

COLLEGE OF DENTAL TECHNOLOGISTS OF ALBERTA

FINANCIAL STATEMENTS

December 31, 2010



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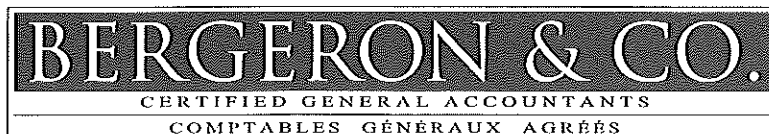
COLLEGE OF DENTAL TECHNOLOGISTS OF ALBERTA

FINANCIAL STATEMENTS

December 31, 2010

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AUDITORS' REPORT

To the Members of
College of Dental Technologists of Alberta

We have audited the statement of financial position of College of Dental Technologists of Alberta as at December 31, 2010 and the statements of operations, changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at December 31, 2010 and the results of its operation and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Bergeron & Co.

Bergeron & Co., CGA
Certified General Accountants

Edmonton, AB
March 25, 2011

COLLEGE OF DENTAL TECHNOLOGISTS OF ALBERTA
STATEMENT OF OPERATIONS
For the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
REVENUE		
Membership dues	\$ 664,052	\$ 563,122
Educational revenue	108,266	170,008
Minister of Health and Wellness	99,855	0
Administration fees	9,018	20,095
Rent received	6,600	4,977
Convention revenue	5,500	44,471
Interest, assessments and other income	2,870	43,097
Advertising - Newsletter	<u>360</u>	<u>620</u>
	<u>896,521</u>	<u>846,390</u>
GENERAL AND ADMINISTRATIVE EXPENSES		
Rent (Note 7)	125,690	120,025
Professional fees	116,813	110,618
Wages and benefits	93,063	92,494
Insurance	61,012	65,351
Member management expenses	36,247	38,724
Casual labour	31,806	67,257
Amortization	26,204	17,798
Examination expense	25,823	40,498
Bank charges & interest	21,970	19,591
Travel	12,862	10,806
Repairs and maintenance	10,607	9,162
Telephone	10,616	12,013
Postage & delivery	8,797	4,950
Board meetings	6,571	5,355
Consulting fees	5,610	205,108
Office and general	4,660	13,427
Standards of Practice/Codes of Ethics	4,188	4,188
Competency development expenses	3,696	5,894
Bad debts	2,200	0
Memberships and subscriptions	619	1,662
Advertising and promotion	476	4,759
Equipment rental	291	0
Staff education & course	0	49
Scholarship	0	1,000
Moving expenses	0	5,669
Convention expense	<u>0</u>	<u>24,949</u>
	<u>609,821</u>	<u>881,347</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>286,700</u>	<u>(34,957)</u>
OTHER REVENUE		
Gain on sale of assets	<u>0</u>	<u>(7,184)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ 286,700</u>	<u>\$ (42,141)</u>

BERGERON & CO., C.G.A.

COLLEGE OF DENTAL TECHNOLOGISTS OF ALBERTA
STATEMENT OF CHANGES IN NET ASSETS
For the year ended December 31, 2010

NET ASSETS	Invested in capital assets	Unrestricted	Total 2010	Total 2009
Balance, beginning of year	\$ 155,774	\$ (275,130)	\$ (119,356)	\$ (77,215)
Excess (deficiency) of revenues over expenses	(26,204)	312,904	286,700	(42,141)
Investment in capital assets	9,860	(9,860)	0	0
Prior period adjustment	<u>0</u>	<u>16,222</u>	<u>16,222</u>	<u>0</u>
Balance, end of year	<u>\$ 139,430</u>	<u>\$ 44,136</u>	<u>\$ 183,566</u>	<u>\$ (119,356)</u>

COLLEGE OF DENTAL TECHNOLOGISTS OF ALBERTA
STATEMENT OF FINANCIAL POSITION
December 31, 2010

ASSETS		<u>2010</u>	<u>2009</u>
CURRENT			
Cash	\$	417,833	\$ 138,065
Accounts receivable		0	2,700
Prepaid expenses		<u>12,817</u>	<u>12,161</u>
		430,650	152,926
CAPITAL ASSETS (Notes 2 & 3)		139,430	155,774
DEFERRED CHARGES (Notes 2 & 4)		<u>43,058</u>	<u>60,281</u>
	\$	<u>613,138</u>	\$ <u>368,981</u>
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	\$	70,305	\$ 45,966
Payroll liabilities		<u>0</u>	<u>1,691</u>
		70,305	47,657
DEFERRED REVENUES (Notes 2 & 6)		<u>359,267</u>	<u>440,680</u>
		<u>429,572</u>	<u>488,337</u>
NET ASSETS			
Net assets invested in capital assets		139,430	155,774
Unrestricted net assets		<u>44,136</u>	<u>(275,130)</u>
		<u>183,566</u>	<u>(119,356)</u>
	\$	<u>613,138</u>	\$ <u>368,981</u>

Approved by the Directors:

_____, Director

_____, Director

COLLEGE OF DENTAL TECHNOLOGISTS OF ALBERTA
STATEMENT OF CASH FLOWS
For the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 286,700	\$ (42,141)
Add (deduct):		
Charges to income not involving cash		
Amortization	26,204	17,798
Prior period adjustment	16,222	0
Gain on disposal of assets	<u>0</u>	<u>7,184</u>
	329,126	(17,159)
Net change in non-cash working capital balances related to operations		
Trade receivables	500	14
Due from employees	2,200	(2,200)
Prepaid expenses	(656)	34,040
Accounts payable and accrued liabilities	24,340	1,867
Payroll liabilities	(1,691)	1,691
Deferred revenues	<u>(81,413)</u>	<u>15,050</u>
Cash flow from operating activities	<u>272,406</u>	<u>33,303</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(9,860)	(151,658)
Payment of deferred charges	<u>17,222</u>	<u>17,223</u>
Cash flow from investing activities	<u>7,362</u>	<u>(134,435)</u>
INCREASE (DECREASE) IN CASH	279,768	(101,132)
CASH, beginning of year	<u>138,065</u>	<u>239,197</u>
CASH, end of year	<u>\$ 417,833</u>	<u>\$ 138,065</u>

**COLLEGE OF DENTAL TECHNOLOGISTS OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010**

1. PURPOSE OF THE ORGANIZATION

The College is incorporated under the provisions of the Health Professions Act (Alberta) for the purpose of regulating the practice of Dental Technologists. As a not-for-profit organization operated in the public interest, the activities are exempt from income tax.

As of October 19, 2004, the name was changed to the College of Dental Technologists of Alberta under the authority of the Health Professions Act (Alberta).

2. SIGNIFICANT ACCOUNTING POLICIES

- a) The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the impairment of assets and amortization rates. Actual results could differ from those reported.
- b) The College follows the deferral method of accounting for revenues whereby revenue related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred.
- c) Capital assets are recorded at cost. Amortization is recorded at the following rates, which have been established by estimates of useful lives. Additions during the current year are amortized at one-half their normal rates, and no amortization is taken in the year of disposition.
- | | |
|------------------------|-----------------------|
| Computer hardware | 30% declining balance |
| Furniture and fixtures | 20% declining balance |
| Office equipment | 20% declining balance |

Leasehold improvements are amortized on a straight-line basis over 15 years being the term of the lease plus the term of the first renewal period.

- d) The College elected to defer certain costs incurred during the conversion from an association to a college. These costs are amortized on a straight-line basis at the following rate, which has been established by estimating the period the College is expected to derive benefit from the costs. Only 50% of the annual amount was claimed in 2006.

Deferred charges	7 years.
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COLLEGE OF DENTAL TECHNOLOGISTS OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

3. CAPITAL ASSETS

	<u>2010</u>		<u>2009</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Cost</u>	<u>Accumulated Amortization</u>
Computer hardware	\$ 62,483	\$ 39,289	\$ 52,623	\$ 33,574
Furniture and fixtures	99,645	33,598	99,645	17,083
Office equipment	8,271	6,817	8,271	6,453
Leasehold improvements	<u>54,150</u>	<u>5,415</u>	<u>54,150</u>	<u>1,805</u>
	<u>\$ 224,549</u>	<u>\$ 85,119</u>	<u>\$ 214,689</u>	<u>\$ 58,915</u>
Net Book Value		<u>\$ 139,430</u>		<u>\$ 155,774</u>

4. DEFERRED CHARGES

Competency Development	25,871	25,871
Standards of practice/codes of ethics	29,316	29,316
Consulting	39,271	39,271
Legal costs	<u>26,104</u>	<u>26,104</u>
	120,562	120,562
Less: accumulated amortization	<u>77,504</u>	<u>60,281</u>
Balance, end of year	<u><u>43,058</u></u>	<u><u>60,281</u></u>

5. BANK OPERATING LOAN

The College has arranged for an operating line of credit with the TD Canada Trust authorized to \$50,000. The line of credit is secured by a General Security Agreement covering all assets of the College and interest is payable monthly on any outstanding balance.

6. DEFERRED REVENUES

Details of the deferred revenues are as follows:

	<u>2010</u>	<u>2009</u>
Membership renewals	\$ 359,122	\$ 440,680
Minister of Health and Wellness	<u>145</u>	<u>0</u>
	<u>\$ 359,267</u>	<u>\$ 440,680</u>

COLLEGE OF DENTAL TECHNOLOGISTS OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

7. LEASE COMMITMENTS

The College has entered into a lease agreement for office premises expiring on February 28, 2019, with an option to renew for a further five years. Aggregate minimum annual lease payments for the term of the lease (including estimated variable occupancy charges) are as follows:

2011	\$ 118,206
2012	118,206
2013	124,956
2014	126,306
2015	126,306
Thereafter	<u>564,075</u>
	<u>\$ 1,178,055</u>

8. FINANCIAL INSTRUMENTS

The College's financial instruments consist of cash, accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion that there are no significant currency, credit or interest risks arising from these financial instruments.

9. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year presentation.