

COLLEGE OF OPTOMETRISTS OF ONTARIO

FINANCIAL STATEMENTS

WITH AUDITORS' REPORT

DECEMBER 31, 2010

AND

DECEMBER 31, 2009

COLLEGE OF OPTOMETRISTS OF ONTARIO

DECEMBER 31, 2010

TABLE OF CONTENTS

Auditors' Report	1
Balance Sheets	2
Statements of Net Assets	3
Statements of Revenue and Expenditure	4
Statements of Cash Flows	5
Notes to the Financial Statements	6

DAVID F. QUICK B.Sc., C.A.
CLARA M. RADVANY C.M.A., C.A.
R. CHARLES FURNIVALL C.A.

5160 YONGE STREET, SUITE 515
TORONTO, ONTARIO M2N 6L9
TELEPHONE: 416-487-2000
FACSIMILE: 416-487-5225
TOLL FREE: 1-800-387-9282
www.quick-radvany.ca

AUDITORS' REPORT

To the Members of
College of Optometrists of Ontario

We have audited the balance sheets of the College of Optometrists of Ontario as at December 31, 2010 and 2009 and the statements of net assets, revenue and expenditure and cash flows for the years then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 positions of the College as at December 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

QUICK RADVANY LLP

TORONTO, Ontario
March 21, 2011

CHARTERED ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

COLLEGE OF OPTOMETRISTS OF ONTARIO

BALANCE SHEETS

AS AT DECEMBER 31, 2010 AND 2009

ASSETS

	2010	2009
	\$	\$
Current Assets:		
Cash	975,728	128,641
Short-term investments (Note 2)	1,548,041	1,482,274
Amounts held by broker	18,412	4,196
Accounts receivable	4,420	2,160
Prepaid expenses	<u>8,400</u>	<u>12,860</u>
	<u>2,555,001</u>	<u>1,630,131</u>
Long-Term Investments: (Note 2)	<u>1,367,449</u>	<u>2,069,743</u>
Capital Assets: (Note 3)	<u>499,675</u>	<u>511,960</u>
	<u>4,422,125</u>	<u>4,211,834</u>

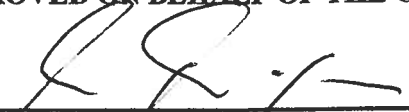
LIABILITIES


Current Liabilities:		
Accounts payable and accrued liabilities	563,498	123,103
Fees received in advance	<u>1,581,850</u>	<u>1,482,646</u>
	<u>2,145,348</u>	<u>1,605,749</u>

NET ASSETS

Invested in capital assets	499,675	512,014
Appropriated special policy funds	500,000	500,000
Unappropriated surplus	<u>1,277,102</u>	<u>1,594,071</u>
	<u>2,276,777</u>	<u>2,606,085</u>
	<u>4,422,125</u>	<u>4,211,834</u>

APPROVED ON BEHALF OF THE COUNCIL


 _____ **DIRECTOR**


 _____ **DIRECTOR**

COLLEGE OF OPTOMETRISTS OF ONTARIO

STATEMENTS OF NET ASSETS **FOR THE YEARS ENDED
DECEMBER 31, 2010 AND 2009**

	2010 \$	2009 \$
<u>Unappropriated</u>		
Balance, beginning of year	1,594,071	1,536,885
Excess of revenue over expenditure	<u>(329,308)</u>	<u>54,450</u>
	1,264,763	1,591,335
Segregated for capital assets	<u>12,339</u>	<u>2,736</u>
Balance, end of year	<u>1,277,102</u>	<u>1,594,071</u>

Appropriated

	New Government Initiatives	Patient Relations Fund	Office Acquisition	Special Contingencies	2010 Total	2009 Total
	\$	\$	\$	\$	\$	\$
Balance, end of year	<u>50,000</u>	<u>30,000</u>	<u>400,000</u>	<u>20,000</u>	<u>500,000</u>	<u>500,000</u>

COLLEGE OF OPTOMETRISTS OF ONTARIO

**STATEMENTS OF REVENUE
 AND EXPENDITURE**

**FOR THE YEARS ENDED
 DECEMBER 31, 2010 AND 2009**

	2010	2009
	\$	\$
Revenue:		
Annual registration fees	1,672,440	1,558,724
Professional corporations	141,225	130,810
Ontario Ministry of Health (Optometry Review Committee)	10,040	9,940
Other income	11,045	14,697
Quality assurance	12,280	3,300
Road show	3,158	360
Investment income (loss)	<u>54,890</u>	<u>(128,230)</u>
	<u>1,905,078</u>	<u>1,589,601</u>
Expenditure:		
College Professional Activities:		
Council meeting and general expense	94,580	81,955
Government Relations	67,550	74,345
Strategic Planning	2,296	64,347
Quality Assurance Committee	57,872	59,696
Clinical Practice Committee	20,232	35,713
College representation	43,742	35,042
ICRC (Complaints Committee)	39,026	32,686
Executive Committee	35,632	31,928
Discipline Committee	62,595	28,507
Registration Committee	43,616	16,730
CEO contribution	-	16,000
Patient Relations Committee	6,051	12,705
Optometry Review Committee	10,040	9,940
Council examination expense	8,573	9,080
Ethics Committee	1,938	2,419
Human resources Committee	<u>675</u>	<u>-</u>
	<u>494,418</u>	<u>511,093</u>
College Administration Activities:		
Salaries and benefits (Note 6)	1,063,727	578,276
Office operation	230,407	223,922
Occupancy costs (Note 4)	68,093	59,831
General legal and accounting services	137,316	42,610
Amortization	20,512	22,746
Consulting	15,496	8,980
Staff development	<u>2,131</u>	<u>1,704</u>
	<u>1,537,682</u>	<u>938,069</u>
	<u>2,032,100</u>	<u>1,449,162</u>
Excess of Revenue Over Expenditure before Unauthorized Practice	(127,022)	140,439
Unauthorized Practice	<u>202,286</u>	<u>85,989</u>
Excess of Revenue Over Expenditure for the year	<u>(329,308)</u>	<u>54,450</u>

COLLEGE OF OPTOMETRISTS OF ONTARIO

STATEMENTS OF CASH FLOWS	FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009	
	2010	2009
	\$	\$
Excess of Revenue Over Expenditure:	(329,308)	54,450
Items not affecting cash:		
Amortization	<u>20,512</u>	<u>22,746</u>
	(308,796)	77,196
Cash increase (decrease) from current operating activities:		
(Increase) decrease in current assets:		
Accounts receivable	(2,260)	647
Prepaid expenses	4,460	(3,565)
Increase (decrease) in current liabilities:		
Accounts payable and accrued liabilities	440,395	(34,472)
Fees received in advance	<u>99,204</u>	<u>68,121</u>
	<u>233,003</u>	<u>107,927</u>
Cash Used In Investing Activities:		
(Increase) in short and long-term investments (net)	636,527	(846,217)
(Increase) in amounts held by broker	(14,216)	(1,181)
Purchase of capital assets	<u>(8,227)</u>	<u>(19,956)</u>
	<u>614,084</u>	<u>(867,354)</u>
Net increase (decrease) in cash during year	847,087	(759,427)
Cash, beginning of year	<u>128,641</u>	<u>888,068</u>
Cash, end of year	<u><u>975,728</u></u>	<u><u>128,641</u></u>

COLLEGE OF OPTOMETRISTS OF ONTARIO

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2010

1. SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the College of Optometrists of Ontario are in accordance with generally accepted accounting principles for non-profit organizations. Outlined below are those policies considered particularly significant.

Short and Long-Term Investments:

Short and long-term investments of guaranteed investment certificates, bonds, income trusts and mutual funds are recorded at acquisition cost. Long-term investments are those investments maturing after the end of next fiscal year end. An adjustment to market value is recorded where there has been a permanent decline in value. The investment income is recognized as revenue in the year in which it is earned. Gains and losses on sales of investment are recorded as investment income as such sales are realized.

Capital Assets and Amortization:

Capital assets are stated at acquisition cost. Amortization is provided for on a diminishing balance basis using the following rates:-

Building	- 4% per annum
Fence	- 10% per annum
Computer hardware	- 30%-100% per annum
Computer software	- 100% per annum
Furniture and equipment	- 20% per annum

Amortization is calculated at one -half of the basic rate in the year the asset is acquired.

Use of Estimates:

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

Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the College, the accounts are also maintained on a Fund accounting basis.

Invested in capital assets fund is used to account for the capital assets of the College and to present the flow of funds related to their acquisition and disposal.

Appropriated funds are used to account for money set aside by Council for specific purposes.

Unappropriated surplus is used to account for revenue and expenditure of the general operation of the College.

COLLEGE OF OPTOMETRISTS OF ONTARIO

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2010

2. SHORT AND LONG-TERM INVESTMENTS:

	Cost	Market Value
Short-term investments	\$	\$
2010	1,548,041	1,505,706
2009	1,482,274	1,482,278
Long-term investments		
2010	1,367,449	1,597,880
2009	2,069,743	2,130,338

3. CAPITAL ASSETS:

The details of capital assets are as follows:

	DECEMBER 31, 2010		2009	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Land	129,153	-	129,153	129,153
Building	566,734	212,415	354,319	366,620
Fence	700	347	353	392
Computer hardware	69,351	66,112	3,239	4,877
Computer software	3,393	3,393	-	1,696
Furniture and equipment	37,713	25,102	12,611	9,222
	807,044	307,369	499,675	511,960

4. OCCUPANCY COSTS:

The College is obligated to pay 12.32% of the operating expenses and capital improvements in respect of the 10% equity interest in the property at 6 Crescent Road, Toronto, Ontario.

5. COMMITMENT:

The College leases office equipment under long-term leases which require the following payments over the next four years:

	\$
2011	11,219
2012	11,219
2013	11,219
2014	9,817

6. SEVERANCE PAY:

Provisions for severance pay of \$392,300 (2009 –NIL) has been included in the financial statements, under "Salaries and benefits".