

ANNUAL REPORT 2018

COLLEGE OF ALBERTA DENTURISTS



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The College

The College of Alberta Denturists is the regulatory body for denturists in Alberta pursuant to the *Health Professions Act* and the *Denturists Profession Regulation* enacted thereunder. Schedule 8 of the *Health Professions Act* was proclaimed in force as was the *Denturists Profession Regulation* on September 1, 2002.

To deliver its mandate of ensuring that Albertans receive ethical, professional and safe denturist services, through leadership, innovation and inter-professional relationships, the College works with the public, its members and industry partners.

By a letter dated February 5, 2002, the Minister of Health granted approval pursuant to Section 27 of the *Health Professions Act* for the College to provide guidelines for professional fees in the form of a recommended fee schedule, and to negotiate professional fees on behalf of its regulated members. This is managed via the Fee Guide Development & Negotiation Committee made up of members elected by the general membership, functioning independently of the Council and reporting to Council only for purposes of providing information.

The profession

Denturists are independent primary healthcare practitioners who provide dental prostheses for patients who are missing some of their natural teeth, as well as some other dental related services such as sports mouth guards and tooth whitening procedures.

Most denturists provide their services from independent denture clinics; however, some provide services from dental offices, in health institutions and private residences. In their practice, denturists do one or more of the following:

- assess, diagnose and treat persons missing some or all their natural teeth;
- design, construct, repair, alter and fit any complete or partial denture for restoring and maintaining function and appearance;
- teach, manage and conduct research in the science, techniques and practice of denturism; and
- provide restricted activities authorized in the regulation.

In Alberta, denturists on the general register may use the protected titles of denturist or registered denturist and provisional denturist for those on the provisional register. The College also recognizes the initials DD to denote registration as a denturist in Alberta.

Message from the Leadership

In our commitment to ensure that Albertans receive ethical, professional and safe denturist services, Council worked diligently in 2018 to ensure that our College upheld the highest standards for the profession. Although the College of Alberta Denturists saw a period of transition in 2018, we are confident that we have maintained our mandate and moved forward in our mission. In 2018 the College welcomed Peter Portlock back to the College in an interim Registrar capacity and Lloyd Fischer as Complaints Director.

As we move forward into 2019, we will continue to work to ensure compliance with the introduction of Bill 21 – *An Act to Protect Patients*. This substantial amendment to the *Health Professions Act* has ensured that a College looks with scrutiny at all aspects of its regulatory mandate. We have begun the process of a revision to our Standards of Practice to encompass the new legislative requirements that speak to sexual abuse and sexual misconduct that may be perpetrated by regulated members towards patients. We will be finalizing and approving this in the first quarter of 2019 along with the implementation of all other initiatives within this new legislation. In 2018, we also looked to strengthen our stakeholder relationships and look forward to continuing this collaboration.

Through this period, we have bid farewell to a long-standing public member of Council. Mr. Kevin Peddie served the College in this capacity for eight years. We thank Mr. Peddie for his service and wish him well as he moves on from our College. With this departure, comes change and we are very happy to welcome two new public members to Council. Ms. Tammy McCorkell and Mr. Dustin Schinbein were appointed to Council in 2018 and have begun their three-year terms.

We are proud to work with denturists across the province in various capacities to ensure that the College of Alberta Denturists thrives, and Albertans receive safe and competent denturist care. Through the dedication and hard work of regulated members on our statutory and other standing committees, self-regulation is evident in the College. Council and staff thank the members whose selfless commitment to the organization ensures that the people of this province receive high quality care.

We are proud to serve Albertans with our knowledge and expertise both in a governance and professional capacity and present this annual report, as approved by Council, for the year ending December 31, 2018.

Respectfully,



Rae-Lynne Robichaud, DD
Council President

Leadership 2018

Council

Rae-Lynne Robichaud, DD – President
Megan Skarsen, DD – Vice-President
Michael Weiss, DD
Kim Maximchuk, DD
David Bennett, DD
Tammy McCorkell – Public Member
Dustin Schinbein – Public Member

Staff

Carol Stewart – Registrar (January – July)
Peter Portlock – Interim Registrar (July – December)
Karen Irwin – Administrative Assistant/Hearings Director
Melissa Linn – Executive Assistant/Complaints Director
(January – July)
Lloyd Fischer – Complaints Director (July – December)

Committees

Examination Committee

The examination committee ensures that the registration examination administered by the College is psychometrically sound and is a fair and defensible process by which eligibility for registration may be determined.

Tony Ivcevic, DD – Chair Dan Heighton, DD Erin Rodgers, DD Dan Mihajlov, DD

Fee Guide Development & Negotiation Committee

This committee works at arms length from the College to enact the authority given, by the minister, under s. 27 of the *Health Professions Act*. These members were elected from and by the general membership at the College of Alberta Denturists' Annual General Meeting.

Michael Hansen, DD – Chair Steven Sailer, DD Cynthia Sweet, DD

Registration Committee

The Registration Committee is established by statute and confers and makes decisions on matters of registration referred to it by the Registrar.

Katherine Holyk, DD – Chair Darron Ward, DD Jatinder Sharma, DD Chris Duncan, DD

Standards Committee

The Standards Committee is established to provide guidance and recommendations on the development and maintenance of standards for the profession.

Janet Paradis, DD Karen Smith, DD Jayesh Bharadia, DD



Public Members' Report

Through an Order of Council by the Lieutenant Governor, in accordance with the *Health Professions Act*, Tammy McCorkell and Dustin Schinbein were appointed to the Council of the College of Alberta Denturists for mutually exclusive three-year terms. As government appointed public members to the Council of the College of Alberta Denturists, we are honored to aid the College in serving their mandate to govern the profession of denturists in a manner that protects and serves the interest of the Albertan public.

We would like to acknowledge that the College of Alberta Denturists' Mission Statement is, "Through leadership, innovation and interprofessional relationships, the College discharges its duties ethically, respectfully and with full accountability and transparency." The College of Alberta Denturists continues to work collaboratively with stakeholders, including the Denturist Association of Alberta, to establish, bolster and expand relationships in alignment with their mission.

The College made a difficult decision to pivot away from previous aspects of the leadership team, initiating the process of seeking out a new Registrar while revisiting the role of the Complaints Director. Additionally, the Council of the College of Alberta Denturists conditionally endorsed the exploration of enrolment with an accreditation body.

We look forward to continuing to support the College of Alberta Denturists in reinventing their leadership team and serving their mandate to govern the profession of Denturists, while serving and protecting the public's interest.

Respectfully,

Dustin Schinbein & Tammy McCorkell

Registration Report

The College works to ensure that solid and defensible criteria are in place by which applicants to the College are assessed for registration initially and at renewal. By these processes, we report our registration activities for 2018.

Applications and Registrations

	2018		2017	
	Applications	Registrations	Applications	Registrations
New graduates				
Alberta program	12	12	9	9
Out of province programs	0	0	0	0
Denturists from other provinces	4	4	0	0
Internationally-educated denturists	0	0	0	0
Reinstatements				
Alberta	5	5	0	0
Other provinces	0	0	0	0
TOTALS	21	21	9	9

Registration Renewals

	2018	2017
Total practice permits renewed	304	305

Regulated Members

	2018	2017
General register	325	314
Provisional register	2	8
Courtesy register	0	0
Total Regulated Members	327	322

Courtesy Register

	2018	2017
Courtesy register	0	0
Total Regulated Courtesy Members	0	0

Transition from Regulated Membership

The following numbers represent those who transitioned from regulated practice.

	2018	2017
Parental/Medical leave	1	3
Retirement	4	5
Left jurisdiction	2	5
Other	7	2
Total	14	15

Registration Review by Council

From a request dated 2017, Council reviewed a decision of the Registrar/Registration Committee regarding the issuance of a practice permit with conditions of a new applicant. The applicant felt that the conditions of the permit were not necessary. Prior to the review hearing, a consent resolution was reached between both parties. Council was requested to approve the consent resolution and issue a decision on those terms. Council's approval of this resolution resulted in the member's practice permit being issued without conditions.

Continuing Competence Program

In their Continuing Competence Program (CCP), as per s. 10.1(1) of the *Denturists Profession Regulation*, regulated members must complete 100 hours of continuing education, in accordance with the rules established by Council under s. 11. These hours must be completed within each sequential five-year cycle beginning on the January 1 following the year of the regulated member's initial registration under the *Dental Mechanics Regulation* or under the *Denturists Profession Regulation*.

Regulated members may obtain continuing education hours by undertaking:

- a. activities that contain scientific or clinical content related to the practice of denturism; and/or
- b. continuing education activities that promote the personal or non-clinical development of the regulated member. This category may only be used to a maximum of 10 hours per five-year cycle.

Aside from the areas that pertain directly to the scientific and clinical aspects of the profession, the College encourages members to participate in education in other areas such as business and other programming which results in the members providing quality patient care to their patient populations.

Currently, regulated members must submit, to the Registrar, record of the activities of continuing education undertaken and specify the activities undertaken in accordance with the program rules. As such, the College's Registrar is responsible for monitoring a regulated member's compliance with the requirements of the CCP. As per section 9(f) of the *Denturists Profession Regulation*, members must be in compliance with their CCP in order to renew their registration for the subsequent year. Failure to comply may result in suspension of one's practice permit and the Registrar reserves the right to audit the CCP of any regulated member.

In 2018, all members were in compliance with the CCP.



Registration Examination

The College of Alberta Denturists administers a registration examination that is applicable to s. 3(1)(c) of the *Denturists Profession Regulation* and is used as a measure to assess applications for registration as a regulated member on the general register. The current exam format has been used for three years with much success. The exam consists of two components: a multiple-choice question (MCQ) examination and an objectively structured clinical examination (OSCE). A candidate must be successful on both components in order to qualify for registration on the general register. As per policy, an individual may have a maximum of three attempts, per component, to be successful.

Under the psychometric guidance of Martek Assessments Ltd., the College of Alberta Denturists' Examination Committee ensures that the processes for the development and administration of the Alberta registration examination for denturists have rigor and fairness imbedded. The examination processes include development of examination items; training for examination assessors; standard setting to determine each exam's cut score; exam administration; and processing of results.

As with any decision of the College, an appeal process exists for examination candidates. All candidates are informed of this process.

2018 Examination Results

	MCQ		OCSE	
	Candidates	Successes	Candidates	Successes
First-time sitting	15	13	15	13
Successive sittings	1	0	2	0

The College would like to express its appreciation to all members who contributed their expertise and assistance. Their invaluable contribution with development, assessing and standardizing ensures that this examination is robust and defensible in terms of both validity and reliability.

Professional Conduct

The College of Alberta Denturists ensures that all complaints received are handled through a fair and transparent process while confirming compliance with obligations set out in legislation.

Complaints

Carried over from 2017	2
New in 2018	31
	<hr/>
TOTAL	33
Disposed in 2018	27
Remain open	6

Hearings

Outstanding from previous years	3
Held in 2018	0
Closed in 2018	0
	<hr/>
Remain outstanding	3
Hearings closed to the public	N/A

Of those active complaints in 2018, the College followed different legislated processes depending on the individual complaint.

Complaints

Dismissed	10
Resolved informally	19
Alternative Complaint Resolution	0
Investigated	2
Referred to a hearing	0
Section 118 incapacity assessment	0

Appeals

to CRC	1
to Council	0
to the court	0

Summary of Complaints

	Background	Outcome
1	Denturist was not returning phone calls to the patient	Resolved informally
2	Patient was concerned about the pricing and billing processes for their treatment plan	Resolved informally
3	Patient was upset about the cost of their treatment plan	Dismissed
4	Denturist was not making themselves available for regular adjustments as per the patient's request	Dismissed
5	Patient was requesting a partial refund for the cost of their treatment plan	Resolved informally
6	Patient was upset about paying for their treatment plan and not receiving any dentures	Investigated
7	Denturist was not keeping in contact with the patient	Resolved informally
8	Patient was unhappy with the denture	Dismissed
9	Patient was unhappy with the denture and how frequently they were being contacted by the denturist for follow up	Dismissed
10	Patient was unable to obtain all the services in one location and was upset that they had to travel to another clinic for some additional services	Resolved informally
11	Patient was upset about the general fit and feel of their denture and wanted a new denture, at zero cost, completed	Resolved informally
12	Patient was upset about how the receptionist was speaking to them at the clinic	Dismissed
13	Patient was upset about how long their treatment plan was going to take to complete	Resolved informally

	Background	Outcome
14	Patient was upset about the cost of their treatment plan and how often they were required to attend the denturist's clinic	Resolved informally
15	Patient was unhappy with the fit of their denture	Resolved informally
16	Patient was unhappy with the cost of their denture	Dismissed
17	Patient was upset about the overall quality of their denture	Resolved informally
18	Patient was upset about how long it was taking for the denturist to return their phone calls about some concerns about the fit of their denture	Resolved informally
19	Patient was upset about cost of treatment plan and follow up costs	Dismissed
20	Patient was upset about the cost of their treatment plan	Resolved informally
21	Patient was upset about the operating hours of the clinic	Resolved informally
22	Patient was unhappy about the cost of their denture	Dismissed
23	Patient was upset about the resolution offered by the denturist around their case (not fitting well)	Resolved informally
24	Patient was upset about how the denturist was speaking to them about their concerns about their treatment plan	Resolved informally
25	Patient was upset about the denturist not returning emails and phone calls in a timely manner about their concerns about they denture they had made	Resolved informally
26	Patient was unhappy with the cost of their treatment plan	Dismissed
27	Patient was upset about the cost of their treatment plan and timeline	Resolved informally
28	Patient was upset about the resolution offered by the denturist around their case (not fitting well and general look)	Resolved informally

Health Professions Act

27 If the Minister is satisfied that a college is organized so that when it undertakes its powers, duties and functions under this Act it would not be influenced by an approval,

(a) the Minister may approve the college to set professional fees, to provide guidelines on professional fees and to negotiate professional fees on behalf of some or all of its regulated members, and

(b) the Minister may impose conditions on that approval.

1999 cH-5.5 s27

Fee Guide Report

By letter dated February 5, 2002, the Minister of Health granted approval pursuant to Section 27 of the *Health Professions Act* for the College to provide guidelines for professional denturist fees in the form of a recommended fee schedule and to negotiate professional fees on behalf of its regulated members via a committee made up of members elected by the general membership, functioning independently of the Council and reporting to Council only for purposes of providing information. Those activities are the responsibility of the Fee Guide Development & Negotiation Committee.

The Fee Guide Development & Negotiation Committee is responsible for the negotiation of fees with various organizations and for the development of a recommended fee schedule for the denturist profession in Alberta and is composed of three regulated members in good standing with the College.

The current contract with Alberta Human Services, administered by Alberta Dental Services Corporation, expired on June 30, 2018. The Committee is currently negotiating a new contract with Alberta Health and details will be forthcoming early in 2019. The Dental Assistance for Seniors Program continues to be a non-contract program. This program had no fee increases in 2017 and 2018.

The College of Alberta Denturists continues to pursue the transfer the process of fee negotiations from the College to the Denturist Association of Alberta.

Order of Merit

In each year, the College of Alberta Denturists may award the Alberta Denturist Order of Merit. This award is bestowed to a current or former regulated member who has had a least 10 years of professional practice and has contributed to the profession outside of their clinical practice to be recognized as a role model and/or leader. Nominations are received, by Council, from the membership and Council may choose to award the Order of Merit to a worthy candidate.

In 2018, Council conferred the Alberta Denturist Order of Merit to Kevin Grover, DD, FCAD. Mr. Grover is a currently practicing denturist from Leduc, Alberta who has made an impact on the profession both nationally and provincially. Mr. Grover is a recipient of a fellowship from the Denturist Association of Canada and is a previous Council member of the Alberta Denturist Society. In addition to instructing at the Northern Alberta Institute of Technology in the Denturist Technology program, he has continued to be a preceptor and mentor for students and new Alberta denturists. His dedication to the profession does not stop there as he has also contributed his expertise to the Alberta registration examination process.

The College applauds Mr. Grover on his accomplishments thus far and thanks him for his contributions to the College and the profession ensuring that Albertans receive ethical, professional and safe denturist care.

Audited Financial Statements



GALLO & COMPANY

CHARTERED PROFESSIONAL ACCOUNTANTS

To the Members of College of Alberta Denturists

Opinion

We have audited the financial statements of College of Alberta Denturists (the College), which comprise the statement of financial position as at December 31, 2018, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at December 31, 2018, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the College or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the College's financial reporting process.

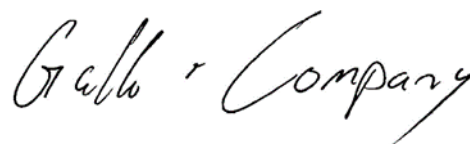
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Edmonton, Alberta

May 30, 2019

PROFESSIONAL CORPORATION

CHARTERED PROFESSIONAL ACCOUNTANTS

Statement of Revenues and Expenditures

Year Ended December 31, 2018

	2018	2017
REVENUES		
Regulated member permit fees	\$ 606,253	\$ 655,699
Examination fees	72,500	43,800
Application fees and late penalties	10,900	6,700
Levy on registration (Schedule 1)	9,500	4,500
Hearing cost recovery (Schedule 1)	8,000	-
Interest income	4,622	3,545
Non-regulated member permit fees	57	-
	711,832	714,244
EXPENSES		
Salaries and wages <i>(Note 11)</i>	273,297	232,279
Professional conduct	215,507	69,965
Committee <i>(Note 10)</i>	103,150	88,348
Examination costs	61,819	34,295
Rent	41,156	53,133
Complaints director	37,460	5,046
Office	36,226	61,329
Professional fees	23,950	39,117
Interest and bank charges	18,895	16,769
Amortization	12,724	8,467
Insurance	3,045	2,880
Registrar	-	832
	827,229	612,460
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	(115,397)	101,784
OTHER INCOME		
Loss on disposal of capital assets	-	(3,815)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (115,397)	\$ 97,969

Statement of Financial Position

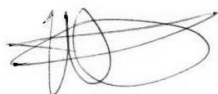
December 31, 2018

	2018	2017
ASSETS		
CURRENT		
Cash (<i>Notes 2, 9</i>)	\$ 1,178,753	\$ 1,117,446
Accounts receivable	17,270	3,150
Current portion of Professional Conduct receivable (<i>Note 3</i>)	17,800	22,200
Prepaid expenses	2,939	2,924
	1,216,762	1,145,720
CAPITAL ASSETS (<i>Notes 2, 5</i>)	43,544	54,709
PROFESSIONAL CONDUCT RECEIVABLE (<i>Note 3</i>)	4,450	8,850
REIMBURSABLE HEARING COSTS (<i>Note 4</i>)	-	129,143
	\$ 1,264,756	\$ 1,338,422
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 30,875	\$ 13,111
Current portion of capital leases (<i>Note 7</i>)	4,650	4,650
Goods and services tax payable	21,775	23,863
Employee deductions payable	1,505	4,502
	58,805	46,126
CAPITAL LEASE OBLIGATION (<i>Note 7</i>)	10,462	16,274
DEFERRED REVENUE (<i>Note 6</i>)	676,033	641,169
	745,300	703,569
NET ASSETS		
Unrestricted general fund	304,526	424,068
Invested in capital assets	28,430	33,785
Restricted Professional Conduct Fund (<i>Note 9</i>)	186,500	177,000
	519,456	634,853
	\$ 1,264,756	\$ 1,338,422
LEASE COMMITMENTS (<i>Note 8</i>)		

Statement of Financial Position (continued)

December 31, 2018

ON BEHALF OF THE BOARD



Rae-Lynne Robichaud, DD
President



Megan Skarsen, DD
Vice-President

Statement of Changes in Net Assets

Year Ended December 31, 2018

	Unrestricted General Fund	Invested in capital assets	Restricted Professional Conduct Fund (Note 9)	2018	2017
NET ASSETS –					
BEGINNING OF					
YEAR	\$ 424,068	\$ 33,785	\$ 177,000	\$ 634,853	\$ 534,884
Excess (deficiency) of revenue over expenses	126,982	(6,912)	(235,467)	(115,397)	97,969
Capital asset additions	(1,557)	1,557	-	-	-
Interfund transfer	(244,967)	-	244,967	-	-
NET ASSETS – END OF					
YEAR	\$ 304,526	\$ 28,430	\$ 185,500	\$ 519,456	\$ 634,853

Statement of Cash Flows

Year Ended December 31, 2018

	2018	2017
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (115,397)	\$ 97,969
Items not affecting cash:		
Amortization of capital assets	12,724	8,467
Loss on disposal of capital assets	-	3,815
	(102,673)	110,251
Changes in non-cash working capital:		
Accounts receivable	(14,120)	310
Current portion of Professional Conduct receivable	4,400	1,550
Accounts payable	17,762	(14,149)
Prepaid expenses	(15)	(44)
Goods and services tax payable (receivable)	(2,088)	544
Malpractice insurance receivable	-	825
Professional Conduct Fund receivables (long term)	4,400	18,000
Deferred revenue	34,864	(43,932)
Employee deductions payable	(2,997)	4,502
Reimbursable hearing	129,143	(36,180)
	171,349	(68,574)
Cash flow from operating activities	68,676	41,677
INVESTING ACTIVITIES		
Purchase of capital assets	(1,557)	(24,503)
Proceeds on disposal of capital assets	-	5,012
Cash flow used by investing activities	(1, 557)	(19,491)
FINANCING ACTIVITY		
Repayment of obligations under capital lease	(5,812)	(9,486)
INCREASE IN CASH FLOW	61,307	12,700
Cash - beginning of year	1,117,446	1,104,746
CASH - END OF YEAR	\$ 1,178,753	\$ 1,117,446

Notes to Financial Statements

Year Ended December 31, 2018

1. DESCRIPTION OF OPERATIONS

The College of Alberta Denturists (the "College") was established under the Health Professions Act to regulate the profession of denturism in Alberta and to strive to ensure that Albertans receive ethical, professional and safe denturist services. The College is registered as a not-for-profit organization and, as such, is exempt from income taxes under Section 149 (1)(l) of the Income Tax Act.

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 (ASNFPPO) using the restricted fund method of recording contributions.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income.

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, which are amortized using the straight-line method.

Financial assets 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 period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Cash and cash equivalents

Cash consists of \$1,057,292 (2017 - \$83,767) in an operating account and \$121,460 (2017 - \$1,033,678) in a savings account which bears interest at 0.5% (2017 - 0.5%) per annum. Of the total cash balance, \$164,250 (2017 - \$145,950) is restricted as part of the Professional Conduct Fund.

Fund accounting

The College of Alberta Denturists follows the restricted fund method of accounting for contributions.

Annual member dues and ancillary services are recognized as revenue in the Unrestricted General Fund over the period to which they relate.

Notes to Financial Statements

Year Ended December 31, 2018

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

Unrestricted investment income is recognized as revenue when earned in the Unrestricted General Fund.

Restricted contributions are recognized as revenue of the fund in the year the funds are received.

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

Restricted contributions received to date consist of amounts in the Professional Conduct Fund, as described in Note 9.

In order to ensure observance of the limitations and restrictions placed on the use of resources available to the College, the accounts of the College are maintained in accordance with the principles of fund accounting. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the directives of the Executive Council and the College's internal policies. For financial reporting purposes, the accounts have been classified into the following funds:

Unrestricted General Fund

This fund is available for general purposes and reflects the transactions associated with the operating activities of the College.

Invested in Capital Assets

This fund records the activities associated with the College's capital assets.

Restricted Professional Conduct Fund

The College is required to maintain an ability to discharge the financial requirements that result from its statutory obligations as contained in the Health Professions Act and in the Denturists Profession Regulation enacted thereunder. The externally restricted Professional Conduct Fund (PCF) reflects the above financial obligations. The College Council may, at its discretion, allocate funds from the General Fund to supplement shortfalls in the PCF.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a straight-line basis at the following rates and methods:

Notes to Financial Statements

Year Ended December 31, 2018

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

Computer software	30%	declining balance method
Computer equipment	30%	declining balance method
Equipment	20%	declining balance method
Furniture and fixtures	20%	declining balance method
Website	20%	straight-line method
Leasehold improvements	20%	straight-line method

The College regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Leases

Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a capital lease. At the inception of a capital lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value at the beginning of the lease. All other leases are accounted for as operating leases; wherein, rental payments are expensed as incurred.

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.

Significant areas requiring the use of estimates include the determination of the useful life of capital assets and allowance for doubtful accounts.

3. PROFESSIONAL CONDUCT RECEIVABLE

	<u>2018</u>	<u>2017</u>
Fines and cost orders at December 31	\$ 22,250	\$ 31,050
Less current portion	(17,800)	(22,200)
	<u>\$ 4,450</u>	<u>\$ 8,850</u>

Notes to Financial Statements

Year Ended December 31, 2018

4. DEFERRED HEARING COSTS

Costs associated to the hearings related to professional misconduct of members of the College of Alberta Denturists may be recovered depending on the judgement of the hearing tribunal. In the current year two on-going cases of misconduct were deemed to be recoverable. However, at this time the amount to be recovered is indeterminable and therefore an estimate could not be made on the recoverable amount.

In the prior year, the balance consisted of administrative costs incurred for ongoing member hearings and cases. Expenses associated with these cases were reimbursable based on court decisions. When a member is found not guilty, the deferred reimbursable hearing balance for the member's case is adjusted accordingly.

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Computer software	\$ 24,083	\$ 19,785	\$ 4,298	\$ 5,488
Computer equipment	18,728	15,977	2,751	3,603
Equipment	60,887	39,021	21,866	27,332
Furniture and fixtures	59,043	44,414	14,629	18,286
	\$ 162,741	\$ 119,197	\$ 43,544	\$ 54,709

The following assets included above are held under capital lease Note 7:

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Equipment	\$ 23,249	\$ 6,510	\$ 16,739	\$ 20,924

Notes to Financial Statements

Year Ended December 31, 2018

6. DEFERRED REVENUE

Deferred revenue consists of annual member dues for 2019, which have been received prior to December 31, 2018.

7. CAPITAL LEASE OBLIGATION

	<u>2018</u>	<u>2017</u>
Office equipment is being leased under a lease agreement bearing interest at 0% per annum, repayable in quarterly blended payments of \$1,162 and expiring on April 28, 2022.	\$ 15,112	\$ 20,924
Amounts payable within one year	<u>(4,650)</u>	(4,650)
	\$ 10,462	\$ 16,274

Principal repayment terms are approximately:

2019	\$ 4,650
2020	4,650
2021	4,650
2022	<u>1,162</u>
-	<u>\$ 15,112</u>

8. LEASE COMMITMENTS

The College has a long term lease with respect to its premises. The lease contains renewal options and provides for payment of utilities, property taxes and maintenance costs. Future minimum lease payments as at December 31, 2018, are as follows:

2019	\$ 41,085
2020	41,085
2021	41,085
2022	43,765
2023	46,444
Thereafter	<u>162,556</u>
	\$ 376,020

Notes to Financial Statements

Year Ended December 31, 2018

9. PROFESSIONAL CONDUCT FUND

The Professional Conduct Fund (PCF) was initially funded through a \$500 fee per Regulated Member. This fund is externally restricted by the College's Regulated Members to fund professional conduct costs incurred by the College.

The PCF policy sets a desired minimum amount for the fund, based on the number of Regulated Members multiplied by the amount of the PCF fee and the retained PCF fees of former Regulated Members who have resigned for a period not exceeding two years. Council may require all Regulated Members to pay a special levy in an amount necessary to restore the PCF account to the minimum amount, if necessary.

The reconciliation of desired amounts with the ending fund balance can be summarized as follows:

	2018	2017
Professional Conduct Fund		
Desired minimum amount for PCF		
Desired balance, beginning of year	\$ 177,000	\$ 172,500
Levy on registration	9,500	4,500
Desired balance, end of year	186,500	177,000
Impact of Professional Conduct activities		
Balance, beginning of year	177,000	152,000
Net expenses in operations (Schedule 1)	(235,467)	(92,354)
Interfund transfer from General Fund	244,967	117,354
Actual PCF at year-end	186,500	177,000
Consists of:		
Restricted cash (note 2)	164,250	145,950
Professional Conduct receivable (Note 3)	4,450	8,850
Current portion of Professional Conduct receivable (Note 3)	17,800	22,200
	186,500	177,000

Notes to Financial Statements

Year Ended December 31, 2018

10. COMMITTEES

	2018	2017
Examination	\$ 49,824	\$ 66,376
Council	52,846	17,843
Fee guide and negotiations	121	136
Registration	359	3,108
Standards	-	885
	\$ 103,150	\$ 88,348

Committee costs include travel, meetings and per diems. The above noted expenses do not include costs of the public members of Council, for regular scheduled council meetings, as their expenses are remitted to and funded by Alberta Health.

11. SALARIES, REMUNERATION, AND BENEFITS

The College paid the following amounts for salaries, remuneration and benefits in the year:

	2018	2017
Administrative wages	\$ 141,318	\$ 127,335
Registrar Remuneration	112,426	85,270
Staff benefits	19,553	19,674
	\$ 273,297	\$ 232,279

12. MALPRACTICE INSURANCE RECEIVABLE

The College collects Malpractice Insurance fees from members, which are paid to the insurance carrier on their behalf. The amount collected was \$54,020 (2017 - \$51,150) and the amount paid was \$54,020 (2017- \$51,150), resulting in a receivable of \$NIL (2017 - \$NIL).

Notes to Financial Statements

Year Ended December 31, 2018

13. 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, 2018.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The College is exposed to credit risk resulting from the possibility that a member or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The College's primary exposure to credit risk relates to accounts receivable from members for disciplinary action.

Liquidity risk

The College's objective is to have sufficient liquidity to meet its liabilities when due. The College monitors its cash balances and cash flows generated from operations to meet its requirements. As at December 31, 2018, the College's most significant liabilities are accounts payable and accrued liabilities, all of which fall due for payment within one year of the statement of financial position date. The College manages liquidity risk through ongoing review of accounts receivable balances and the management of its cash and debt positions.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the College manages exposure through its normal operating and financing activities. The College is exposed to minimal interest rate risk.

14. COMPARATIVE FIGURES

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

Statement of Operations - Professional Conduct Fund

(Schedule 1)

Year Ended December 31, 2018

	2018	2017
REVENUE		
Levy on registration	\$ 9,500	\$ 4,500
Hearing cost recovery	8,000	-
	17,500	4,500
EXPENSES		
Informal complaint process	185,332	65,292
Complaints director services fee	37,710	26,888
Hearing tribunal	26,658	820
External investigation services and expenses	3,267	3,854
	252,967	96,854
DEFICIENCY OF REVENUE OVER EXPENSES	\$ (235,467)	\$ (92,354)

The College of Alberta Denturists ensures that the public receives ethical, professional and safe denturist services through leadership, innovation and interprofessional relationships.



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