Galloway Botteselle & Company

Certified General Accountants
Vancouver, BC
Canada
May 22, 2014

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COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

STATEMENT OF OPERATIONS

For the year ended March 31, 2014

	2014	%	2013	%
Revenue				
Registrant fees	\$ 685,820	83.9	671,870	90.3
Examination fees	20,000	2.4	20,400	2.7
Grants	97,500	11.9	32,000	4.3
Interest income	8,503	1.0	15,432	2.1
Other revenue	6,125	0.8	3,995	0.6
	<u>817,948</u>	<u>100.0</u>	<u>743,697</u>	<u>100.0</u>
Expenses				
Amortization	38,249	4.7	38,006	5.1
Bank charges	23,447	2.9	19,399	2.6
Board and committees	23,943	2.9	25,775	3.5
Contract services	173,568	21.2	89,086	12.0
General administrative	17,794	2.2	15,479	2.1
Insurance and dues	9,888	1.2	7,298	1.0
Occupancy	72,454	8.9	72,772	9.8
Per diems and honoraria (Note 7)	19,021	2.3	19,756	2.7
Professional services	15,833	1.9	13,888	1.9
Publications and communications	11,422	1.4	9,486	1.3
Staff travel and training	16,230	2.0	11,664	1.6
Wages and benefits	409,446	50.1	354,677	47.7
	<u>831,295</u>	<u>101.7</u>	<u>677,286</u>	<u>91.3</u>
Excess of expenses over revenue	\$ (13,347)	(1.7)	66,411	8.7

See accompanying notes



COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2014

	Invested in Capital assets	Restricted	Unrestricted	2014	2013
Balance, beginning of year	\$ 64,180	732,826	98,960	895,966	829,554
Excess of expenses over revenue	(34,524)	-	21,177	(13,347)	66,411
Transfer to restricted fund (Note 6)	-	23,503	(23,503)	-	-
Balance, end of year	\$ 29,656	756,329	96,634	882,619	895,965

See accompanying notes



COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

STATEMENT OF FINANCIAL POSITION

As at March 31, 2014

	2014	2013
ASSETS		
Current		
Cash and short term investments	\$ 788,678	639,947
Accounts receivable	-	30,000
Prepaid expenses	<u>18,761</u>	<u>18,058</u>
	807,439	688,005
Restricted funds (Note 3)	756,329	732,826
Capital assets (Note 4)	<u>29,656</u>	<u>64,180</u>
	\$ 1,593,424	1,485,011
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 6,490	5,000
Deferred revenue (Note 5)	<u>704,315</u>	<u>584,045</u>
	710,805	589,045
NET ASSETS		
Invested in capital assets	29,656	64,180
Restricted funds (Note 3)	756,329	732,826
Unrestricted	<u>96,634</u>	<u>98,960</u>
	882,619	895,966
	\$ 1,593,424	1,485,011

See accompanying notes

Approved on Behalf of the Board:

"Diana Stephenson"

Diana Stephenson, Chair

"Cassandra Hamilton"

Cassandra Hamilton, Vice-Chair



COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

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, 2014

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 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 4 Capital assets

	<u>2014</u>	<u>2013</u>
Computer equipment	\$ 134,351	134,351
Computer software	42,974	39,249
Database software	53,700	53,700
Furniture and fixtures	56,596	56,596
Leasehold improvements	<u>20,993</u>	<u>20,993</u>
	<u>308,614</u>	304,889
Accumulated amortization	<u>278,958</u>	<u>240,709</u>
Net book value	<u>\$ 29,656</u>	<u>64,180</u>

Note 5 Deferred revenue

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



COLLEGE OF DIETITIANS OF BRITISH COLUMBIA

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

Note 6 Inter-fund transfers

During the year, a total of \$23,503 (2013: \$110,432) was transferred from the unrestricted to the restricted fund consisting of:

	<u>2014</u>	<u>2013</u>
Annual funding	\$ 15,000	30,000
Additional funding	-	65,000
Interest earned	<u>8,503</u>	<u>15,432</u>
Transfer to restricted fund	<u>\$ 23,503</u>	<u>110,432</u>

Note 7 Per diems and honoraria

Per diems and honoraria expensed on the Statement of Operations were 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:

2015: \$35,000
2016: \$38,150
2017: \$39,200
2018: \$39,200
2019: \$39,200

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.

