

**SASKATCHEWAN COLLEGE OF RESPIRATORY
THERAPISTS**

REGINA, SASKATCHEWAN

FINANCIAL STATEMENTS

(Unaudited)

For the year ended March 31, 2023



PHAROS

BUSINESS & TAXATION ADVISORS
CHARTERED PROFESSIONAL ACCOUNTANTS

Review Engagement Report

To the Directors of Saskatchewan College of Respiratory Therapists

We have reviewed the accompanying financial statements of Saskatchewan College of Respiratory Therapists that comprise the balance sheet as at March 31, 2023, and the statements of income, retained earnings and cash flows 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 private enterprises, 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 the financial statements do not present fairly, in all material respects, the financial position of Saskatchewan College of Respiratory Therapists as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Regina, Saskatchewan
August 9, 2023

CHARTERED PROFESSIONAL ACCOUNTANTS

SASKATCHEWAN COLLEGE OF RESPIRATORY THERAPISTS

Statement of Financial Position

(Unaudited)

As at March 31, 2023

(With comparative figures from March 31, 2022)

	<u>2023</u>	<u>2022</u>
ASSETS		
Current assets		
Cash	\$ 190,048	\$ 280,742
Accounts receivable	6,074	-
Prepaid expenses	<u>6,320</u>	<u>3,488</u>
	<u>202,442</u>	<u>284,230</u>
Long term assets		
Long term investments (Note 4)	265,604	181,342
Other long term assets	7,032	4,163
Property plant and equipment (Note 5)	<u>1,637</u>	<u>1,092</u>
	<u>274,273</u>	<u>186,597</u>
	<u>\$ 476,715</u>	<u>\$ 470,827</u>
LIABILITIES		
Current liabilities		
Short term debt	\$ 1,241	\$ 1,322
Accounts payable and accrued liabilities	10,528	7,279
Accounts payable - government liabilities	123	-
Deferred revenue (Note 6)	<u>152,650</u>	<u>152,400</u>
	<u>\$ 164,542</u>	<u>\$ 161,001</u>
NET ASSETS		
General fund (Note 7)	\$ 239,650	\$ 239,826
Restricted funds (Note 7)	<u>72,523</u>	<u>70,000</u>
	<u>312,173</u>	<u>309,826</u>
	<u>\$ 476,715</u>	<u>\$ 470,827</u>
Approved on behalf of the board		
_____ Director		
_____ Director		

SASKATCHEWAN COLLEGE OF RESPIRATORY THERAPISTS
Statement of Operations and Changes in Fund Balance
(Unaudited)
For the year ended March 31, 2023
(With comparative figures from the year ended March 31, 2022)

	<u>2023</u>	<u>2022</u>
Revenue		
Memberships	\$ 162,400	\$ 162,400
Discipline fines	-	12,500
Application fees	1,800	1,200
Investment income	6,742	3,155
Unrealized gain/(loss) on fair market value	<u>(5,153)</u>	<u>(2,049)</u>
	165,789	177,206
Operating expenses		
Amortization	2,090	538
Bad debt expense	-	622
Insurance	4,685	5,225
Interest and bank charges	2,297	1,852
Meetings and conventions	2,249	149
Memberships and licenses	10,589	10,589
Office expenses	18,350	13,723
Professional fees	28,825	15,818
Rental	14,300	12,000
Sub-contracts	73,737	76,320
Telephone and telecommunications	2,399	2,793
Training	<u>3,924</u>	<u>3,710</u>
	<u>163,445</u>	<u>143,339</u>
Change in fund balance	2,344	33,867
Fund balance - opening	<u>309,825</u>	<u>275,958</u>
Fund balance - ending (Note 7)	<u>\$ 312,169</u>	<u>\$ 309,825</u>

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

SASKATCHEWAN COLLEGE OF RESPIRATORY THERAPISTS

Statement of Cash Flow

(Unaudited)

For the year ended March 31, 2023

(With comparative figures from the year ended March 31, 2022)

	<u>2023</u>	<u>2022</u>
Cash flow from operating activities		
Net surplus (deficit) for the year	\$ 2,344	\$ 33,867
Items not requiring an outlay of cash		
Amortization	2,090	538
Unrealized gains/losses	<u>5,153</u>	<u>2,049</u>
	<u>9,587</u>	<u>36,453</u>
Changes in non-cash working capital balances		
Accounts receivable, net of allowances	(6,074)	622
Prepaid expenses	(2,833)	612
Short term debt	(81)	-
Accounts payable and accrued liabilities	3,249	1,803
Accounts payable - government liabilities	123	-
Deferred revenue	<u>250</u>	<u>(600)</u>
	<u>(5,366)</u>	<u>2,437</u>
Total change in non-cash working capital		
	<u>4,221</u>	<u>38,890</u>
Cash flows from/used in investing activities		
Additions to fixed assets	(5,505)	(4,163)
Long term investments	<u>(89,410)</u>	<u>60,348</u>
	<u>(94,915)</u>	<u>56,185</u>
Cash flows from/used in financing activities		
Total cash flows from/used in financing activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	(90,694)	95,075
Net cash and cash equivalents, beginning of period	<u>280,742</u>	<u>185,667</u>
Net cash and cash equivalents, end of period	<u>\$ 190,048</u>	<u>\$ 280,742</u>

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

SASKATCHEWAN COLLEGE OF RESPIRATORY THERAPISTS

Notes to the Financial Statements

(Unaudited)

For the year ended March 31, 2023

(With comparative figures from the year ended March 31, 2022)

Note 1 - CORPORATE INFORMATION

Saskatchewan College of Respiratory Therapists (the "College") is established under *The Respiratory Therapists Act* of Saskatchewan. As a non-profit organization within the meaning of the *Income Tax Act*, the corporation is not subject to income taxes. The College is a self-regulatory body which administers the membership qualifications for practicing respiratory therapists in Saskatchewan.

Note 2 - BASIS OF PRESENTATION

Basis of Compliance

These financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations.

Basis of Measurement

These financial statements have been prepared on a historical cost basis using Canadian dollars, representing Saskatchewan College of Respiratory Therapists's functional currency. All values are rounded to the nearest dollar, unless otherwise indicated.

Use of Estimates and Judgments

Preparation of Saskatchewan College of Respiratory Therapists's financial statements in accordance with Canadian accounting standards for not for profit organizations requires management to make certain accounting estimates and to exercise judgment in applying the company's accounting policies as outlined elsewhere in the accompanying notes. These estimates and judgments may affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates and judgments. Areas where estimates and judgments are significant to the financial statements are disclosed elsewhere in these notes.

Note 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and bank deposits.

Financial Instruments

Saskatchewan College of Respiratory Therapists's financial instruments are initially measured at fair value. All other financial instruments are subsequently measured at amortized cost and initial fair value is adjusted by transaction costs, which are amortized over the expected life of the instrument.

When there is an indication of impairment and such an impairment is determined to have occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of the financial asset. Such impairments can be subsequently reversed if the value subsequently improves.

SASKATCHEWAN COLLEGE OF RESPIRATORY THERAPISTS

Notes to the Financial Statements

(Unaudited)

For the year ended March 31, 2023

(With comparative figures from the year ended March 31, 2022)

Transacting in financial instruments exposes Saskatchewan College of Respiratory Therapists to certain financial risks and uncertainties. These risks include:

Credit risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for Saskatchewan College of Respiratory Therapists by failing to discharge an obligation. Saskatchewan College of Respiratory Therapists is not exposed to credit risk as the due date for membership renewal is two months before membership expires and members must renew their memberships to remain in good standing with the College. As a result, the College's exposure to credit risk is low.

Liquidity risk

Liquidity risk is the risk that Saskatchewan College of Respiratory Therapists will encounter difficulty in meeting obligations associated with financial liabilities. Saskatchewan College of Respiratory Therapists is exposed to this risk mainly in respect of its receipts of funds from its members and other related sources, obligations under operating leases and accounts payable. Through budgetary controls and financial monitoring, the College maintains a consistent positive working capital position and liquidity risk is considered low.

Capital Assets

Capital assets are stated at cost less accumulated amortization. Amortization is recorded on the declining balance method at rates designed to amortize the cost of the capital assets over their estimated useful lives. Amortization rates are as follows:

Computer equipment	33%
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When major capital assets are sold or retired, the related cost and accumulated amortization is removed from the accounts and any gain or loss is recorded in income for the year. Capital assets acquired during the year but not placed into use during the year are not amortized until put into use.

Intangibles

The website is being amortized on a straight-line basis over the estimated useful life of five years.

Fund Accounting

Financial statement items related to day-to-day operations are reported in the General fund.

The Restricted funds are internally restricted and include:

- a) Legal fund- reports money set aside to provide for assistance to operations for unusual legal issues affecting the members.
- b) Technology fund - reports money set aside for future capital purchases.

Revenue Recognition

Members are required to hold an annual membership license. The membership fees are recognized in the year in which the memberships are valid. A pro-rated fee is charged in the year of initiation.

Application fees are recognized in the year the applicant applies to become a member.

Discipline fines are recognized as revenue when earned.

The College follows the deferral method of accounting for contributions.

SASKATCHEWAN COLLEGE OF RESPIRATORY THERAPISTS

Notes to the Financial Statements

(Unaudited)

For the year ended March 31, 2023

(With comparative figures from the year ended March 31, 2022)

Note 4 - INVESTMENTS

The investments held by the College at year end are as follows:

	<u>2023</u>	<u>2022</u>
Guaranteed income certificates (GICs)	\$ 171,214	\$ 83,391
Mutual funds	<u>94,390</u>	<u>97,951</u>
	<u>265,604</u>	<u>181,342</u>

Note 5 - CAPITAL ASSETS

	<u>2023</u>		<u>2022</u>	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ <u>4,885</u>	\$ <u>3,248</u>	\$ <u>1,637</u>	\$ <u>1,092</u>
	<u>\$ 4,885</u>	<u>\$ 3,248</u>	<u>\$ 1,637</u>	<u>\$ 1,092</u>

Note 6 - DEFERRED REVENUE/UNEARNED REVENUE

Deferred revenue consist of the following:

	<u>2023</u>	<u>2022</u>
Conference Revenue	\$ 1,750	\$ -
Membership dues	<u>150,900</u>	<u>152,400</u>
	<u>152,650</u>	<u>152,400</u>

Note 7 - STATEMENT OF CHANGES IN NET ASSETS

	General Fund	Reserve Fund	<u>2023</u>	<u>2022</u>
NET ASSETS - BEGINNING OF YEAR	\$ 239,826	\$ 70,000	\$ 309,826	\$ 275,960
Surplus (deficiency) of revenues over expenses	<u>(176)</u>	<u>-</u>	<u>(176)</u>	<u>33,866</u>
NET ASSETS - END OF YEAR	<u>239,650</u>	<u>70,000</u>	<u>309,650</u>	<u>309,826</u>

SASKATCHEWAN COLLEGE OF RESPIRATORY THERAPISTS

Notes to the Financial Statements

(Unaudited)

For the year ended March 31, 2023

(With comparative figures from the year ended March 31, 2022)

Note 8 - LEASE COMMITMENTS

As at March 31, 2023, the corporation had commitments to the following future minimum lease payments on their premises:

	<u>Lease Payments</u>
2024	\$ 18,900
2025	18,900
2026	<u>6,300</u>
	44,100