

College of Dental Surgeons of Saskatchewan
Financial Statements
December 31, 2020

College of Dental Surgeons of Saskatchewan

Contents

For the year ended December 31, 2020

	<i>Page</i>
Management's Responsibility	
Independent Auditor's Report	
Financial Statements	
Statement of Financial Position.....	1
Statement of Operations.....	2
Statement of Changes in Net Assets.....	3
Statement of Cash Flows.....	4
Notes to the Financial Statements	5
Schedules	
Schedule 1 - Schedule of Revenue.....	10
Schedule 2 - Access to Care Schedule of Revenue.....	11
Schedule 3 - Saskatchewan Oral Health and Continuing Education Schedule of Revenue and Expenses.....	12

Management's Responsibility

To the Members of College of Dental Surgeons of Saskatchewan:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Council is composed primarily of Members who are neither management nor employees of the Organization. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to the Members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

September 26, 2021

Jerod Orb - Executive Director

Independent Auditor's Report

To the Members of College of Dental Surgeons of Saskatchewan:

Opinion

We have audited the financial statements of College of Dental Surgeons of Saskatchewan (the "Organization"), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net assets, cash flows and the related schedules 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 Organization as at December 31, 2020, 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 Organization 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 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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.

Independent Auditor's Report *(continued from previous page)*

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 Organization'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 Organization'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 Organization 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.

Saskatoon, Saskatchewan

September 26, 2021

Chartered Professional Accountants

College of Dental Surgeons of Saskatchewan

Statement of Financial Position

As at December 31, 2020

	2020	2019
Assets		
Current		
Cash and cash equivalents	2,944,896	3,095,517
Accounts receivable (Note 3)	85,106	30,383
Investments (Note 4)	200,138	198,994
Prepaid expenses	16,818	26,043
	3,246,958	3,350,937
Tangible capital assets (Note 5)	13,670	11,890
Prepaid expense	-	12,000
	3,260,628	3,374,827
Liabilities		
Current		
Accounts payable and accruals (Note 6)	151,836	87,886
Deferred revenue (Note 7)	1,859,957	2,025,975
	2,011,793	2,113,861
Commitments (Note 8)		
Net Assets		
Access to Care	277,758	271,758
Continuing Education	61,960	61,960
Saskatchewan Oral Health	(136,976)	(57,201)
Unrestricted	1,046,093	984,449
	1,248,835	1,260,966
	3,260,628	3,374,827

Approved on behalf of the Council

Council member

Council member

The accompanying notes are an integral part of these financial statements

College of Dental Surgeons of Saskatchewan

Statement of Operations

For the year ended December 31, 2020

	2020 Budget (Unaudited)	2020	2019
Revenue (Schedule 1)	2,040,000	2,280,942	2,098,216
Expenses			
Amortization	-	5,734	4,988
Bank charges	50,000	5,664	5,774
Consultants	-	209,665	214,315
Council meetings	80,000	109,721	210,782
Credit card charges	-	69,914	71,184
Grants	350,000	283,278	387,614
Insurance	17,500	17,944	17,188
Legal	75,000	36,958	105,281
Mediation/legal recoveries	-	(1,100)	(24,138)
Membership fees	-	7,191	7,545
Miscellaneous	-	6,636	2,475
Office equipment	100,000	158,110	100,996
Office supplies	40,000	18,158	33,486
Other meetings	150,000	180,418	130,707
Postage	15,000	9,097	7,870
Professional development	-	-	828
Professional fees	50,000	45,656	62,604
Radiation binders	-	3,419	-
Rent	120,000	134,082	126,000
Salaries, benefits and staff recruitment	600,000	795,408	626,857
Sponsorship and public relations	120,000	126,708	155,473
Telephone	15,000	12,230	10,806
	1,782,500	2,234,891	2,258,635
Excess (deficiency) of revenue over expenses before other items	257,500	46,051	(160,419)
Other items			
Investment income	20,000	14,768	25,386
Access to Care (Schedule 2)	-	6,000	21,000
Saskatchewan Oral Health and Continuing Education (Schedule 3) (net)	(220,000)	(79,775)	(99,043)
Unrealized gains on investments	-	825	7,975
	(200,000)	(58,182)	(44,682)
Excess (deficiency) of revenue over expenses	57,500	(12,131)	(205,101)

The accompanying notes are an integral part of these financial statements

College of Dental Surgeons of Saskatchewan
Statement of Changes in Net Assets

For the year ended December 31, 2020

	<i>Access to Care</i>	<i>Continuing Education</i>	<i>Saskatchewan Oral Health</i>	<i>Unrestricted</i>	2020	<i>2019</i>
Net assets, beginning of year	271,758	61,960	(57,201)	984,449	1,260,966	1,466,067
Excess (deficiency) of revenue over expenses	6,000	-	(79,775)	61,644	(12,131)	(205,101)
Net assets, end of year	277,758	61,960	(136,976)	1,046,093	1,248,835	1,260,966

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The accompanying notes are an integral part of these financial statements

College of Dental Surgeons of Saskatchewan

Statement of Cash Flows

For the year ended December 31, 2020

	2020	2019
Cash provided by (used for) the following activities		
Operating		
Deficiency of revenue over expenses	(12,131)	(205,101)
Amortization	5,734	4,988
Unrealized gains on investments	(825)	(7,975)
	(7,222)	(208,088)
Changes in working capital accounts		
Accounts receivable	(54,723)	19,684
Prepaid expenses	21,225	(94)
Accounts payable and accruals	63,950	31,854
Deferred revenue	(166,018)	120,463
	(142,788)	(36,181)
Investing		
Purchase of investments	(64,238)	(63,919)
Proceeds on disposal of investments	63,919	63,601
Purchase of tangible capital assets	(7,514)	-
	(7,833)	(318)
Decrease in cash and cash equivalents	(150,621)	(36,499)
Cash and cash equivalents, beginning of year	3,095,517	3,132,016
Cash and cash equivalents, end of year	2,944,896	3,095,517

The accompanying notes are an integral part of these financial statements

College of Dental Surgeons of Saskatchewan

Notes to the Financial Statements

For the year ended December 31, 2020

1. Incorporation and nature of the organization

College of Dental Surgeons of Saskatchewan (the "Organization") was incorporated by an act of the Saskatchewan Legislature as the association for the dental profession to protect the public interest in matters relating to dentistry through regulation of the practice of dentistry and governance of its members. It is a not-for-profit entity under the Income Tax Act and therefore is not subject to either federal or provincial income taxes.

Impact on operations of COVID-19 (coronavirus)

In early March 2020 the global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial, and municipal governments regarding travel, business operations, and isolation/quarantine orders.

The Organization's operations were impacted by COVID-19 due to office closures, travel restrictions and cancellation of events such as the 2020 Sask Oral Health Conference.

At this time it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the duration of the outbreak, including the duration of travel restrictions, business closures, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Fund accounting

The Organization follows the deferral method of accounting for contributions and reports using fund accounting, and maintains four funds in relation to different programs, the Access to Care program, the Continuing Education program, the Saskatchewan Oral Health program and the unrestricted fund. Revenue and expenses that are specific to each program are recorded in their corresponding program fund. General revenue and expenses of the Organization are recorded in the unrestricted fund. The statement of financial position, statement of operations and statement of cash flows have been presented on a combined basis.

Revenue recognition

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

All types of member fees are recognized as revenue in the year to which they relate.

Investment income is recognized when it is earned.

Contributed services

Members contribute their time to the Organization to assist in its activities. Contributed services are not recognized in the financial statements due to the difficulty of determining their fair value.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less.

College of Dental Surgeons of Saskatchewan
Notes to the Financial Statements
For the year ended December 31, 2020

2. Significant accounting policies *(Continued from previous page)*

Tangible capital assets

Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the following methods at rates intended to amortize the cost of assets over their estimated useful lives. It is the Organization's policy to record amortization at one-half of the annual rate in the year of acquisition.

	Method	Rate
Computer equipment	declining balance	55 %
Equipment	declining balance	20 %
Leasehold improvements	straight-line	10 years

Long-lived assets

Long-lived assets consist of tangible capital assets.

When the Organization determines that a long-lived asset no longer has any long-term service potential to the Organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in deficiency of revenue over expenses in the periods in which they become known.

Financial instruments

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management.

At initial recognition, the Organization may irrevocably elect to subsequently measure any financial instrument at fair value. The Organization has not made such an election during the year.

The Organization subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by published price quotations. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenue over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost.

College of Dental Surgeons of Saskatchewan
Notes to the Financial Statements
For the year ended December 31, 2020

2. Significant accounting policies (Continued from previous page)

Financial asset impairment

The Organization assesses impairment of all of its financial assets measured at amortized cost. The Organization groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. Management considers whether the issuer is having significant financial difficulty in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year deficiency of revenue over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the deficiency of revenue over expenses in the year the reversal occurs.

3. Accounts receivable

	2020	2019
Trade receivables	80,410	26,309
Due from employees	3,996	3,776
Accrued interest	270	179
Goods and Services Tax receivable	430	119
	85,106	30,383

4. Investments

	2020	2019
Measured at amortized cost:		
Guaranteed Investment Certificate with interest at 0.75%, maturing June 2021 (2019 - 0.50%, matured June 2020)	64,238	63,919
Measured at fair market value:		
Common shares (Cost - \$21,187)	135,900	135,075
	200,138	198,994

5. Tangible capital assets

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Computer equipment	28,383	22,110	6,273	1,833
Equipment	3,786	2,369	1,417	1,771
Leasehold improvements	23,066	17,086	5,980	8,286
	55,235	41,565	13,670	11,890

College of Dental Surgeons of Saskatchewan
Notes to the Financial Statements
For the year ended December 31, 2020

6. Accounts payable and accruals

	2020	2019
Trade payables	114,346	44,207
Vacation pay payable	1,670	747
Goods and Services Tax payable	579	-
Payroll deductions payable	35,241	9,836
Accrued wages payable	-	33,096
	151,836	87,886

7. Deferred revenue

Deferred revenue consists of monies received in relation to annual license fees, registration fees, corporate permits and fee guides that relate to the subsequent fiscal year. Recognition of these amounts as revenue is deferred to periods when the specified revenue is earned. Changes in the deferred revenue balances are as follows:

	2020	2019
Balance, beginning of year	2,025,975	1,905,512
Amount received during the year	1,859,957	2,025,975
Less: Amount recognized as revenue during the year	(2,025,975)	(1,905,512)
Balance, end of year	1,859,957	2,025,975

8. Commitments

The Organization leases office space under an operating lease expiring June 2023, having a base rent of \$10,225 per month (annually - \$122,700). The Organization is also committed to paying various operating leases for office equipment expiring April 2023 and April 2024, which are included in the office equipment expense account on the statement of operations, having quarterly payments of \$3,307 (annually - \$13,228).

9. Saskatchewan Dental Fund

When the National Dental Fund disbanded the funds were allocated out to the dentists of different provinces on a per capita basis. Saskatchewan's portion of this Dental Fund was invested with the Saskatoon Community Foundation. At December 31, 2020, the fund balance was \$103,576 (2019 - \$80,160). The total amount in the fund is attributable to the province's dentists, and as the Organization is only responsible for investing in the fund, it is not included in the statement of financial position and the earnings are not reported in the statement of operations.

10. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization's investment in publicly-traded securities expose the Organization to price risk as this investment is subject to price changes in an open market due to a variety of reasons including changes in market rates of interest, general economic indicators and restrictions on credit markets.

10. Financial instruments *(Continued from previous page)*

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. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Organization is exposed to interest rate risk primarily relating to the investment in Guaranteed Investment Certificate, with an interest rate of 0.75% and maturity of 6 months subsequent to December 31, 2020.

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College of Dental Surgeons of Saskatchewan

Schedule 1 - Schedule of Revenue

For the year ended December 31, 2020

	2020 Budget (Unaudited)	2020	2019
Revenue			
Annual license fees	1,850,000	2,118,000	1,934,617
Corporate fees	20,000	13,700	18,000
Corporate permits	90,000	82,200	82,000
Fee guides	30,000	26,025	28,500
Fundraising	-	1,400	2,736
Other recoveries	-	3,787	50
Penalty and interest	-	200	343
Radiation safety binders	-	780	1,450
Registration fees	30,000	34,850	30,520
Sponsorship	20,000	-	-
	2,040,000	2,280,942	2,098,216

College of Dental Surgeons of Saskatchewan
Schedule 2 - Access to Care Schedule of Revenue
For the year ended December 31, 2020

	<i>2020</i>	<i>2019</i>
Revenue	6,000	21,000

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College of Dental Surgeons of Saskatchewan
Schedule 3 - Saskatchewan Oral Health and Continuing Education
Schedule of Revenue and Expenses
For the year ended December 31, 2020

	2020	2019
Revenue		
Course registrations	232,401	152,306
Exhibitors	125	175,542
Other	-	28,135
Sponsorship	-	147,747
	232,526	503,730
Expenses		
Audio visual	197	3,663
Bank charges	11,849	14,241
Consultant	163,718	150,288
Entertainment	67	15,447
Expense recoveries	-	-
Hotel, gala, committee and hospitality	4,483	311,630
Presenters	7,250	56,707
Printing, scanning and office	118,405	38,708
Promotion	6,332	12,089
	312,301	602,773
Deficiency of revenue over expenses	(79,775)	(99,043)

September 26, 2021

MNP LLP
119 4th Ave South
Suite 800
Saskatoon, Saskatchewan
S7k 5X2

PLEASE SIGN WHERE
INDICATED AND INITIAL THE
BOTTOM OF EACH PAGE

To Whom It May Concern:

In connection with your audit of the financial statements of College of Dental Surgeons of Saskatchewan ("the Organization") as at December 31, 2020 and for the year then ended, we hereby confirm to the best of our knowledge and belief, the following representations made to you during the course of your audit.

We understand that your audit was made in accordance with Canadian generally accepted auditing standards. Accordingly, the audit included an examination of the accounting system, controls and related data, and tests of the accounting records and such other auditing procedures as you considered necessary in the circumstances, for the purpose of expressing an opinion on the financial statements. We also understand that such an audit is not designed to identify, nor can it necessarily be expected to disclose, misstatements, non-compliance with laws and regulations, fraud or other irregularities, should there be any.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 25, 2021, for the preparation and fair presentation of the Organization's financial statements in accordance with Canadian accounting standards for not-for-profit organizations. We believe these financial statements are complete and present fairly, in all material respects, the financial position of the Organization as at December 31, 2020, and the results of its operations and its cash flows, in accordance with Canadian accounting standards for not-for-profit organizations.
2. All transactions have been recorded in the accounting records and are reflected in the financial statements, and are reported in the appropriate period.
3. We acknowledge that we are responsible for the accounting policies followed in the preparation of the Organization's financial statements. Significant accounting policies, and any related changes to significant accounting policies, are disclosed in the financial statements. The selection of accounting policies is appropriate in accordance with the requirements of Canadian accounting standards for not-for-profit organizations, and are applied consistently throughout the financial statements.
4. We have disclosed to you all significant assumptions used in making accounting estimates and judgments, and believe they are reasonable.
5. The assumptions relevant to accounting estimates and disclosures appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity.
6. Disclosures related to accounting estimates, including disclosures describing estimation uncertainty, are complete and are reasonable in the context of Canadian accounting standards for not-for-profit organizations.

7. No subsequent event requires adjustment to the accounting estimates and related disclosures included in the financial statements.
8. We are aware of and concur with the contents and results of the attached journal entries prepared by you, and accept responsibility for the financial statement effects of the entries.
9. We believe the effects of those uncorrected financial statement differences aggregated by you during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. A summary of these differences has been attached to this written representation.
10. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian accounting standards for not-for-profit organizations.
11. All events or transactions that have occurred subsequent to the statement of financial position and for which Canadian accounting standards for not-for-profit organizations require adjustment or disclosure have been adjusted or disclosed appropriately in the financial statements.
12. We further acknowledge the following items related specifically to COVID-19:
 - We have assessed the impact of COVID-19 on the Organization's operations and have provided you all information relevant to the impact it has had and/or is anticipated to have on the Organization's operations.
 - We have made available to you all source documentation requested, whether in original or scanned/electronic format. Where information has been provided in scanned/electronic format, it has been accurately reproduced.
 - All events or transactions that have occurred subsequent to the statement of financial position and for which Canadian accounting standards for not-for-profit organizations require adjustment or disclosure have been adjusted or disclosed appropriately in the financial statements.
13. All plans or intentions that may affect the carrying value or classification of assets and liabilities are appropriately reflected in the financial statements in accordance with Canadian accounting standards for not-for-profit organizations.
14. All liabilities, both known and contingent, requiring recognition or disclosure in the financial statements in accordance with the requirements of Canadian accounting standards for not-for-profit organizations have been adjusted or disclosed as appropriate.
15. All outstanding and possible claims, whether or not they have been discussed with legal counsel, have been disclosed to you and are appropriately reflected in the financial statements.
16. All assets, wherever located, to which the Organization had satisfactory title at the year-end, have been fairly stated and recorded in the financial statements. We have disclosed the nature and carrying amounts of any assets pledged as collateral.
17. All aspects of laws, regulations or contractual agreements, including non-compliance, are appropriately reflected in the financial statements.
18. All cash accounts have been appropriately recorded in the financial statements and all terms and associated conditions have been disclosed to you in full. We have provided you with the most current banking agreements.
19. Investments in marketable securities are appropriately recorded in the financial statements in accordance with the requirements of Canadian accounting standards for not-for-profit organizations. All events or circumstances giving rise to impairments are reflected in the financial statements.

20. Accounts and contributions receivable are correctly described in the records and represent valid claims as at December 31, 2020. An appropriate allowance has been made for losses from uncollectible accounts and for costs or expenses that may be incurred with respect to sales made or services rendered.
21. All charges to tangible capital assets represent capital expenditures. No expenditures of a capital nature were charged to operations of the Organization. Depreciation of tangible capital assets has been recorded according to our best estimates of their useful lives. All events or circumstances giving rise to impairments are appropriately reflected in the financial statements.
22. Revenue has been recognized only where sales have been made and items delivered, or services rendered, and the amounts have been collected or are collectible. Revenues do not include any amounts arising from consignment sales or from any other transaction from which the Organization is not entitled to the proceeds.
23. We have identified all financial instruments. These have been appropriately recorded and disclosed in the financial statements in accordance with the requirements of Canadian accounting standards for not-for-profit organizations.

Information provided

1. We have responded fully to all inquiries made to us and have made available to you:
 - A complete record of all financial records that are relevant to the preparation and presentation of the financial statements, related data and minutes of the meetings of council and board of directors held throughout the year to the present date as well as summaries of recent meetings for which minutes have not yet been prepared;
 - Additional information that you have requested from us for the purpose of your audit;
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. We acknowledge management's responsibility for the design, implementation and operation of controls that have been designed to prevent and detect fraud.
3. We have assessed the risk that the financial statements may be materially misstated as a result of fraud, and have determined such risk to be low.
4. Where the impact of any frauds or suspected frauds, and non-compliance or possible non-compliance with laws and regulations, has a material effect on the financial statements, we have disclosed to you all known significant facts relating thereto, including circumstances involving management, employees having significant roles over controls, and others. We have made known to you any allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators and others. The effects of such events, if any, are properly presented in the financial statements.
5. We have disclosed to you all deficiencies in the design or operation of internal controls over financial reporting of which we are aware.
6. We have disclosed to you all aspects of laws, regulations or contractual agreements that may affect the financial statements, including non-compliance.
7. We have disclosed to you the identities of all related parties to the Organization and all related party relationships and transactions of which we are aware.
8. We have no knowledge of side agreements (contractual or otherwise) with any parties that have not been disclosed to you.
9. The previous year's representation letter dated October 17, 2020 is still applicable to the prior year's financial statements, and no matters have arisen that require restatement of those financial statements.
10. There are no discussions with your firm's personnel regarding employment with the Organization.

Other Information

11. We have informed you of all the documents containing other information that comprise our annual report. The final version of our annual report will be provided to you when they are available, prior to their issuance, with sufficient time to complete the necessary procedures to satisfy your responsibilities in relation to other information.

Professional Services

1. We acknowledge the engagement letter dated June 25, 2021, which states the terms of reference regarding your professional services.
2. We are not aware of any reason why MNP LLP would not be considered independent for purposes of the Organization's audit.

Sincerely,

College of Dental Surgeons of Saskatchewan

Signature

Title

MNP LLP
Audit Program - Summary of Differences
Client: College of Dental Surgeons of Saskatchewan
Client #: 519307
Year End: 31/12/2020

Adjusted Differences

Adjustment to Earnings/Comprehensive Income Item/Remeasurement Gain(Loss)														Adjustment to Balance Sheet Items		
DR (CR)														DR (CR)		
Journal entry #	Ref	Type and Cause of Difference	Identified (A)	Possible (B)	Likely Aggregate	Income Tax Effect	Net Income after tax	RM Gain (Loss)	Opening Equity	Current Assets	Other Assets	Current Liabilities	LT Liabilities	Other Equity	Closing Equity	
1		To set up payable for Thentia invoice that was not recorded at December 31, 2020	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,808.25	0.00	-15,808.25	0.00	0.00	0.00	0.00
2		To defer revenue relating to a conference that was supposed to be held in 2020 but was cancelled	28,139.32	0.00	28,139.32	0.00	28,139.32	0.00	0.00	217.85	0.00	-28,357.17	0.00	0.00	0.00	28,139.32
3		To record receivable from CDA at December 31, 2020 for 2020 membership abatement	-63,210.00	0.00	-63,210.00	0.00	-63,210.00	0.00	0.00	63,210.00	0.00	0.00	0.00	0.00	0.00	-63,210.00
4	8K-P	To record current year amortization	5,734.37	0.00	5,734.37	0.00	5,734.37	0.00	0.00	0.00	-5,734.37	0.00	0.00	0.00	0.00	5,734.37
5	71.00	To reverse J3691 which recorded Jason Korte's invoice for January 2021 in December 2020 expenses (per GL)	-11,587.50	0.00	-11,587.50	0.00	-11,587.50	0.00	0.00	0.00	0.00	11,587.50	0.00	0.00	0.00	-11,587.50
6	BK-40.3	To record additional COVID-19 response team payment as directed by client	14,181.35	0.00	14,181.35	0.00	14,181.35	0.00	0.00	0.00	0.00	-14,181.35	0.00	0.00	0.00	14,181.35
Client adjustments DR (CR)			-26,742	0	-26,742	0	-26,742	0	0	79,036	-5,734	-46,559	0	0	0	-26,742

Unadjusted Differences

Adjustment to Earnings/Comprehensive Income Item/Remeasurement Gain(Loss)														Adjustments to Balance Sheet Items		
DR (CR)														DR (CR)		
Journal entry #	Ref	Type and Cause of Difference	Factual/Judgmental/Possible (A)	Projected (B)	Likely Aggregate	Income Tax Effect	Net Income after tax	RM Gain (Loss)	Opening Equity	Current Assets	Other Assets	Current Liabilities	LT Liabilities	Other Equity	Closing Equity	
SUD1	20.3	Possible overstatement of license fee revenue based on analytic performed	8,500.00	0.00	8,500.00	0.00	8,500.00	0.00	0.00	-8,500.00	0.00	0.00	0.00	0.00	0.00	8,500.00
SUD2	88.7	To record unrecorded payable/expenses identified in subsequent disbursement testing	9,306.00	0.00	9,306.00	0.00	9,306.00	0.00	0.00	0.00	0.00	-9,306.00	0.00	0.00	0.00	9,306.00
SUD3	40.3	Possible overstatement of expenses identified in general expense testing	0.00	-17,076.00	-17,076.00	0.00	-17,076.00	0.00	0.00	0.00	0.00	17,076.00	0.00	0.00	0.00	-17,076.00
SUD4	A.2	Stale-dated cheques identified in bank reconciliations, potential understatement of cash	-7,872.50	0.00	-7,872.50	0.00	-7,872.50	0.00	0.00	7,872.50	0.00	0.00	0.00	0.00	0.00	-7,872.50
Closing equity differences			9,934	-17,076	-7,143	0	-7,143	0	0	-628	0	7,770	0	0	0	-7,143
Uncorrected opening differences			-13,806	16,872	3,066	0	3,066	0	-3,066	0	0	0	0	0	0	0
Current period differences DR (CR)			-3,872	-204	-4,076	0	-4,076	0	-3,066	-628	0	7,770	0	0	0	-7,143
Materiality			95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000
Excess (shortfall)			91,128	94,796	90,924	95,000	90,924	95,000	91,934	94,373	95,000	87,230	95,000	95,000	87,858	

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College of Dental Surgeons of Saskatchewan

Year End: December 31, 2020

Adjusting Journal Entries

Date: 01/01/2020 To 31/12/2020

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
1	31/12/2020	Prepaid Expense	1250		15,608.25			
1	31/12/2020	Accounts Payable	2200			15,608.25		
To set up payable for Thentia invoice that was not recorded at December 31, 2020								
2	31/12/2020	GST - MNP	2230		217.85			
2	31/12/2020	Deferred revenue SOHP	2410			28,357.17		
2	31/12/2020	Exhibitor fees & extra exhibitor fe	4335		28,139.32			
To defer revenue relating to a conference that was supposed to be held in 2020 but was cancelled								
3	31/12/2020	Accounts Receivable	1200		63,210.00			
3	31/12/2020	Grant CDA /DRA	5220			63,210.00		
To record receivable from CDA at December 31, 2020 for 2020 membership abatement								
4	31/12/2020	Leasehold Improvement- Accum Amorti	1910	BK-P		2,306.57		
4	31/12/2020	Computer Equip - Accum Amort	1925	BK-P		3,073.83		
4	31/12/2020	Equipment - Accum Amort	1940	BK-P		353.97		
4	31/12/2020	Amortization Expense	5037	BK-P	5,734.37			
To record current year amortization.								
5	31/12/2020	Accounts Payable	2200	71	12,166.88			
5	31/12/2020	GST paid on purchases - SOHP	2250	71		579.38		
5	31/12/2020	Consultant expenses	5650	71		10,729.17		
5	31/12/2020	Consultant expenses	5650	71		858.33		
To reverse J3691 which recorded Jason Korte's invoice for January 2021 in December 2020 expenses (per GL)								
6	31/12/2020	Accounts Payable	2200	BK- 40. 3		14,181.35		
6	31/12/2020	Per Diem - Other meetings	5059	BK- 40. 3	14,181.35			
To record additional COVID-19 response team payment as directed by client.								
					139,258.02	139,258.02		
Net Income (Loss)			-12,128.79					

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Preparer RJ 19/07/2021	Detailed JE 02/09/2021	Supervisory CMW 09/09/2021
Peer	Tax	
TB1		

College of Dental Surgeons of Saskatchewan

Year End: December 31, 2020

Reclassifying Journal Entries

Date: 01/01/2020 To 31/12/2020

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
RC1	31/12/2020	Accounts Receivable	1200		17,000.00			
RC1	31/12/2020	SOHP - LT Prepaid	1257			17,000.00		
		To adjust LT prepaids to actual, as they were refunded.						
RC2	31/12/2020	Accounts Receivable	1200			212.43		
RC2	31/12/2020	GST - MNP	2230		212.43			
		To reclass GST receivable from trade accounts receivable						
RC3	31/12/2020	Bank Charges	5040			2,815.85		
RC3	31/12/2020	Credit Card Charges	5042			9,032.79		
RC3	31/12/2020	Bank charges	5648		11,848.64			
		To reclassify SOHP credit card fees from bank charges						
RC4	31/12/2020	Salaries	5010	BK- 40. 2	40,880.00			
RC4	31/12/2020	Great West Life	5028	BK- 40. 2	15,439.86			
RC4	31/12/2020	Per Diem - Other meetings	5059	BK- 40. 2		40,880.00		
RC4	31/12/2020	Insurance	5155	BK- 40. 2		15,439.86		
		To reclass expenses to more appropriate accounts, as directed by Ben Altrogge.						
					85,380.93	85,380.93		
		Net Income (Loss)	-12,128.79					

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Preparer RJ 19/07/2021	Detailed JE 02/09/2021	Supervisory CMW 09/09/2021
Peer	Tax	

TB2

Management's Responsibility

To the Members of College of Dental Surgeons of Saskatchewan:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Council is composed primarily of Members who are neither management nor employees of the Organization. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to the Members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

September 26, 2021

Jerod Orb - Executive Director

College of Dental Surgeons of Saskatchewan

Statement of Financial Position

As at December 31, 2020

	2020	2019
Assets		
Current		
Cash and cash equivalents	2,944,896	3,095,517
Accounts receivable (Note 3)	85,106	30,383
Investments (Note 4)	200,138	198,994
Prepaid expenses	16,818	26,043
	3,246,958	3,350,937
Tangible capital assets (Note 5)	13,670	11,890
Prepaid expense	-	12,000
	3,260,628	3,374,827
Liabilities		
Current		
Accounts payable and accruals (Note 6)	151,836	87,886
Deferred revenue (Note 7)	1,859,957	2,025,975
	2,011,793	2,113,861
Commitments (Note 8)		
Net Assets		
Access to Care	277,758	271,758
Continuing Education	61,960	61,960
Saskatchewan Oral Health	(136,976)	(57,201)
Unrestricted	1,046,093	984,449
	1,248,835	1,260,966
	3,260,628	3,374,827

Approved on behalf of the Council

Council member

Council member

The accompanying notes are an integral part of these financial statements



College of Dental Surgeons of Saskatchewan

2020 Audit Findings

Report to Council and the Finance Committee

December 31, 2020

Curt Wagner, CPA, CA
T: (306) 664-8250
E: curt.wagner@mnp.ca



Wherever business takes you

[MNP.ca](https://mnp.ca)

OVERVIEW

We are pleased to submit to you this Audit Findings Report (the "Report") for discussion of our audit of the financial statements of College of Dental Surgeons of Saskatchewan (the "Organization") as at December 31, 2020 and for the year then ended. In this report we cover those significant matters which, in our opinion, you should be aware of as members of Council and the Finance Committee.

As auditors, we report to the members on the results of our examination of the financial statements of the Organization as at and for the year ended December 31, 2020. The purpose of this Report is to assist you, as members of Council and the Finance Committee, in your review of the results of our audit.

This Report is intended solely for the information and use of Council and the Finance Committee and management and should not be distributed to or used by any other parties than these specified parties.

We appreciate having the opportunity to meet with you and to respond to any questions you may have about our audit, and to discuss any other matters that may be of interest to you.

ENGAGEMENT STATUS

We have completed our audit of the financial statements of the Organization which has been carried out in accordance with Canadian generally accepted auditing standards and are prepared to sign our Independent Auditor's Report subsequent to completion of the following procedures:

- Receipt of the signed management representation letter;
- Discussion of subsequent events with Council and the Finance Committee;
- Receipt and review of the Organization's draft annual report for 2020; and
- Council and Finance Committee's review and approval of the financial statements.

No significant limitations were placed on the scope or timing of our audit.

INDEPENDENT AUDITOR'S REPORT



We expect to have the above procedures completed and to release our Independent Auditor's Report on or about September 27, 2021.









Our Independent Auditor's Report will provide an unmodified opinion to the members. A draft copy of our proposed Independent Auditor's Report has been provided as additional materials to this report. The matters disclosed in the Independent Auditor's Report are discussed further in the relevant sections of the Report.


AUDIT REPORTING MATTERS

Our audit was carried out in accordance with Canadian generally accepted auditing standards, and included a review of all significant accounting and management reporting systems, with each material year end balance, key transaction and other events considered significant to the financial statements considered separately.

SIGNIFICANT AUDIT, ACCOUNTING AND REPORTING MATTERS

AREA	COMMENTS
 CHANGES FROM AUDIT SERVICE PLAN	There were no deviations from the Audit Service Plan previously presented to you.
 FINAL MATERIALITY	Final materiality used for our audit was \$95,000 for December 31, 2020, and \$95,000 for December 31, 2019.

AREA	COMMENTS
 IDENTIFIED OR SUSPECTED FRAUD	<p>While our audit cannot be relied upon to detect all instances of fraud, no incidents of fraud, or suspected fraud, came to our attention in the course of our audit.</p>
 IDENTIFIED OR SUSPECTED NON-COMPLIANCE WITH LAWS AND REGULATIONS	<p>Nothing has come to our attention that would suggest any non-compliance with laws and regulations that would have a material effect on the financial statements.</p>
 MATTERS ARISING IN CONNECTION WITH RELATED PARTIES	<p>No significant matters arose during the course of our audit in connection with related parties of the Organization.</p>
 GOING CONCERN	<p>Nothing has come to our attention that would suggest the use of the going concern assumption is not appropriate.</p>
 AUDITOR'S VIEWS OF SIGNIFICANT ACCOUNTING PRACTICES, ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES	<p>The application of Canadian accounting standards for not-for-profit organizations allows and requires the Organization to make accounting estimates and judgments regarding accounting policies and financial statement disclosures.</p> <p>As auditors, we are uniquely positioned to provide open and objective feedback regarding your Organization's accounting practices, and have noted no items during the course of our audit that we wish to bring to your attention.</p> <p>The accounting policies used by the Organization are appropriate and have been consistently applied.</p>
 FINANCIAL STATEMENT DISCLOSURES	<p>The disclosures made in the notes to the financial statements appear clear, neutral and consistent with our understanding of the entity and the amounts presented in the financial statements.</p>
 SIGNIFICANT DEFICIENCIES IN INTERNAL CONTROL	<p>While our review of controls was not sufficient to express an opinion as to their effectiveness or efficiency we have not detected any significant deficiencies in internal controls.</p>
 MATTERS ARISING FROM DISCUSSIONS WITH MANAGEMENT	<p>There were no significant matters discussed, or subject to correspondence, with management that in our judgment need be brought to your attention.</p> <p>We would like to formally acknowledge the cooperation and assistance we received from management and staff of the Organization.</p>

AREA	COMMENTS
 COVID-19	<p>In early March 2020 the impact of the global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.</p> <p>The impact has so far included office closures, travel restrictions, and cancellation of event such as the 2020 SOH Conference.</p> <p>At this time it is unknown the extent of the impact the COVID-19 outbreak may have on the Organization as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.</p> <p>We have concluded that although financial statement note disclosure about the pandemic is appropriate, its potential impact on the Organization is not great enough to warrant the inclusion of an Emphasis of Matter paragraph in our audit report.</p>

SIGNIFICANT RISK AREAS AND RESPONSES

SIGNIFICANT RISK AREA	RESPONSE AND CONCLUSION
Conference revenue Risk that conference revenue is not appropriately recorded at the correct amount.	Substantively tested with a high risk assessment to address risk.
Other revenue Risk that revenue transactions are missed due to transactions for programs not being recorded in the general ledger and thus risk that revenue and A/R are not complete.	Subsequent receipts were reviewed and revenue was substantively tested, which included reviewing and agreeing to approved rates.
Other revenue Risk that other revenue is not appropriately recorded, as less consistent items.	Substantively tested with a high risk assessment to address risk.

SIGNIFICANT RISK AREA	RESPONSE
Membership/License fees Risk that membership fees are recognized before the fiscal year to which the revenue relates and thus a risk that A/R is overstated and does not exist or deferred revenue is understated.	Membership documentation was reviewed for the period to determine what period the fees related to and determined that the membership fees are consistent with Council's approved rates.
Membership/License fees Risk that membership dues may not be invoiced.	Proof in total analytic performed over membership dues based on the number of members per the clients database. Thus helping address the risk of whether or not revenue is complete.
Payroll Risk that employees are paid for time not worked or at rates that have not been previously approved.	As part of detail testing, employee wage or salary was reviewed to approval documents and agreed to cancelled cheque or bank statement.
Marketable securities Risk that equity investments are not valued at fair value as per the Financial Instrument policy.	Marketable securities are supported by statements.

OTHER AREAS

AREA	COMMENTS
AUDITOR INDEPENDENCE	We confirm to Council and the Finance Committee that we are independent of the Organization. Our letter to Council and the Finance Committee discussing our independence is included as part of the additional materials attached to this report.
MANAGEMENT REPRESENTATIONS	We have requested certain written representations from management, which represent a confirmation of certain oral representations given to us during the course of our audit. This letter, provided by management, has been included as additional material to this report.
SUMMARY OF SIGNIFICANT DIFFERENCES	Some significant differences were proposed to management with respect to the December 31, 2020 financial statements. A summary of significant differences has been included with this report.

AREA	COMMENTS
OTHER INFORMATION	<p>Pursuant to our responsibilities under Canadian generally accepted auditing standards, we are required to review other financial and non-financial information included in documents containing the financial statements and our auditor's report thereon. We review these documents for the purpose of ensuring their content does not contradict information derived from our audit procedures.</p> <p>We request you provide a draft of this information prior to issuing it in its final form, to help facilitate our timely review of the information.</p>

SUMMARY OF SIGNIFICANT DIFFERENCES

SIGNIFICANT UNADJUSTED DIFFERENCES

DIFFERENCES NOTED AND ITEMS AFFECTED	BALANCE SHEET	EARNINGS
Possible overstatement of license fee revenue based on analytic testing	\$ (8,500)	\$ 8,500
Unrecorded 2020 expenses and payables	\$ (9,306)	\$ 9,306
Possible overstatement of expenses based on detail testing	\$ 17,076	\$ (17,076)
Understatement of cash related to stale-dated cheques in bank reconciliations	\$ 7,872	\$ (7,872)
Uncorrected opening differences carried forward from prior year	\$ (3,066)	\$ 3,066
Total Unadjusted Differences (Income Effect)		\$ (4,076)

We appreciate having the opportunity to meet with you and respond to any questions you may have about our audit, and to discuss any other matters that may be of interest to you.

Sincerely,

MNP LLP

Chartered Professional Accountants

Independent Auditor's Report

To the Members of College of Dental Surgeons of Saskatchewan:

Opinion

We have audited the financial statements of College of Dental Surgeons of Saskatchewan (the "Organization"), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net assets, cash flows and the related schedules 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 Organization as at December 31, 2020, 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 Organization 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 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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.

Independent Auditor's Report *(continued from previous page)*

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 Organization'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 Organization'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 Organization 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.

Saskatoon, Saskatchewan

September 26, 2021

Chartered Professional Accountants

September 26, 2021

MNP LLP
119 4th Ave South
Suite 800
Saskatoon, Saskatchewan
S7k 5X2

To Whom It May Concern:

In connection with your audit of the financial statements of College of Dental Surgeons of Saskatchewan ("the Organization") as at December 31, 2020 and for the year then ended, we hereby confirm to the best of our knowledge and belief, the following representations made to you during the course of your audit.

We understand that your audit was made in accordance with Canadian generally accepted auditing standards. Accordingly, the audit included an examination of the accounting system, controls and related data, and tests of the accounting records and such other auditing procedures as you considered necessary in the circumstances, for the purpose of expressing an opinion on the financial statements. We also understand that such an audit is not designed to identify, nor can it necessarily be expected to disclose, misstatements, non-compliance with laws and regulations, fraud or other irregularities, should there be any.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 25, 2021, for the preparation and fair presentation of the Organization's financial statements in accordance with Canadian accounting standards for not-for-profit organizations. We believe these financial statements are complete and present fairly, in all material respects, the financial position of the Organization as at December 31, 2020, and the results of its operations and its cash flows, in accordance with Canadian accounting standards for not-for-profit organizations.
2. All transactions have been recorded in the accounting records and are reflected in the financial statements, and are reported in the appropriate period.
3. We acknowledge that we are responsible for the accounting policies followed in the preparation of the Organization's financial statements. Significant accounting policies, and any related changes to significant accounting policies, are disclosed in the financial statements. The selection of accounting policies is appropriate in accordance with the requirements of Canadian accounting standards for not-for-profit organizations, and are applied consistently throughout the financial statements.
4. We have disclosed to you all significant assumptions used in making accounting estimates and judgments, and believe they are reasonable.
5. The assumptions relevant to accounting estimates and disclosures appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity.
6. Disclosures related to accounting estimates, including disclosures describing estimation uncertainty, are complete and are reasonable in the context of Canadian accounting standards for not-for-profit organizations.

7. No subsequent event requires adjustment to the accounting estimates and related disclosures included in the financial statements.
8. We are aware of and concur with the contents and results of the attached journal entries prepared by you, and accept responsibility for the financial statement effects of the entries.
9. We believe the effects of those uncorrected financial statement differences aggregated by you during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. A summary of these differences has been attached to this written representation.
10. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian accounting standards for not-for-profit organizations.
11. All events or transactions that have occurred subsequent to the statement of financial position and for which Canadian accounting standards for not-for-profit organizations require adjustment or disclosure have been adjusted or disclosed appropriately in the financial statements.
12. We further acknowledge the following items related specifically to COVID-19:
 - We have assessed the impact of COVID-19 on the Organization's operations and have provided you all information relevant to the impact it has had and/or is anticipated to have on the Organization's operations.
 - We have made available to you all source documentation requested, whether in original or scanned/electronic format. Where information has been provided in scanned/electronic format, it has been accurately reproduced.
 - All events or transactions that have occurred subsequent to the statement of financial position and for which Canadian accounting standards for not-for-profit organizations require adjustment or disclosure have been adjusted or disclosed appropriately in the financial statements.
13. All plans or intentions that may affect the carrying value or classification of assets and liabilities are appropriately reflected in the financial statements in accordance with Canadian accounting standards for not-for-profit organizations.
14. All liabilities, both known and contingent, requiring recognition or disclosure in the financial statements in accordance with the requirements of Canadian accounting standards for not-for-profit organizations have been adjusted or disclosed as appropriate.
15. All outstanding and possible claims, whether or not they have been discussed with legal counsel, have been disclosed to you and are appropriately reflected in the financial statements.
16. All assets, wherever located, to which the Organization had satisfactory title at the year-end, have been fairly stated and recorded in the financial statements. We have disclosed the nature and carrying amounts of any assets pledged as collateral.
17. All aspects of laws, regulations or contractual agreements, including non-compliance, are appropriately reflected in the financial statements.
18. All cash accounts have been appropriately recorded in the financial statements and all terms and associated conditions have been disclosed to you in full. We have provided you with the most current banking agreements.
19. Investments in marketable securities are appropriately recorded in the financial statements in accordance with the requirements of Canadian accounting standards for not-for-profit organizations. All events or circumstances giving rise to impairments are reflected in the financial statements.

20. Accounts and contributions receivable are correctly described in the records and represent valid claims as at December 31, 2020. An appropriate allowance has been made for losses from uncollectible accounts and for costs or expenses that may be incurred with respect to sales made or services rendered.
21. All charges to tangible capital assets represent capital expenditures. No expenditures of a capital nature were charged to operations of the Organization. Depreciation of tangible capital assets has been recorded according to our best estimates of their useful lives. All events or circumstances giving rise to impairments are appropriately reflected in the financial statements.
22. Revenue has been recognized only where sales have been made and items delivered, or services rendered, and the amounts have been collected or are collectible. Revenues do not include any amounts arising from consignment sales or from any other transaction from which the Organization is not entitled to the proceeds.
23. We have identified all financial instruments. These have been appropriately recorded and disclosed in the financial statements in accordance with the requirements of Canadian accounting standards for not-for-profit organizations.

Information provided

1. We have responded fully to all inquiries made to us and have made available to you:
 - A complete record of all financial records that are relevant to the preparation and presentation of the financial statements, related data and minutes of the meetings of council and board of directors held throughout the year to the present date as well as summaries of recent meetings for which minutes have not yet been prepared;
 - Additional information that you have requested from us for the purpose of your audit;
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. We acknowledge management's responsibility for the design, implementation and operation of controls that have been designed to prevent and detect fraud.
3. We have assessed the risk that the financial statements may be materially misstated as a result of fraud, and have determined such risk to be low.
4. Where the impact of any frauds or suspected frauds, and non-compliance or possible non-compliance with laws and regulations, has a material effect on the financial statements, we have disclosed to you all known significant facts relating thereto, including circumstances involving management, employees having significant roles over controls, and others. We have made known to you any allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators and others. The effects of such events, if any, are properly presented in the financial statements.
5. We have disclosed to you all deficiencies in the design or operation of internal controls over financial reporting of which we are aware.
6. We have disclosed to you all aspects of laws, regulations or contractual agreements that may affect the financial statements, including non-compliance.
7. We have disclosed to you the identities of all related parties to the Organization and all related party relationships and transactions of which we are aware.
8. We have no knowledge of side agreements (contractual or otherwise) with any parties that have not been disclosed to you.
9. The previous year's representation letter dated October 17, 2020 is still applicable to the prior year's financial statements, and no matters have arisen that require restatement of those financial statements.
10. There are no discussions with your firm's personnel regarding employment with the Organization.

Other Information

11. We have informed you of all the documents containing other information that comprise our annual report. The final version of our annual report will be provided to you when they are available, prior to their issuance, with sufficient time to complete the necessary procedures to satisfy your responsibilities in relation to other information.

Professional Services

1. We acknowledge the engagement letter dated June 25, 2021, which states the terms of reference regarding your professional services.
2. We are not aware of any reason why MNP LLP would not be considered independent for purposes of the Organization's audit.

Sincerely,

College of Dental Surgeons of Saskatchewan

Signature

Title

September 26, 2021

Council and Finance Committee
College of Dental Surgeons of Saskatchewan
201-1st Avenue South,
1202 The Tower at Midtown
Saskatoon, Saskatchewan
S7K 1J5

Dear Council and Finance Committee:

We have been engaged to audit the financial statements of College of Dental Surgeons of Saskatchewan ("the Organization") as at December 31, 2020 and for the year then ended.

CAS 260 *Communication With Those Charged With Governance* requires that we communicate with you matters that are significant to our engagement. One such matter is relationships between the Organization and its related entities or persons in financial reporting oversight roles at the Organization and MNP LLP and any affiliates ("MNP") that, in our professional judgment, may reasonably be thought to bear on our independence. In determining which relationships to report, the Standard requires us to consider relevant rules and related interpretations prescribed by the appropriate professional accounting body and applicable legislation, covering such matters as:

- (a) Holding a financial interest, either directly or indirectly, in a client;
- (b) Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client or a related entity;
- (c) Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client or a related entity;
- (d) Economic dependence on a client; and
- (e) Provision of non-assurance services in addition to the audit engagement.

We are aware of the following relationships between the Organization and MNP that, in our professional judgment, may reasonably be thought to bear on our independence. The following relationships represent matters that have occurred from January 1, 2020 to the date of this letter.

An employee of MNP is contracted to complete the bookkeeping for the Organization for the 2020 fiscal year.

Appropriate safeguards were in place to protect our independence including the following:

- The bookkeeping employees had no management decision making authority;
- All work prepared by the bookkeeping employees were reviewed and approved by the Organization and conducted under the direction of the Organization;
- The audit team was completely separate from the bookkeeping team; and
- An independent peer review of the audit engagement was completed by a Risk Partner.

We hereby confirm that MNP is independent with respect to the Organization within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Saskatchewan as of the date of this letter.

This report is intended solely for the use of Council and Finance Committee, management and others within the Organization and should not be used for any other purposes.

We look forward to discussing with you the matters addressed in this letter as well as other matters that may be of interest to you, if so requested. We will be prepared to answer any questions you may have regarding our independence as well as other matters.

Sincerely,

A handwritten signature in black ink that reads "MNP LLP". The letters are stylized and cursive.

Chartered Professional Accountants

MNP LLP – Wherever Business Takes You

Assurance › Consulting › Tax

About MNP LLP

MNP is a leading national accounting, tax and business consulting firm in Canada. We proudly serve and respond to the needs of our clients in the public, private and not-for-profit sectors. Through partner-led engagements, we provide a collaborative, cost-effective approach to doing business and personalized strategies to help organizations succeed across the country and around the world.

