

Peverill & Associates Incorporated

**Nova Scotia College of
Respiratory Therapists**

FINANCIAL STATEMENTS

MARCH 31, 2023

Nova Scotia College of Respiratory Therapists

MARCH 31, 2023

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Peverill & Associates Incorporated

INDEPENDENT AUDITOR'S REPORT

To the Members of:
Nova Scotia College of Respiratory Therapists

Opinion

We have audited the financial statements of the Nova Scotia College of Respiratory Therapists, which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Nova Scotia College of Respiratory Therapists as at March 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Accounting Standards for Not-for-profit Organizations (ASNFPO).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Nova Scotia College of Respiratory Therapists in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNFPO, 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.

In preparing the financial statements, management is responsible for assessing the Nova Scotia College of Respiratory Therapists's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Nova Scotia College of Respiratory Therapists or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Nova Scotia College of Respiratory Therapists's financial reporting process. When individuals responsible for the oversight of the financial reporting process are the same as those responsible for the preparation of the financial statements, no reference to oversight responsibilities is required.

Peverill & Associates Incorporated

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit 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 Nova Scotia College of Respiratory Therapists's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Nova Scotia College of Respiratory Therapists ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Nova Scotia College of Respiratory Therapists to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

September 19, 2023
Lower Sackville, Nova Scotia
CHARTERED PROFESSIONAL ACCOUNTANTS

Nova Scotia College of Respiratory Therapists

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2023

	<u>2023</u>	<u>2022</u>
ASSETS		
CURRENT		
Cash - Current Account	\$ 318,178	\$ 334,081
Guaranteed Investment Certificates	25,015	25,015
Prepaid Expenses	<u>5,317</u>	<u>5,847</u>
	<u>348,510</u>	<u>364,943</u>
LONG TERM INVESTMENTS		
Guaranteed Investment Certificates	<u>171,209</u>	<u>145,271</u>
WEBSITE AND EQUIPMENT (Note 3)	<u>4,430</u>	<u>4,861</u>
	<u>\$ 524,149</u>	<u>\$ 515,075</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 6,475	\$ 4,992
Deferred Membership Fee Revenue	<u>159,368</u>	<u>143,859</u>
	<u>165,843</u>	<u>148,851</u>
NET ASSETS		
CONTINGENCY FUND (Note 2 and 4)	200,000	200,000
OPERATING RESERVE FUND (Note 2)	40,000	40,000
SPECIAL PURPOSE FUND (Note 2 and 4)	54,111	66,425
NET ASSETS	<u>64,195</u>	<u>59,799</u>
	<u>358,306</u>	<u>366,224</u>
	<u>\$ 524,149</u>	<u>\$ 515,075</u>

APPROVED ON BEHALF OF THE COLLEGE:

Chastity Bennett President
Laura Betts Treasurer

Nova Scotia College of Respiratory Therapists

STATEMENT OF OPERATIONS AND NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2023

	<u>2023</u>	<u>2022</u>
RECEIPTS		
New member fees	\$ 9,355	\$ 10,270
License renewal fees	145,904	142,128
Interest and miscellaneous	<u>9,713</u>	<u>8,337</u>
	<u>164,972</u>	<u>160,735</u>
DISBURSEMENTS		
Accounting	2,530	2,760
Bank charges	655	790
Credit card fees	2,710	3,535
Depreciation	1,623	2,058
Dues and subscriptions	8,315	8,315
Educational funding	600	200
Insurance	3,693	3,585
Legal and Audit	10,307	11,076
Meetings	5,702	-
Accreditation services expense	5,428	4,014
Office expenses	1,183	1,583
Honorariums	2,300	500
Registrars	79,591	70,174
Telephone	1,112	1,661
Website maintenance	10,578	12,117
Rent	2,838	2,700
Strategic planning	-	1,490
Training	3,784	411
Travel expenses	<u>2,129</u>	<u>36</u>
	<u>145,078</u>	<u>127,005</u>
EXCESS OF RECEIPTS OVER DISBURSEMENTS	19,894	33,730
NET ASSETS, beginning of year	<u>59,799</u>	<u>34,501</u>
	79,693	68,231
TRANSFER TO SPECIAL PURPOSE FUND (Note 4)	(7,137)	(8,432)
TRANSFER TO CONTINGENCY FUND (Note 4)	<u>(8,361)</u>	<u>-</u>
NET ASSETS, end of year	<u>\$ 64,195</u>	<u>\$ 59,799</u>

Nova Scotia College of Respiratory Therapists

STATEMENT OF CASH FLOWS

MARCH 31, 2023

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Receipts from Members	\$ 180,481	\$ 164,358
Cash Paid to Suppliers	<u>(169,253)</u>	<u>(124,078)</u>
	<u>11,228</u>	<u>40,280</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to capital assets	(1,193)	-
Increase in investments	<u>(25,938)</u>	<u>(19,704)</u>
(DECREASE) INCREASE IN CASH	(15,903)	20,576
CASH, beginning of year	<u>334,081</u>	<u>313,505</u>
CASH, end of year	<u><u>\$ 318,178</u></u>	<u><u>\$ 334,081</u></u>

Nova Scotia College of Respiratory Therapists

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

1. PURPOSE OF THE ORGANIZATION:

The Mission of the Nova Scotia College of Respiratory Therapists is to promote excellence and leadership in the practice of Cardio-Respiratory Care. The College is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The financial statements have been prepared in accordance with Canadian accounting standards for Not-for-Profit organizations.

(b) Cash and cash equivalents

Cash and cash equivalents represent funds on deposit with Canadian financial institutions and guaranteed investment certificates.

(c) Revenue Recognition

Membership dues and assessment revenue are recognized using the accrual basis of accounting. Deferred revenue represents license fees paid during 2022 for the 2023 year. Interest is recognized as earned.

(d) Equipment

Equipment is recorded at cost. Depreciation is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Website	- 30% diminishing balance
Office equipment	- 20% diminishing balance
Computer	- 30% diminishing balance

Nova Scotia College of Respiratory Therapists

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

(e) Funds

Contingency Fund

The purpose of the Contingency fund is to maintain reserve funds necessary to fund the legislated obligations of the College. Finance policy determined that 50% of the net income would be transferred to the Contingency Fund until the fund reached \$200,000, which occurred during the prior year.

Operating Reserve Fund

The Operating Reserve fund has been established on the premise that it contains funding for three months operating expenses. The amount of the fund was estimated based on a review of the previous five years expenses. There were no funds transferred to this fund during the current year.

Special Purpose Fund

The Special Purpose fund is maintained to provide funds for projects that have a defined purpose that relates to the objects of the College and the current strategic plan. Finance policy determined that either 25% of net income or an amount determined by the board is transferred to the Special Purpose Fund each year.

(f) Financial Instruments

The College's financial instruments consists of cash and short-term investments, amounts receivable, accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values, unless otherwise stated. Accounts receivable and payable are initially recorded at fair value and then carried at amortized cost.

(g) Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards requires the College's management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Actual results may differ from these estimates.

3. EQUIPMENT

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net 2023</u>	<u>Net 2022</u>
Website	\$ 32,376	\$ 29,408	\$ 2,968	\$ 4,239
Office equipment	596	483	113	141
Computer	<u>3,505</u>	<u>2,156</u>	<u>1,349</u>	<u>481</u>
	<u>\$ 36,477</u>	<u>\$ 32,047</u>	<u>\$ 4,430</u>	<u>\$ 4,861</u>

Nova Scotia College of Respiratory Therapists

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

4. FUND ACTIVITY

	<u>2023</u>	<u>2022</u>
Contingency Fund		
Balance at beginning of the year	\$ 200,000	\$ 200,000
Less: Legal fees	(4,940)	-
Less: Committee expenses	(3,421)	-
Allocation from general fund	<u>8,361</u>	<u>-</u>
	<u>\$ 200,000</u>	<u>\$ 200,000</u>
Special Purpose Fund		
Balance at beginning of the year	\$ 66,425	\$ 57,993
Less: Guild Software Inc	(5,451)	-
Less: Other	(14,000)	-
Allocation from General Fund	<u>7,137</u>	<u>8,432</u>
Balance at the end of the year	<u>\$ 54,111</u>	<u>\$ 66,425</u>