

THE EMBALMERS AND FUNERAL DIRECTORS
BOARD
Of
NEWFOUNDLAND AND LABRADOR

ANNUAL ACTIVITY REPORT 2017

Contents

Chair’s Message.....	2
Overview.....	3
Vision.....	3
Lines of Business.....	3
Highlights Accomplishments.....	4
Activities.....	4
Financial Statements.....	5

Chair's Message

As Chair of The Embalmers and Funeral Directors Board of Newfoundland and Labrador, I am pleased to submit this annual report for the activities of the Board for 2017. The Board is accountable for the preparation of this report and for the results reported.

The Embalmers and Funeral Directors Board's function is to license and permit embalmers and funeral directors in the province. It is comprised of seven members: four elected from within the industry and three appointed by Government. Further, the Board is responsible for prescribing training and educational requirements for licensure, providing and holding examinations as well as the suspension or revocation of licenses.

With the proclamation of a new Act and regulations for embalmers and funeral directors on January 1, 2010, the Board has assumed responsibility as a self-regulating occupation.

Sincerely,

A handwritten signature in cursive script that reads "Nova Lee Hill Scammell".

Nova Lee Hill-Scammell
Chair

Overview

The Board is established under Section 3 of the *Embalmers and Funeral Directors Act* with responsibility of establishing licensing requirements, reviewing applications for licenses, disciplinary action as well as the continuing education of licensees. The Board is comprised of seven persons (four elected and three appointees): two embalmers, two funeral home directors and three other persons who are not embalmers or funeral home directors. The Board is required to elect a Chairperson, Vice-Chairperson, as well as a Registrar. Members are appointed to a three-year term and are eligible for re-appointment, but cannot serve for a continuous period exceeding nine years.

The following people served on the Embalmers and Funeral Directors Board in 2017 (there was one vacant position):

- Nova Lee Hill-Scammell - Chairperson
- Brent Abbott--Vice Chairperson
- Paul Hoskins
- Donald Green
- Donna Rideout
- Pleman Menchenton

The three government appointments expired in March 2014 and, as per the *Embalmers and Funeral Directors Act*, two of the three individuals have continued to serve on the Board. Three new government appointments to the Board are anticipated in 2018 using the Independent Appointments Commission process, which was introduced in 2016.

In the fiscal year of 2017, the Embalmers and Funeral Directors Board had revenues of \$60,703 and expenditures of \$65,610, as indicated in the unaudited financial statements.

Although the Board is currently in a healthy position financially, the funds will be significantly depleted as we progress through the proposed activities outlined in this report, i.e. a part-time inspection.

Vision

Quality and ethical embalmer and funeral services offered to the citizens of Newfoundland and Labrador.

Lines of Business

The Embalmers and Funeral Directors Board has three lines of business, including establishing licencing requirements and reviewing applications and issuing licences to embalmers, funeral directors and funeral homes; establishing educational standards and overseeing the continuing education of licensees; and taking disciplinary action.

Highlights and Accomplishments

In March, 2017, Board elections were held and resulted in the following candidates being elected: Nova Lee Hill-Scammell, Paul Hoskins, Donald Green and Brent Abbott. We thank Francis Coombs for his service on the previous Board.

Our Board Chairperson attended The Atlantic Funeral Service Association of Canada Convention held in Charlottetown, PEI in June.

Activities

In the fiscal year 2017, the Board met three times focusing on policy, continuing education and improvements to the provincial exams, both practical and written. The Education Committee, Complaints/Disciplinary Committee, and the Governance Committee were all actively pursuing improvements again this year.

The Board discussed the hiring of an inspector and this will be implemented in 2018. The Board has not had an inspector for the last two years. The inspector visits the premises of embalmers and funeral directors across the province and, as prescribed in legislation, has access to all records, documents and other necessary information required to carry out the inspection. The inspector reports to the Board on results of the inspection with recommendations for remedying any unethical, insanitary, illegal or improper conduct, condition or practice that is found.

The Board website has been completed and is being used frequently. It offers up-to-date information and much needed reference material for our membership.

The Board is also in discussion with government departments relative to legislation that will reflect the changing needs of our industry as we move forward.

The Written Provincial Exam is now offered in three forms: 1) a Funeral Director Only Exam, 2) a Legislation Exam and 3) an Embalmer and Funeral Director Exam. This reflects the new implementation of our Director Only option for licencing. A New Practical Exam has also been developed with the placement of three examiners—eastern, central and western.

The Board sponsored a continuing education seminar for its membership in November entitled “Legalities in the Funeral Industry” presented by Benson Buffett Law firm. It was well attended and resulted in positive questions and feedback helpful to our industry. The Board is preparing for another continuing education seminar in 2018, relative to occupational health and safety in the workplace.

The Board is responsible for establishing criteria for licenses; hearing complaints against members; disciplining, if deemed appropriate; and establishing criteria for the continuing education of licensees. In 2017, the Board received one complaint which was resolved by the Registrar.

In 2017, the Board received six new applications for Funeral Directors' Licences and two new applications for Embalmers' Licences along with five new registrations for Apprenticeship. It licensed 123 directors/embalmers, 65 funeral directors and 88 funeral homes.

Financial Statements

Audited financial statements are attached.

**EMBALMERS AND FUNERAL DIRECTORS BOARD OF
NEWFOUNDLAND AND LABRADOR**

Financial Statements

December 31, 2017

Index

	Page
Independent Auditor's Report	-
Statement of Financial Position	1
Statement of Operations	2
Statement of Cash Flows	3
Notes to Financial Statements	4-5



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of: The Embalmers and Funeral Directors Board of Newfoundland and Labrador

I have audited the accompanying financial statements of The Embalmers and Funeral Directors Board of Newfoundland and Labrador, which comprise the statement of financial position as at December 31, 2017, the statement of operations, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

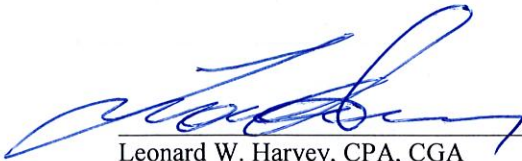
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of The Embalmers and Funeral Directors Board of Newfoundland and Labrador as at December 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

June 14, 2018




Leonard W. Harvey, CPA, CGA

**EMBALMERS AND FUNERAL DIRECTORS BOARD OF NEWFOUNDLAND AND LABRADOR
STATEMENT OF FINANCIAL POSITION**

As at December 31, 2017

	2017	2016
ASSETS		
Current assets		
Cash and cash equivalents (Note 3)	\$ 339,355	\$ 343,615
Accounts receivable (Note 4)	42,396	26,800
Prepaid expenses	1,348	1,348
	<u>383,099</u>	<u>371,763</u>
	\$ 383,099	\$ 371,763
LIABILITIES AND MEMBERS' SURPLUS		
Current liabilities		
Accrued liabilities	\$ 10,718	\$ 3,450
Deferred revenue (Note 5)	61,550	52,575
	<u>72,268</u>	<u>56,025</u>
Members' Surplus		
Surplus	<u>310,831</u>	<u>315,738</u>
	\$ 383,099	\$ 371,763

ON BEHALF OF THE BOARD:

 Board Member

 Board Member

The accompanying notes form an integral part of these financial statements.

Leonard W Harvey, CPA, CGA
Chartered Professional Accountant

**EMBALMERS AND FUNERAL DIRECTORS BOARD OF NEWFOUNDLAND AND LABRADOR
STATEMENT OF OPERATIONS**

For the year ended December 31, 2017

	2017	2016
REVENUE		
Fees	\$ 52,110	\$ 51,090
Exams	1,125	-
Seminar	6,250	5,890
Interest	1,218	1,533
	\$ 60,703	\$ 58,513
EXPENSES		
Administrator fees	4,000	15,000
Bank charges	103	108
Board meetings	2,947	5,218
Conferences	822	2,212
Honorariums	2,035	4,868
Inspections	-	1,812
Insurance	1,885	1,710
Office	5,500	4,628
Professional fees	31,033	13,657
Salaries & benefits	13,426	-
Scholarship	250	-
Seminars	2,691	7,632
Telephone	918	1,090
	65,610	57,935
Excess of revenue over expenses	\$ (4,907)	\$ 578
Surplus, beginning of year	\$ 315,738	\$ 315,160
Excess of revenue over expenses	(4,907)	578
Surplus, end of year	\$ 310,831	\$ 315,738

The accompanying notes form an integral part of these financial statements.

Leonard W Harvey, CPA, CGA
Chartered Professional Accountant

**EMBALMERS AND FUNERAL DIRECTORS BOARD OF NEWFOUNDLAND AND LABRADOR
STATEMENT OF CASH FLOWS**

For the year ended December 31, 2017

	2017	2016
Operating activities:		
Excess of revenues over expenditures	\$ (4,907)	\$ 578
Changes in non-cash working capital		
Accounts receivable	(15,596)	20,000
Prepaid expenses	-	(175)
Accrued liabilities	7,268	60
Deferred revenue	8,975	375
	<u>(4,260)</u>	<u>20,838</u>
Cash and cash equivalents, beginning of year	<u>343,615</u>	<u>322,777</u>
Cash and cash equivalents, end of year	\$ 339,355	\$ 343,615
Cash and cash equivalents consists of:		
Cash	\$ 339,355	\$ 192,819
Term deposits	-	150,796
	<u>\$ 339,355</u>	<u>\$ 343,615</u>

The accompanying notes form an integral part of these financial statements.

Leonard W Harvey, CPA, CGA
Chartered Professional Accountant

EMBALMERS AND FUNERAL DIRECTORS BOARD OF NEWFOUNDLAND AND LABRADOR
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

1. NATURE OF OPERATIONS

The Embalmers and Funeral Directors Board of Newfoundland and Labrador is a body of professional embalmers and funeral directors along with government appointed members governed by the Embalmers and Funeral Directors Act, 2008, Chapter E-7.1

The board is exempt from income tax under section 149(1) of the income tax act of Canada.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements have been prepared within the framework of Canadian accounting standards for not-for-profit organizations (ASNPO), the more significant of which are as follows:

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balance with bank and short term deposits with original maturities of one year or less. Bank borrowings are considered to be financing activities.

Measurement uncertainty

The preparation financial statements in conformity with Canadian accounting standards for not-for-profit organizations (ASNPO), requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenue and expenditures during the year. Actual results could differ from these estimates.

Revenue recognition

Member fees and other revenue are recognized in the year to which they relate.

Financial instruments

The board initially measures its financial assets and financial liabilities at fair value. It subsequently measures all of its financial assets and financial liabilities at amortized cost. The financial assets measured at amortized cost include cash, short-term investments and accounts receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

EMBALMERS AND FUNERAL DIRECTORS BOARD OF NEWFOUNDLAND AND LABRADOR
NOTES TO FINANCIAL STATEMENTS
 December 31, 2017

3. CASH AND CASH EQUIVALENTS

	2017	2016
Cash	\$ 339,355	\$ 192,819
Investments	-----	150,796
	\$ 339,355	\$ 343,615

Investments activity for the year;

Guaranteed Investment Certificates, Bank of Nova Scotia,
 interest at 1.3000% maturing August 5, 2017.

Opening balance:	\$	150,796
Deposits		-----
Interest earned		1,154
Matured GIC transferred to cash		151,950
Ending balance:	\$	-----

4. ACCOUNTS RECEIVABLE

Accounts receivable consists of membership fees and licenses for the subsequent year that were invoiced from September to December of the current year.

	2017	2016
Accounts receivable	\$ 42,396	\$ 26,800

5. DEFERRED REVENUE

Deferred revenue is calculated as the revenue recorded in September-December of the current year which relates to fees that are collected in and are for the following year.

	2017	2016
Deferred revenue	\$ 61,550	\$ 52,575