

**COLLEGE OF AUDIOLOGISTS AND SPEECH - LANGUAGE PATHOLOGISTS OF
MANITOBA**

Financial Statements

Year Ended December 31, 2017

(Unaudited)

**COLLEGE OF AUDIOLOGISTS AND SPEECH - LANGUAGE PATHOLOGISTS OF
MANITOBA**

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Year Ended December 31, 2017
(Unaudited)**

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of College of Audiologists and Speech - Language Pathologists of Manitoba

We have reviewed the accompanying financial statements of College of Audiologists and Speech - Language Pathologists of Manitoba that comprise the statement of financial position as at December 31, 2017 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of College of Audiologists and Speech - Language Pathologists of Manitoba as at December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

Winnipeg, Manitoba
March 17, 2018

CHARTERED PROFESSIONAL ACCOUNTANTS

**COLLEGE OF AUDIOLOGISTS AND SPEECH - LANGUAGE PATHOLOGISTS OF
MANITOBA**



Statement of Financial Position

December 31, 2017

(Unaudited)

	2017	2016
ASSETS		
CURRENT		
Cash	\$ 387,741	\$ 391,073
Term deposits	121,899	78,764
Accounts receivable	9,870	578
Interest receivable	748	1,002
Prepaid expenses	2,008	2,081
	522,266	473,498
PROPERTY AND EQUIPMENT <i>(Notes 2, 4)</i>	38,380	48,882
	\$ 560,646	\$ 522,380
LIABILITIES		
CURRENT		
Accounts payable	\$ 8,090	\$ 10,767
Employee deductions payable	10,079	2,991
Goods and services tax payable	16,673	15,688
Deferred income	357,004	335,252
	391,846	364,698
NET ASSETS		
Quality Assurance Reserve	21,000	14,000
Investigations and Inquiries Reserve	19,648	14,000
Net Investment in Property and Equipment	38,382	48,882
Unrestricted Net Assets	89,770	80,800
	168,800	157,682
	\$ 560,646	\$ 522,380

ON BEHALF OF THE BOARD


 _____ Director

 _____ Director

**COLLEGE OF AUDIOLOGISTS AND SPEECH - LANGUAGE PATHOLOGISTS OF
MANITOBA**

Statement of Revenues and Expenditures

Year Ended December 31, 2017

(Unaudited)

	2017	2016
REVENUES		
Registration and Practice Fees	\$ 358,323	\$ 330,028
Administrative fees	13,175	10,791
Interest income	1,112	1,379
	372,610	342,198
EXPENSES		
Amortization	17,110	16,689
Council and Committee	20,490	12,732
Credit card charges	10,510	9,463
I.T. Expense	14,040	16,985
Insurance	2,394	2,265
Interest and bank charges	1,589	1,355
Investigations and Inquiry Hearings	1,352	-
Memberships and licences	6,143	6,466
Office	8,327	7,803
Professional development	1,583	3,889
Professional fees	44,088	39,421
Provincial activities	5,000	-
Rent and occupancy	28,129	25,068
Salaries and benefits	197,242	167,130
Telecommunications	2,980	2,811
Travel	2,017	14,111
	362,994	326,188
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	9,616	16,010
OTHER INCOME (EXPENSES)		
Conference Net Revenue (Expense) <i>(Note 5)</i>	(7,245)	(7,091)
National Activities Net Revenue (Expense) <i>(Note 6)</i>	8,747	(2,324)
	1,502	(9,415)
EXCESS OF REVENUES OVER EXPENSES	\$ 11,118	\$ 6,595

**COLLEGE OF AUDIOLOGISTS AND SPEECH - LANGUAGE PATHOLOGISTS OF
MANITOBA**

Statement of Changes in Net Assets

Year Ended December 31, 2017

(Unaudited)

	2016 Balance	Excess of revenues over expenses	Purchase of Assets	Allocation to Reserves	2017 Balance
Unrestricted	\$ 80,800	\$ 29,580	\$ (6,610)	\$ (14,000)	\$ 89,770
Net Investment in Property and Equipment	48,882	(17,110)	6,610	-	38,382
Quality Assurance Reserve	14,000	-	-	7,000	21,000
Investigations and Inquiries Reserve	14,000	(1,352)	-	7,000	19,648
	\$ 157,682	\$ 11,118	\$ -	\$ -	\$ 168,800

	2015 Balance	Excess (Deficiency) of revenues over expenses	Purchase of Assets	Allocation to Reserves	2016 Balance
Unrestricted	\$ 77,145	\$ 23,284	\$ (5,629)	\$ (14,000)	\$ 80,800
Net Investment in Property and Equipment	59,942	(16,689)	5,629	-	48,882
Quality Assurance Reserve	7,000	-	-	7,000	14,000
Investigations and Inquiries Reserve	7,000	-	-	7,000	14,000
	\$ 151,087	\$ 6,595	\$ -	\$ -	\$ 157,682

**COLLEGE OF AUDIOLOGISTS AND SPEECH - LANGUAGE PATHOLOGISTS OF
MANITOBA**

Statement of Cash Flow
Year Ended December 31, 2017
(Unaudited)

	2017	2016
OPERATING ACTIVITIES		
Cash receipts from customers	\$ 422,232	\$ 391,988
Cash paid to suppliers and employees	(376,583)	(332,104)
Interest received	1,366	1,986
Interest paid	(1,588)	(1,356)
Goods and services tax	985	1,080
	<u>46,412</u>	<u>61,594</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	(6,609)	(5,629)
Purchase of marketable securities	(43,135)	(1,704)
	<u>(49,744)</u>	<u>(7,333)</u>
INCREASE (DECREASE) IN CASH FLOW	(3,332)	54,261
Cash - beginning of year	<u>391,073</u>	<u>336,812</u>
CASH - END OF YEAR	\$ 387,741	\$ 391,073
CASH CONSISTS OF:		
Cash	<u>\$ 387,741</u>	<u>\$ 391,073</u>

**COLLEGE OF AUDIOLOGISTS AND SPEECH - LANGUAGE PATHOLOGISTS OF
MANITOBA**

**Notes to Financial Statements
Year Ended December 31, 2017**

(Unaudited)

1. PURPOSE OF THE COLLEGE

The College of Audiologists and Speech - Language Pathologists of Manitoba (the "College") is a not-for-profit organization incorporated provincially under the Corporations Act of Manitoba. The College is a not-for-profit and Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The College operates to regulate the professions of audiology and speech-language pathology in Manitoba under the authority of the Regulated Health Professions Act (RHPA) of Manitoba.

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).

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.

Revenue recognition

College of Audiologists and Speech - Language Pathologists of Manitoba follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Conference revenue and Administrative fees are recognized as revenue of the General Fund when the conferences are held and administrative fees are paid.

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**COLLEGE OF AUDIOLOGISTS AND SPEECH - LANGUAGE PATHOLOGISTS OF
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**Notes to Financial Statements
Year Ended December 31, 2017**

(Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Net Assets

- a) Net assets invested in property and equipment represents the organization's net investment in property and equipment which is comprised of the unamortized amount of property and equipment purchased with restricted funds.
- b) Internally restricted net assets are funds which have been designated for a specific purpose by the organization's Board of Directors.
- c) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, not of transfers, and are available for general purposes.

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization. Property and equipment is amortized over its estimated useful life at the following rates and methods:

Computer equipment	30%	declining balance method
Furniture and fixtures	20%	declining balance method
Leasehold improvements and Registration system (software)	5 years	straight-line method

The College regularly reviews its property and equipment to eliminate obsolete items. Government grants are treated as a reduction of property and equipment cost.

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

3. FINANCIAL INSTRUMENTS

The College 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 College's risk exposure and concentration as of December 31, 2017.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The College is exposed to credit risk from customers. In order to reduce its credit risk, the College reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The College has a significant number of customers which minimizes concentration of credit risk.

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**Notes to Financial Statements
Year Ended December 31, 2017**

(Unaudited)

3. FINANCIAL INSTRUMENTS (continued)

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The College is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

4. PROPERTY AND EQUIPMENT

	2017		2016	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Computer equipment	\$ 33,175	\$ 24,991	\$ 31,066	\$ 21,725
Computer software	49,650	24,908	45,150	15,427
Furniture and fixtures	25,813	21,258	25,813	20,119
Leasehold improvements	16,125	15,226	16,125	12,001
	\$ 124,763	\$ 86,383	\$ 118,154	\$ 69,272
Net book value	\$ 38,380		\$ 48,882	

5. CONFERENCES

	2017	2016
Conference Fees	\$ 15,600	\$ 18,281
Conference Exhibitors	-	600
	15,600	18,881
Conference Speakers	(11,014)	(14,091)
Conference Facility	(11,331)	(11,447)
Conference Misc Expenses	(500)	(415)
AGM & Special Events	-	(19)
	\$ (22,845)	\$ (25,972)
Net Revenue (Expense)	\$ (7,245)	\$ (7,091)

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**Notes to Financial Statements
Year Ended December 31, 2017
(Unaudited)**

6. NATIONAL ACTIVITIES

	<u>2017</u>	<u>2016</u>
National Activities Recovery	\$ 22,675	\$ -
National Activities Expenses	<u>(13,928)</u>	<u>(2,324)</u>
Net Revenue (Expense)	<u>\$ 8,747</u>	<u>\$ (2,324)</u>

7. LEASE COMMITMENTS

The College leases premises under a long term lease that expires on March 31, 2023. Under the 5 year lease, the College is required to pay a base rent of \$17.63 per square foot for 1,361 square feet with an annual escalation rate of 2% per year for the next five years which will take affect each year on April 1st.

The annual minimum lease payments are as follows:

2018	\$ 24,359
2019	24,844
2020	25,342
2021	25,849
2022	<u>26,366</u>
	<u>\$ 126,760</u>

8. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.
