
**COLLEGE OF DENTAL TECHNICIANS
OF BRITISH COLUMBIA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
MARCH 31, 2016**





INDEPENDENT AUDITORS' REPORT

To the Members of:
College of Dental Technicians of British Columbia

We have audited the accompanying financial statements of College of Dental Technicians of British Columbia which comprise the statement of financial position as at March 31, 2016, and the statement of revenue and expenses, statement of changes in net assets and statement of cash flows for the year then ended, and the related notes comprising 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.

Auditors' 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 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 our 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, we consider 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 in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of College of Dental Technicians of British Columbia as at March 31, 2016 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



INDEPENDENT AUDITORS' REPORT

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary Schedule of Board and Committee Meeting Expenses for the year ended March 31, 2016 is presented for purposes of additional analysis and does not form part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and we do not express an opinion on this supplementary schedule.

Manning Elliott LLP

Chartered Professional Accountants

Vancouver, British Columbia

June 25, 2016

COLLEGE OF DENTAL TECHNICIANS OF BRITISH COLUMBIA
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2016

	2016	2015
ASSETS		
CURRENT ASSETS		
Cash and term deposits	\$ 810,742	\$ 825,546
Prepaid expenses	6,677	9,971
	817,419	835,517
RESTRICTED CASH	148,255	146,177
CAPITAL ASSETS (Note 3)	98,638	80,082
	\$ 1,064,312	\$ 1,061,776
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 6,874	\$ 18,408
Deferred revenue (Note 4)	454,445	466,510
Deferred rental benefit	1,227	1,227
	462,546	486,145
DEFERRED RENTAL BENEFIT	1,227	2,453
DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS (Note 5)	8,920	13,380
	472,693	501,978
NET ASSETS		
INVESTED IN CAPITAL ASSETS	89,718	66,702
DISCIPLINE LEGAL RESERVE (Note 6)	148,255	146,177
UNRESTRICTED	353,646	346,919
	591,619	559,798
	\$ 1,064,312	\$ 1,061,776

COMMITMENTS (Note 7)

Approved by the Board:

_____ Director

_____ Director



COLLEGE OF DENTAL TECHNICIANS OF BRITISH COLUMBIA
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2016

				2016	2015
	Invested in capital assets	Discipline Legal Reserve (Note 6)	Unrestricted	Total	Total
BALANCE, BEGINNING OF YEAR	\$ 66,702	\$ 146,177	\$ 346,919	\$ 559,798	\$ 540,451
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	-	2,078	29,743	31,821	19,347
AMORTIZATION OF CAPITAL ASSETS	(24,512)	-	24,512	-	-
AMORTIZATION OF DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS	4,460	-	(4,460)	-	-
PURCHASE OF CAPITAL ASSETS	43,068	-	(43,068)	-	-
BALANCE, END OF YEAR	\$ 89,718	\$ 148,255	\$ 353,646	\$ 591,619	\$ 559,798



COLLEGE OF DENTAL TECHNICIANS OF BRITISH COLUMBIA
STATEMENT OF REVENUE AND EXPENSES
FOR THE YEAR ENDED MARCH 31, 2016

	2016	2015
REVENUE		
License and registration fees	\$ 496,659	\$ 476,207
Examination fees	20,250	20,100
Interest	8,395	11,411
Amortization of deferred contributions related to capital assets	4,460	4,460
Fines and hearing fees	3,286	3,750
Other	809	918
	533,859	516,846
EXPENSES		
Salaries and benefits	241,290	266,827
Rent	73,336	73,102
Examination	24,808	19,065
Amortization	24,512	15,076
Board and committee meetings (Schedule)	22,089	21,450
Legal and accounting	16,217	11,331
Repairs and maintenance	15,528	12,601
Consulting	14,642	5,459
Liaison activities	12,230	11,292
Bank charges and credit card processing	8,892	10,923
Office supplies	7,586	7,119
Telephone, fax and internet	6,482	7,359
Staff and member	6,259	5,838
Public education	5,000	3,000
Insurance	4,848	4,858
Inspections	4,318	5,272
Registrant communications	3,501	7,339
Annual report and meeting	3,117	2,589
Office equipment lease	1,698	2,381
Registrar	1,690	1,493
Staff and member education	1,359	1,040
Resource materials	1,171	567
Awards and scholarships	1,103	437
Promotional activities	187	829
Benefits administration and WCB	175	252
	502,038	497,499
EXCESS OF REVENUE OVER EXPENSES		
FOR THE YEAR	\$ 31,821	\$ 19,347



COLLEGE OF DENTAL TECHNICIANS OF BRITISH COLUMBIA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2016

	2016	2015
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Cash receipts from members	\$ 508,130	\$ 518,441
Cash paid to suppliers and employees	(486,992)	(470,260)
Interest and other amounts received	9,204	12,329
	30,342	60,510
INVESTING ACTIVITIES		
Purchase of capital assets	(43,068)	(38,340)
FINANCING ACTIVITIES		
Increase in restricted cash	(2,078)	(2,732)
(DECREASE) INCREASE IN CASH AND EQUIVALENTS DURING THE YEAR	(14,804)	19,438
CASH AND EQUIVALENTS, BEGINNING OF YEAR	825,546	806,108
CASH AND EQUIVALENTS, END OF YEAR	\$ 810,742	\$ 825,546



COLLEGE OF DENTAL TECHNICIANS OF BRITISH COLUMBIA
SCHEDULE OF BOARD AND COMMITTEE MEETING EXPENSES - UNAUDITED
FOR THE YEAR ENDED MARCH 31, 2016

SCHEDULE I

	2016	2015
Board	\$ 16,841	\$ 16,744
Quality Assurance/Continuing Education Committee	201	75
Finance Committee	1,921	1,742
Inquiry Committee	1,633	1,290
Registration Committee	1,084	975
Other Committees and Directed Activities	409	624
	\$ 22,089	\$ 21,450

			2016	2015
	BOARD	COMMITTEE	TOTAL	TOTAL
E. Chan	\$ 840	\$ 454	\$ 1,294	\$ 290
A. Tutelman	942	168	1,110	-
P. Joshi	340	193	533	-
T. Roche	-	200	200	3,331
D. Carney	1,191	450	1,641	957
A. Barrie	1,190	271	1,461	827
A. Kumar	1,224	303	1,527	252
B. Bowie	3,674	150	3,824	752
H. Grigg	350	308	658	2,943
F. Leak	2,126	1,395	3,521	3,305
F. Lando	-	119	119	2,667
K. Thiara	-	-	-	1,086
M. Curry	544	185	729	342
S. Rahmani	-	-	-	1,060
Other expenses	4,420	1,052	5,472	3,638
	\$ 16,841	\$ 5,248	\$ 22,089	\$ 21,450

Amounts paid to Board and Committee members include the cost of travel to attend meetings.



COLLEGE OF DENTAL TECHNICIANS OF BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

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, under the authority of the Health Professions Act and the Dental Technician Regulations. Pursuant to section 149(1)(l) of the Income Tax Act (Canada), the College qualifies as a not-for-profit organization, and as such, is exempt from tax.

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.

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 and cash equivalents

Cash and cash equivalents consist of cash and term deposits. These amounts are subject to a low risk of change in fair value and may be withdrawn on demand.

b) Capital Assets

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

Office equipment	20%	declining balance basis
Computer equipment	30%	declining balance basis
Computer software	30%	declining balance basis
Leasehold improvements	1/10	straight-line basis
Exam assets	20%	declining balance basis

The College records one-half of the annual amortization amount in the year an asset is purchased.

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 revenue 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.

d) Deferred revenue

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



COLLEGE OF DENTAL TECHNICIANS OF BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, recognition of deferred revenue, and the amounts recorded as accrued liabilities.

h) Financial instruments

Measurement

The College's financial instruments consist of cash and 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 revenue 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 revenue and expenses in the period in which it is determined.

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 currency, credit, liquidity, interest rate or other market risks arising from these financial instruments. In addition, the College is not exposed to any material concentrations of risk and there has been no change in risk exposures from the prior year.



COLLEGE OF DENTAL TECHNICIANS OF BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

3. CAPITAL ASSETS

			2016		2015
	Cost	Accumulated Amortization	Net Book Value		Net Book Value
Office equipment	\$ 58,432	\$ 50,398	\$ 8,034	\$	10,042
Computer equipment	61,466	48,791	12,675		7,338
Computer software	137,471	73,830	63,641		42,078
Leasehold improvements	55,298	44,238	11,060		16,589
Exam assets	7,005	3,777	3,228		4,035
	<u>\$ 319,672</u>	<u>\$ 221,034</u>	<u>\$ 98,638</u>	<u>\$</u>	<u>80,082</u>

4. DEFERRED REVENUE

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

	2016	2015
License and registration fees	\$ 454,445	\$ 466,510

5. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

	2016	2015
Balance at beginning of year	\$ 13,380	\$ 17,840
Less: amortized to revenue	(4,460)	(4,460)
Balance at end of year	<u>\$ 8,920</u>	<u>\$ 13,380</u>

During 2009, the College received a contribution from its landlord of \$44,600 as a tenant inducement for leasehold improvements to the College's leased office premises.

6. DISCIPLINE LEGAL RESERVE

The revenue allocated to the reserve during the current year is comprised of interest income of \$2,078 (2015 - \$2,732).



COLLEGE OF DENTAL TECHNICIANS OF BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

7. COMMITMENTS

The College rents its premises under a lease agreement that expires in March 2018 and leases equipment under a lease that expires in August 2019.

The minimum contracted lease payments, excluding operating costs, during the next four years are estimated to be as follows:

Year ended March 31:

2017	\$	40,981
2018		40,981
2019		1,956
2020		489
		<hr/>
	\$	84,407

