



Financial Statements

Provincial Dental Board of Nova Scotia

December 31, 2009

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Auditors' report

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To the Members of the
Provincial Dental Board of Nova Scotia

We have audited the balance sheet of the Provincial Dental Board of Nova Scotia as at December 31, 2009 and the statements of earnings (loss) and changes in net assets and cash flows for the year then ended. These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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 of 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 the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Halifax, Nova Scotia
May 3, 2010

Chartered Accountants

Provincial Dental Board of Nova Scotia

Statements of earnings (loss) and changes in net assets

Year ended December 31	2009	2008
Revenue		
License fees		
Dentists	\$ 307,307	\$ 295,362
Dental hygienists	31,411	85,524
Dental assistants	87,854	89,639
Corporation permit fees	18,473	14,287
Reinstatement fees	2,969	2,810
Realized loss on sale of investments	(62,473)	(31,138)
Unrealized gain (loss) on investments	195,699	(170,162)
Investment income	<u>27,162</u>	<u>34,960</u>
	<u>608,402</u>	<u>321,282</u>
Expenses		
Administration fees	7,356	7,391
Audit and accounting	19,764	19,148
Bank and credit card fees	6,655	6,982
Board members (page 7)	52,328	44,334
Complaints committee expenses	3,994	3,110
Continuing education committee travel, meals and miscellaneous	500	483
Depreciation	6,134	5,634
Discipline committee (page 7)	-	3,282
Governance committee (page 7)	10,176	-
Equipment rental	720	584
Grants	32,970	24,623
Insurance	17,314	17,861
Investment fees	14,361	14,859
Legal (note 6)	13,733	7,809
Miscellaneous	7,317	3,865
Office	9,344	7,429
Office supplies and printing	9,380	8,458
Postage	6,030	7,021
Registrar (page 7)	148,883	144,239
Rent	33,023	33,399
Staff expenses	47,063	45,074
Telephone	<u>4,128</u>	<u>5,072</u>
	<u>451,173</u>	<u>410,657</u>
Net earnings (loss)	<u>\$ 157,229</u>	<u>\$ (89,375)</u>
<hr/>		
Unrestricted net assets, beginning of year	\$ 607,704	\$ 697,079
Net earnings (loss)	<u>157,229</u>	<u>(89,375)</u>
Unrestricted net assets, end of year	<u>\$ 764,933</u>	<u>\$ 607,704</u>

See accompanying notes to the financial statements.

Provincial Dental Board of Nova Scotia

Balance sheet

December 31 2009 2008

Assets

Current

Cash and short term deposits	\$ 274,840	\$ 193,443
Receivables	3,064	5,596
Other receivable (note 6)	32,417	32,000
Prepays	<u>11,425</u>	<u>13,329</u>
	321,746	244,368

Office equipment and software, net of \$46,714

(2008 - \$40,580) accumulated depreciation 12,044 13,577

Long term investments, at market value 808,140 787,359

Long term portion of other receivable (note 6) - 30,000

\$ 1,141,930 \$ 1,075,304

Liabilities

Current

Payables and accruals \$ 60,263 \$ 84,422

Deferred revenue

Dentists 272,655 267,128

Dental hygienists - 73,758

Dental assistants 28,624 27,485

Corporation permit fees 15,455 14,807

376,997 467,600

Net assets

Unrestricted net assets 764,933 607,704

\$ 1,141,930 \$ 1,075,304

On behalf of the Board

_____ Director _____ Director

See accompanying notes to the financial statements.

Provincial Dental Board of Nova Scotia

Statement of cash flows

Year ended December 31	2009	2008
Increase in cash and cash equivalents		
Operating		
Net earnings (loss)	\$ 157,229	\$ (89,375)
Realized loss on sale of investments	62,473	31,138
Unrealized (gain) loss on investments	(195,699)	170,162
Depreciation	<u>6,134</u>	<u>5,634</u>
	30,137	117,559
Change in non-cash operating working capital (note 5)	<u>(56,584)</u>	<u>(51,842)</u>
	(26,447)	65,717
Investing		
Purchase of investments	(433,338)	(527,213)
Proceeds on sale of investments	545,781	358,258
Purchase of office equipment, software and website development	<u>(4,599)</u>	<u>(2,014)</u>
	107,844	(170,969)
Net increase (decrease) in cash and cash equivalents	81,397	(105,252)
Cash and cash equivalents		
Beginning of year	<u>193,443</u>	<u>298,695</u>
End of year	\$ 274,840	\$ 193,443

See accompanying notes to the financial statements.

Provincial Dental Board of Nova Scotia

Notes to the financial statements

December 31, 2009

1. Nature of operations

The Board licenses and regulates all dentists, dental hygienists and dental assistants in the Province of Nova Scotia. As of May 15, 2009, the dental hygienists joined their own licensing and regulatory board, ceasing to be a part of the Provincial Dental Board of Nova Scotia.

An amount of \$45,303, the balance of deferred revenue for the May 15 to November 30, 2009 period related to the dental hygienists, was paid out to their new licensing and regulatory board.

2. Summary of significant accounting policies

Basis of accounting

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for non-profit organizations.

Revenue

Revenue is recognized on an accrual basis as the related services are provided.

Deferred revenue

All fees collected or receivable as at December 31, 2009 which relate to periods after December 31, 2009 are recorded as deferred revenue.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits.

Long term investments

Investments are carried at quoted market value with changes in market value recognized as unrealized gains or losses in the period in which they arise. Realized gains or losses on sales of investments are recognized in the year of disposal.

Depreciation

The cost of capital assets is being depreciated using the methods and rates as follows:

Computer software	100%	declining balance
Office equipment	20%	declining balance
Website	5 year	straight line

One half year of depreciation is recorded in the year of acquisition.

Use of estimates

The presentation 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 reported amounts of revenue and expenses during the reported period. Actual results could differ from those reported.

Provincial Dental Board of Nova Scotia

Notes to the financial statements

December 31, 2009

2. Summary of significant accounting policies continued

Financial instruments

The Board's financial instruments consist of cash and short term deposits, receivables, long term investments, other receivables and payables and accruals. Unless otherwise noted, it is management's opinion that the Board 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 value, unless otherwise noted.

In accordance with Section 3855, the Board has classified all financial assets and liabilities as held for trading, receivables or liabilities. Financial assets classified as held for trading are measured at fair value with changes in fair value recognized in net income in the period in which they arise.

3. Services provided by the Nova Scotia Dental Association

In 2009 the Board was charged \$62,682 (2008 - \$57,104) by the Nova Scotia Dental Association (NSDA) for certain rent, staff expenses, office expenses, equipment rental, insurance and administration fees. These transactions have been recorded at the exchange amount, which is the amount agreed to by the parties.

Included in payables is \$4,119 owed to the NSDA relating to services provided in 2009 (2008 - \$8,999).

4. Long term investments

The long term investments held by the Board are comprised primarily of fixed income and equity mutual funds.

5. Supplemental cash flow information	<u>2009</u>	<u>2008</u>
Change in non-cash operating working capital		
Receivables	\$ 32,115	\$ (63,712)
Prepays	1,904	-
Payables and accruals	(24,159)	(2,570)
Deferred revenue	<u>(66,444)</u>	<u>14,440</u>
	<u>\$ (56,584)</u>	<u>\$ (51,842)</u>
Cash and cash equivalents consist of:		
Cash on hand, balances with banks and short term deposits	<u>\$ 274,840</u>	<u>\$ 193,443</u>

Provincial Dental Board of Nova Scotia

Notes to the financial statements

December 31, 2009

6. Other receivable

During the 2008 fiscal year, the Board reached a settlement from an ongoing legal issue. Part of the settlement entitled the Board to receive payment for the court fees incurred. The total payments to be received by the Board are equal to \$62,417. Of the total amount due, \$60,000 relates to the original Discipline Committee decision upheld by the Court of Appeal while \$2,417 relates to court costs awarded by the Court of Appeal to the Board. Payments in the amount of \$30,000 were received in 2009. Four quarterly payments of \$7,500, ending October 1, 2010 and court appeal costs of \$2,417 are to be received in 2010.

7. Capital management

The Board's objectives when managing capital are to safeguard the Board's ability to continue as a going concern and effectively manage and monitor cash flow to ensure timely payment of its obligations.

Provincial Dental Board of Nova Scotia

Schedule of specific expenses

Year ended December 31	2009	2008
Board members		
Accommodations	\$ 4,672	\$ 3,429
Chair's honorarium	7,500	7,500
Meals	1,720	1,600
Meetings	-	81
Per diems and honorariums	28,929	22,812
Travel	<u>9,507</u>	<u>8,912</u>
	\$ 52,328	\$ 44,334
Discipline committee		
Meals	\$ -	\$ 114
Meetings	-	461
Miscellaneous	-	-
Per diems and honorariums	-	2,621
Travel	<u>-</u>	<u>86</u>
	\$ -	\$ 3,282
Governance committee		
Meals	\$ 207	\$ -
Policies and procedures	8,721	-
Per diems and honorariums	<u>1,248</u>	<u>-</u>
	\$ 10,176	\$ -
Registrar		
Accommodations	\$ 1,340	\$ 3,033
Annual dues	551	2,751
Meals	1,007	433
Miscellaneous	2,268	35
Salary and benefits	137,847	135,004
Travel	<u>5,870</u>	<u>2,983</u>
	\$ 148,883	\$ 144,239
Complaints committee		
Meals	\$ 313	\$ 122
Miscellaneous	118	473
Per diems and honorariums	3,445	2,434
Travel	<u>118</u>	<u>81</u>
	\$ 3,994	\$ 3,110