

NEWFOUNDLAND & LABRADOR OCCUPATIONAL THERAPY BOARD

Financial Statements

Year Ended February 28, 2015

Draft for discussion purposes only

NEWFOUNDLAND & LABRADOR OCCUPATIONAL THERAPY BOARD

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Year Ended February 28, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Members of Newfoundland & Labrador Occupational Therapy Board

We have audited the accompanying financial statements of Newfoundland & Labrador Occupational Therapy Board, which comprise the statement of financial position as at February 28, 2015 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, 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 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 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, 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.

(continues)

Independent Auditor's Report to the Members of Newfoundland & Labrador Occupational Therapy Board
(continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Newfoundland & Labrador Occupational Therapy Board as at February 28, 2015 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants
St. John's, NL

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NEWFOUNDLAND & LABRADOR OCCUPATIONAL THERAPY BOARD

Statement of Financial Position

February 28, 2015

	2015	2014
ASSETS		
CURRENT		
Cash (Note 4)	\$ 234,029	\$ 230,671
Prepaid insurance	1,036	1,036
	\$ 235,065	\$ 231,707
LIABILITIES		
CURRENT		
Accounts payable	\$ 14,066	\$ 2,840
Deferred income	52,571	63,930
	66,637	66,770
NET ASSETS		
General fund	168,428	164,937
	\$ 235,065	\$ 231,707

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ON BEHALF OF THE BOARD

_____ Director

_____ Director

See notes to financial statements

NEWFOUNDLAND & LABRADOR OCCUPATIONAL THERAPY BOARD**Statement of Revenues and Expenditures****Year Ended February 28, 2015**

	2015	2014
REVENUE		
Membership fees	\$ 81,505	\$ 60,707
Interest	2,672	835
	84,177	61,542
EXPENDITURES		
Advertising	636	1,782
Bank charges	91	831
Conference and travel	4,797	2,655
Continuing competency profile	292	2,556
Fees and dues	291	284
Insurance	4,200	3,164
Miscellaneous	250	250
NLAOT fees	22,064	19,845
Office and administration	2,729	2,081
Professional fees	2,091	2,654
Registrar fees	42,625	18,970
Telephone	620	2,060
	80,686	57,132
EXCESS OF REVENUE OVER EXPENDITURES	\$ 3,491	\$ 4,410

See notes to financial statements

NEWFOUNDLAND & LABRADOR OCCUPATIONAL THERAPY BOARD

Statement of Changes in Net Assets

Year Ended February 28, 2015

	2015	2014
NET ASSETS - BEGINNING OF YEAR	\$ 164,937	\$ 160,527
Excess of revenue over expenditures	3,491	4,410
NET ASSETS - END OF YEAR	\$ 168,428	\$ 164,937

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NEWFOUNDLAND & LABRADOR OCCUPATIONAL THERAPY BOARD**Statement of Cash Flow****Year Ended February 28, 2015**

	2015	2014
OPERATING ACTIVITIES		
Cash receipts from operations	\$ 72,818	\$ 75,512
Cash paid to suppliers	(69,368)	(61,767)
Bank charges paid	(92)	(831)
INCREASE IN CASH	3,358	12,914
Cash - beginning of year	230,671	217,757
CASH - END OF YEAR <i>(Note 4)</i>	\$ 234,029	\$ 230,671

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NEWFOUNDLAND & LABRADOR OCCUPATIONAL THERAPY BOARD

Notes to Financial Statements

Year Ended February 28, 2015

1. DESCRIPTION OF BUSINESS

In Newfoundland and Labrador, the provincial legislature delegated the regulatory authority over Occupational Therapy to the Newfoundland & Labrador Occupational Therapy Board (The "Board"). Regulation is aimed at preventing harm to the public by setting compulsory rules of conduct and standards of practice within the profession.

The objectives of the Board are to set conditions for entry into the profession and to monitor members to ensure adherence to the laws, regulations and standards that govern practice.

The Board is a not-for-profit organization and, as such, is exempt from income tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Revenue recognition

Revenue from membership fees is recognized in the year to which they relate. Membership fees received in advance of the related membership year are recorded as deferred income in the year received.

Interest income is recognized on the accrual basis as earned.

The Board follows the deferral method of accounting for contributions. 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. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Measurement uncertainty

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 the 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.

NEWFOUNDLAND & LABRADOR OCCUPATIONAL THERAPY BOARD

Notes to Financial Statements

Year Ended February 28, 2015

3. FINANCIAL INSTRUMENTS

The Board 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 Board's risk exposure and concentration as of February 28, 2015.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Board is exposed to interest rate risk through holding guaranteed investment certificates.

4. CASH

	2015	2014
Bank account	\$ 75,779	\$ 125,093
Guaranteed investment certificates	158,250	105,578
	\$ 234,029	\$ 230,671

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