

Peverill & Associates Incorporated

**Nova Scotia College of  
Chiropractors**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

# Nova Scotia College of Chiropractors

DECEMBER 31, 2020

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of the Nova Scotia College of Chiropractors

**Opinion**

We have audited the financial statements of the Nova Scotia College of Chiropractors, which comprise the statement of financial position as at December 31, 2020, and the statements of operations, 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 Nova Scotia College of Chiropractors as at December 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Accounting Standards for Not-for-Profit Organizations (ASNFPO).

**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 Nova Scotia College of Chiropractors 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 these 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 ASNFPO, 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 Nova Scotia College of Chiropractors's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Nova Scotia College of Chiropractors or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Nova Scotia College of Chiropractors's financial reporting process. When individuals responsible for the oversight of the financial reporting process are the same as those responsible for the preparation of the financial statements, no reference to oversight responsibilities is required.



# Peverill & Associates Incorporated

## INDEPENDENT AUDITOR'S REPORT (continued)

### 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 Nova Scotia College of Chiropractors'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 Nova Scotia College of Chiropractors'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 Nova Scotia College of Chiropractors 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.

  
Lower Sackville, Nova Scotia

May 29, 2021

CHARTERED PROFESSIONAL ACCOUNTANTS  
LICENSED PUBLIC ACCOUNTANTS

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~ Founded in 1988 ~


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**NOVA SCOTIA COLLEGE OF CHIROPRACTORS  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 910,206	\$ 1,021,087
Marketable Securities (Note 3)	594,787	575,430
Accounts receivable	126,595	20,551
Prepaid expenses and sundry assets	<u>6,990</u>	<u>1,147</u>
	<u>1,638,578</u>	<u>1,618,215</u>
	<u>\$ 1,638,578</u>	<u>\$ 1,618,215</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 33,231	\$ 60,614
Deferred revenue (Note 2 b)	<u>319,300</u>	<u>451,029</u>
	<u>352,531</u>	<u>511,643</u>
<b>NET ASSETS</b>		
<b>INTERNALLY RESTRICTED NET ASSETS - LEGAL FUND</b>	604,746	507,408
<b>C3 CONFERENCE FUND</b>	2,532	2,843
<b>UNRESTRICTED NET ASSETS</b>	<u>678,769</u>	<u>596,321</u>
	<u>1,286,047</u>	<u>1,106,572</u>
	<u>\$ 1,638,578</u>	<u>\$ 1,618,215</u>

**APPROVED ON BEHALF OF THE BOARD:**

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

Paverill & Associates Incorporated

# Nova Scotia College of Chiropractors

## STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2020

	Internally Restricted Net Assets <u>Legal &amp; C3</u>	Unrestricted Net Assets	<u>2020</u>	<u>2019</u>
NET ASSETS, beginning of year	\$ 510,251	\$ 596,321	\$ 1,106,572	\$ 1,119,050
(Deficiency) Excess of Revenue over expenditures for the year	<u>50,921</u>	<u>128,554</u>	<u>179,475</u>	<u>(12,478)</u>
Transfers	<u>46,106</u>	<u>(46,106)</u>	<u>-</u>	<u>-</u>
NET ASSETS, end of year	<u>\$ 607,278</u>	<u>\$ 678,769</u>	<u>\$ 1,286,047</u>	<u>\$ 1,106,572</u>
Legal Fund	\$ 604,746			
C3 Fund	<u>2,532</u>			
	<u>\$ 607,278</u>			

Peverill & Associates Incorporated  
**Nova Scotia College of Chiropractors**

**STATEMENT OF OPERATIONS  
 FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>REVENUE</b>		
Membership Dues	\$ 455,122	\$ 350,650
Advertising Levy	140,525	135,400
Fundraising and Other	28,530	31,885
Interest	<u>7,349</u>	<u>16,600</u>
	<u>631,526</u>	<u>534,535</u>
<b>EXPENDITURES</b>		
Accounting and Audit	22,806	19,733
Advertising	103,740	125,545
Complaints Administration	14,407	49,564
Continuing Education Support	-	405
- CPG	8,100	8,100
- FCC	5,293	5,189
- CCRF	2,777	2,601
- Other	2,365	2,782
Honoraria	24,100	31,975
Insurance	3,641	3,488
Bank and Credit Card Charges	11,511	5,001
Legal Fees	7,928	16,060
Management	141,951	130,637
Meetings - Board	6,667	10,223
- College General	14,543	14,545
- Committee	4,870	11,301
- External	2,025	19,869
- Strategic Planning	-	5,128
- Council	6,337	11,786
- Per Diems	5,925	15,325
Public Member Travel	2,522	-
Office and Sundry	40,394	10,202
Registrar Support	21,013	9,834
Scholarships	2,150	-
Seminars	21,734	21,724
Secretarial	11,706	10,443
Online Subscription Fees	2,070	-
Website	<u>12,397</u>	<u>2,449</u>
	<u>502,972</u>	<u>543,909</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<u>\$ 128,554</u>	<u>\$ (9,374)</u>

Nova Scotia College of Chiropractors <sup>Peverill & Associates Incorporated</sup>

**STATEMENT OF CASH FLOWS**  
**DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Members	\$ 435,617	\$ 723,756
Interest Received	31,335	34,411
Cash Paid to Suppliers	<u>(558,476)</u>	<u>(721,510)</u>
	<u>(91,524)</u>	<u>36,657</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Increase) in Investments	<u>(19,357)</u>	<u>(82,125)</u>
<b>DECREASE IN CASH</b>	(110,881)	(45,468)
<b>CASH, beginning of year</b>	<u>1,021,087</u>	<u>1,066,555</u>
<b>CASH, end of year</b>	<u>\$ 910,206</u>	<u>\$ 1,021,087</u>



Peverill & Associates Incorporated

# Nova Scotia College of Chiropractors

## SCHEDULE OF REVENUE AND EXPENDITURES - BOARD FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
<b>REVENUE</b>		
Membership Dues	\$ 341,041	\$ 223,437
Interest	4,674	9,081
Fundraising and Other	<u>8,650</u>	<u>9,750</u>
	354,365	242,268
<b>EXPENDITURES</b>		
Accounting and Audit	16,780	14,548
Complaints Administration	14,407	49,564
Continuing Education Support	-	405
Fees - FCLB	2,365	2,782
- CPG Fees	8,100	8,100
- CCRF Fees	-	2,601
- FCC Fees	5,293	5,189
Honoraria	14,750	21,625
Insurance	2,427	2,337
Bank and Credit Card Charges	10,146	3,438
Legal Fees	7,928	14,228
Management	106,910	92,077
Meetings - Board	6,667	10,223
- College General	13,767	13,920
- Committees	190	3,934
- External	1,848	15,242
- Strategic Planning	-	2,639
- Public Member Travel	2,522	-
- Per Diems	5,025	10,525
Office and Sundry	9,153	9,305
Online Subscription Fees	2,070	-
Registrar Support	21,013	9,834
Secretarial	11,083	9,428
Seminar	1,351	38
Website and newsletter	<u>12,397</u>	<u>432</u>
<b>TOTAL EXPENDITURES</b>	<u>276,192</u>	<u>302,414</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<u>\$ 78,173</u>	<u>\$ (60,146)</u>

Peverill & Associates Incorporated

# Nova Scotia College of Chiropractors

## SCHEDULE OF REVENUE AND EXPENDITURES - COUNCIL FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
<b>REVENUE</b>		
Advertising levy	\$ 140,525	\$ 135,400
Membership fees	114,081	127,213
Seminar	16,760	22,135
Fundraising and Other	3,120	-
Interest	<u>2,675</u>	<u>7,519</u>
	<u>277,161</u>	<u>292,267</u>
<b>EXPENDITURES</b>		
Accounting and Audit	6,026	5,185
Advertising	103,740	125,545
Honoraria	9,350	10,350
Bank Charges	1,365	1,563
Insurance	1,214	1,151
Management	35,041	38,560
Meetings - Committee	4,680	7,367
- Council	6,337	11,786
- Council TB	776	625
- External	177	4,627
- Per Diems	900	4,800
- CCRF	2,777	-
Office and Sundry	31,241	897
Scholarships	2,150	-
Secretarial	623	1,015
Seminar	20,383	21,686
Legal	-	1,832
Strategic Planning	-	2,489
Website and newsletter	<u>-</u>	<u>2,017</u>
	<u>226,780</u>	<u>241,495</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<u>\$ 50,381</u>	<u>\$ 50,772</u>

Peverill & Associates Incorporated

# Nova Scotia College of Chiropractors

## SCHEDULE OF LEGAL FUND

**FOR THE YEAR ENDED DECEMBER 31, 2020**

<b>REVENUE</b>	<u><b>2020</b></u>	<u><b>2019</b></u>
Legal fund levy	\$ 46,107	\$ 44,217
Interest, dividend and distribution income	23,986	17,811
Miscellaneous revenue	-	6,000
Unrealized gain on investments	<u>3,106</u>	<u>72,116</u>
	<u>73,199</u>	<u>140,144</u>
 <b>EXPENDITURES</b>		
Complaints Administration	92	10,810
Honoraria	-	1,875
Investment fees	7,735	7,802
Legal Fees	12,358	116,555
Investigative committee	1,145	3,061
Meetings - Committee	-	706
- Per Diems	600	1,500
Office and Sundry	<u>37</u>	<u>260</u>
<b>TOTAL EXPENDITURES</b>	<u>21,967</u>	<u>142,569</u>
 <b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	 <u><u>\$ 51,232</u></u>	 <u><u>\$ (2,425)</u></u>

## SCHEDULE OF C3 FUND

**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u><b>2020</b></u>	<u><b>2019</b></u>
C3 Conference Expenditures	\$ <u>311</u>	\$ <u>679</u>
 <b>(DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	 <u><u>\$ (311)</u></u>	 <u><u>\$ (679)</u></u>

# Nova Scotia College of Chiropractors Incorporated

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

### 1. PURPOSE OF THE ORGANIZATION

The Nova Scotia College of Chiropractors was established by the Chiropractic Act in 2000. The College is responsible for establishing, maintaining and developing standards of qualification, knowledge, skill and ethics for the chiropractic profession and administering the Chiropractic Act.

The Board of the Nova Scotia College of Chiropractors was established to govern, control and administer the affairs of the College.

The Council of the Nova Scotia College of Chiropractors was established to promote proficiency of chiropractors, maintain integrity of the profession and improve service.

These financial statements include the accounts of the Nova Scotia College of Chiropractors, the Board of the Nova Scotia College of Chiropractors, and the Council of the Nova Scotia College of Chiropractors.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Presentation

The financial statements have been prepared in accordance with Canadian accounting standards for Not-for-Profit organizations.

#### (b) Revenue Recognition

Fee revenue is recognized using the accrual method. Deferred revenue represents the fees received prior to the year end for the 2021 fiscal year.

#### (c) Financial Instruments

The College's financial instruments consists of cash and short-term investments, amounts receivable, long-term investments, accounts payable and accrued liabilities. Short term investments are marketable securities and are carried at fair value, determined by their share prices at year end. The fair values of these financial instruments approximate their carrying values, unless otherwise stated. Financial instruments are initially recorded at fair value and then carried at amortized cost.

#### (d) Use of estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires the College's management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Actual results may differ from these estimates.

# Nova Scotia College of Chiropractors Incorporated

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2020

### 3. INTERNALLY RESTRICTED NET ASSETS:

Internally restricted net assets represents funds of \$603,640 (2019 - \$552,408) that have been set aside by the College for potential lawsuits that may arise in the future and \$2,532 (2019 - \$2,843) set aside for the C3 Conference.

The marketable securities which form a part of the internally restricted assets are composed of the following:

	<u>2020</u>	<u>2019</u>
Cash	\$ 5,191	\$ 16,302
Fixed income securities and funds	111,510	113,847
Equity and equity funds	<u>478,086</u>	<u>445,281</u>
	<u>\$ 594,787</u>	<u>\$ 575,430</u>