

**NEW BRUNSWICK COLLEGE OF DENTAL
HYGIENISTS – L'ORDRE DES HYGIÉNISTES
DENTAIRES DU NOUVEAU-BRUNSWICK**

**Financial Statements
Year Ended June 30, 2021**

**NEW BRUNSWICK COLLEGE OF DENTAL HYGIENISTS -
L'ORDRE DES HYGIÉNISTES DENTAIRE DU NOUVEAU-BRUNSWICK
TABLE OF CONTENTS**

For the year ended June 30, 2021

INDEPENDENT AUDITORS' REPORT	1 – 2
FINANCIAL STATEMENTS	
Statement of financial position	3
Statement of changes in net assets	4
Statement of operations	5
Statement of cash flows	6
Notes to the financial statements	7 - 12

**NEW BRUNSWICK COLLEGE OF DENTAL HYGIENISTS -
L'ORDRE DES HYGIÉNISTES DENTAIRES DU NOUVEAU-BRUNSWICK**

Statement of financial position

As at June 30, 2021

	2021	2020
Assets		
Current		
Cash	\$ 294,120	\$ 265,067
Short-term investments (note 3)	180,136	177,460
Prepaid expenses	12,107	2,174
	486,363	444,701
Equipment (note 4)	4,225	3,553
	\$ 490,588	\$ 448,254
Liabilities		
Current		
Accounts payable and accrued liabilities (note 5)	\$ 15,296	\$ 14,458
Deferred membership fees	103,398	105,500
	118,694	119,958
Net assets		
Restricted (note 6)	170,000	170,000
Unrestricted	197,669	154,743
Invested in equipment	4,225	3,553
	371,894	328,296
	\$ 490,588	\$ 448,254

Commitments (note 7)

Coronavirus disease 2019 (COVID-19) (note 9)

Approved on behalf of the Board

Director

Director

See accompanying notes to the financial statements

**NEW BRUNSWICK COLLEGE OF DENTAL HYGIENISTS -
L'ORDRE DES HYGIÉNISTES DENTAIRE DU NOUVEAU-BRUNSWICK**
Statement of changes in net assets

For the year ended June 30, 2021

	Restricted (Note 6)	Unrestricted	Invested in equipment	2021	2020
Balance, beginning of year	\$ 170,000	\$ 154,743	\$ 3,553	\$ 328,296	\$ 297,963
Excess of revenues over expenses	-	43,598	-	43,598	30,333
Transfer for purchases of equipment	-	(2,650)	2,650	-	-
Transfer for amortization of equipment	-	1,978	(1,978)	-	-
Balance, ending of year	\$ 170,000	\$ 197,669	\$ 4,225	\$ 371,894	\$ 328,296

See accompanying notes to the financial statements

**NEW BRUNSWICK COLLEGE OF DENTAL HYGIENISTS -
L'ORDRE DES HYGIÉNISTES DENTAIRE DU NOUVEAU-BRUNSWICK**

Statement of operations

For the year ended June 30, 2021

	2021	2020
Revenue		
Membership fees	\$ 221,148	\$ 210,491
Continuing education registration	-	1,688
	221,148	212,179
Expenses		
Salaries and benefits	88,381	86,051
Consulting fees	19,747	4,025
Data management expenses	18,392	8,941
Legal and accounting	13,969	11,229
Council members honorarium (note 8)	8,175	18,730
Rent	7,107	7,107
Interest and bank charges	4,227	4,481
CDAC fees and other memberships	4,225	11,349
Printing and office expenses	4,004	3,267
Insurance	3,696	3,522
Telephone	2,896	3,717
Conference expenses	2,000	2,115
Amortization of equipment	1,978	1,986
Annual general meeting expenses	800	5,082
Translation fees	564	1,421
Website costs	356	2,095
Courier and postage	303	1,276
Meeting expenses	(573)	7,078
	180,247	183,472
Excess of revenues over expenses before other income	40,901	28,707
Other income		
Interest revenue	2,697	1,626
Excess of revenues over expenses	\$ 43,598	\$ 30,333

See accompanying notes to the financial statements

**NEW BRUNSWICK COLLEGE OF DENTAL HYGIENISTS -
L'ORDRE DES HYGIÉNISTES DENTAIRES DU NOUVEAU-BRUNSWICK**

Statement of cash flows

For the year ended June 30, 2021

	2021	2020
Operating activities		
Excess of revenues over expenses	\$ 43,598	\$ 30,333
Items not affecting cash:		
Amortization of equipment	1,978	1,986
	45,576	32,319
Changes in non-cash working capital:		
Prepaid expenses	(9,933)	6,744
Accounts payable and accrued liabilities	838	7,058
Deferred membership fees	(2,102)	1,722
	(11,197)	15,524
	34,379	47,843
Investing activities		
Acquisition of investments	(2,676)	(1,601)
Purchase of equipment	(2,650)	(1,045)
	(5,326)	(2,646)
Increase in cash	29,053	45,197
Cash, beginning of year	265,067	219,870
Cash, end of year	\$ 294,120	\$ 265,067

See accompanying notes to the financial statements

**NEW BRUNSWICK COLLEGE OF DENTAL HYGIENISTS -
L'ORDRE DES HYGIÉNISTES DENTAIRES DU NOUVEAU-BRUNSWICK**

Notes to financial statements

For the year ended June 30, 2021

1. STATUS AND NATURE OF OPERATIONS

The New Brunswick College of Dental Hygienists (the College) is a not-for-profit organization incorporated under the Business Corporation Act of the Province of New Brunswick. Its principal activity is to ensure that, for the public's interest, the profession of dental hygiene is practiced by its members in accordance with standards set by the College. The College is exempt from tax on income under paragraph 149 (1)(l) of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements were prepared in accordance with Part III of the Canadian Institute of Chartered Accountants (CICA) Accounting Handbook – Accounting standards for not-for-profit organizations, which sets out generally accepted accounting principles for not-for-profit organizations and include the significant policies described hereafter:

Cash and cash equivalent

Cash and cash equivalents include cash on hand, demand deposits, deposits held on call with banks, and other short-term highly liquid investments which are readily convertible to known amounts of cash. The College considers securities with original maturities of three months or less to be readily convertible to known amounts of cash.

Equipment

The equipment is stated at cost less accumulated amortization. Equipment are amortized over their useful lives at the following rates and methods:

Computer equipment	30%	declining balance method
Office equipment	20%	declining balance method
Computer software	100%	declining balance method

The College reviews the carrying value of equipment on an ongoing basis, taking into consideration any events or circumstances which might have impaired the carrying value. If it is determined that the carrying amount is not recoverable, the asset is written down to its estimated fair value.

Equipment acquired during the year are amortized at one half of their rate and if they are not placed into use, they are not amortized until they are available for use.

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**NEW BRUNSWICK COLLEGE OF DENTAL HYGIENISTS -
L'ORDRE DES HYGIÉNISTES DENTAIRE DU NOUVEAU-BRUNSWICK**

Notes to financial statements

For the year ended June 30, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

The College follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership fees are recognized as revenue over the period to which they relate and recognized only when payment is received since it is only then that the members obtain their valid license.

Deferred membership fees represent membership fees received in the current year but related to operations for next year.

Restricted funds

The Council's executives have established a disciplinary fund, a reserve fund and a restricted executive director/registrar succession planning fund to be used for specific spending. The reserve fund is to be used for operational contingencies, the restricted executive director/registrar succession planning fund for the position search, negotiations and related activities and the disciplinary fund, for carrying their mandated discipline & complaints work of the College. Funds will be transferred from the unrestricted funds by Council motion. All interests earned in restricted investments will be transferred to the unrestricted fund. When expenses are incurred, transfers will be made from the unrestricted funds to cover such costs.

Operating Leases

An operating lease is a lease where substantially all the benefits and risks incidental to ownership of the property are not transferred to the organization.

Use of estimates

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 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.

Significant items subject to such estimates and assumptions includes the estimates useful lives of equipment and accrued liabilities. The measurement of these items reflects management's best estimates taking account of all information available at the statement of financial position date. Actual results could differ from these estimates.

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**NEW BRUNSWICK COLLEGE OF DENTAL HYGIENISTS -
L'ORDRE DES HYGIÉNISTES DENTAIRES DU NOUVEAU-BRUNSWICK**

Notes to financial statements

For the year ended June 30, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

The College considers any contract creating a financial asset, liability, or equity instrument as a financial instrument, except in certain limited circumstances.

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance, or assumption. At initial recognition, the Company may irrevocably elect to subsequently measure any financial instruments at fair value. The Company has not made such an election during the year.

The College subsequently measures all of its financial instruments at their amortized cost, which include cash, short-term investments, accounts payable and accrued liabilities. The College removes financial liabilities, or a portion of, when the obligation is discharged, cancelled, or expires.

For financial assets measured at cost or amortized cost, the College determines whether there are indications of possible impairment. When there is an indication of impairment, and the College determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. A previously recognized impairment loss may be reversed. The carrying amount of the financial asset may not be 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 income.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the College is in the capacity of management in which case they are accounted for in accordance with financial instruments.

**NEW BRUNSWICK COLLEGE OF DENTAL HYGIENISTS -
L'ORDRE DES HYGIÉNISTES DENTAIRES DU NOUVEAU-BRUNSWICK**

Notes to financial statements

For the year ended June 30, 2021

3. SHORT-TERM INVESTMENTS

Short-term investments consist of:

- a GIC of \$52,147 (2020 - \$51,990), which include \$2,146 (2020 - \$1,990) of reinvested interest of which \$25 (2020 - \$63) are accrued interest, bearing interest at 0.30% (2020 - 0.45%) maturing on August 11, 2021. The investment's original cost of \$50,000 was purchased for the disciplinary fund.
- a GIC of \$54,256 (2020 - \$52,492), which include \$4,255 (2020 - \$2,492) of reinvested interest of which \$95 (2020 - \$563) are accrued interest, bearing interest at 0.50% (2020 - 2.05%) maturing on April 23, 2022. The investment's original cost of \$50,000 was purchased for the disciplinary fund.
- a GIC of \$41,918 (2020 - \$41,530), which include \$1,918 (2020 - \$1,530) of reinvested interest of which \$145 (2020 - \$690) are accrued interest, bearing interest at 0.50% (2020 - 1.95%) maturing on December 18, 2021. The investment's original cost of \$40,000 was purchased for the restricted executive director/registrar succession planning fund.
- a GIC of \$31,815 (2020 - \$31,448), which include \$1,815 (2020 - \$1,448) of reinvested interest of which \$79 (2020 - \$181) are accrued interest, bearing interest at 0.25% (2020 - 1.20%) maturing on November 23, 2021. The investment's original cost of \$30,000 was purchased for the reserve fund.

4. EQUIPMENT

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Computer equipment	\$ 6,653	\$ 4,778	\$ 1,875	\$ 763
Office equipment	9,962	8,148	1,814	2,267
Computer software	56,238	55,702	536	523
	\$ 72,853	\$ 68,628	\$ 4,225	\$ 3,553

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
Accounts payable and accrued liabilities	\$ 5,500	\$ 4,500
Payroll withholdings	9,796	9,958
	\$ 15,296	\$ 14,458

6. RESTRICTED NET ASSETS

The restricted net assets include the following three funds:

- Reserve Fund for \$30,000 (2020 - \$30,000)
- Disciplinary Fund for \$100,000 (2020 - \$100,000)
- Restricted Executive Director/Registrar Succession Planning Fund for \$40,000 (2020 - \$40,000)

**NEW BRUNSWICK COLLEGE OF DENTAL HYGIENISTS -
L'ORDRE DES HYGIÉNISTES DENTAIRE DU NOUVEAU-BRUNSWICK**

Notes to financial statements

For the year ended June 30, 2021

7. COMMITMENTS

The College leases its office under a long-term lease that expires on October 31, 2021. The lease agreement stipulates that the College is required to pay monthly instalments of \$592. The College signed a new lease agreement prior to year end for a two-year period beginning on October 1, 2021, and ending on September 30, 2023. Under the lease agreement, the college is required to pay monthly instalments of \$1,093, for a total future minimum lease payments of \$26,220.

The College also has a lease agreement for a printer that expires in 2025. The total future repayment amount is \$4,147 at a quarterly rate of \$218.

The total installments over the next four years are the following:

2022	\$ 13,074
2023	13,983
2024	4,150
2025	\$ 655

8. RELATED PARTY TRANSACTIONS

During the year, the College paid \$8,175 (2020 - \$18,730) to compensate their board members for their active participation in general board and annual general meetings of the College. The parties are related due to the significant influence held by the members of the board of directors of the strategic and operating activities of the College.

9. CORONAVIRUS DISEASE (2019) (COVID-19)

The COVID-19 pandemic declared in January 2020 by the World Health Organization (WHO) is continuing to disrupt supply chains and affect production and sales across a range of industries. The extent of the impact of COVID-19 on the College's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on customers, employees and vendors all of which are uncertain and cannot be predicted. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. Therefore, while the College expects this matter to continue to impact its operating results subsequent to year end, the related financial effects and duration cannot be reasonably estimated at this time.

**NEW BRUNSWICK COLLEGE OF DENTAL HYGIENISTS -
L'ORDRE DES HYGIÉNISTES DENTAIRES DU NOUVEAU-BRUNSWICK**

Notes to financial statements

For the year ended June 30, 2021

10. 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 June 30, 2021.

Liquidity Risk

Liquidity risk is the risk that the College will encounter difficulty in meeting the obligations associated with its financial liabilities. The College is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The College's exposure to liquidity risk is dependent to the membership received from members. There was no significant change in exposure from the prior year. There has been no change to the risk exposure from the prior year.

Market risk

Market risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The College is solely exposed to the interest rate 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 term deposit. There has been no change to the risk exposure from the prior year.
