



NEWFOUNDLAND & LABRADOR DENTAL BOARD 2019 ANNUAL REPORT

Board Meetings

In 2019 the Board held a meeting on June 12, 2019.

Dental Board Membership:

Dr. Harry Simms	Chair
Dr. Jerome Johnson	Vice Chair
Dr. Tony Bloom	Dentist
Dr. Robert Sexton	Dentist
Dr. Marina Sexton	Dentist
Mrs. Paula Parsons	Registered Dental Assistant
Mr. Craig Finch	Registered Dental Technician
Mrs. Joan Lamswood	Public Representative
Mr. Martin Harty	Public Representative

REGISTRATION AND LICENSING as of January of 2018 and 2019

	2018	2019
General Dentists	190	196
Specialists	29	30
Dental Assistants	271	265
Dental Technicians	35	31

Financial Report

2019 again saw no increase in any fees and again for 2020. The Board again paid travel costs for the radiation survey under a reduced fee structure than contracted with Biolantic Services. Also, the office inspection program was active in the province with visits to 14 clinics and followed by recommendations to offices.

Election Year 2020

2020 is an election year as two members on the Board have completed their allowed time period. They will continue with the Board until an election in 2020 to fill their positions. A third member who completed a remaining portion of a previous member is also up for re-election.

PRESCRIPTION MONITORING PROGRAM

There has been no activity reported to the Board by our Consultant nor has there been any activity of the Advisory Committee in 2019.

STANDARDS OF PRACTICE

The Board has completed the "Clinic Facilities Standard" and is ready for final approval in 2020. Other standards will be under review in 2020, including Infection Prevention and Control and Teledentistry.

REGISTERED DENTAL ASSISTANTS AND TECHNICIANS

The National Occupational Analysis for Dental Assistants continued with Paula Parsons continuing to represent the Board. Paula also represents the Board at the Canadian Dental Assistants Regulatory Authority meeting annually.

REGISTERED DENTAL TECHNICIANS

Registered Dental Technicians will see the end of their first cycle on continuing education in August 2020 (which has now been moved to August 31, 2021).

CDRAF

The CDRAF has had a very active year with particular attention to overseeing the change for the National Specialty Examination being facilitated by NDEB. Originally the next exam was scheduled for September 2020, but this has become a problem that will need to be addressed soon in 2020.

NDEB

The year 2019 was again a very busy year with no signs of a reduced demand on the Board given the takeover of the National Specialist Examination. The Board has become aware of a petition sent to the House of Parliament requesting government review its mandate. The focus of the petition seems to focus on the human condition rather than competency.

COMPLAINTS AUTHORIZATION COMMITTEE

RESOLVED FILES

CASE FILE 1. The complainant made an allegation of professional misconduct concerning an untoward event following endodontic therapy. The nexus of the allegation is that an area and structures associated with the injection of local anesthetic received nerve damage. The Committee reviewed the follow up care provided by the dentist and found while there was apparent damage that the dentist did follow proper protocol in managing the patient's care. The Committee was of the opinion the dentist was not guilty of professional misconduct or negligence and took NO FURTHER ACTION. This may mean that legal action could take place based on the injury.

CASE FILE 2. The parent of a young adult complained when her daughter, on visiting a Dental Hygienist in another office, was told that the daughter had multiple caries lesions and decalcification following the removal of braces. An investigation of the complaint revealed that the orthodontic work done by a general dentist achieved a reasonable result. The dental record showed however that compliance by the patient was at times poor both in hygiene and attendance prolonging treatment. The Committee felt more emphasis on oral hygiene should have taken place or the discontinuance of treatment may have been a better solution. The dentist was CAUTIONED that they may reasonably cease treatment when the agreement on compliance is being seriously breached. In future, the dentist must advise the Board on the progress of each orthodontic case undertaken with regards to the principles of compliance.

CASE FILE 3. The parent of a nineteen year- old male complained that the dentist refused them admittance to the operatory when her son was having wisdom teeth removed. The Committee saw the complaint as interference by the parent as unnecessary. The parent had not attended the consultation to discuss any concerns which eventually proved groundless. The treatment had proceeded without any problem and the Committee saw no reason for further action and DISMISSED the complaint.

CASE FILE 4. The patient complained that the dentist did root canal therapy on the wrong tooth. The dentist diagnosed the correct tooth, but the rubber dam was placed on the wrong tooth and that tooth was treated and eventually it was extracted by another dentist. The right tooth was eventually treated properly. The Committee believed that the dentist was negligent in not recognizing the right tooth regardless of the dam placement as the topography of the two teeth was not similar. The dentist admitted his mistake and was prepared to face sanction. The main sanction will be a legal one through the malpractice insurer. The Committee CAUTIONED the dentist but the error was not a diagnostic error or error in judgement but rather one of distraction possibly brought on by external factors which the Committee COUNSELLED the dentist, must be always considered as a potential cause for such errors.

CASE FILE 5. The patient complained that a general dentist had "made a mess of their mouth" and had engaged a lawyer and tried to engage another dentist in bringing forward a case for compensation. The purpose of this complaint appeared to be to have the Board provide support for a compensation claim. On investigation it was found that 11 years previously the respondent dentist had in fact commenced orthodontic procedures and that over a period of less than a year the complaint was seriously non-compliant, and the dentist stopped further treatment with cause. Proper protocols had been followed and the Committee saw NO REASON FOR FURTHER ACTION regarding that complaint. The Committee received no information from the other dentist and that dentist's record showed the complainant had actually brought a letter to the second dentist to sign stating that the previous dentist had made "the mess". He did not sign the letter. The complaint was DISMISSED.

UNRESOLVED FILE

CASE FILE 6. A principal dentist filed a complaint against a former associate alleging a litany of shoddy dentistry that the principal and another associate took responsibility to retreat at their cost. The investigation of the allegation so far has not been supported with adequate working models and radiographs for Committee review. The Respondent, currently under supervised review by the Dental Regulatory Authority of the province where they are registered, is aware of the complaint and has not provided any response but has a representative here in the province. This case is a reminder that as a Principal dentist in practice, the patient care and their record, is your responsibility also. Associates need oversight of work being done with particular care to maintenance and storage of the patient's records. In this case the Principal has taken full responsibility for protecting patient health. The conclusion of this case may not impact NLDB oversight as significantly as it might have done. Should, however, the Respondent seek a return to the province the NLDB must be prepared to address that circumstance. For that reason, the file will be OPEN INDEFINITELY. Once our investigation is completed on this file the Committee report will be forwarded to the other provincial DRAs.

NEWFOUNDLAND & LABRADOR DENTAL BOARD

Financial Statements

Year Ended December 31, 2019

NEWFOUNDLAND & LABRADOR DENTAL BOARD

Index to Financial Statements

Year Ended December 31, 2019

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Revenues and Expenditures	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 9

INDEPENDENT AUDITOR'S REPORT

To the Directors of Newfoundland & Labrador Dental Board

Opinion

I have audited the financial statements of Newfoundland & Labrador Dental Board (the Organization), which comprise the statement of financial position as at December 31, 2019, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2019, 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

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with those requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 relating 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

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:


(continues)

Independent Auditor's Report to the Directors of Newfoundland & Labrador Dental Board *(continued)*

- 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

St. John's, NL
July 6, 2020


Brian T. Scammell Professional Corporation
Chartered Professional Accountant

NEWFOUNDLAND & LABRADOR DENTAL BOARD

Statement of Financial Position

December 31, 2019

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 372,285	\$ 304,208
Marketable securities (<i>Market value \$1,064,921: 2018 \$975,031</i>)	1,064,921	975,031
Accounts receivable	12,058	73,909
Interest receivable	13,110	-
	\$ 1,462,374	\$ 1,353,148
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 12,081	\$ 42,245
Deferred income	324,371	309,183
	336,452	351,428
NET ASSETS	1,125,922	1,001,720
	\$ 1,462,374	\$ 1,353,148

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

NEWFOUNDLAND & LABRADOR DENTAL BOARD**Statement of Revenues and Expenditures****Year Ended December 31, 2019**

	2019	2018
REVENUES		
Licensing fees and penalties	\$ 354,793	\$ 330,364
Investments	34,262	6,837
Radiation surveys	21,032	77,112
2020 PDC	7,100	-
	417,187	414,313
EXPENDITURES		
Salaries, wages and benefits	123,622	105,925
Rent	54,525	53,791
Radiation inspections	32,121	113,471
Travel and meeting - local	16,184	20,050
Travel and meeting - out of province	14,521	18,444
Insurance	13,809	8,508
Grants	12,065	12,466
Computer consulting fees	6,014	6,663
Office supplies and postage	5,776	4,682
Professional fees	5,386	5,003
Telephone	3,689	3,732
Equipment rentals	1,938	2,047
Printing	1,031	2,122
Courier	958	1,758
Miscellaneous	931	972
Interest and bank charges	318	608
Equipment purchases	50	7,703
Advertising and promotion	47	3,265
Registrar's stipend	-	20,000
Repairs and maintenance	-	219
	292,985	391,429
EXCESS OF REVENUES OVER EXPENDITURES	\$ 124,202	\$ 22,884

NEWFOUNDLAND & LABRADOR DENTAL BOARD

Statement of Changes in Net Assets

Year Ended December 31, 2019

	2019	2018
NET ASSETS - BEGINNING OF YEAR	\$ 1,001,720	\$ 978,836
EXCESS OF REVENUES OVER EXPENDITURES	124,202	22,884
NET ASSETS - END OF YEAR	\$ 1,125,922	\$ 1,001,720

NEWFOUNDLAND & LABRADOR DENTAL BOARD**Statement of Cash Flows****Year Ended December 31, 2019**

	2019	2018
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 124,202	\$ 22,884
Changes in non-cash working capital:		
Accounts receivable	61,851	(64,804)
Interest receivable	(13,110)	-
Accounts payable	(30,164)	28,211
Deferred income	15,188	10,000
Prepaid expenses	-	2,692
	33,765	(23,901)
Cash flow from (used by) operating activities	157,967	(1,017)
INVESTING ACTIVITY		
Purchase of marketable securities	(89,890)	18,171
INCREASE IN CASH FLOW	68,077	17,154
Cash - beginning of year	304,208	287,054
CASH - END OF YEAR	\$ 372,285	\$ 304,208
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	\$ 19,891	\$ 6,837
Interest paid	\$ 318	\$ 608

NEWFOUNDLAND & LABRADOR DENTAL BOARD

Notes to Financial Statements

Year Ended December 31, 2019

1. PURPOSE OF THE ORGANIZATION

Newfoundland & Labrador Dental Board (the "Organization") is incorporated under the Corporations Act as a corporation without share capital that operates to protect the public and to administer the licensing of dental professionals in the Province of Newfoundland and Labrador. The Board is exempt from income taxes under the Income Tax Act due to its not-for-profit nature.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Cash and cash equivalents

The Board's policy is to present bank balances and investments with a maturity period of three months or less from the date of acquisition under cash and cash equivalents.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, investments in equity instruments that are quoted in an active market are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

When the Organization issues financial instruments that include both a debt and equity component, the entire proceeds are allocated to the debt component, and the equity component is assigned a measurement amount of \$nil.

When financial instruments that include both a debt and an equity component are issued, the proceeds are allocated firstly to the component for which the fair value is more readily determinable, and the residual is allocated to the other component.

Preferred shares that would otherwise be classified as liabilities, are classified as equity when issued as part of certain tax planning arrangements.

Capital assets

Capital assets are recorded as expenses in the year they are acquired.

Revenue recognition

Newfoundland & Labrador Dental Board follows the deferral method of accounting for contributions.

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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Licensing fees and penalties and interest revenue are recognized as earned and when collection is reasonably assured.

(continues)

NEWFOUNDLAND & LABRADOR DENTAL BOARD

Notes to Financial Statements

Year Ended December 31, 2019

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

Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Leases

Leases are classified as either capital or operating leases. Rental payments under operating leases are expensed as incurred.

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. FINANCIAL INSTRUMENTS

The Board is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Board's risk exposure and concentration as of December 31, 2019.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Board is exposed to credit risk. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Board has a significant number of parties whom they bill which minimizes concentration of credit risk.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Board is mainly exposed to interest risk.

(c) 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. In seeking to minimize the risks from interest rate fluctuations, the Board manages exposure through its normal operating and financing activities. The Board is exposed to interest rate risk primarily through its investments.

Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant other price risks arising from these financial instruments.

4. CONTINGENT LIABILITY

The Board has been named as a defendant in a legal claim. Neither the possible outcome nor the amount of loss, if any, can be reasonably estimated as at December 31, 2019. No provision with respect to this claim has been made in these financial statements.

NEWFOUNDLAND & LABRADOR DENTAL BOARD

Notes to Financial Statements

Year Ended December 31, 2019

5. LEASE COMMITMENTS

The Board entered into a lease for office space on September 9, 2016. The approximate annual rent to the end of the lease term is as follows:

	\$
2020	52,404
2021	39,303

6. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.