

THE EMBALMERS AND FUNERAL DIRECTORS
BOARD
Of
NEWFOUNDLAND AND LABRADOR

ANNUAL ACTIVITY REPORT 2023

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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 2023. 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, and comprises 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 licences.

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,

DocuSigned by:

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Shane Moulard
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 licences, disciplinary action as well as the continuing education of licencees. The Board comprises 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, and a Registrar from its members. 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 of NL for 2023: Shane Moulard-Chairperson, Connie White-Vice Chairperson, Donald Green, Brent Abbott, Lydia Dutton, Terry Hutchings, and Sarah Pinsent. The position of Administrator/Registrar is held by Bert Twyne, but is not a Board position.

In the fiscal year of 2023, the Embalmers and Funeral Directors Board had revenues of \$76,165 and expenditures of \$81,423, as indicated in the unaudited financial statements, resulting in a deficit of \$5258. Despite a fiscal deficit, the Board still remains stable with a GIC account of \$323,686 and cash on hand year-end of \$42,118. An increase in fees for 2024 is under consideration.

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 licensing 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.

In 2023, the Embalmers and Funeral Directors Board licensed 127 directors/embalmers, 60 funeral directors and 85 funeral homes.

Highlights and Accomplishments

The Board was represented at Graduation Ceremonies for the College of Funeral Services that were held in St. John's, NL in June.

According to the Act and Regulations, elections to the Board must take place every three years, so an election was held early in 2023. Our previous Chairperson, Nova Lee Hill, was not eligible for re-election, as she had served the maximum of three consecutive terms (9-consecutive years). John Anderson also expressed that he would not be seeking re-election. The Board acknowledges their contributions to the activities of the Board. The election resulted in a new chairperson—Shane Mouland, as well as fellow industry members, Connie White, Donald Green and Brent Abbott. A vacancy in the Government Appointee category was filled by Sarah Pinsent, who serves with other appointees Terry Hutchings and Lydia Dutton.

Activities

In the fiscal year 2023, the Board met three times—once in person and two virtual meetings, focusing on policy, continuing education and improvements to the provincial practical and written exams. The Education Committee, Complaints/Disciplinary Committee, and the Governance Committee were all actively pursuing improvements again this year. We welcomed new members to the Board following the election, as well as a new chairperson and vice-chairperson for the next three year term.

Much effort and time has gone into the review of amendments to current legislation in the form of Bill 51 which has passed third reading in the House. The Board and Legislation Committee are focusing on developing revised regulations to be presented to the Minister for approval.

The position of Inspector continued to work very well. One hundred per cent of the funeral homes in the province have been inspected. The Board's mandate to the Inspector was to have all funeral homes in the province inspected in a two-year period. We were well ahead of that goal. Various deficiencies were identified, from health and safety issues to facility delinquencies. All have been resolved through co-operation of the industry members and the inspector. The inspector has also been beneficial to the Board in assisting with development of policies and suggestions for changes to the legislation, relative to funeral home facilities.

The Board continues to be in discussion with government departments relative to legislation that will reflect the changing needs of our industry as we move forward. This is an important issue as the need for new legislation, including cremation legislation, has increased substantially over the last year. As noted

above, the revised Act has passed third reading in the House and the Board is developing revised regulations that are supported by the revised Act.

The Board is responsible for establishing criteria for licences; hearing complaints against members; disciplining, if deemed appropriate; and establishing criteria for the continuing education of licencees. In 2023, the Board received two complaints. One was resolved by the Registrar and one complaint was resolved by the Complaints Authorization Committee.

In 2023, the Board received eight new applications for Funeral Directors Licences and eight new applications for Embalmers Licences along with six new registrations for Apprenticeship. It licensed 127 directors/embalmers, 60 funeral directors and 85 funeral homes.

Financial Statements

Audited Statements attached

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

Financial Statements

Year Ended December 31, 2023

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

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Year Ended December 31, 2023

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HARVEY'S ACCOUNTING SERVICES

Leonard Harvey Professional Corporation • Chartered Professional Accountant

INDEPENDENT AUDITOR'S REPORT

To the Members of Embalmers and Funeral Directors Board of Newfoundland and Labrador

Opinion

I have audited the financial statements of Embalmers and Funeral Directors Board of Newfoundland and Labrador (the organization), which comprise the statement of financial position as at December 31, 2023, and the statements of revenues and expenditures and 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, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 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 these 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 ASNPO, 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.

(continues)

Independent Auditor's Report to the Members of Embalmers and Funeral Directors Board of Newfoundland and Labrador (*continued*)

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:

- 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.

Springdale, Newfoundland and Labrador
June 14, 2024



Chartered Professional Accountant

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

Statement of Financial Position

December 31, 2023

	2023	2022
ASSETS		
Current		
Cash and cash equivalents (Note 3)	\$ 367,001	\$ 371,006
Accounts receivable (Note 4)	39,810	38,690
Interest receivable	15,314	1,090
Prepaid expenses	1,941	1,859
	\$ 424,066	\$ 412,645
LIABILITIES AND NET ASSETS		
Current		
Accounts payable	\$ 6,669	\$ 6,745
Deferred income (Note 5)	71,510	70,175
	78,179	76,920
NET ASSETS	345,887	335,725
	\$ 424,066	\$ 412,645

ON BEHALF OF THE BOARD

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Shane Moulard

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Board Member

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Board Member

See notes to financial statements

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

Statement of Revenues and Expenditures and Changes in Net Assets

Year Ended December 31, 2023

	2023	2022
Revenues		
Licencing revenue	\$ 71,365	\$ 71,325
Exam revenue	4,800	3,400
	76,165	74,725
Expenditures		
Bank charges	116	98
Conferences	-	6,631
Consulting fees	4,056	1,442
Inspections	1,225	-
Board meetings	2,145	-
Insurance	2,516	1,942
Office	10,156	4,603
Professional fees	10,876	4,944
Salaries and wages	49,445	47,810
Scholarship	250	250
Telephone	638	447
	81,423	68,167
Excess (deficiency) Of Revenues Over Expenditures from operations	(5,258)	6,558
Other income		
Interest income	15,420	1,194
Net excess of revenues over expenditures	10,162	7,752
Net assets - beginning of year	335,725	327,973
Net assets - end of year	\$ 345,887	\$ 335,725

See notes to financial statements

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

Statement of Cash Flows

Year Ended December 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 10,162	\$ 7,752
Changes in non-cash working capital:		
Accounts receivable	(1,120)	20,157
Interest receivable	(14,224)	(292)
Accounts payable	(76)	263
Deferred income	1,335	2,550
Prepaid expenses	(82)	(390)
	(14,167)	22,288
INCREASE (DECREASE) IN CASH FLOW	(4,005)	30,040
Cash - beginning of year	371,006	340,966
CASH - END OF YEAR	\$ 367,001	\$ 371,006
Cash consists of:		
Cash and cash equivalents	\$ 367,001	\$ 371,006

See notes to financial statements

EMBALMERS AND FUNERAL DIRECTORS BOARD OF NEWFOUNDLAND AND LABRADOR

Notes to Financial Statements

Year Ended December 31, 2023

1. PURPOSE OF THE ORGANIZATION

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.

2. BASIS OF PRESENTATION

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Embalmers and Funeral Directors Board of Newfoundland and Labrador follows the deferral method of accounting for contributions.

Licensing revenues are recognized as revenue in the year to which they relate.

Investment income is recognized as revenue when earned.

Seminar fees are recognized as revenue when the seminars are held.

Cash and cash equivalents

Cash and cash equivalents include balance with bank and investments with maturity of one year or less.

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.

Financial instruments

The organization initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash, short term investments and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and deferred revenue.

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

Notes to Financial Statements

Year Ended December 31, 2023

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.

	2023	2022
Accounts receivable	\$ 39,810	\$ 38,690

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 and are for the following year.

	2023	2022
Deferred Revenue	\$ 71,510	\$ 70,175

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

**Notes to Financial Statements
Year Ended December 31, 2023**

6. FINANCIAL INSTRUMENTS

The organization 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 organization's risk exposure and concentration as of December 31, 2023.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk with respect to accounts receivable.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and accounts payable. This risk is reduced because of considerable sums invested in term deposits.

Interest rate risk

The organization is exposed to interest rate risk on fixed-rate financial instruments, which consist of short-term investments. Fixed-rate instruments subject the organization to a risk of changes in fair value risk, since fair value fluctuates inversely to changes in market interest rates.

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