



## 2013–2014 Annual Report

ALBERTA COLLEGE OF OCCUPATIONAL THERAPISTS





## Table of Contents

Council and Committee Members and College Staff

President's Report

Public Members' Messages

Governance

Registration of College Members

Demographics of Registered Members

Continuing Competence

Complaints and Discipline

Financial Statements

Independent Auditor's Report

Statement of Financial Position

Statement of Changes in Net Assets

Statement of Operations

Statement of Cash Flows

Notes to Financial Statements

# The Alberta College of Occupational Therapists regulates the profession of occupational therapy in the Province of Alberta. The College is responsible for making sure the public receives competent, ethical occupational therapy services.

The practice of occupational therapy is set out in Health Professions Act, RSA 2000 cH-7 (HPA) Schedule 15, section 3:

In their practice, occupational therapists do one or more of the following:

- a) in collaboration with their clients, develop and implement programs to meet everyday needs in self-care, leisure and productivity,*
- b) assess, analyze, modify and adapt the activities in which their clients engage to optimize health and functional independence,*
- c) interact with individuals and groups as clinicians, consultants, researchers, educators and administrators, and*
- d) provide restricted activities authorized by the regulations.*

The profession of occupational therapy has been organized in Alberta since 1950 when the Alberta Society of Occupational Therapists was formed. In 1975 the Society adopted a new constitution and a new name, the Alberta Association of Registered Occupational Therapists (AAROT) and in 1990, the *Occupational Therapy Profession Act, RSA 1987 cO-2.5* was proclaimed and in force.

On October 5, 2006, Schedule 15 of the HPA and the *Occupational Therapists Profession Regulation AR 217/2006* (the Regulations) were proclaimed to be in force by Order

in Council of the Alberta Legislature. Upon proclamation AAROT was continued as the Alberta College of Occupational Therapists (ACOT) and the Occupational Therapy Profession Act was repealed.

The Alberta College of Occupational Therapists is governed by a council comprised of occupational therapists elected by their peers, an ex-officio academic representative selected from the University of Alberta Department of Occupational Therapy and members of the public appointed by the Alberta government.

The Registrar is responsible for the oversight of the regulatory and administrative activities (HPA s19). The College has four additional staff members who report directly to the Registrar and a volunteer force of members to assist the College in committee and advisory roles. The College does not set professional fees, provide guidelines on professional fees nor negotiate professional fees on behalf of its members and is not approved to do so under section 27 of the HPA.

This is the eighth annual report of the Alberta College of Occupational Therapists and is a report of the year ended February 28, 2014. This annual report is an official document of the Alberta College of Occupational Therapists and as such has been approved by the Council of the College.

# Council, Committee Members and College Staff

## 2013–14 Council

Gina Kroetsch, President (Calgary)  
Martin Anderson, Vice-President (Peace River)  
Cary Brown (Edmonton)  
Tracey Faulkner (Lethbridge)  
Leeanne Sadowsky (Medicine Hat)  
Elizabeth Taylor (Edmonton)  
Public Member (Vacant)  
Public Member (Vacant)  
Sharon Brintnell, U of A Ex-Officio (Edmonton)

## College Staff

Maggie Fulford, Registrar  
Patricia Wheadon, Assistant Registrar  
Kirsten Ash, Executive Assistant  
Meron Gebremikael, Financial Assistant  
Jeannine Swirski, Administrative Assistant

## Nominations Committee

Martin Anderson, Chair  
Council of the Whole

## Complaint Review Committee

Sandra Impey (Grande Prairie)  
Tim Hall (Edmonton)  
Fay Der (Calgary)  
Rosalie Freund Heritage (Edmonton)  
Linda Bradley (Calgary)  
Lois Neumier (Edmonton)  
Janet Smith (Edmonton)  
Rosemary Koziel (Calgary)  
Betsey Williams (Edmonton)  
Kim Omar (Edmonton)  
Mary Culshaw (Calgary)  
Probir Roy (Calgary)  
Simrit Dhillon (Calgary)  
Ryan Sommer (Edmonton)



# President's Report

It has been my honour and privilege to serve as an active, contributing member of Council since 2010. I am excited to have taken over the role of College President this year to continue the valued work of others before me to help lead council in fulfilling our mandate of registration, continuing competence and discipline. On behalf of Council, I am pleased to present the Annual Report for Alberta College of Occupational Therapists for the fiscal year March 1, 2013 to February 28th, 2014.

The Council and College consistently remain committed to fulfilling our legislated mandate of ensuring Albertans receive competent and ethical occupational therapy services. We continue to adhere to the legislation through upholding standards laid out for registration, competence and discipline.

Through the support of the Registrar, Council has continued to ensure all elected Council members receive the appropriate orientation and education in order to contribute effectively to Council as well as provide on-going development opportunities for Council as a whole. In addition, this fall, the College was able to organize a successful education event for dedicated regulated members; specifically in the area of administrative justice and discipline.

As technology constantly changes, the College continues to strive to use new technology to increase the efficiency of Council and its communication. By establishing the online version of the Continuing Competence Program, the College hopes to make it easier for regulated members to both adhere to our standards of practice as well as grow in the concept of reflective practice. On behalf of Council and the College, I would like to extend thanks to the efforts of the Competence committee over the years as we have grown to embrace Continuing Competency as required by the Health Professions Act.

I have had the honour of representing the College in two exciting events this year; both invitations were a first for our College and Council. In October, I attended the Legislative Assembly with the Registrar as guests of the Honourable Dave Rodney, Associate Minister of Wellness, when our 2012-2013 Annual Report was tabled. At that time, Minister Rodney voiced his recognition to the Speaker of the House of "the important task" the College has in regulating the profession of occupational therapy in the Province of Alberta as well as ensuring Albertans receive competent and ethical occupational therapy services. In addition, occupational therapists were commended for the "outstanding work that they do to promote the health of Albertans". In March, the Honorable Fred Horne, Minister of Health, extended the invitation to attend a post-budget reception for health care stakeholders at Government House at which he spoke about the recent government's health care budget and thanked the health professions for their role in providing public health care to Albertans.

I would like to formally recognize the work of Council, the Registrar and her staff in another exciting and successful year for the College. And, I would also like to thank all the regulated members for their ongoing commitment to uphold our standards of practice by providing competent and ethical occupational therapy services.

Gina Kroetsch, President



## Public Members' Messages

As of February 28, 2014 both Public Member positions were vacant.

## Governance

### Standards of Practice, Code of Ethics and Bylaws

Under the HPA, the council is responsible for governing the profession in the public's interest. Council carries out this responsibility through the development of standards of practice, codes of ethics and bylaws. There have been no amendments to or major activities around the standards, code and bylaws during this reporting period.

### Other Initiatives

The College is a member of the Association of Canadian Occupational Therapy Regulatory Organizations (ACOTRO). ACOTRO is the national association of provincial occupational therapy regulatory bodies, whose mandates are the protection of the public. ACOTRO members work collaboratively to:

- a) advance quality occupational therapy regulation;
- b) develop and promote a national strategy for consistent and congruent regulatory practices for the profession;
- c) promote interprovincial and international labour mobility and workforce planning and
- d) promote national and international networking and information sharing of regulatory issues and positions.

For several years, ACOTRO has been committed to promoting access to the profession for qualified internationally educated occupational therapists (IETs) through a number of shared initiatives.

## Registration Of College Members

The College issues practice permits to Alberta occupational therapists in two categories. Depending on the circumstances of application, occupational therapists are registered on the College's General Register or Provisional Register.

### Occupational Therapists

A Registered occupational therapist in Alberta holds a General Register permit to practice and has demonstrated and provided documented proof of the combined knowledge, skills, attitudes and judgment required to provide professional services as defined by the Health Professions Act.

### Provisional Occupational Therapists

A Provisional occupational therapist practices under the supervision of an occupational therapist registered on the General Register of the College.

Provisional permits may be granted to occupational therapists who are (1) new graduates in the process of completing application requirements - the applicant may be waiting for conferment of their degree, completion of the national certification exam, or submission of examination results to the College; (2) re-entering the profession after a period of absence and are unable to demonstrate the currency of their practice – they may be required to write or re-write the national certification exam, complete a supervised practicum and complete any coursework or training requirements identified during the competency assessment; or (3) IEOT applicants who have been assessed on the basis of substantial equivalence but may be waiting to write the national certification exam or complete a supervised practicum. Provisional Register permits are valid for up to one year.

A total of 1802 members renewed their registration online. During the 2013-2014 registration year 221 new applications were processed; including Courtesy permits, new graduates and new members from outside of Alberta and Canada. During the same period, 152 registrations were cancelled for various reasons such as leave of absence, moving out of province and retirement. There were no applicants denied registration in the 2013-2014 year.

### Courtesy Register

Occupational therapists who normally reside outside of Alberta and wish to teach or provide occupational therapy services temporarily in Alberta, must register with the Alberta College of Occupational Therapists.

Applicants will have an unrestricted practice permit with another licensing/registering organization and have a time limitation attached to their tenure in Alberta. Other applicants may be registered on the Courtesy Register at the discretion of the Registrar. During the reporting period fourteen, thirty-day Courtesy permits were issued.

Registration must be completed prior to the start of any temporary employment in Alberta.

### Reviews by Council

During the 2013-2014 year there were no reviews by Council.

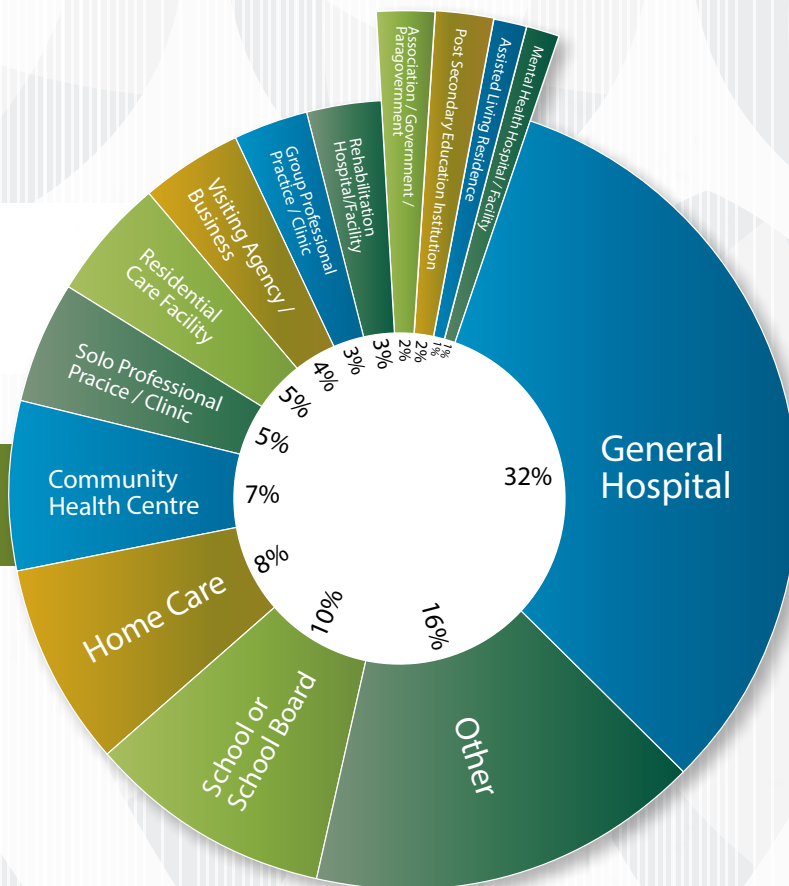
	at February 28, 2013	at February 28, 2014
Total on the General Register	1737	1811
Total on the General Register with condition	0	0
Total on the Provisional Register	15	10



# Demographics of Registered Members

## PRACTICE SETTING

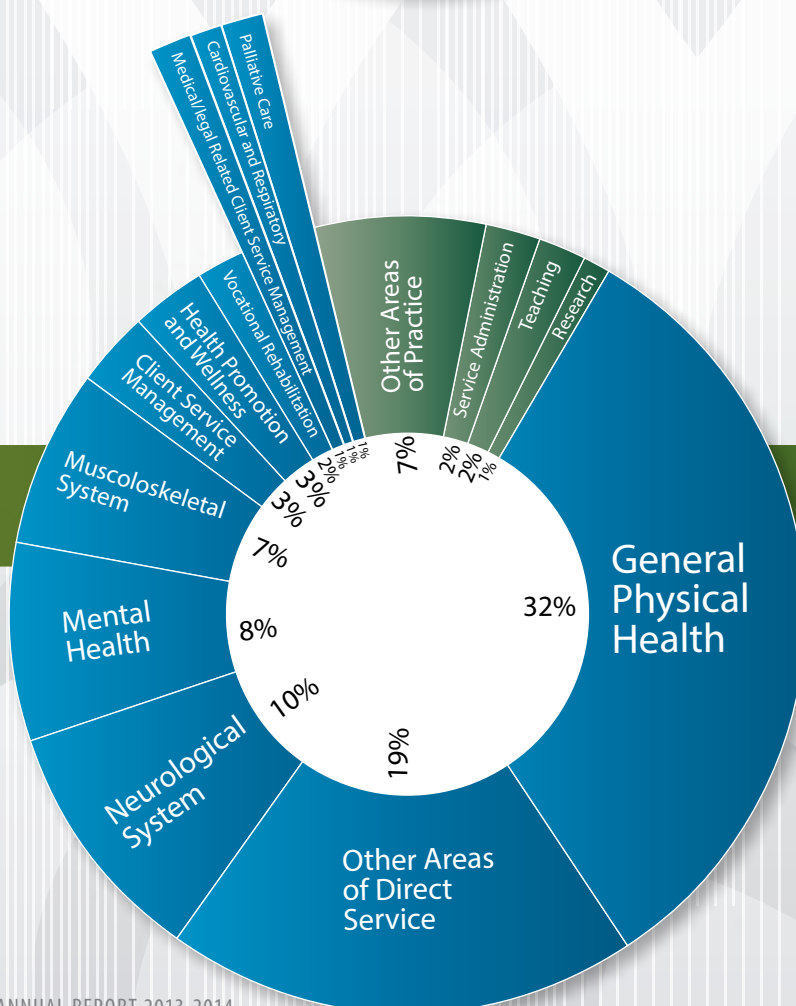
% of Occupational Therapists work in a



## AREA OF PRACTICE

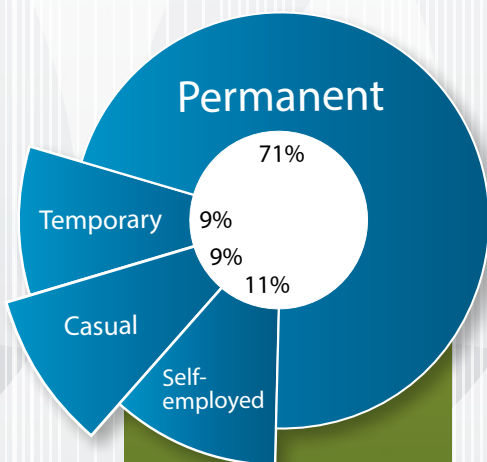
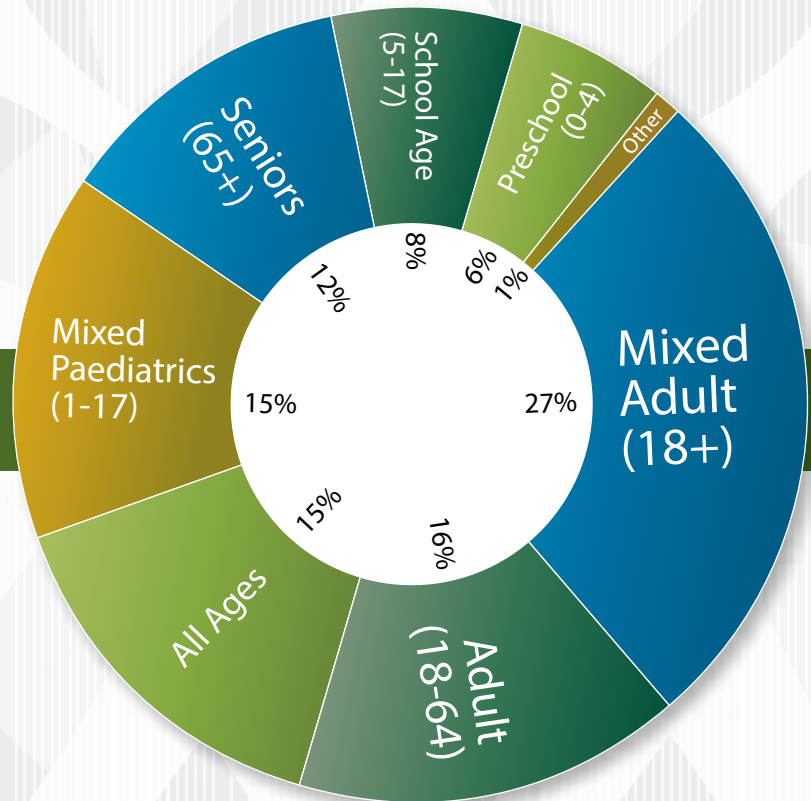
% of Occupational Therapists provide direct service in

% of Occupational Therapists work in



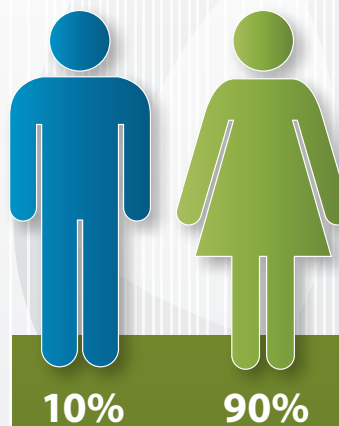
## CLIENT AGE RANGE

% of Occupational Therapists work with



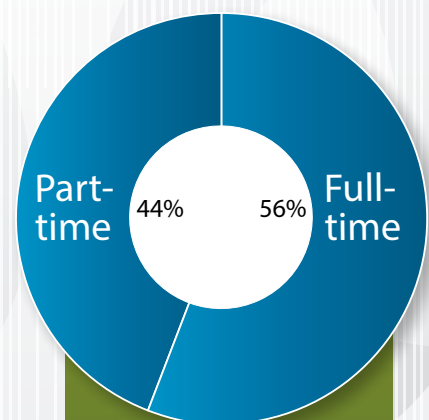
## EMPLOYMENT CATEGORY

% of Occupational Therapists fall within the



## GENDER

% of Occupational Therapists are of



## EMPLOYMENT STATUS

% of Occupational Therapists have

## Continuing Competence Programs

**Competence – the combined knowledge, skills, attitudes and judgement required to provide professional services**

(Health Professions Act RSA 2000 cH-7 s1(1)(f))

Annual participation in the Continuing Competence Program is mandatory for each occupational therapist practicing in Alberta as set out in the *Health Professions Act RSA 2000 cH-7 p3* and the *Occupational Therapists Profession Regulation AR217/2006 s13*.

The program is comprised of a practice challenge log, a self-assessment questionnaire, a log of activities and a competence portfolio containing documentation to demonstrate the continuing competence activities undertaken.

The program is an ongoing annual cycle. Each year regulated members reflect on their practice challenges; complete the self-assessment and identify the practice challenges to be addressed as part of ensuring the maintenance and enhancement of their competence. Compliance is ensured by periodic review of regulated members' plans.

In order to apply to the College to renew their practice permit, occupational therapists are required to meet the requirements of the Continuing Competence Program.

To comply, the regulated members must annually complete the online documentation of their personal continuing competence plan, including the self-assessment, practice challenge log and log of activities prior to completing their application for annual permit renewal, also online. Regulated members who do not comply with the requirements of the Continuing Competence Program are not eligible to renew their practice permits.

If the competence committee, registration committee or registrar is of the opinion that a regulated member has intentionally provided false or misleading information about their continuing competence program, they must refer that information to the College's complaints director (*Health Professions Act RSA 2000 cH-7 s51.1(1)*).

# Complaints and Discipline

## Complaint Receipt and Disposition

	Number	Source of Complaint			Status
		Employer	Colleague	Public	
Complaints carried forward from 2012-2013	10	5	0	5	#27—Closed #42—Closed #45—Closed #53—Monitoring Agreement and Undertaking #54—Hearing on Appeal, Dismissal Upheld. Closed. #56—ACR Ratified. Monitoring Sanctions. #57—ACR Ratified. Monitoring Sanctions. #58—Dismissed by Complaints Director #59—Informal Resolution. Monitoring undertakings. #60—Complaint on Hold, respondent under medical care, permit not renewed.
Complaints Received during 2013-2014	1	0	0	1	#61—Dismissed by Complaints Director
Total number of complaints investigated in 2013-2014					1
Complaints closed in 2013-2014					4 (#27, #42, #45, #54)
Complaints carried forward to 2014-2015					5

## Summary of Complaints Since Proclamation in October 2006

26 complaints received by the College	2 in 2006-2007	
	4 in 2007-2008	
	5 in 2008-2009	
	3 in 2009-2010	
	3 in 2010-2011	
	4 in 2011-2012	
	4 in 2012-2013	
	1 in 2013-2014	
Complaints assessed	12	complaints dismissed by the Complaints Director, no further action
	6	Informal resolution
	7	complaints referred to the alternate complaints resolution process for mediation and resolved
	1	complaint on hold

During the 2013-2014 year, there were 3 hearings held, one on appeal and two to ratify Alternative Complaints Resolution settlement agreements. No hearings were closed to the public.

Further, the College has never had to deal with a regulated member under Section 118, Assessing Incapacity.



# Financial Statements of Alberta College of Occupational Therapists

For the year ended February 28, 2014



# Independent Auditor's Report

## **To the Members of Alberta College of Occupational Therapists:**

I have audited the accompanying financial statements of Alberta College of Occupational Therapists, which comprise the statement of financial position as at February 28, 2014, and the statements of changes in net assets, operations, and 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 judgment, 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 College'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 College'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 Alberta College of Occupational Therapists as at February 28, 2014, 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.

Edmonton, Alberta

June 26, 2014

Chartered Accountant

W. Dale Somerville, CA



# Statement of Financial Position

February 28, 2014

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
Current		
Cash	\$ 2,562,247	\$ 1,610,101
Short-term investments (Note 3)	-	650,000
Accrued interest receivable	-	8,789
Prepaid expenses	<u>23,223</u>	<u>38,140</u>
	<b>2,585,470</b>	2,307,030
Capital assets (Note 4)	<u>123,477</u>	161,009
	<b><u>\$ 2,708,947</u></b>	<b><u>\$ 2,468,039</u></b>
<b>LIABILITIES</b>		
Current		
Accounts payable and accrued charges	\$ 63,251	\$ 48,227
Membership dues received in advance (Note 5)	<u>1,013,950</u>	<u>986,305</u>
	<b>1,077,201</b>	1,034,532
Invested in property and equipment	<b>123,477</b>	161,009
Internally restricted	<b>245,000</b>	245,000
Unrestricted	<u>1,263,269</u>	<u>1,027,498</u>
	<u>1,631,746</u>	1,433,507
	<b><u>\$ 2,708,947</u></b>	<b><u>\$ 2,468,039</u></b>

The accompanying notes form part of these financial statements  
Approved on behalf of the Board

Gina Kroetsch, President

# Statement of Changes in Net Assets

February 28, 2014

	Invested in Property and Equipment	Internally Restricted	Unrestricted	<b>Total 2014</b>	Total 2013
<b>Balance – beginning of year</b>	\$ 161,009	\$ 245,000	\$ 1,027,498	<b>\$ 1,433,507</b>	\$ 1,047,794
Excess (deficiency) of revenues over expenditures	(37,532)	-	235,771	<b>198,239</b>	385,713
<b>Balance – end of year</b>	<b>\$ 123,477</b>	<b>\$ 245,000</b>	<b>\$ 1,263,269</b>	<b>\$ 1,631,746</b>	\$ 1,433,507

The accompanying notes form part of these financial statements

# Statement of Operations

Year ended February 28, 2014

	<u>2014 Actual</u>	<u>2014 Budget</u>	<u>2013 Actual</u>
<b>Revenues</b>	<b>\$ 1,104,405</b>	\$ 1,063,990	\$ 1,061,451
<b>Expenditures</b>			
Amortization	39,846	40,500	41,474
Council activities	61,383	95,000	60,371
Administration	169,217	165,181	170,056
Administrative legal costs	1,419	10,000	6,609
College activities	196,645	57,000	35,596
Salaries, wages and benefits	418,837	340,875	350,948
	<u>887,347</u>	<u>708,556</u>	<u>665,054</u>
<b>Excess of revenues over expenditures before other items</b>	<u>217,058</u>	<u>355,434</u>	<u>396,397</u>
<b>Other Expense</b>			
Loss on disposal of capital assets	55	-	-
Investigation/Discipline	18,764	128,100	10,684
	<u>18,819</u>	<u>128,100</u>	<u>10,684</u>
<b>Excess of revenues over expenditures for the year</b>	<u>\$ 198,239</u>	<u>\$ 227,334</u>	<u>\$ 385,713</u>

The accompanying notes form part of these financial statements

# Statement of Cash Flows

Year ended February 28, 2014

	<u>2014</u>	<u>2013</u>
<b>Sources (uses) of cash</b>		
<b>Cash flows from operating activities</b>		
Excess of revenues over expenditures for the year	\$ 198,239	\$ 385,713
Adjustments for:		
Amortization	39,846	41,474
Loss on disposal of capital assets	55	-
	<b>238,140</b>	427,187
<b>Change in non-cash working capital items</b>		
Accrued interest receivable	8,789	(2,147)
Prepaid expenses	14,917	(14,286)
Accounts payable and accrued charges	15,024	(18,508)
Membership dues received in advance	27,645	70,780
Accrued wage settlement	-	(13,918)
	<b>304,515</b>	449,108
<b>Cash flows from investing activities</b>		
Purchase of capital assets	(2,548)	(12,391)
Proceeds on disposal of capital assets	179	-
	<b>(2,369)</b>	(12,391)
<b>Increase in cash</b>	<b>302,146</b>	436,717
<b>Cash – beginning of year</b>	<b>2,260,101</b>	1,823,384
<b>Cash – end of year</b>	<b>\$ 2,562,247</b>	\$ 2,260,101
<b>Cash consists of:</b>		
Cash	\$ 2,562,247	\$ 1,610,101
Short-term investments	-	650,000
	<b>\$ 2,562,247</b>	\$ 2,260,101

The accompanying notes form part of these financial statements

# Notes to the Financial Statements

February 28, 2013

The accompanying notes form part of the financial statements

## 1. NATURE OF OPERATIONS

Alberta College of Occupational Therapists is incorporated under the Health Professions Act of Alberta (as of October 5, 2006). Its principal activities include public protection, registration and ongoing renewal of occupational therapists, overseeing professional conduct of occupational therapists and providing for the professional needs of its members and the development and maintenance of standards of practice of Occupational Therapy in Alberta.

The College is a nonprofit organization and accordingly, it is exempt from payment of income taxes.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized as follows.

### (a) Use of estimates

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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are capital assets where significant estimates pertain to the physical and economic lives of property and equipment and accounts receivable where estimates are necessary in the determination of the recoverability of accounts receivable.

### (b) Statement of cash flows

The College is using the indirect method in its presentation of the statement of cash flows.

### (c) Short-term investments

Short-term investments are carried at the lower of cost and market value.

### (d) Capital assets

Amortization is recorded using the straight-line method over the estimated remaining useful lives of the assets, as determined by management, using the following rates:

Office equipment	.....20%
Furniture and fixtures	.....10%
Computer equipment	.....30%
Computer software	.....50%

Amortization of leasehold improvements is recorded over the remainder of the initial term of the lease plus the term of the first renewal option.

### (g) Revenue recognition

The College follows the restricted fund method of recognizing revenue.

Annual memberships expire at the end of February. Membership revenue is recognized in the membership year to which it relates. Revenue arising from membership fees which are received during the current period and which relate to the following fiscal year is deferred.

### 3. SHORT-TERM INVESTMENTS

Short-term investments consisted of Guaranteed Investment Certificates (GICs) bearing interest at rates of 1.6% to 1.7%, which matured in the current year.

### 4. CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated amortization</u>	<u>2014 Net</u>	<u>2013 Net</u>
Office equipment	\$ 11,919	\$ 11,919	\$ -	\$ -
Furniture and fixtures	54,075	32,279	21,796	27,377
Leasehold improvements	151,482	57,329	94,153	104,302
Computer equipment	31,007	25,396	5,611	6,663
Computer software	104,749	102,832	1,917	22,667
	<u>\$ 353,232</u>	<u>\$ 229,755</u>	<u>\$ 123,477</u>	<u>\$ 161,009</u>

### 5. MEMBERSHIP DUES RECEIVED IN ADVANCE

<u>2014</u>	<u>2013</u>
<u>\$ 1,013,950</u>	<u>\$ 986,305</u>

Deferred revenue arises when the College receives payment from members for membership dues in the current year for the subsequent year.

### 6. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

#### (a) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether the factors are specific to the instrument or all instruments traded in the market. The College is exposed to market risk on its guaranteed income certificates and savings account interest rates. The College has invested in low risk investments to mitigate this risk. In the opinion of management the market risk exposure to the College is low and is not material.

#### (b) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The College has no foreign currency transactions and therefore is not exposed to currency risk.

#### (c) Interest rate risk

Interest rate risk is the risk that the College has interest rate exposure on its bank indebtedness. The College had no bank indebtedness at February 28, 2014. In the opinion of management the interest rate risk exposure to the College is low and is not material.

(d) Other price risk

The College has no competitors and is a regulated body requiring membership in Alberta. In the opinion of management the other price risk exposure to the College is low and is not material.

(e) Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates.

(f) Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. At February 28, 2014 the College had no accounts receivable. In the opinion of management the credit risk exposure to the College is low and is not material.

(g) Concentration risk

Concentration risk is the risk that a member or customer has more than ten percent of the total accounts receivable balance and thus there is a higher risk to the business in the event of a default by one of these customers. Concentrations of credit risk relates to groups of counterparties that have similar economic or industry characteristics that cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The College had no accounts receivable at February 28, 2014. In the opinion of management the concentration risk exposure to the College that is associated with their members or customers is low and is not material.

(h) Liquidity risk

Liquidity risk is the risk that the College cannot repay its obligations when they become due to its creditors. The College reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due. The College had a large cash balance relative to its accounts payable at February 28, 2014. In the opinion of management the liquidity risk exposure to the College is low and is not material.

(i) Cash flow risk

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. In the opinion of management the cash flow risk exposure to the College is low and is not material.

## 7. COMMITMENTS

The College is committed under the terms of an operating lease for office space commencing December 1, 2008 at the rate of \$3,465 per month for the first five years, and \$3,937 per month for the subsequent five years, with a 5 year option to renew. In addition, the College is committed to its share of operating costs which are estimated by the landlord at \$1,812 per month.

The College is committed under the terms of an operating lease for a photocopier commencing October 15, 2010 at the rate of \$992 per quarter for five years.

The College is committed to pay legal expenses related to actions initiated against members under the Occupational Therapy Profession Act. Management estimates that if current investigations are completed and advance to hearings, expenditures may reach \$20,000 in the 2015 fiscal year.

The College was committed to provide \$100,000 over five years to the University of Alberta to establish The Alberta College of Occupational Therapists Centenary PhD Scholarship, the first of which was awarded in the fall of 2009. This commitment has been completed in 2013 and no further funding provided for Centenary PhD Scholarship.

## 8. FUND BALANCES

	Balance beginning of year	Excess revenue (expense)	Intra fund transfers	From (To) Capital fund	Balance end of year
Unrestricted	\$ 1,027,498	\$ 207,029	\$ -	\$ 37,532	\$ 1,272,059
Reserve	245,000	-	-	-	245,000
	<u>\$ 1,272,498</u>	<u>207,029</u>	<u>\$ -</u>	<u>\$ 37,532</u>	<u>\$ 1,517,059</u>

The internally restricted reserve fund is reserved for: litigation, to provide for expenses related to any civil actions; contingencies, to provide the College with short-term funding for day-to-day operations in the event of unforeseen circumstances; and professional conduct, to provide the College with short-term funding for investigative and disciplinary costs in the event that actual investigative and disciplinary costs exceed the budgeted amount in a fiscal year.

Transfers to the unrestricted fund from the capital fund were for the disposal and amortization net of purchases of capital assets during the year.

## 9. SUPPLEMENTARY CASH FLOW INFORMATION

During the year, the College received \$33,030 (2013 - \$10,727) in interest.

## 10. CONTRIBUTED SERVICES

Volunteers contribute services to assist the College in carrying out its activities. Because of the difficulty in determining their amount or fair value, contributed services are not recognized in the financial statements.



Alberta College of Occupational Therapists (ACOT)  
300, 10436 – 81 Avenue  
Edmonton, Alberta  
T6E 1X6

**T** 780.436.8381  
**TF** 1.800.561.5429  
**F** 780.434.0658  
**E** [info@acot.ca](mailto:info@acot.ca)  
**W** [acot.ca](http://acot.ca)