

**College of Speech and
Hearing Health
Professionals of BC**

Financial Statements

March 31, 2011
(Unaudited)

College of Speech and Hearing Health Professionals of BC

March 31, 2011

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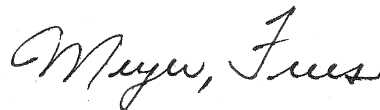
Review Engagement Report

To the Board of Directors
College of Speech and Hearing Health Professionals of BC

We have reviewed the statement of financial position of the College of Speech and Hearing Health Professionals of BC as at March 31, 2011 and the statements of operations, changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the college.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.



Chartered Accountants

Port Coquitlam, British Columbia
June 14, 2011

College of Speech and Hearing Health Professionals of BC

Statement of Financial Position

As At March 31, 2011

(Unaudited)

	Note	2011	2010
Assets			
Current Assets			
Cash	3.	\$ 513,562	\$ 683,073
Term deposit	4.	305,000	-
Prepaid expense	5.	1,759	1,759
		<u>820,321</u>	<u>684,832</u>
Property and equipment	6.	39,215	16,251
		<u>\$ 859,536</u>	<u>\$ 701,083</u>
Liabilities and Net Assets			
Current Liabilities			
Accounts payable		\$ 7,913	\$ 16,504
Revenue received in advance	7.	609,167	708,855
Current portion of long term debt	8.	272,766	61,975
		<u>889,846</u>	<u>787,334</u>
Long term debt	8.	-	379,525
		<u>889,846</u>	<u>1,166,859</u>
Net Assets			
Accumulated excess (deficiency) of revenues over expenses		(30,310)	(465,776)
		<u>\$ 859,536</u>	<u>\$ 701,083</u>

The accompanying notes are an integral part of these financial statements.

College of Speech and Hearing Health Professionals of BC

Statement of Operations

For the Year Ended March 31, 2011

(Unaudited)

	2011	2010
Revenue		
Registrants	\$ 834,553	\$ -
Operating expenses		
Amortization	5,153	984
Bank charges	8,233	10,408
Computer-related expenses	1,401	5,862
Conference	4,787	553
Cost recoverable expenses	11,315	25,060
Insurance	5,128	4,181
Interest on long term debt	-	13,206
Interest on short term debt	18,579	-
Local travel	13,605	16,287
Meetings	17,934	14,447
Memberships	5,628	-
Office expenses and rent	35,269	15,156
Per diems	53,300	93,751
Professional fees	45,847	114,667
Wages	175,116	121,321
	401,295	435,883
Excess (deficiency) of revenues over expenses	433,258	(435,883)
Non operating income and expenses		
Interest income	2,208	107
Write-off of software development	-	(30,000)
	2,208	(29,893)
Net excess (deficiency) of revenues over expenses	\$ 435,466	\$ (465,776)

The accompanying notes are an integral part of these financial statements.

College of Speech and Hearing Health Professionals of BC

Statement of Changes in Net Assets

For the Year Ended March 31, 2011

(Unaudited)

	2011	2010
Net assets, beginning of the year	\$ (465,776)	\$ -
Excess (deficiency) of revenues over expenses for the year	<u>435,466</u>	<u>(465,776)</u>
Accumulated deficiency of revenues over expenses, end of the year	<u>\$ (30,310)</u>	<u>\$ (465,776)</u>

The accompanying notes are an integral part of these financial statements.

College of Speech and Hearing Health Professionals of BC

Statement of Cash Flows

For the Year Ended March 31, 2011

(Unaudited)

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net excess (deficiency) of revenues over expenses for the year	\$ 435,466	\$ (465,776)
Amortization	5,153	984
Prepaid expense	-	(1,759)
Accounts payable	(8,591)	16,504
Revenue received in advance	(99,688)	708,855
	<u>332,340</u>	<u>258,808</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of computer hardware	(564)	(5,523)
Purchase of computer software	(27,105)	(4,902)
Purchase of office furniture	(448)	(6,810)
	<u>(28,117)</u>	<u>(17,235)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Long term debt	(168,734)	441,500
Increase in cash and cash equivalents during the year	135,489	683,073
Cash and cash equivalents, beginning of the year	<u>683,073</u>	<u>-</u>
Cash and cash equivalents, end of the year	\$ 818,562	\$ 683,073
Cash and cash equivalents consist of the following:		
Cash	\$ 513,562	\$ 683,073
Term deposit	<u>305,000</u>	<u>-</u>
	<u>\$ 818,562</u>	<u>\$ 683,073</u>
Additional cash flow information:		
Interest paid	\$ 18,579	\$ 13,206

The accompanying notes are an integral part of these financial statements.

College of Speech and Hearing Health Professionals of BC

Notes to the Financial Statements

March 31, 2011

(Unaudited)

1. Purpose of the organization

Pursuant to the Health Professionals Act and the Regulations for Speech and Hearing Health Professionals, the College of Speech and Hearing Health Professionals of BC is the regulatory body governing Audiologists, Speech-Language Pathologists and Hearing Instrument Practitioners to ensure standards are delivered to the public of British Columbia. The college is a not-for-profit organization under the Income Tax Act and as such is not subject to federal and provincial income taxes.

2. Significant accounting policies

a. Financial instruments

The college's financial instruments consist of cash, term deposits, prepaid expenses, long-term investments, accounts payable and long-term debt. Unless otherwise noted, it is management's opinion that the college is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

b. Measurement uncertainty

The preparation of financial statements in accordance 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. Actual results could differ from those estimates and may have impact on future periods.

c. Property and equipment

Property and equipment are stated at cost. Amortization is provided using the following methods and annual rates:

	Method	Rate
Computer hardware	Straight line	3 years
Computer software	Straight line	10 years
Office equipment	Declining balance	20%

d. Revenue recognition

- a) Registrant fees
Registrant fees are recognized as revenue in the fiscal year due.
- b) Student operations
Student application fees and examination fees are recognized in the fiscal year due.

College of Speech and Hearing Health Professionals of BC

Notes to the Financial Statements

March 31, 2011

(Unaudited)

3. Credit risk

At March 31, 2011 the college has \$513,562 in a chequing account and \$305,000 in a term deposit at one bank which is insured up to a maximum of \$100,000 by a government agency.

4. Term Deposit

The market value of the term deposit is equal to cost, earns interest at 1.20% per annum and matures August 26, 2011.

5. Prepaid expense

Prepaid expense consists of the lease deposit on an office building.

6. Property and equipment

Property, plant and equipment consist of the following:

	2011		2010	
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Computer hardware	\$ 6,086	\$ (2,625)	\$ 3,461	\$ 4,832
Computer software	32,007	(1,968)	30,039	4,779
Office furniture	7,258	(1,543)	5,715	6,640
	<u>\$ 45,351</u>	<u>\$ (6,136)</u>	<u>\$ 39,215</u>	<u>\$ 16,251</u>

7. Revenue received in advance

Revenue received in advance consists of registrant fees relating to the next fiscal year.

College of Speech and Hearing Health Professionals of BC

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March 31, 2011

(Unaudited)

8. Long-term debt

Long term debt consists of the following:

	2011	2010
Vancity loan payable, interest at prime plus 1% per annum, repayable in monthly payments of \$10,087 principal and interest. The loan is secured by a general security agreement covering all assets of the college. The loan is due October 19, 2011.	\$ 256,266	\$ 425,000
BCASLPA loan payable, non-interest bearing, no fixed terms of repayment, unsecured.	8,250	8,250
HISSBC loan payable, non-interest bearing, unsecured. The loan will be repaid during the 2012 fiscal year.	8,250	8,250
Total debt	272,766	441,500
Less: current portion	(272,766)	-
Long-term portion of debt	\$ -	\$ 441,500

Principal repayments on long term debt over the next five years are as follows:
2012

\$ 272,766

Under the Vancity loan agreement, the college is committed to respect certain negative covenants, including making loans to or guarantees on behalf of others, selling or disposing of assets other than in the normal course of business, repayment of shareholder or equity loans, granting security over its assets, permitting any claims against its assets. The college also must maintain a financial covenant on debt. As of March 31, 2011, the college was in compliance with these covenants. It is the director's opinion that the college is likely to remain in compliance with all long term debt covenants throughout the twelve months subsequent to March 31, 2011.

9. Commitments

The college's total obligations, under various operating leases for occupied premises, exclusive of realty taxes and other occupancy charges, are as follows:

2012	\$ 12,197
2013	12,297
2014	8,330
	<u>\$ 32,824</u>

Rent expense for March 31, 2011 amounted to \$ 18,306 plus operating costs and GST of \$5,083 for a total of \$23,389.

College of Speech and Hearing Health Professionals of BC

Notes to the Financial Statements

March 31, 2011

(Unaudited)

10. Contingency - litigation

The college has been named as a defendant in a lawsuit from a supplier of custom computer software.

The claim is for \$21,975, and it is not possible at this time, to determine the amount, if any, that may be made against the college. Any amounts awarded as a result of these actions will be reflected in the year that an estimation of the amounts may be reasonably made. The college's legal counsel is of the opinion that these claims will not be realized. The College has counter sued for \$30,000 from the supplier of the custom software due to the product provided was of no value to the College. The original contract was for \$49,500 of which \$30,000 was paid by the College.