

NEW BRUNSWICK SOCIETY OF MEDICAL LABORATORY TECHNOLOGISTS INC.

Financial Statements

Year Ended December 31, 2020

NEW BRUNSWICK SOCIETY OF MEDICAL LABORATORY TECHNOLOGISTS INC.

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Year Ended December 31, 2020**

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INDEPENDENT AUDITOR'S REPORT

To the Members of New Brunswick Society of Medical Laboratory Technologists Inc.

Opinion

We have audited the financial statements of New Brunswick Society of Medical Laboratory Technologists Inc. (the Society), which comprise the statement of financial position as at December 31, 2020, and the statements of changes in net assets, revenues and expenditures and cash flow 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 Society as at December 31, 2020, and the results of its operations and its cash flow 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 Society 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 Society's internal control.

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Independent Auditor's Report to the Members of New Brunswick Society of Medical Laboratory Technologists Inc.
(continued)

- 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 Society'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 Society 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.



Fredericton, New Brunswick
April 13, 2021

CHARTERED PROFESSIONAL ACCOUNTANTS

NEW BRUNSWICK SOCIETY OF MEDICAL LABORATORY TECHNOLOGISTS INC.

Statement of Financial Position

December 31, 2020

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 285,794	\$ 232,295
Short term investments (Note 3)	150,851	67,034
Prepaid expenses	154	333
	<u>436,799</u>	<u>299,662</u>
LONG TERM INVESTMENTS (Note 3)	-	80,853
	<u>\$ 436,799</u>	<u>\$ 380,515</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 4,980	\$ 4,299
Unearned membership dues	170,455	162,370
	<u>175,435</u>	<u>166,669</u>
NET ASSETS		
General fund	<u>261,364</u>	<u>213,846</u>
	<u>\$ 436,799</u>	<u>\$ 380,515</u>

APPROVED BY SOLE DIRECTOR

_____ President

NEW BRUNSWICK SOCIETY OF MEDICAL LABORATORY TECHNOLOGISTS INC.

Statement of Changes in Net Assets

Year Ended December 31, 2020

	<u>2020</u>	<u>2019</u>
NET ASSETS - BEGINNING OF YEAR	\$ 213,847	\$ 173,905
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>47,517</u>	<u>39,942</u>
NET ASSETS - END OF YEAR	<u>\$ 261,364</u>	<u>\$ 213,847</u>

NEW BRUNSWICK SOCIETY OF MEDICAL LABORATORY TECHNOLOGISTS INC.

Statement of Revenues and Expenditures

Year Ended December 31, 2020

	2020	2019
REVENUE		
Dues - NBSMLT	\$ 175,337	\$ 153,542
Dues - CSMLS	110,520	110,700
Other	500	765
Interest	4,284	4,179
	<u>290,641</u>	<u>269,186</u>
EXPENSES		
Bank charges and paypal fees	5,438	4,899
Board of Directors	2,238	7,812
CSMLS fees	110,520	110,700
Committees	1,043	2,026
Executive travel	1,300	1,284
Grants	200	200
Insurance	1,342	984
Miscellaneous	205	860
Newsletter, publications and homepage	697	139
Office	5,996	3,382
Professional fees (Note 4)	18,441	7,824
Rent	450	-
Subcontracts - administration	94,449	89,046
Translation	805	88
	<u>243,124</u>	<u>229,244</u>
EXCESS OF REVENUE OVER EXPENSES	\$ 47,517	\$ 39,942

NEW BRUNSWICK SOCIETY OF MEDICAL LABORATORY TECHNOLOGISTS INC.

Statement of Cash Flow

Year Ended December 31, 2020

	2020	2019
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 47,517	\$ 39,942
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	682	798
Unearned membership dues	8,085	11,193
Prepaid expenses	179	(179)
	<u>8,946</u>	<u>11,812</u>
	<u>56,463</u>	<u>51,754</u>
INVESTING ACTIVITY		
Decrease (increase) in investments	<u>(2,964)</u>	<u>(13,150)</u>
INCREASE IN CASH	53,499	38,604
CASH - BEGINNING OF YEAR	<u>232,295</u>	<u>193,691</u>
CASH - END OF YEAR	<u>\$ 285,794</u>	<u>\$ 232,295</u>

NEW BRUNSWICK SOCIETY OF MEDICAL LABORATORY TECHNOLOGISTS INC.

Notes to Financial Statements Year Ended December 31, 2020

1. PURPOSE OF THE ORGANIZATION

The New Brunswick Society of Laboratory Technologists Inc. governs and regulates medical laboratory services provided to the public in the Province of New Brunswick. The organization is incorporated under the New Brunswick Companies Act as a not-for-profit organization.

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).

Financial instruments policy

The Society considers any contracts a financial asset, liability, or equity instrument as a financial instrument, except in certain limited circumstances. The Society accounts for the following as financial instruments:

1. Cash and cash equivalents
2. Investments
3. Payables and accruals

A financial asset or liability is recognized when the society becomes party to contractual provisions of the instrument.

The Society initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the society is in the capacity of management in which case they are accounted for in accordance with financial instruments.

The Society subsequently measures its financial assets and financial liabilities at cost or amortized cost less any reduction for impairment, except for investments which are measured at fair value.

The Society removes financial liabilities, or a portion of, when the obligation is discharged, cancelled, or expires.

Investments

Short-term and long-term investments consist of guaranteed investment certificates and fixed income securities. Included in short-term investments are investments with maturity dates within one year of the balance sheet date.

Property and equipment

The Society expenses items which would normally be considered property & equipment using an accounting policy option available to small not-for-profit organizations. As such, costs related to such items are expensed when incurred. Purchases have included various furniture, computer hardware and software. In the current year \$nil was expensed (2019 - \$nil).

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NEW BRUNSWICK SOCIETY OF MEDICAL LABORATORY TECHNOLOGISTS INC.

**Notes to Financial Statements
Year Ended December 31, 2020**

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

Cash and cash equivalents

The company considers cash on hand, short-term deposits and balances with banks, net of overdrafts as cash or cash equivalents. Bank borrowings are considered to be financing activities.

Revenue recognition

Dues revenue is recorded over the period which the membership relates and when collection is reasonably assured. Dues collected for future periods are deferred and recorded as unearned membership dues, net of the associated Canadian Society for Medical Laboratory Science fees. Other revenue, such as sponsorship and conference revenue, is recognized when earned and collected.

Project grants are recognized as revenue in the year in which the related expenses are incurred.

Interest income is recorded on the accrual basis.

Contributed services

A number of volunteers contribute significant time each year to the activities of the organization. Because of the difficulty in determining the fair value, contributed services are not recognized in the financial statements.

Use of estimates

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.

3. INVESTMENTS

	Interest rate	Due Date	2020	2019
<u>Short Term Investments</u>				
GIC - 14MVZT	1.50%	October 5, 2020	\$ -	\$ 28,035
GIC - 1G9X35	2.80%	October 5, 2020	-	38,999
GIC - 1LB1GF	2.08%	February 6, 2021	72,322	-
GIC - 1LMGRY	2.20%	June 17, 2021	10,230	-
GIC - 1PLYOC	0.76%	July 5, 2021	68,299	-
			150,851	67,034
<u>Long Term Investments</u>				
GIC - 1LB1GF	2.80%	February 6, 2021	-	70,844
GIC - 1LMGRY	2.20%	June 17, 2021	-	10,009
			-	80,853
			\$ 150,851	\$ 147,887

NEW BRUNSWICK SOCIETY OF MEDICAL LABORATORY TECHNOLOGISTS INC.

**Notes to Financial Statements
Year Ended December 31, 2020**

4. PROFESSIONAL FEES

Professional fees expense includes \$10,675 (2019 - \$nil) for COVID-19 related legal fees.

5. SIGNIFICANT EVENT

On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial assets and condition of the Society in future periods.