



## 2016–2017 Annual Report

ALBERTA COLLEGE OF OCCUPATIONAL THERAPISTS



# Responsibilities

The Alberta College of Occupational Therapists regulates the profession of Occupational Therapy in the province of Alberta to ensure the public receives competent and 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 their clients engage in to optimize health and functional independence;*
- (c) interact with individuals and groups as clinicians, consultants, researchers, educators and administrators;*
- (d) and provide restricted activities authorized by the regulations.*

The Alberta Society of Occupational Therapists formed in 1950, organizing the profession in Alberta. In 1975 the Society adopted a new constitution and name to become the Alberta Association of Registered Occupational Therapists (AAROT). By 1990, the *Occupational Therapy Profession Act, RSA 1987 cO-2.5* was proclaimed and in force.

Order in Council of the Alberta Legislature proclaimed the Schedule 15 of the HPA and the *Occupational Therapists Profession Regulation AR 217/2006* (the Regulations) to be in force on

October 5, 2006. Upon proclamation AAROT was continued as the Alberta College of Occupational Therapists (ACOT) we know today, and the Occupational Therapy Profession Act was repealed.

## Operations

A council governs the Alberta College of Occupational Therapists. It's made up 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 oversees regulatory and administrative activities (HPA s19). Four additional staff members report directly to the Registrar and volunteer members assist the College in committee and advisory roles.

The College *does not* set, provide guidelines for or negotiate professional fees on behalf of its members. It's not approved to do so under section 27 of the HPA.

This is the tenth annual report of the Alberta College of Occupational Therapists, and reports for the year ending February 28, 2017. It is an official document of the Alberta College of Occupational Therapists and is approved by the Council of the College.

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## 2016-17 Council



Elizabeth Taylor,  
President (Edmonton)



Kerstin Hurd,  
Vice President (Calgary)



Susanne Lesniak Walton  
(Edmonton)



Kent Tsui  
(Fort McMurray)



Louis Joseph  
(Valleyview)



Kurt Paterson,  
Public Member (Edmonton)



Sharon Brintnell,  
U of A Ex-Officio (Edmonton)



Vacant Public Member

### Nominations Committee

Kerstin Hurd, Chair  
Council of the Whole

## College Staff



Maggie Fulford,  
Registrar



Patricia Wheadon,  
Assistant Registrar



Kirsten Ash,  
Executive Assistant



Meron Gebremikael,  
Financial Assistant



Mallory Foreman,  
Administrative Assistant

### Complaint Review Committee

Sandra Impey (Grande Prairie)  
Tim Hall (Edmonton)  
Fay Der (Calgary)  
Rosalie Freund Heritage (Edmonton)  
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

As a self-regulated profession, Occupational Therapy gives us much to be grateful for. This year we celebrate our tenth anniversary under the Health Professions Act. As part of our celebration, members of your Council, Past President Martin Anderson, and your Registrar Maggie Fulford had the opportunity to meet with members across the province through lunch, dinners or teas. As one of the first colleges to be proclaimed under the Act, these events reflected one of the important moments in our professional history.

Protecting the public is such an important part of being a professional—many emerging groups wish to have that same status. One of those groups has a recreation background, and this led to one of our most turbulent times in our profession's history in Alberta.

The non-confidence vote initiated by our members ended with Council remaining in place. This engaged more therapists across the province than previously, which is a win for all of us. Even though it was one of the most difficult times in my professional career, I had the opportunity to talk to many of you. I heard about members' views on the College and changes they would like to see, in particular around communication. This came as we were developing the strategic plan, which was being built on a situational analysis completed by you, the members.

The new plan, still centered on regulatory compliance under HPA to ensure public protection, calls for a more proactive leadership position in this province. It contains plans for adopting a far more inclusive, collaborative approach to actively engage with our members and other key stakeholders.

Council is working on how the College operates, embracing change with new collaborative ideas that include you, the members. This is not easy: we have a specific mandate and cannot be confused with the work of SAOT. New Council committees are also evolving, such as the Professional Practice Support Project and the Leadership Advisory Committee, which will engage Alberta with discussions about practice and public safety with set venues. Three new Council members are joining us this fall, and combined with other changes, this will increase communication and member involvement. We hope that the lessons and learning of the past year makes for a stronger College. I look forward to continuing this dialogue over the next year with each and every one of you. It is a privilege to have this opportunity.

**Elizabeth Taylor, BScOT, MSc, PhD**

President



*Liz Taylor at a members lunch.*



*Maggie Fulford meeting members.*



*Gift bags were given away at all events.*



*The ACOT award of recognition.*







## Public Members' Messages

As a public member on the Alberta College of Occupational Therapists (ACOT) Council, it is my privilege to provide you with comments and insights into the role of public members and the work of the ACOT Council. I would like to thank Nancy Bochar for her valuable and insightful contributions during her recent term as a public member. All members are encouraged to read the important information in this 10th Annual Report of the College.

The primary mandate of the College is to protect and serve the public, clients, and regulated Members by setting standards of practice, creating and enforcing a continuing competence program, and ensuring complaints about unprofessional conduct are responded to and addressed promptly. The College regulates and guides the profession to ensure the public receives competent, ethical occupational therapy services.

There is no question that the College continues to fulfill its obligations under the Health Professions Act. As such, over 2,000 regulated Members enjoy the privilege of self-governance that the legislation has offered since 2006.

The College started working on a strategic plan in 2016 and the implementation of the plan has commenced. The strategic plan fully recognizes areas that need to be worked on within the College but, importantly, also leverages the strengths and capabilities that the College has worked hard to develop over the past few years. It calls for the College to adopt a far more inclusive, collaborative approach and to actively engage with existing and future stakeholders. The strategy incorporates specific changes in the way the College relates to its members and

recommends a shift in the style and culture of the organization, which together will improve engagement with both its members and other stakeholders.

This is an interesting and exciting time for Occupational Therapists. We encourage all regulated Members to consider lending their support and becoming more active in your profession. You may want to serve on Council or assist, using your experience and expertise in the many initiatives covered in the strategic plan. Please visit the website at [www.acot.ca](http://www.acot.ca) for further strategic plan updates.

Council continued to increase their knowledge of both financial reporting and the role of council as outlined in the Health Professions Act. Our Governance Committee has had a very productive year making improvements to many of our governance practices. One of these changes is the adoption of Robert's Rules of Order, providing a more transparent reporting of College business.

With the support from dedicated and capable ACOT staff, the operations of the College function effectively. These committed professional staff are key in implementing the activities and plans of the Council and they do so in a fair, reasonable, and efficient manner.

I have very much enjoyed working with the staff and elected members of ACOT Council, who have proven to be very proactive and responsive to protecting and serving the public.

**Kurt E. Paterson, CPA, CA, FCIP**

Public Member



## 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

October 5, 2016 marked the 10th anniversary of regulation of Occupational Therapy under the Health Professions Act of Alberta. To recognize this milestone the College held two galas, one in Calgary and one in Edmonton, as well as in Fort McMurray, Red Deer, Grande Prairie, Medicine Hat and Lethbridge.

Registrants who made contributions to the Alberta College of Occupational

Therapy (since coming under the Health Professions Act) by being elected members of Council, public members and past Registrars were honored with an award.

Award Recipients:

- Mary Culshaw
- Bonnie Klassen
- Daun Whitnack
- Jane Henry
- Evelyn Ching
- Marek Kaim
- Nerissa Smith
- Erin Shalley
- Fay Der
- Kim Omar
- Patrick Sager
- Joanne Opheim
- Vikas Sethi
- Johanna Arnett
- Cori Schmitz
- Ryan Sommer
- Gina Kroetsch
- Corinne Yenny
- Leanne Sadowski
- Tracey Faulkner
- Cary Brown
- Christiane Des Laurier

The events were well attended and highlighted the dedication and commitment of Occupational Therapists to the governance of the College.

ACOTRO

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;
- (d) and promote national and international networking and information sharing of regulatory issues and positions.

ACOTRO promotes access to the profession for qualified, internationally-educated Occupational Therapists (IETs). It launched the Substantial Equivalency Assessment System (SEAS) in summer 2015.

Occupational Therapists who have completed their OT education outside of Canada (including Canadians who travelled outside Canada for their OT education) and want to register for practice anywhere in Canada (except Quebec) must first apply to ACOTRO to complete SEAS. Applicants apply to the Alberta College of Occupational Therapists only *after* ACOTRO has deemed them to have met the substantial equivalency requirement. ACOTRO will also grant successful applicants access to the National Occupational Therapist Certification Examination.

SEAS has four main components:

- Academic Credential Assessment Review (ACAR)
- Curriculum and fieldwork review through the Profession-Specific Credential Assessment (PSCA)
- Jurisprudence Knowledge Assessment Test (JKAT)
- Competency Assessment Interview

Strategic Plan

In 2016 we used data generated by the initial members’ and stakeholders’ survey to develop the College’s new strategic plan. The plan will strategically guide the College over the coming five years.

Along with the strategic plan, the Council and staff created several “future scenarios” to help identify potential opportunities and threats. The ultimate outcome is a set of actions that will ensure the College plays a meaningful role in creating and maintaining an Occupational Therapy profession that works for all Albertans.

Our new strategy still maintains the relentless focus on regulatory compliance—specifically the HPA, the Standards of Practice and the Code of Ethics—to protect the public. What the College plans to change is adopting a far more inclusive, collaborative approach and actively engaging with existing and future stakeholders. We will take a more proactive stance in influencing the future of the industry’s regulations and behaviours, ultimately assuming a leadership role amongst the Colleges, Associations, unregulated therapies, Government and other

professions. The strategy is committing to specific changes in the way the College relates to its members, and recommends a shift in the style and culture of the organization—improving engagement with both its members and other stakeholders.

The College strategy focuses on several key themes:

- Ensure Occupational Therapists are competent and adhere to all standards and legislation.
- Help influence strategies regarding ongoing and new models of care, and take a leadership position in designing and implementing the care model.
- Ensure there is a deep and mutual understanding among the public and other health services of ACOT’s role, capability and capacity.
- Participate with partner organizations in delivering excellence in Occupational Therapy regulation, to ultimately better serve the public.
- Develop and maintain a strong, effective College that has efficient processes and capacity to support its mandate.

The College Council and the Registrar take full responsibility for the intent and direction of the new Strategic Plan, including oversight of deliverables. We will ensure the goals are measurable and achieved.

Of course the future contains many unknowns, but the work Council and staff have committed to so far (including possible future scenarios and a range of strategic options) has established confidence in this plan. It is sound and purposeful, and will ensure the sustainability of the profession for many years to come.



## Registration Of College Members

Depending on the circumstances of applications, the College issues practice permits to Alberta Occupational Therapists in two categories: College's General Register or Provisional Register.

### Occupational Therapists

A registered Occupational Therapist in Alberta holds a General Register permit to practice, having 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:

- (a) 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);
- (b) re-entering the profession after a period of absence and are unable to demonstrate the currency of their practice—he or she 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;

(c) or 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.

	At February 29, 2016	At February 28, 2017
Total on the General Register	1998	2061
Total on the General Register with condition	0	0
Total on the Provisional Register	9	9
Total on the Courtesy Register	0	1
Total Members	2008	2071

A total of 2071 members renewed their registration. During the 2016-2017 registration year, 230 new applications were processed, including Courtesy permits, new graduates and new members from outside of Alberta and Canada. During the same period, 167 registrations were cancelled for various reasons (e.g. leave of absence, moving out of province and retirement). One applicant was denied registration in the 2016-2017 year due to failure of the National Examination three times and over one year on the Provisional Register.

### Courtesy Register

Occupational Therapists who normally reside outside of Alberta and wish to teach or provide Occupational Therapy services temporarily in the province 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 this reporting period, seven 30-day courtesy permits were issued.

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

### Reviews by Council

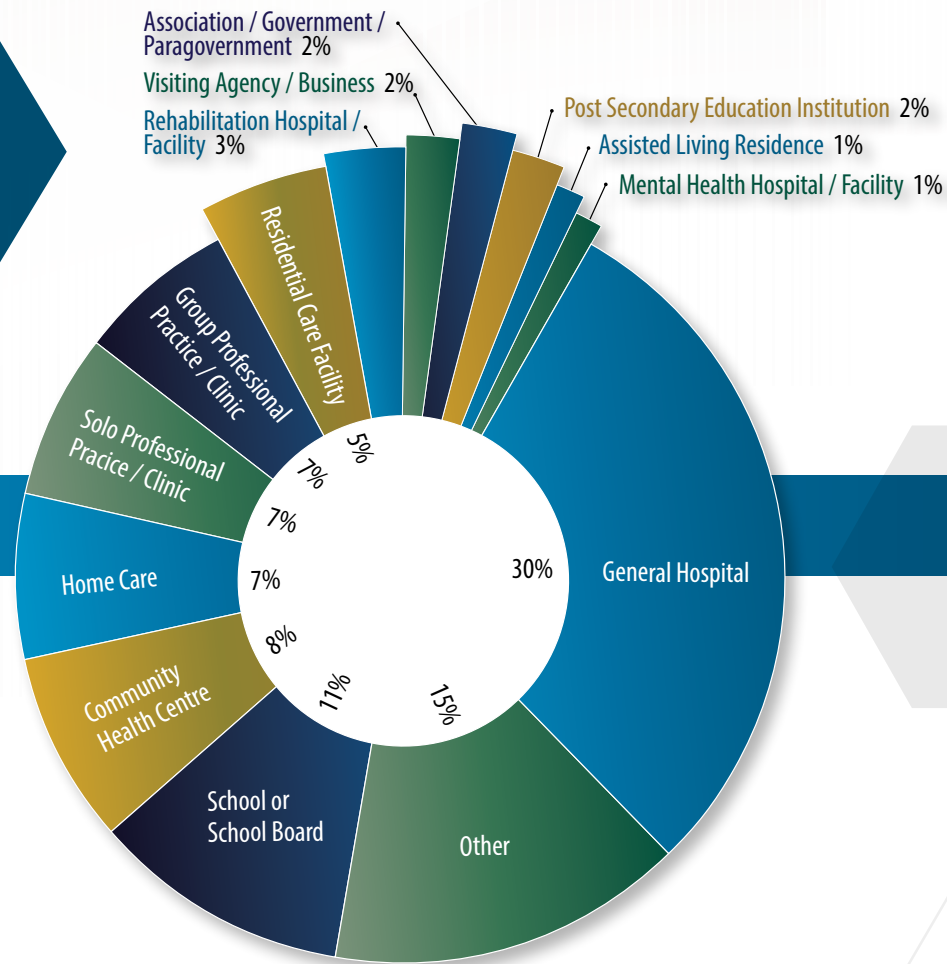
During the 2016-2017 year, there were no reviews by Council.



# Demographics of Registered Members 2016-2017

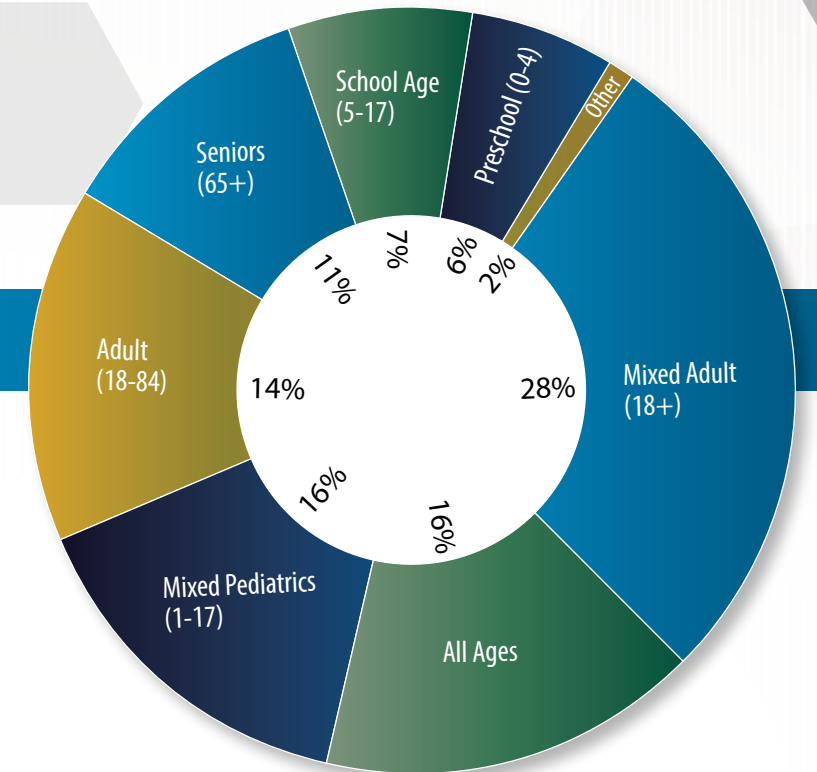
## PRACTICE SETTING

% of Occupational Therapists work in a



## CLIENT AGE RANGE

% of Occupational Therapists work with



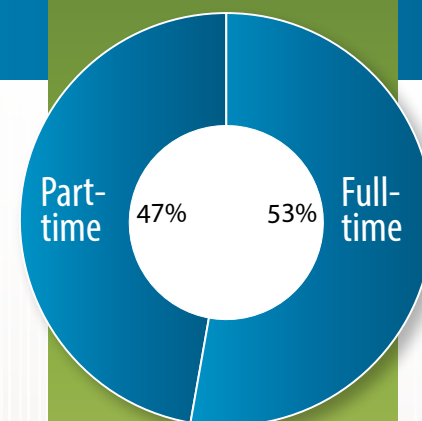
## GENDER

% of Occupational Therapists are of



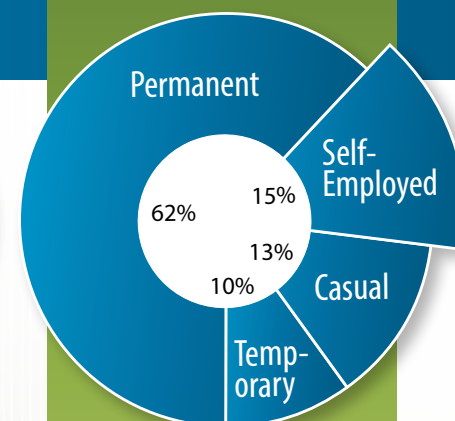
## EMPLOYMENT STATUS

% of Occupational Therapists have



## EMPLOYMENT CATEGORY

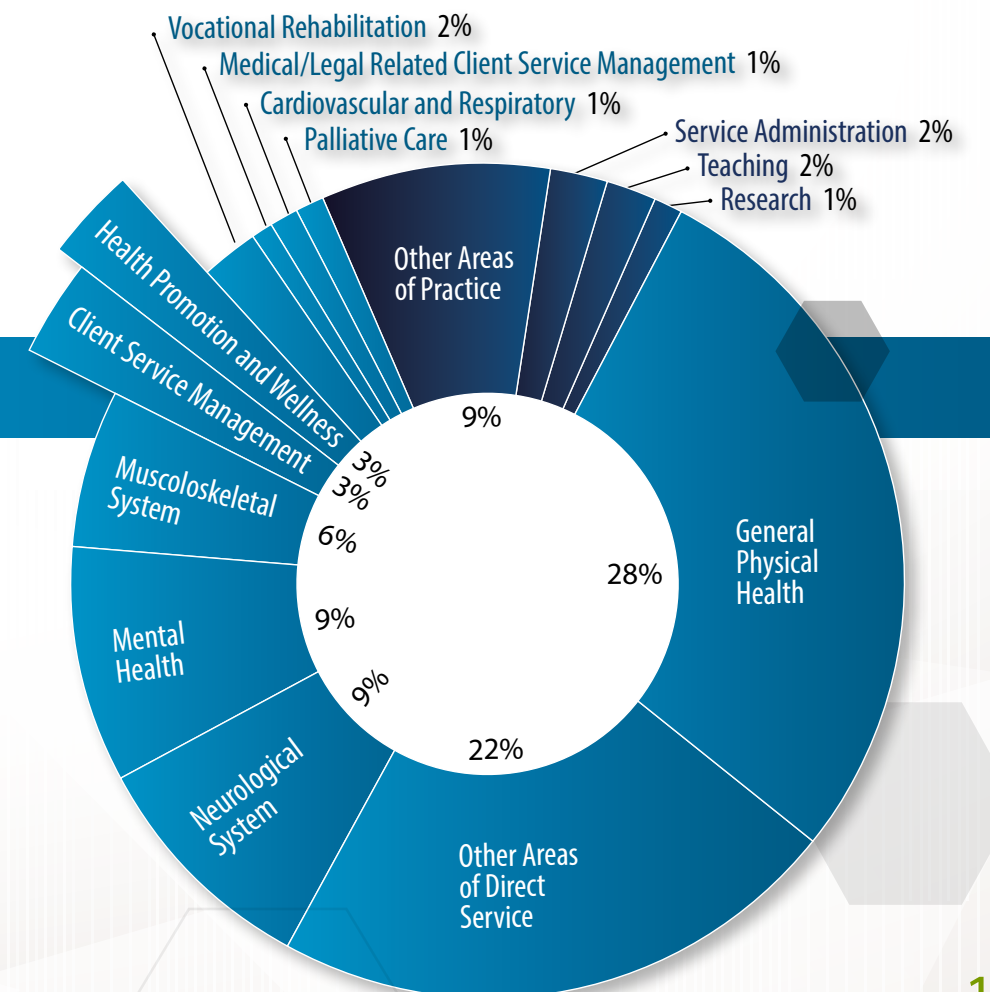
% of Occupational Therapists fall within the



## AREA OF PRACTICE

% of Occupational Therapists provide direct service in

% of Occupational Therapists work in





# 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 every 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 includes a practice challenge log, a self-assessment questionnaire, a log of activities, and a competence portfolio documenting the Occupational Therapist’s continuing competence activities.

Every year regulated members reflect on their practice challenges, complete the self-assessment, and identify practice challenges to ensure the maintenance and enhancement of their competence. Periodic review of regulated members’ plans ensures compliance.

To apply to the College to renew their practice permit, Occupational Therapists must meet the requirements of the Continuing Competence Program. Prior to completing their application for annual online permit renewal, they have to complete the documentation of their personal continuing competence plan, also online—including the self-assessment, practice challenge log and log of activities. 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 believes a regulated member intentionally provided false or misleading information about his or her 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

The Alberta College of Occupational Therapists investigates and manages complaints about Occupational Therapists in accordance with the *Health Professions Act*. As the body that regulates Alberta’s Occupational Therapists, the College takes its responsibility of protecting and serving the public seriously.

The public interest is forefront in the complaints process. Regulatory matters must balance protecting the public and ensuring fairness to the complainant *and* the regulated member. To be considered formal and requiring action, the complaint must be submitted in writing and signed.

The Complaints Director reviews all formal complaints against regulated members of the Alberta College of Occupational Therapists. After reviewing a formal complaint, as per the *Health Professions Act*, the Complaints Director can take action :

- Dismissal of the complaint if the complaint is trivial or vexatious, or
- Formal mediation of the complaint (attempting to solve the complaint via encouraging communication, etc.), or
- Conducting of an investigation into the complaint.

Following an investigation, a complaint can be dismissed or referred to a Hearing Tribunal.

If the Complaints Director dismisses a complaint, the complainant may submit an appeal of the dismissal to the Hearings Director, who will then assemble a Complaint Review Committee (CRC). The CRC will review all documentation relating

to the complaint and its dismissal. Following this review the dismissal will either be upheld, investigated further, or the complaint will be referred to a Hearing Tribunal.

The following data is based on formal complaint activity for the 2016-2017 year as well as cumulatively from proclamation under the HPA in 2006 to February 28, 2017.

## Complaint Receipt and Disposition

	Source of Complaint				Status
	Number	Employer	Colleague	Public	
Complaints carried forward from 2015-2016	2	1	1	0	#60, #68-Same respondent, complaints on hold, respondent under medical care, permit not renewed.
Complaints Received during 2016-2017	7	2	0	5	#72 – Alleged unprofessional conduct. Informal resolution. #73 – Alleged incompetence. Dismissed. #74 – Alleged incompetence. Awaiting IP response (extension). #75 – Alleged unprofessional conduct. Awaiting further IP response. #76 – Alleged unprofessional conduct. Awaiting further response from Complainant. #77 – Alleged incompetence. Awaiting response from IP. #78 – Alleged incompetence. On hold, registrant surrendered license and moved out of Province.
Total number of complaints investigated in 2016-2017					0
Complaints closed in 2016-2017					2 (#72, #73)
Complaints carried forward to 2017-2018					7 (#60, #68, #74, #75, #76, #77, #78)

## Summary of Complaints Since Proclamation in October 2006

43 complaints received by the College	2 in 2006-2007		3 in 2010-2011	7 in 2014-2015
	4 in 2007-2008		4 in 2011-2012	3 in 2015-2016
	5 in 2008-2009		4 in 2012-2013	7 in 2016-2017
	3 in 2009-2010		1 in 2013-2014	
36 complaints assessed by the College	17	Complaints dismissed by the Complaints Director, no further action		
	10	Informal resolution		
	7	Complaints referred to the alternate complaints resolution process for mediation and resolved		
	7	Complaint on hold		
	2	Complaint withdrawn		

No hearings were held during the 2016-2017 year. Further, the College has never dealt with a regulated member under Section 118, Assessing Incapacity.

# Financial Statements of Alberta College of Occupational Therapists

For the year ended February 28, 2017

## Independent Auditor's Report



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

We have audited the accompanying financial statements of Alberta College of Occupational Therapists, which comprise the statement of financial position as at February 28, 2017 and the statements of operations, changes in net assets 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements present fairly, in all material respects, the financial position of Alberta College of Occupational Therapists as at February 28, 2017 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.

### ***Other Matter***

The financial statements for the year ended February 28, 2016 were audited by another auditor who expressed an unmodified opinion on those statements on June 24, 2016.

### **Collins Barrow Edmonton LLP**

Edmonton, Alberta  
May 29, 2017  
Chartered Professional Accountants





## Statement of Financial Position

February 28, 2017

	2017	2016
<b>ASSETS</b>		
Current		
Cash and cash equivalents	\$ 3,432,709	\$ 3,223,427
Prepaid expenses	18,841	19,062
	<b>3,451,550</b>	3,242,489
Capital assets (Note 3)	98,902	109,471
	<b>\$ 3,550,452</b>	\$ 3,351,960
<b>LIABILITIES AND NET ASSETS</b>		
Current		
Accounts payable and accrued liabilities (Note 4)	\$ 29,731	\$ 51,026
Registration fees received in advance (Note 5)	1,139,000	1,093,400
	<b>1,168,731</b>	1,144,426
Net Assets		
Unrestricted	1,282,819	1,096,731
Internally restricted (Note 6)	1,000,000	1,000,000
Invested in capital assets	98,902	110,803
	<b>2,381,721</b>	2,207,534
	<b>\$ 3,550,452</b>	\$ 3,351,960

COMMITMENTS (Note 7)

Approved on behalf of the council

Elizabeth Taylor, President  
Kerstin Hurd, Vice President

See notes to financial statements

## Statement of Operations

Year ended February 28, 2017

	2017 Budget (unaudited)	2017 Actual	2016 Actual
<b>Revenues</b>	\$ 1,250,000	\$ 1,230,762	\$ 1,188,666
<b>Expenditures</b>			
Salaries, wages and benefits	450,500	436,568	449,843
Council activities	400,500	268,757	97,051
Administration	222,233	193,608	206,977
College activities	320,000	113,277	147,250
Amortization	-	40,467	23,879
Professional Fees	5,000	3,898	6,521
	1,398,233	1,056,575	931,521
<b>Excess (deficiency) of revenues over expenses from operations</b>	(148,233)	174,187	257,145
<b>Other Expenses</b>			
Loss on disposal of capital assets	-	-	(440)
<b>Excess (deficiency) of revenues over expenses</b>	\$ (148,233)	\$ 174,187	\$ 256,705

See notes to financial statements

## Statement of Changes in Net Assets

Year ended February 28, 2017

	Unrestricted	Internally Restricted	Invested in Capital Assets	2017	2016
<b>Net assets - Beginning of year</b>	\$ 1,096,731	\$ 1,000,000	\$ 110,803	<b>\$ 2,207,534</b>	\$ 1,950,829
Excess (deficiency) of revenues over expenses	214,654	-	(40,467)	<b>174,187</b>	256,705
Investment in capital assets	(29,898)	-	29,898	-	-
Interfund transfer	1,332	-	(1,332)	-	-
<b>Net assets - End of year</b>	<b>\$ 1,282,819</b>	<b>\$ 1,000,000</b>	<b>\$ 98,902</b>	<b>\$ 2,381,721</b>	\$ 2,207,534

See notes to financial statements

## Statement of Cash Flows

Year ended February 28, 2017

	2017	2016
<b>Cash provided by (used in):</b>		
Operating activities		
Excess of revenues over expenses	<b>\$ 174,187</b>	\$ 256,705
Items not affecting cash:		
Amortization	<b>40,467</b>	23,879
Loss on disposal of capital assets	-	440
	<b>214,654</b>	281,024
Changes in non-cash working capital:		
Prepaid expenses	<b>221</b>	(7,538)
Accounts payable and accrued liabilities	<b>(21,295)</b>	4,930
Registration fees received in advance	<b>45,600</b>	30,800
	<b>24,526</b>	28,192
	<b>239,180</b>	309,216
<b>Investing activity</b>		
Purchase of capital assets	<b>(29,898)</b>	(9,225)
	<b>(29,898)</b>	(9,225)
<b>Increase in cash and cash equivalents</b>	<b>209,282</b>	299,991
Cash and cash equivalents - beginning of year	<b>3,223,427</b>	2,923,436
<b>Cash and cash equivalents - end of year</b>	<b>\$ 3,432,709</b>	\$ 3,223,427

The accompanying notes form part of these financial statements



# Notes to the Financial Statements

February 28, 2017

## 1. PURPOSE OF THE COLLEGE

Alberta College of Occupational Therapists (the “College”) is incorporated under the Health Professions Act of Alberta (as of October 5, 2006). Its principal activities include public protection, registration and ongoing regulation 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 non-profit organization and accordingly, it is exempt from the payment of income taxes.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations. Significant accounting policies observed in the preparation of the financial statements are summarized below.

### (a) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and bank balances.

### (b) Revenue recognition

The College follows the deferral method of recognizing revenue. 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.

Annual registrations expire at the end of February. Registration revenue is recognized in the registration year to which it relates. Revenue arising from registration dues which are received during the current period and which relate to the following fiscal year is deferred.

### (c) Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Computer equipment . . .	30%	straight-line method
Furniture and fixtures. . .	10%	straight-line method
Computer software. . . .	50%	straight-line method
Office equipment . . . .	20%	straight-line method

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

### (d) 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.

### (e) Financial Instruments

#### *Measurement of Financial Instruments*

Financial instruments are financial assets or liabilities of the College where, in general, the College has the right to receive cash or another financial asset from another party or the College has the obligation to pay another party cash or other financial assets.

The College initially measures its financial assets and liabilities at fair value, except for certain non-arm’s length transactions that are measured at the exchange amount.

The College subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and cash equivalents and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

#### *Impairment*

Financial assets measured at cost or amortized cost are tested for impairment, at the end of each year, to determine whether there are indicators that the asset may be impaired. The amount of the write-down, if any, is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account. The reversal may be recorded provided it is not greater than the amount that had been previously reported as a reduction in the asset and it does not exceed original cost. The amount of the reversal is recognized in the statement of operations.

### (f) Use of Estimates

The preparation of these 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. By their nature, these 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 capital assets.

3. CAPITAL ASSETS

	2017			2016
	Cost	Accumulated amortization	Net book value	Net book value
Leasehold improvements	\$ 151,482	\$ 87,975	\$ 63,507	\$ 73,855
Computer equipment	53,298	26,406	26,892	3,306
Furniture and fixtures	55,322	48,381	6,941	12,224
Computer software	132,114	130,962	1,152	19,540
Office equipment	12,602	12,192	410	546
	<u>\$ 404,818</u>	<u>\$ 305,916</u>	<u>\$ 98,902</u>	<u>\$ 109,471</u>

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2017	2016
Accounts payable	\$ 13,248	\$ 29,746
Vacation payable	11,621	19,687
Wages payable	3,304	1,023
Source deduction payable	1,558	570
	<u>\$ 29,731</u>	<u>\$ 51,026</u>

5. REGISTRATION FEES RECEIVED IN ADVANCE

Deferred revenue arises when the College receives payments from members for registration fees in the current year for the subsequent year.		2017	2016
	Pre-General and Provisional Register Permit Fee	<u>\$ 1,139,000</u>	<u>\$ 1,093,400</u>

6. INTERNALLY RESTRICTED NET ASSETS

The internally restricted net assets are 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.

7. COMMITMENTS

The College leases office space under an agreement expiring November 30, 2018 as well as a photocopy machine under an agreement expiring October 24, 2021.

Future minimum lease payments are as follows:

2018	\$ 70,948
2019	54,075
2020	3,457
2021	3,457
	<u>\$ 131,937</u>

8. FINANCIAL INSTRUMENTS

The College 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 College’s risk exposure and concentration as of February 28, 2017.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The College is exposed to credit risk from its cash and cash equivalents. The College does not believe it is subject to any significant credit risk due to the cash and cash equivalents being held with large financial institutions.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. It is management’s opinion that there is no significant liquidity risk as of February 28, 2017.

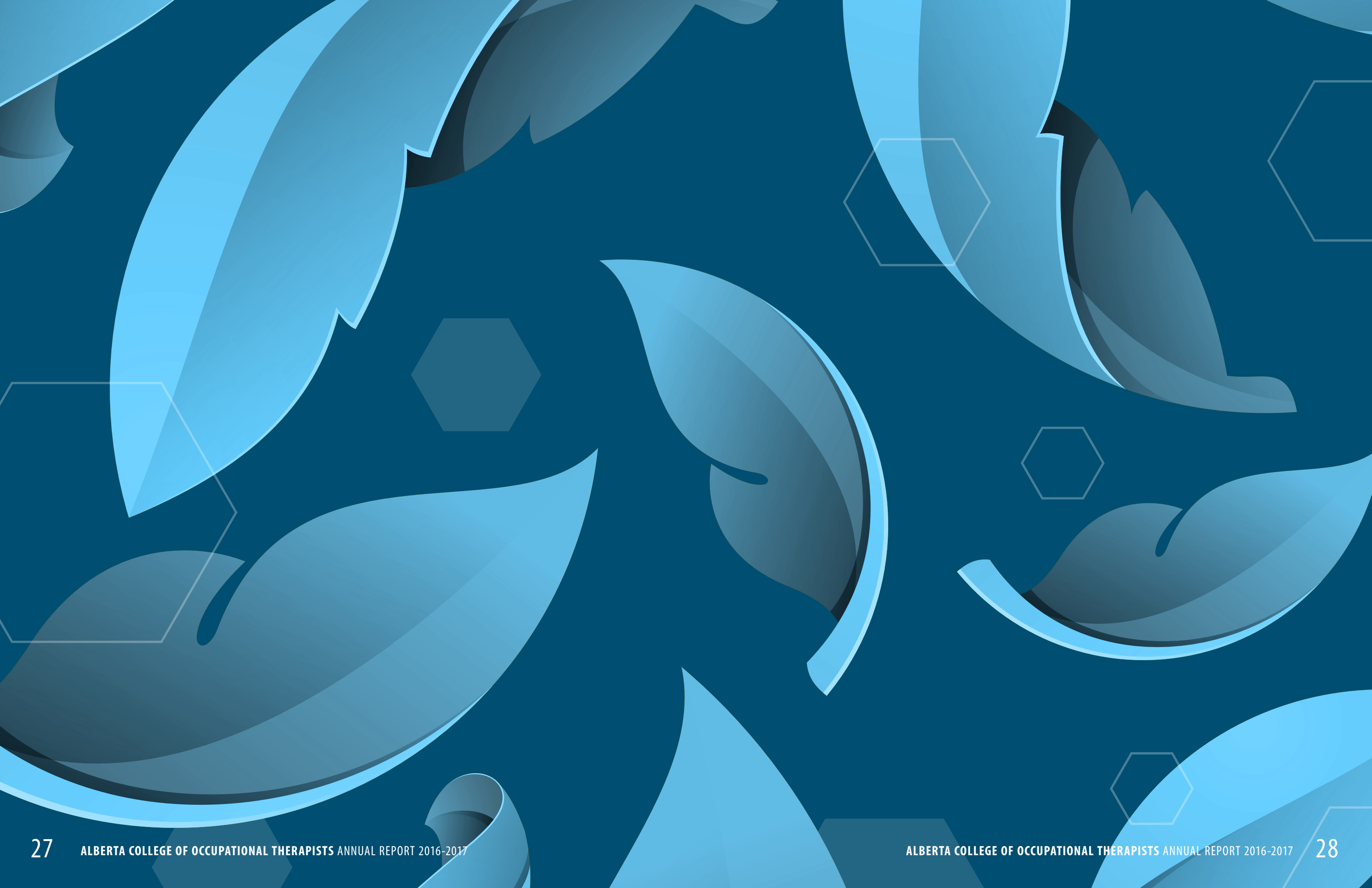


### Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument might be adversely affected by a change in the interest rates. The College is exposed to interest rate risk primarily through its interest bearing savings account. It is management's opinion that there is no significant interest rate risk as of February 28, 2017.

### 9. BUDGET

The budget figures in the statement of operations present a deficiency in revenues over expenses as a result of the Organization's intention to cover the costs relating to events for the Anniversary of Alberta College of Occupational Therapists from the unrestricted net assets the Organization has accumulated rather than increase membership dues to cover the cost of the events.







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