

*College of Physical Therapists of British Columbia*



**Annual Report 2004**

# COLLEGE OF PHYSICAL THERAPISTS OF BRITISH COLUMBIA

## 2004 ANNUAL REPORT

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## CHAIR'S REPORT

It is with much gratitude to our dedicated Board, Committee members and staff of the College that I write to provide an update on our activities over the past year.

Brenda Hudson joined us as Registrar in May of 2004, filling a vacancy created when Susan Adams departed in the fall of the prior year. A large thank you goes to Marilyn Atkins who stepped as Acting Registrar during the interim period and kept the College's business running smoothly and efficiently while a Search Committee, struck by the Board, conducted an exhaustive search. We were all very pleased when Brenda accepted our offer. Brenda has been involved as a volunteer in the Physical Therapy regulation both at the provincial and national levels over the past twenty years. During her career she has held various clinical and administrative positions in the community, acute care and rehabilitation environments.

Over the past year, the College has been busy meeting the strategic objectives set in the prior year and responding to changes made by the provincial government to regulatory bodies. The Finance Committee put together an RFP for the technology upgrade that will enable on-line registration and improved back-office functionality. The Patient Relations Committee co-hosted the pre-AGM Workshop on Sensitive Practice.

The Quality Assurance Committee has made significant progress in revising Clinical Practice Statements and Advisory Statements. The Registration Committee continued reviewing registrations as well as working on the implementation of the MRA Accommodation Mechanism. The provincial government issued model Bylaws for health regulatory bodies and the Legislative Committee has been very active reviewing and revising the College's Bylaws to conform to the new model Bylaws. The work of the Continuing Competency Sub-Committee was somewhat delayed in 2004 due to the delay in the proclamation of the section of the *Health Professions Act* that protects information gathered in the Continuing Competency Program to be used in a complaints proceeding.

The Finance Committee and the Board spent a significant amount of time this past year reviewing the College's finances and requirements for the coming few years. After 10 years of no fee increases, the Board accepted the Finance Committee's recommendation to apply to the government *Ministry of Health Services (Legislation and Professional Regulation)* for a modest increase. This was approved and implemented for the 2005 registration cycle.

The Board continues to update its strategic plan to ensure that emerging issues are incorporated and addressed. Through the Alliance of Physiotherapy Regulators, we continue to be involved in and informed of *trends in Internationally Educated Professionals, Tele-health and Physical Therapy Practitioners*.

Many thanks again to all our hard working volunteers and the staff.

**Melissa Holland**

Chair of the Board and Public Representative

### BOARD OF DIRECTORS

Melissa Holland,  
Board Chair,  
Public  
Representative  
Victor Brittain,  
Registrant  
Greg Cassap,  
Registrant  
Terry Fedorkiw,  
Registrant  
Margaret Harris,  
Registrant  
Wren Montgomery,  
Public  
Representative  
Irene Ruel,  
Vice Chair  
Anne Scott,  
Registrant  
Mark Virgin,  
Public  
Representative  
(until Nov. 2004)  
John Zimmer,  
Public  
Representative  
(from Nov. 2004)  
Sara Falkner,  
Student  
Representative

## REGISTRAR'S REPORT

The College is established as a corporation under the Health Professions Act to regulate the profession of Physical Therapy in British Columbia. The Board and the College Committees ensure that the mandate of the College, to regulate the profession and to protect the public, is met. The College staff support the Board and Committees so that they may fulfill their mandate.

This past year seems to have gone by very quickly for the staff. The increased pace of committee activity, planning for the information technology systems upgrade and the office staff changes have contributed to this flight of time.

As noted in their reports, most of the Committees were very active in 2004. The Legislative Committee has been busy revising the current Bylaws; the Finance Committee has been involved in planning the fee increase and developing of the Request for Proposal (RFP) and the selection of the vendor for the College's information technology upgrade; the Quality Assurance Committee is actively involved in revising the current Clinical Practice Statements to meet the requirements of the revised By-laws and the Registration Committee is developing the processes to meet the requirements of the Mutual Recognition Agreement (MRA). The Inquiry Committee resolved 23 complaints and the Discipline Committee was not required to meet.

The College and PABC Boards held a joint meeting in September. The outcome of this meeting was the development of a Joint Initiatives Committee consisting of volunteers and staff members from each organization. This group is responsible for planning the Beth Maloney Memorial Lectureship, which will be held immediately after the Annual General Meeting. Victor Brittain, Board Member and Susan Paul, Practice Advisor were appointed to the Committee. The Committee has identified areas of overlap in the two organizations' strategic plans and will work together in these areas to facilitate reaching our goals. There are preliminary plans to co-host a course, which would address both PABC member and CPTBC registrant's needs.

I would like to take this opportunity to thank Marilyn Atkins for so ably supporting the College operations as the Acting Registrar through the Registrar transition period.

Many thanks also to Neil Pearson for so knowledgeably supporting the Continuing Competency (CC) Sub-Committee and CC program during Susan Paul's leave of absence. Once again Joan Morton, Registration Co-ordinator, Arlene Gloria, Sr. Administrative Assistant and Anna Gloria, Jr. Administrative Assistant need to be recognized and thanked for their hard work and commitment in supporting the Board and Committees in their mandate as well as being available to respond to the needs of our registrants.

Many thanks to all Board and Committee members who have given their time and enthusiasm to support the activities of the College. A special thanks to Melissa Holland, Chair of the Board of Directors, for her hard work and dedication to College activities.

**Brenda Hudson,**  
Registrar

**Registrar**  
Brenda Hudson

**Practice Advisor**  
Susan Paul

**Registration  
Coordinator**  
Joan Morton

**Administrative  
Assistants**  
Anna Gloria  
Arlene Gloria

## REGISTRATION COMMITTEE

The Registration Committee reviews applications for registration and changes in status of existing registrants. The Committee has also undertaken a number of other activities this past year including revising the registration section of the College's Bylaws, reviewing and revising registration policies and procedures; and developing the plan for the implementation of the Mutual Recognition Agreement (MRA).

The Registration Committee reviewed and revised Part 4, Registration, and sections 42-55 of the Bylaws at the request of the Legislative Committee.

Recent national recommendations for the implementation of the Accommodation section of the Mutual Recognition Agreement (MRA) have been reported to the Registration Committee and to the Board by Marilyn Atkins, the College representative on the MRA Committee. The Registration Committee has recommended that a qualified Prior Learning Assessment (PLA) consultant be hired to develop the PLA program. The Committee would like to ensure that there is a mechanism in place to determine the qualifications of those applicants who seek accommodation in BC under the MRA.

The Registration Committee also focused its efforts in 2004 on reviewing and revising the registration policies and procedures. The majority of the policies have now been approved by the Board. The Registration Committee is also tracking the employment record of BC applicants who have failed the Physiotherapy Competency Examination (PCE).

The Registration Committee's strategic planning priorities for the coming year are:

1. MRA mechanisms and development of PLA,
2. Bylaw revisions, and
3. Policy revisions.

The Registration Committee bid farewell to Marlene Scott, Public Representative and wishes to thank her for her astute observations and 18 months of service to the Committee.

The Registration Committee welcomed Anne Scott, Board Member and Registrant; Melissa Holland, Board Member and Public Representative; and Denise Walters, Registrant, to the Committee. The Board appointed Anne Scott Vice Chair.

The Registration Committee wishes to thank Brenda Hudson for her invaluable support and advice. In addition, the Committee wishes to acknowledge and thank Registration Co-ordinator, Joan Morton, for her efficiency and her organization of all the documentation required by the Committee.

### Physical Therapist Registrants as at December 31, 2004

Full .....	2386
Interim .....	23
Inactive .....	325
Student .....	3
Lapsed .....	3
Retired .....	21
Cancelled in good standing .....	53
Cancelled - non payment of dues .....	20

### Remedial Gymnast Registrants as at December 31, 2004

Full .....	1
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Respectfully submitted by *Pat Lieblich*, Chair

### REGISTRATION COMMITTEE

Patricia Lieblich,  
Chair  
Melissa Holland,  
Public  
Representative  
Brenda Hudson,  
Vice Chair  
(until April 2004)  
Jennifer Pillsworth  
Anne Scott,  
Vice Chair  
Marlene Scott,  
Public  
Representative  
(until July 2004)  
Denise Walters  
(from July 2004)

## PATIENT RELATIONS COMMITTEE

The success of the course Improving Patient Relations (AGM 2004) was a great boost to the Committee in beginning another year of its responsibilities to the College Board. In collaboration with the Quality Assurance Committee, the Patient Relations Committee has continued to work on revising clinical practice and advisory statements relative to their mandate in preparation for College By-law amendments. We are very grateful to Kerry Moore, our public representative, for bringing her writing skills to the table and assisting us in this task.

In seeking to prevent misconduct of a sexual nature, and thanks to Nancy Cho, the Committee has started a regular column in *Update* to remind registrants of the importance of communication, therapeutic relationships and professional boundaries.

The Committee is also grateful to Penny Wilson for her constant research into Patient Relations activities of other professional provincial, national and international organizations, as we brainstorm the feasibility of additional educational benefits for our registrants and the public.

This year the Committee welcomed its second public representative and Board Member, Wren Montgomery.

Respectfully submitted by *Terry Fedorkiw*, Chair

## QUALITY ASSURANCE COMMITTEE

The Quality Assurance Committee monitors standards of practice and continuing competency to promote high practice standards among registrants. The Committee met eight times in 2004: six of these meetings were face-to-face meetings, one was a teleconference and one was via e-mail.

In addition to the work done in the Quality Assurance Committee the Continuing Competency Sub-Committee was also very active in 2004 (see the CC annual report).

The Committee has been involved this past year in revising Clinical Practice Standard (CPS) #1; Advisory Statement (AS) #2 – Access to Client Records and developing a new standard for the Use of Credentials and Title. The circulation of CPS#1 in the Winter 2004 edition of the newsletter *Update* stimulated a lot of discussion amongst the College registrants and feedback to the Committee through the Practice Advisor. The Committee intends on doing further revision to this CPS in light of the feedback received.

The Committee wishes to thank Jackie Whittaker, Diane Lee, Tyla Schlender and Linda-Joy Lee-Kane for their report on Real Time Ultrasound Imaging (RTUSI) and Alison Hoens for her report on E-Stim for Wound Healing.

In 2005, the Committee will continue its work on standards for tele-practice, and e-charting as well as review sections 55 through 58 of the current Bylaws and all Clinical Practice Standards and Advisory Statements as requested by the Legislative Committee.

## PATIENT RELATIONS COMMITTEE

Terry Fedorkiw,  
Chair  
Nancy Cho  
Patricia Lieblich  
(until March 2004)  
Wren Montgomery,  
Public Representative  
Kerry Moore,  
Public Representative  
Mark Virgin,  
Public Representative  
(until May 2004)  
Penny Wilson,  
Vice Chair

## QUALITY ASSURANCE COMMITTEE

Klari Varallyai,  
Chair  
Karen Bonter  
(until April 2004)  
Greg Cassap,  
Vice Chair  
(until May 2004)  
Jonathan Clay  
(until May 2004)  
Peter Goyert  
(from March 2004)  
Margaret Harris  
Melissa Holland,  
Public Representative  
(until May 2004)  
Wren Montgomery,  
Public Representative  
Paula Peres  
(from Sept. 2004)  
Moya Stokes

### ACUPUNCTURE CREDENTIALLING SUB-COMMITTEE

David Moffitt,  
Chair  
Darryl Caves  
Marianne  
Schroeder  
Shannon Sproule,  
Vice-Chair

### CONTINUING COMPETENCE SUB-COMMITTEE

Nicole Quilty,  
Chair  
Greg Cassap  
Garrett Gabriel,  
Vice Chair  
Lisa Isherwood  
(from July, 2004)  
Janice Leong,  
Public  
Representative  
(until June 2004)  
Neil Pearson  
(from November  
2004)  
Kathy Petts  
Carla Vendrame

Karen Bonter, Greg Cassap, Jonathan Clay and Melissa Holland left the Committee in 2004. Many thanks to them for their contributions during their tenure on the Committee. The Committee welcomes four new members: Wren Montgomery, Board Public Representative; Marg Harris, Registrant and Board Representative; Paula Peres, Registrant and Peter Goyert, Registrant.

The Committee also wishes to acknowledge and thank the College staff - Neil Pearson, Susan Paul and Anna Gloria for their continued support to the Committee.

We look forward to our continued contributions to the College in 2005.

Respectfully submitted by *Klari Varallyai*, Chair

## ACUPUNCTURE CREDENTIALLING SUB-COMMITTEE

The Sub-Committee reviews and approves the credentials of registrants who wish to practice acupuncture within their scope of practice. The Sub-Committee also makes recommendations to the Quality Assurance Committee on matters related to the use of acupuncture and intramuscular stimulation.

The Committee responded to numerous enquiries regarding clarification and explanation of the Clinical Practice Statement # 12, these issues were forwarded to Susan Paul, Neil Pearson and Brenda Hudson for follow up. A total of 21 enquiries were responded to; one meeting was held.

Respectfully submitted by *David Moffitt*, Chair

## CONTINUING COMPETENCY SUB-COMMITTEE

This year the Committee welcomed back Susan Paul to her position of Practice Advisor. Neil Pearson completed his locum Practice Advisor position and has kindly agreed to stay on as a Continuing Competence Sub-Committee member. Thank you Neil! Neil's work has been valuable in the ongoing development of the College's Continuing Competency Program and in bringing a new perspective to the Committee. The Committee welcomed new member Lisa Isherwood. In addition, the Committee is seeking a public representative.

Unfortunately, the Professional Portfolio was not distributed to registrants this year due to the delays in the provincial government's passing of legislation that will protect the privacy of continuing competency documents. As well, the provincial government is expected to outline requirements for Quality Assurance Programs that may necessitate refinement of the College's Continuing Competency Requirements and processes. The Professional Portfolio remains available for your personal use on the website: [www.cptbc.org](http://www.cptbc.org) Options for online completion of the Professional Portfolio continue to be explored.

This year the Continuing Competence Sub-Committee drafted an Audit Tool that was piloted this fall. The Committee wishes to thank the 115 registrants that took the time to complete and send in the forms with their feedback. Sub-Committee members reviewed the audit forms and a number of trends were identified. There was consistency in the answers to the question of what impacts a Physical Therapist's ability to provide quality care. Time and again responses to this question included funding issues (decreased staffing, increased workload, poor morale), having to do more non-patient care duties, and a lack of mentorship due to management structure. The section on learning goals and the regulatory review were generally well completed, with some registrants listing very clear goals with specific steps taken to achieve the goal they listed. In several cases goals were very broad or vague, were left completely blank, or did not list specific steps to be taken to achieve the goal. This may be in part because people were intending to comment on the audit form itself and put less focus on the answer content.

From the audit feedback it was apparent that the Continuing Competency Program is viewed as an independent initiative of the College. In fact, mandatory continuing competency programs are legislated by the *Health Professions Act*. Marla Nayer, from the College of Physical Therapists of Ontario, likens continuing competency programs to evidence based practice approaches. Marla notes that it is no longer enough to say that you do a type of treatment because it works, you need evidence. She argues that the same is true with continuing competency- it's no longer enough to say you are staying current, you need evidence to support this claim. The Committee looks forward to a productive year in moving forward with the further development and implementation of the College's Continuing Competency Program.

Respectfully submitted by *Nicole Quilty*, Chair

## INQUIRY COMMITTEE

The Inquiry Committee investigates written complaints about Physical Therapists and former Physical Therapists under the *Health Professions Act*. It can also initiate an investigation on its own motion. The Committee met nine times in 2004 of which three were teleconference meetings.

The Committee has jurisdiction to consider complaints about contravention of the Health Professions Act, Physical Therapists Regulation and Bylaws, failure to comply with a limit or condition imposed on a registration, professional misconduct, competence to practise physical therapy and physical and mental ailments and emotional disturbances or addictions to alcohol or drugs that impair a registrant or former registrant's ability to practise physical therapy. In 2004, the Committee investigated an array of cases as listed at the end of this report. Their efforts over the last year were greatly appreciated by the Chair.

The Committee welcomed John Zimmer, Board Member and Public Representative to the Committee and thanked Elizabeth Riley, Public Representative, for her two-year contribution to the Committee.

In 2005, the Committee will continue with the current open files.

## INQUIRY COMMITTEE

Robert Hofmann,  
Chair  
Victor Brittain,  
Vice Chair  
Gregory Noonan  
Elisabeth Riley,  
Public  
Representative  
Cheryl Thompson  
Mark Virgin,  
Public  
Representative  
(until Nov. 2004)  
John Zimmer,  
Public  
Representative  
(from Nov. 2004)



Under the *Health Professions Act*, a complainant who is dissatisfied with a decision of the Inquiry Committee may appeal to the Board. The threshold for filing an appeal, mere ‘dissatisfaction’, is very low. The Board heard seven appeals of Inquiry Committee decisions in 2004. In all cases, the Board denied the appeal.

**Professional misconduct**

Advertising . . . . .	1
Billing/fraud . . . . .	3
Communication . . . . .	4
Conflict of interest . . . . .	1
Release of records/information . . . . .	1
Sexual impropriety . . . . .	1
Consent to treatment . . . . .	1
Other . . . . .	3

**Competence**

Charting . . . . .	2
Increase pain/disability after treatment . . . . .	2
Reporting . . . . .	0
Standards . . . . .	4

The Committee did not direct the Registrar to issue any citations.

Respectfully submitted by **Robert Hofmann**, Chair

**DISCIPLINE COMMITTEE**

The Discipline Committee is responsible for conducting hearings on matters referred by the Inquiry Committee for citation under section 37 of the *Health Professions Act*.

There has been no activity of this Committee in 2004. No cases were before the Committee or under consideration.

Respectfully submitted by **Bruce Clark**, Chair

**DISCIPLINE COMMITTEE**

- Bruce Clark, Chair
- Jane Calland
- Mary Charlton  
(until Jan. 2004)
- Jan Halliday,  
Public  
Representative
- Jim McGregor,  
Vice Chair
- Grant McLean
- Gillian Parker
- Anne Parsons
- Barbara Picton
- Dr. Richard Primeau,  
Public  
Representative

## LEGISLATIVE COMMITTEE

The Legislative Committee's role is to review and recommend changes to the College's Bylaws, and to review other legislation that impacts the practice of Physical Therapy. The Committee has been busy this year with an extensive review and revision of the current Bylaws, the aim of which is to ensure the Bylaws are in accordance with the updated *Health Professions Act*, and are in keeping with the recommended model Bylaws set out by the Ministry of Health. When the Committee has completed its review and revisions, the proposed changes together with the rationale for each are submitted to government.

Respectfully submitted by *Annick de Gooyer*, Chair

## FINANCE COMMITTEE

The College's Finance Committee oversees the development of the College's annual budget and advises the Registrar about the financial management of the College's affairs. The Committee meets regularly and has additional meetings as required for special projects. The Committee met eight times in 2004.

The College's audited financial statements for 2004 are contained in this Annual Report. The College is in a sound financial position for the coming year.

This past year, the Committee put in place an additional ING account to take advantage of higher interest rates, signed a memorandum of understanding with the Ministry of Management Service which allows the College to access corporate rates for goods and services, reviewed and updated the policy regarding signing authority and use of the College's credit card, and implemented the increase in the annual registration fee for 2005. Much work has been done in preparing a request for proposal for the office's information technology upgrade. This project will include an update of all software related to the registration database, create a web-based interface to allow registrants to access their professional portfolio and enable on-line registration renewal and payment of dues.

Acknowledgement to Melissa Holland, Marg Harris, and Brenda Hudson for supporting me in this work.

Respectfully submitted by *Nancy Cho*, Chair

## LEGISLATIVE COMMITTEE

Annick de Gooyer,  
Chair  
Marilyn Atkins,  
Vice Chair  
Scott Brolin  
(from Sept. 2004)  
Melissa Holland,  
Public  
Representative  
Patricia Pike  
(until May 2004)  
Irene Ruel

## FINANCE COMMITTEE

Nancy Cho,  
Chair  
Margaret Harris  
Melissa Holland,  
Public  
Representative  
Ivo Stantchev,  
Chair  
(until April 2004)

**Alliance  
Representative**  
Marilyn Atkins

**WCB Liaison**  
Robert Hofmann

**ICBC Liaison**  
Brenda Hudson

## AUDITORS' REPORT

To the Members of  
**COLLEGE OF PHYSICAL THERAPISTS OF B.C.**

We have audited the statement of financial position of the College of Physical Therapists of B.C. as at November 30, 2004 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at November 30, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Manning Elliott  
 Chartered Accountants

Vancouver, B.C.  
 January 29, 2005

## STATEMENT OF FINANCIAL POSITION

NOVEMBER 30, 2004	2004	2003
<b>ASSETS</b>		
Current assets		
Cash and short-term deposits	\$ 677,772	\$ 737,939
Accrued interest receivable	312	1,052
Prepaid expenses	<u>8,221</u>	<u>7,855</u>
	686,305	746,846
Property and Equipment (Note 3)	<u>39,737</u>	<u>49,121</u>
	<u>\$ 726,042</u>	<u>\$ 795,967</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 20,079	\$ 5,364
Deferred fee revenue	<u>49,837</u>	<u>49,771</u>
	<u>69,916</u>	<u>55,135</u>
<b>CONTINGENCY</b> (Note 4)		
<b>COMMITMENTS</b> (Note 5)		
<b>NET ASSETS</b>		
Net assets invested in capital assets	\$ 39,737	\$ 49,121
Unrestricted net assets	<u>616,389</u>	<u>691,711</u>
	<u>656,126</u>	<u>740,832</u>
	<u>\$ 726,042</u>	<u>\$ 795,967</u>

## STATEMENT OF OPERATIONS

YEAR ENDED NOVEMBER 30, 2004	2004	2003
<b>REVENUE</b>		
Application and registration fees	\$ 504,430	\$ 503,574
Incorporation fees	14,640	15,630
Interest	19,950	21,267
Expense recoveries and other income	<u>8,789</u>	<u>13,704</u>
	<u>547,809</u>	<u>554,175</u>
<b>EXPENSES</b>		
Advertising and Promotion	4,176	—
Alliance dues	36,543	33,962
Amortization	11,718	10,403
Bank charges and interest	1,114	1,223
Consulting and office support	46,301	34,211
Equipment rental	4,077	4,976
Honoraria	5,200	4,400
Income replacement	16,234	36,187
Insurance	5,101	4,975
Investigation	17,839	1,194
Meetings	12,767	15,352
Office and sundry	27,291	21,491
Postage, mailing and courier	21,973	29,448
Printing	27,173	33,026
Professional fees	143,727	71,773
Rent	36,655	29,401
Salaries and benefits	184,542	196,226
Staff/board development	2,800	1,750
Telephone	6,558	8,305
Travel and accommodation	<u>20,726</u>	<u>19,054</u>
	<u>632,515</u>	<u>557,357</u>
Deficiency of revenue over expenses	<u>\$ (84,706)</u>	<u>\$ (3,182)</u>

## STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED NOVEMBER 30, 2004	2004			2003
	<i>Invested in capital assets</i>	<i>Unrestricted</i>	<i>Total</i>	<i>Total</i>
<b>NET ASSETS</b>				
Balance, beginning of year	\$ 49,121	\$ 691,711	\$ 740,832	\$ 744,014
Excess (deficiency) of revenue over expenses	(11,718)	(72,988)	(84,706)	(3,182)
Investment in capital assets	<u>2,334</u>	<u>(2,334)</u>	<u>—</u>	<u>—</u>
Balance, end of year	<u>\$ 39,737</u>	<u>\$ 616,389</u>	<u>\$ 656,126</u>	<u>\$ 740,832</u>

## STATEMENT OF CASH FLOWS

YEAR ENDED NOVEMBER 30, 2004	2004	2003
<b>CASH FROM (USED IN)</b>		
Operating activities		
Excess (deficiency) of revenue over expenses	\$ (84,706)	\$ ( 3,182)
Item not involving cash		
Amortization	<u>11,718</u>	<u>10,403</u>
	(72,988)	7,221
Changes in non-cash working capital items:		
Accrued interest receivable	740	9,813
Prepaid expenses	(366)	(107)
Accounts payable and accrued liabilities	14,715	( 28,938)
Deferred fee revenue	<u>66</u>	<u>(24,705)</u>
	<u>15,155</u>	<u>(43,937)</u>
	<u>(57,833)</u>	<u>(36,716)</u>
<b>INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	<u>(2,334)</u>	<u>( 28,013)</u>
<b>DECREASE IN CASH DURING THE YEAR</b>	(60,167)	( 64,729)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>\$ 737,939</u>	<u>\$ 802,688</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 677,772</u>	<u>\$ 737,939</u>

## NOTES TO THE FINANCIAL STATEMENTS

NOVEMBER 30, 2004

1 Purpose of the Organization

The mandate of the College of Physical Therapists of B.C. is to serve and protect the public by:

(a) establishing, monitoring and enforcing standards of physical therapy practice and professional ethics;

(b) responding to the public's need for information about the practice of physical therapy; and

(c) reinforcing physical therapists' awareness of their professional responsibilities and obligations.

The College of Physical Therapists of B.C. is established by regulation under the *Health Professions Act*.

2 Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

a) Revenue Recognition

The College follows the deferral method of accounting for contributions. 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. There were no restricted or endowment contributions.

Application and registration fees are recognized as revenue in the period to which they relate. Unexpired fees at the year end are included in deferred fee revenue.

b) Amortization

Property and equipment are stated at cost less accumulated amortization which is recorded over the useful lives of the assets on the declining balance basis/straight-line method, with a half-year's provision in the year of acquisition, at the following annual rates:

Computer equipment . . . . .	30% declining balance
Furniture and equipment . . . . .	20% declining balance
Leasehold improvements . . . . .	20% straight-line method

c) Use of Estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, revenues and expenses as at the end of or during the reporting period. Management believes that the estimates used are reasonable and prudent, however, actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the determination of the useful lives of assets for amortization, recognition of deferred revenue, and the amounts recorded as accrued liabilities.

3 Property and Equipment

	2004			2003
	<i>Cost</i>	<i>Accumulated Amortization</i>	<i>Net Book Value</i>	<i>Net Book Value</i>
Computer equipment	\$ 37,228	\$ 29,942	\$ 7,286	\$10,410
Furniture and equipment	43,048	22,011	21,037	23,669
Leasehold improvements	<u>18,139</u>	<u>6,725</u>	<u>11,414</u>	<u>15,042</u>
	<u>\$ 98,415</u>	<u>\$ 58,678</u>	<u>\$ 39,737</u>	<u>\$ 49,121</u>

4 Contingency

At November 30, 2004, the College was the subject of a Human Rights legal claim associated with a former member of the College. The claim will be upon the Human Rights Tribunal in August 2005. Although the outcome of this matter is not determinable at this time, the College believes this claim could have a material adverse effect on the College's financial position or results of operations.

5 Commitments

The College's premises are leased under an operating lease with the term ending March 31, 2007. The basic monthly rent for the first two years is \$1,815, the third year is \$1,966 and the fourth and fifth years is \$2,118 plus GST. A portion of the office premises are rented under a sub-lease, with a term ending March 31, 2006 for a basic monthly rent ranging from \$254 up to \$282 plus GST. In addition to basic rent, the College is required to pay a portion of certain operating costs and property taxes.

Lease commitments payable in each of the next three years is as follows:

2005.....	\$ 28,120
2006.....	\$ 26,542
2007.....	\$ 8,471

6 Financial Instruments

The College's financial instruments consist of cash and short-term deposits, and accounts payable. It is management's opinion that the College is not exposed to significant interest rate risk arising from these financial instruments. The fair value of these financial instruments approximate their carrying value.

7 Statement of Cash Flows

The short-term deposits have been treated as cash equivalents as they are all deposits with financial institutions and have maturities of less than one year from the balance sheet date.