

**NEWFOUNDLAND & LABRADOR
OCCUPATIONAL THERAPY BOARD**

Financial Statements

Year Ended February 28, 2018

Draft for discussion purposes only

NEWFOUNDLAND & LABRADOR OCCUPATIONAL THERAPY BOARD

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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, 2018 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.

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, 2018 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

NEWFOUNDLAND & LABRADOR OCCUPATIONAL THERAPY BOARD

Statement of Financial Position

February 28, 2018

	2018	2017
ASSETS		
CURRENT		
Cash (Note 4)	\$ 242,878	\$ 247,443
Prepaid expenses	1,662	1,662
	\$ 244,540	\$ 249,105
LIABILITIES		
CURRENT		
Accounts payable	\$ 11,827	\$ 12,258
Deferred income	44,051	56,573
	55,878	68,831
NET ASSETS		
General fund	188,662	180,274
	\$ 244,540	\$ 249,105

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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, 2018**

	2018	2017
REVENUES		
Membership fees	\$ 96,811	\$ 95,042
Interest	816	1,649
	97,627	96,691
EXPENDITURES		
Advertising	272	167
Bank charges	89	103
Conference and travel	9,092	7,661
Continuing competency profile	-	1,022
Fees and dues	-	121
Insurance	4,200	4,203
NLAOT	21,985	24,563
Office and administration	5,139	1,559
Professional fees	4,008	10,128
Registrar fees	44,223	41,250
Telephone	231	641
	89,239	91,418
EXCESS OF REVENUES OVER EXPENDITURES	\$ 8,388	\$ 5,273

NEWFOUNDLAND & LABRADOR OCCUPATIONAL THERAPY BOARD

Statement of Changes in Net Assets

Year Ended February 28, 2018

	2018	2017
NET ASSETS - BEGINNING OF YEAR	\$ 180,274	\$ 175,001
Excess of revenues over expenditures	8,388	5,273
NET ASSETS - END OF YEAR	\$ 188,662	\$ 180,274

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NEWFOUNDLAND & LABRADOR OCCUPATIONAL THERAPY BOARD**Statement of Cash Flow****Year Ended February 28, 2018**

	2018	2017
OPERATING ACTIVITIES		
Cash receipts from operations	\$ 85,105	\$ 105,309
Cash paid to suppliers	(89,581)	(84,742)
Bank charges paid	(89)	(103)
INCREASE (DECREASE) IN CASH	(4,565)	20,464
Cash - beginning of year	247,443	226,979
CASH - END OF YEAR (Note 4)	\$ 242,878	\$ 247,443

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NEWFOUNDLAND & LABRADOR OCCUPATIONAL THERAPY BOARD

Notes to Financial Statements

Year Ended February 28, 2018

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.

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.

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, 2018.

(continues)

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Notes to Financial Statements

Year Ended February 28, 2018

3. FINANCIAL INSTRUMENTS *(continued)*

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

	2018	2017
Bank account	\$ 135,029	\$ 86,118
Guaranteed investment certificates	107,849	161,325
	\$ 242,878	\$ 247,443

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