

Financial Statements of

**COLLEGE OF SPEECH AND  
HEARING HEALTH  
PROFESSIONALS OF BC**

Year ended March 31, 2014  
(Unaudited)



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## REVIEW ENGAGEMENT REPORT

To the Members of 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 (the "College") as at March 31, 2014 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 Entity.

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 accounting standards for not-for-profit organizations.

### *Other Matters*

The financial statements of the College of Speech and Hearing Health Professionals of BC as at and for the year ended March 31, 2013, were reviewed by another firm of chartered accountants.

Chartered Accountants

June 20, 2014

Burnaby, Canada

# COLLEGE OF SPEECH AND HEARING HEALTH PROFESSIONALS OF BC

Statement of Financial Position

March 31, 2014, with comparative information for 2013  
(Unaudited)

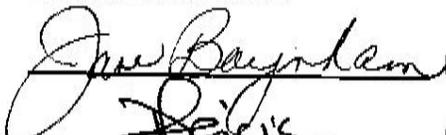
	2014	2013
<b>Assets</b>		
Current assets:		
Cash	\$ 626,273	\$ 605,661
Interest receivable	14,280	11,044
Short-term investment (note 2)	290,000	695,000
Prepaid expenses	4,124	1,759
	<u>934,677</u>	<u>1,313,464</u>
Long-term investments (note 2)	695,000	-
Equipment (note 3)	29,148	45,592
	<u>\$ 1,658,825</u>	<u>\$ 1,359,056</u>

## Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 55,437	\$ 18,857
Deferred revenue	697,570	680,925
	<u>753,007</u>	<u>699,782</u>
Net assets	905,818	659,274
Commitments (note 5)		
	<u>\$ 1,658,825</u>	<u>\$ 1,359,056</u>

See accompanying notes to financial statements.

On behalf of the Board:

 Members  
 Members

# COLLEGE OF SPEECH AND HEARING HEALTH PROFESSIONALS OF BC

## Statement of Operations

Year ended March 31, 2014, with comparative information for 2013  
(Unaudited)

	2014	2013
<b>Revenue:</b>		
Registration fees	\$ 804,467	\$ 779,923
Interest	14,365	17,541
	<u>818,832</u>	<u>797,464</u>
<b>Expenses:</b>		
Advertising	8,426	8,635
Amortization	22,954	7,198
Bank charges	23,753	20,691
Computer	5,647	4,485
Conference	6,766	5,319
Examination and administration fees	7,638	7,348
Insurance	2,037	5,184
Interest	-	233
Meetings	27,374	24,943
Memberships	759	6,091
Office expenses and rent	34,639	36,935
Per diems	66,319	60,194
Professional fees	62,858	42,467
Travel	20,793	15,726
Wages	282,325	224,057
	<u>572,288</u>	<u>469,506</u>
<b>Excess of revenue over expenses</b>	<b>\$ 246,544</b>	<b>\$ 327,958</b>

See accompanying notes to financial statements.

# COLLEGE OF SPEECH AND HEARING HEALTH PROFESSIONALS OF BC

## Statement of Changes in Net Assets

Year ended March 31, 2014, with comparative information for 2013  
(Unaudited)

	2014	2013
Net assets, beginning of year	\$ 659,274	\$ 331,316
Excess of revenue over expenses	246,544	327,958
Net assets, end of year	\$ 905,818	\$ 659,274

See accompanying notes to financial statements.

# COLLEGE OF SPEECH AND HEARING HEALTH PROFESSIONALS OF BC

## Statement of Cash Flows

Year ended March 31, 2014, with comparative information for 2013  
(Unaudited)

	2014	2013
Cash provided by (used in):		
Operating:		
Excess of revenue over expenses	\$ 246,544	\$ 327,958
Item not involving cash:		
Amortization	22,954	7,198
	<u>269,498</u>	<u>335,156</u>
Changes in non-cash operating working capital:		
Increase in interest receivable	(3,236)	(11,044)
(Increase) decrease in prepaid expenses	(2,365)	1,000
Increase (decrease) in accounts payable and accrued liabilities	36,580	(1,010)
Increase in deferred revenue	16,645	159,850
	<u>317,122</u>	<u>483,952</u>
Financing:		
Repayment of long-term debt	-	(143,447)
Investments:		
Purchase of term deposit	(695,000)	-
Purchase of investment	(290,000)	(150,000)
Disposal of investment	695,000	-
Purchase of equipment	(6,510)	(14,837)
	<u>(296,510)</u>	<u>(164,837)</u>
Increase in cash	20,612	175,668
Cash, beginning of year	605,661	429,993
Cash, end of year	<u>\$ 626,273</u>	<u>\$ 605,661</u>

See accompanying notes to financial statements.

# COLLEGE OF SPEECH AND HEARING HEALTH PROFESSIONALS OF BC

Notes to Financial Statements

Year ended March 31, 2014  
(Unaudited)

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## Nature of operations:

The College of Speech and Hearing Health Professionals of BC (the "College"), which operates in British Columbia, is a not-for-profit organization founded pursuant to the Health Professionals Act and the Regulations for Speech and Hearing Health Professionals. The College acts as the regulatory body governing Audiologists, Speech-Language Pathologists, and Hearing Instrument Practitioners by setting the ethical and practice standards for the above noted professionals. The College is a non-profit organization as defined under the Income Tax Act and therefore is not subject to income taxes.

These financial statements are prepared in accordance with Canadian Accounting Standards for not-for-profit organizations. The significant accounting policies are as follows.

## 1. Significant accounting policies:

### (a) Cash:

Cash includes cash on hand and short-term deposits which are highly liquid with original maturities of less than three months at the date of acquisition.

### (b) Investments:

Investments classified as current assets are carried at amortized cost.

### (c) Equipment:

Equipment is stated at cost, less accumulated amortization. Amortization is provided on a declining balance basis at the following annual rates:

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Asset	Rate
Computer hardware	30 years
Computer software	55 years
Office equipment	20 years

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# COLLEGE OF SPEECH AND HEARING HEALTH PROFESSIONALS OF BC

Notes to Financial Statements (continued)

Year ended March 31, 2014  
(Unaudited)

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## 1. Significant accounting policies (continued):

### (d) Revenue recognition:

Revenue related to registration fees is recognized over the period to which they relate.

Fees related to examination and certifications are recognized when the services are rendered.

Payments received related to any advance billings are deferred in current liabilities until the services are rendered.

### (e) Use of estimates:

The preparation of the financial statements 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 revenue and expenses during the year.

### (f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The College has not elected to carry any financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs. These costs are amortized using the effective interest rate method.

# COLLEGE OF SPEECH AND HEARING HEALTH PROFESSIONALS OF BC

Notes to Financial Statements (continued)

Year ended March 31, 2014  
(Unaudited)

## 1. Significant accounting policies (continued):

### (f) Financial instruments (continued):

Financial assets carried at cost or amortized cost are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the College determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the College expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

## 2. Investment:

The market value of the term deposits are equal to cost of \$985,000 (2013 - \$695,000).

	2014	2013
Term deposit with interest rate of 1.40% per annum and matures on April 5, 2013	\$ -	\$ 695,000
Term deposit with interest rate of 1.45% per annum, and matures on April 5, 2014	290,000	-
Term deposit with interest rate ranging from 1.50% to 3.30%, and matures on April 5, 2016	695,000	-
	985,000	695,000
Less amounts maturing in the current year	(290,000)	(695,000)
	\$ 695,000	\$ -

# COLLEGE OF SPEECH AND HEARING HEALTH PROFESSIONALS OF BC

Notes to Financial Statements (continued)

Year ended March 31, 2014  
(Unaudited)

### 3. Equipment:

			2014	2013
	Cost	Accumulated amortization	Net book value	Net book value
Computer hardware	\$ 7,655	\$ 6,740	\$ 915	\$ 1,307
Computer software	54,149	30,944	23,205	38,922
Office equipment	10,381	5,353	5,028	5,363
	\$ 72,185	\$ 43,037	\$ 29,148	\$ 45,592

### 4. Financial risks:

#### (a) Liquidity risk:

Liquidity risk is the risk that the College will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The College manages its liquidity risk by monitoring its operating requirements and ensuring that it invests a portion of its term deposits that can be readily converted into cash. The College prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2013.

#### (b) Interest rate risk:

The College is exposed to interest rate risk on floating-rate investments and to fair value risk on fixed-rate investments. There has been no change to the risk exposures from 2013.

### 5. Commitments:

The College has an operating lease commitment related to its current premise. The minimum annual lease payments scheduled for the next years and thereafter are as follows:

2015	\$	13,200
2016		8,900
	\$	22,100

# COLLEGE OF SPEECH AND HEARING HEALTH PROFESSIONALS OF BC

Notes to Financial Statements (continued)

Year ended March 31, 2014  
(Unaudited)

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## **6. Contingent liabilities:**

One lawsuit is currently pending against the College. It is the opinion of management that final determination of these proceedings will not materially affect the financial position or the results of the College.

## **7. Comparative information:**

The financial statements for the year ended March 31, 2013 were reviewed by another firm of chartered accountants and are presented for comparative purposes only.

The financial statements have been reclassified, where applicable, to conform with the presentation used in the current year.