

College of Physical Therapists of British Columbia

CPTBC

Annual Report 2006

MANDATE

It is the duty of the College of Physical Therapists of British Columbia at all times

- (a) to serve and protect the public, and
- (b) to exercise its powers and discharge its responsibilities under all enactments in the public interest.

VISION

The CPTBC is an effective, efficient organization that is proactive in protecting the public and supporting physical therapists in attaining high standards of practice. The CPTBC's role is understood and valued by the public and registrants and it is respected for the integrity with which it protects the public interest.

The CPTBC fulfills this vision by:

- Establishing, monitoring and enforcing standards of physical therapy practice and professional ethics, policies, procedures and programs that are consistent, valid, accepted and responsive to health care needs;
- Responding to the public's need for information about the practice of physical therapy;
- Reinforcing physical therapists' awareness of their professional responsibilities and obligations;
- Being easily accessible through its optimal use of people, technology and resources and effective communication with stakeholders;
- Building partnerships;
- Undertaking evaluation of its process and services and promoting research on professional regulation issues;
- Regulating members of the physical therapy service delivery team; and
- Ensuring that its governance model supports the mandate.

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COLLEGE OF PHYSICAL THERAPISTS OF BRITISH COLUMBIA

2006 ANNUAL REPORT

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BOARD OF DIRECTORS

Margaret Harris,
Board Chair &
Registrant
Victor Brittain,
Vice Chair &
Registrant
Jane Cole,
Registrant (until
August 2006)
Terry Fedorkiw,
Registrant (from
September 2006)
Garrett Gabriel,
Registrant (from
April 2006)
Jeffrey Garrett,
Registrant
Melissa Holland,
Public
Representative
(until July 2006)
Wren Montgomery,
Public
Representative
Gurpreet Rai
Public
Representative
(from July 2006)
Irene Ruel
Registrant (until
March 2006)
Anne Scott,
Registrant
John Zimmer,
Public
Representative
Sara Falkner,
Student
Representative
(until October
2006)
Aislin Martin
Student
Representative
(from November
2006)

CHAIR'S REPORT

The College Board and office staff have worked hard over the past year to build on the growth and development of 2005. It is thanks to the tremendous hard work and dedication on the part of the staff, the Board and the Committee members that work on the Strategic Plan has moved forward with some projects completed or nearing completion, and others well under way.

The major undertaking to upgrade the technology is now complete, and the number of online registrations significantly increased this year. The Staff Compensation Review Project has been completed, and the recommendations were implemented. The Board received the report from the consultants regarding the possible future regulation of Physical Therapists Support Workers (PTSW) under the College bylaws. The PTSW Committee will now be commencing its work.

The Board received the recommendations for the development of a Quality Assurance Program. The Quality Assurance Committee has almost completed the task of revising the Clinical Practice Statements and Advisory Statements. These standards will become part of the revised Bylaws.

The Board has reviewed the strategic plan to determine that current and emerging issues are being prioritized and addressed. We continue to be involved in the Canadian Alliance of Physiotherapy Regulators, with representation through our Registrar, Brenda Hudson, and our Alliance representative, Marilyn Atkins.

The efforts of all our staff and volunteers are sincerely appreciated.

Margaret Harris,
Chair of the Board and Registrant

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 in fulfilling their mandate.

2006 was a busy year for the College. The Board of Directors welcomed Ann Lo in the position of Deputy Registrar in January 2006. Ann quickly became familiar with the new membership database, on-line renewals and planning an Annual General Meeting!

After completing the registration renewals for 2006, the staff focused on planning the 2006 Annual General Meeting. Following what appears to be a tradition, the College and the Physiotherapy Association of British Columbia held their respective annual meetings, receptions and education sessions on the same weekend and at the same location. In 2006 a Burnaby, B.C. location was chosen. The College hosted the Beth Maloney Memorial Lectureship and a reception following the presentation. Mr. Don Nilson, Principal at *Nilson & Company Professional Accountants*, presented "The 10 Commandments for Today's Successful Professional" which was a success.

The Committees continued to be very active in 2006. The Legislative Committee continued their work of revising the current Bylaws; the Finance Committee implemented the recommendations of the Staff Compensation Review; the Quality Assurance Committee and Continuing Competence Sub-Committee continued their work on revising the current Clinical Practice Statements and the current Bylaws related to practice; the Registration Committee continued its review and revision, as required, of its policies and procedures as well as working with the Legislative Committee to revise the Registration Bylaws. The Inquiry Committee resolved twelve complaints and the Discipline Committee was not required to meet.

Two major projects that kept both staff and volunteers busy this year were the Quality Assurance Program Project and the Physical Therapist's Support Worker Project.

Members of both the Continuing Competence Sub-Committee and the Quality Assurance Committee worked with a consultant group to develop a framework for a Quality Assurance Program. Further development work is required in 2007 and registrants will be invited to participate in this project.

In November 2006 the Board of Directors approved in principle a Regulatory Framework that would allow for the regulation of support workers working under the direction and supervision of Physical Therapists. Further work on this project is planned for 2007.

I would like to take this opportunity to thank the staff for their continued dedicated work during the past year. Many thanks to Ann Lo for her work with the Registration Committee and for assuming the position of Registrar during my absences; Susan Paul for her work with the Quality Assurance Committee, Patient Relations Committee and the Continuing Competence Sub-Committee as well as taking a lead role in assisting the task force in their Quality Assurance Program Project; Arlene Gloria and Anna Gloria, Administrative

Registrar

Brenda Hudson

Deputy Registrar

Ann Lo

Practice Advisor

Susan Paul

Registration Coordinator

Joan Morton
(until May 2006)

Administrative Assistants

Anna Gloria
Arlene Gloria
Bernadine Pinto
(from August to
November 2006)

Alliance Representative

Marilyn Atkins,
Registrant

WCB Liaison

Robert Hofmann,
Registrant

ICBC Liaison

Brenda Hudson,
Registrar

NOMINATIONS COMMITTEE

Marilyn Atkins,
Chair
Jane Cole,
Registrant (from
April 2006)
Irene Ruel,
Registrant (until
April 2006)
Klari Varallyai,
Registrant

Assistants 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.

Joan Morton, Registration Coordinator left the College at the end of May, 2006. Bernadine Pinto joined the staff for a short period of time during the summer and Sue Fawcett has been available to assist in the office when we have been short staffed.

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 Margaret Harris, Chair of the Board of Directors, for her leadership and support during the past year.

Brenda Hudson,
Registrar

REGISTRATION COMMITTEE

Patricia Lieblich,
Chair & Registrant
Anne Scott,
Vice Chair &
Registrant
Melissa Holland,
Board Public
Representative
(until July 2006)
Public
Representative
(from November
2006)
Jennifer Pillsworth,
Registrant
Denise Walters,
Registrant

REGISTRATION COMMITTEE

The Registration Committee reviews applications for registration and the status of existing registrants. The Committee has also undertaken a number of other activities this past year including revising the registration renewal form.

In 2006, the Registration Committee also focused its efforts on reviewing and revising the registration policies and procedures. The revised policies have been approved by the Board. This is an ongoing process.

The Registration Committee wishes to thank Brenda Hudson, Registrar and Ann Lo, Deputy Registrar for their invaluable support and advice. The Committee welcomes back Melissa Holland as a public representative to the Committee. The Chair wishes to thank all members of the Committee for their dedication and commitment.

Physical Therapist Registrants as at December 31, 2006

Full	2476
Interim	73
Inactive	293
Student	128
Lapsed	6
Retired	23
Cancelled in good standing	27
Cancelled - non payment of dues	54

Remedial Gymnast Registrants as at December 31, 2006

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

PATIENT RELATIONS COMMITTEE

Following its mandate to assist the College Board in protecting the public in all matters related to patient relations, in 2006 the Patient Relations Committee completed its work on Practice Standard No. 7 on Sexual Misconduct, Practice Standard No. 13 on Draping, and Practice Standard No. 14 on Intrapelvic Assessment and Treatment. The Committee also revised Advisory Statement No. 5 on Intrapelvic Assessment and Treatment.

The brochure on professional boundaries entitled “Where’s my Line?” continues to be available for registrant education and is now available on the College’s website at www.cptbc.org under the heading “registrants” by selecting “patient relations” from the drop down menu.

The Committee wrote articles for each issue of “*Update*” in 2006. Newsletter topics included: the differences between professional and personal relationships, draping for patients, and the therapeutic relationship between the physical therapist and the patient.

The Committee is especially grateful to Susan Paul, Practice Advisor, firstly for her active participation on our behalf at the 2006 AGM case study course, reflecting the College current draping regulation, and secondly for her constant support at meetings and throughout the year.

Respectfully submitted by *Terry Fedorkiw*, Chair

QUALITY ASSURANCE COMMITTEE

The Quality Assurance Committee met four times in 2006. The ability to teleconference into the meetings allowed the Committee to expand its membership to registrants from other than the lower mainland.

The Committee completed revisions to the following Practice Standards:

- No. 1 - Clinical Records
- No. 2 - Electro-Physical Agents
- No. 3 - Assignment of Task to Physical Therapist Support Workers
- No. 6 - Spinal Manipulation
- No. 12 - Acupuncture and IMS

Revisions to the Practice Standard on Consent and to the Advisory Statement on Concurrent Treatment are underway. In addition, the Quality Assurance Committee provided the Legislative Committee with input into the Bylaw revisions on the Code of Ethics, Minimal Treatment Standards and Business Practice Standards.

Other topics addressed by the Quality Assurance Committee in 2006 included the use of medical devices by non-registrants, use of title and credentials, animal therapy, and the Health Professions Council’s list of proposed Reserved Acts for health professionals.

Several members of the Quality Assurance Committee were invited to participate on the Quality Assurance Program Advisory Group. This project is in its primary developmental stage and will require, in 2007, the input of registrants in its continued design.

PATIENT RELATIONS COMMITTEE

Terry Fedorkiw,
Chair & Registrant
Penny Wilson,
Vice Chair &
Registrant
Nancy Cho,
Registrant
Jane Cole,
Registrant (from
September 2006)
Kerry Moore,
Public
Representative
Wren Montgomery,
Board Public
Representative

QUALITY ASSURANCE COMMITTEE

Klari Varallyai,
Chair & Registrant
Moya Stokes,
Vice Chair &
Registrant
Jeffrey Garrett,
Registrant &
Board Member
Peter Goyert,
Registrant
Wren Montgomery,
Board Public
Representative
Paula Peres,
Registrant

ACUPUNCTURE CREDENTIALLING COMMITTEE

David Moffitt,
Chair & Registrant
Shannon Sproule,
Vice Chair &
Registrant
Darryl Caves,
Registrant
Marianne
Schroeder,
Public
Representative

CONTINUING COMPETENCE SUB-COMMITTEE

Garrett Gabriel,
Chair & Registrant
Carla Vendrame,
Vice Chair &
Registrant
Kristina Felt,
Registrant
Lisa Isherwood,
Registrant
Neil Pearson,
Registrant (until
November 2006)
Kathy Petts,
Registrant
Anne Scott,
Registrant &
Board Member

The Committee wishes to acknowledge the support of Cathy Herb-Kelly, legal counsel; Brenda Hudson, Registrar; and Susan Paul, Practice Advisor who all provided a solid foundation upon which the Committee could make decisions.

The Quality Assurance Committee members look forward to another exciting and rewarding year in 2007.

Respectfully submitted by *Klari Varallyai*, Chair

ACUPUNCTURE CREDENTIALLING SUB-COMMITTEE

The Acupuncture Credentialing Sub-Committee reviews and adjudicates the acupuncture credentials of nationally and internationally trained registrants who wish to practice acupuncture or IMS techniques within the scope of practice of physical therapy. The Sub-Committee adheres to the College's Practice Standard No. 12 on Acupuncture and IMS and uses the College's Credentialing Policy 10.1 when it evaluates a registrant's educational standards.

In 2006 the Sub-Committee met twice by teleconference, on July 19, and November 28, 2006 to review acupuncture credentials submitted by registrants.

Two additional educational programs were reviewed by the Acupuncture Credentialing Sub-Committee and were deemed to meet the credentialing criteria outlined in College's Credentialing Policy 10.1. The Vancouver International College of Traditional Chinese Medicine has curriculum available which meets the Credentialing Policy criteria, as does the Manitoba based course "Acupuncture for Physiotherapists: The Art and the Science". Successful completion of all examinations associated with the courses is a requirement prior to incorporating acupuncture techniques into physical therapy practice.

The Acupuncture Credentialing Sub-Committee will continue to review requests for credentialing of Acupuncture and Intra Muscular Stimulation credentials, liaise with the Acupuncture Foundation of Canada, and monitor dry needling standards and requirements for physical therapists across Canada.

Respectfully submitted by *David G. Moffitt*, Chair

CONTINUING COMPETENCY SUB-COMMITTEE

Most of 2006 was spent working with Management Dimensions Consultants towards the development of the College's Quality Assurance Program. Early in 2006 the Consultants drafted a discussion paper on the principles, best practices, and future options of a Quality Assurance Program. In the spring, the Consultants facilitated a Quality Assurance Program Development Forum where the discussion paper was reviewed and the basic principles of the Quality Assurance Program began to take shape. Many thanks to the participants of the Forum which included the Continuing Competence Sub-Committee members: Garrett Gabriel, registrant, Chair (public practice); Carla Vendrame, registrant, Vice Chair (private practice); Neil Pearson, registrant (private practice); Kathy Petts, registrant (public practice); Lisa Isherwood,

registrant (public practice, community care); Anne Scott, registrant, Board Member (private practice); and Kristina Felt, registrant (public practice). In addition the Continuing Competence Sub-Committee invited key informants to participate in the Forum. Marion Briggs, registrant, Practice Leader, Physiotherapy, Vancouver Acute (Vancouver General Hospital, University of British Columbia Hospital, G.F. Strong Rehabilitation Centre), Doreen Leong, Director, Assessment Programs at the College of Pharmacists of British Columbia and Kathy Corbett, Registrar, College of Occupational Therapists of British Columbia accepted the sub-committee's invitation. Representation from the academic community was sought but unfortunately no one was available to attend the Forum due to conflicts in scheduling.

One outcome of the forum was the creation of an Advisory Group whose mandate was to provide direction to the consultants in the continued development of a program framework. The Advisory Group included Garrett Gabriel, Kristina Felt, Anne Scott, Moya Stokes Peter Goyert and Kathy Corbett. Four teleconference meetings were held with the consultants. This work ensured that the key principles of a Quality Assurance Program which were identified in the Forum as being important to the College's program were reflected in the Quality Assurance Program framework. The final draft of the program framework and program recommendations was presented to the Board in June 2006. At that time the Board approved the Advisory Group's recommendation to proceed with the Quality Assurance Program framework.

In order to move forward towards a Quality Assurance Program based on the framework, the Chairs and Vice Chairs of the Continuing Competence Sub-Committee and Quality Assurance Committee met in the fall of 2006 to develop a committee structure that would meet the needs of the evolving clinical programs at the College. The new Committee structure will be presented to the Board in early 2007 for approval. Once this is done, work will start on the design and implementation of a Quality Assurance Program. A Program Coordinator position was advertised in the fall. The staff position will support the program committees in their program development work.

Respectfully submitted by *Garrett Gabriel*, Chair

INQUIRY COMMITTEE

The Inquiry Committee investigates written complaints about physical therapists and former physical therapists under the *Health Professions Act*. The Committee can also initiate an investigation on its own motion. The Committee met a total of eight (8) times in 2006 of which three (3) were teleconference meetings.

The Committee has jurisdiction to consider complaints in regards to the following: 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 practice 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 practice physical therapy. In 2006, the Committee investigated an array of cases as listed at the end of this report.

INQUIRY COMMITTEE

Robert Hofmann,
Chair & Registrant
Victor Brittain,
Vice Chair &
Registrant
Lynda Lawrence,
Registrant (from
April 2006)
Alison Leedham,
Public
Representative
Gregory Noonan,
Registrant
Cheryl Thompson,
Registrant
John Zimmer,
Board Public
Representative

Under the *Health Professions Act*, a complainant may request the Board of Directors to review a decision of the Inquiry Committee to take no further action if the complainant is dissatisfied with that decision. There were three (3) requests for reviews to the Board in 2006.

Working closely with the Legislative Committee, the Inquiry Committee has reviewed and revised the relevant proposed Bylaws to ensure accordance with the forthcoming *Health Professions Act* amendments and revised Physical Therapy Bylaws.

The following tables provide an overview of the Committee's activity in 2006:

Outstanding Complaints as of December 31, 2005

Under Investigation	16
Complaints requiring follow-up	3
Total	19

Number and Nature of New Complaints received in 2006

Number of new complaints received	8
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The complaints received this year fall under the following categories:

Standards Infractions

- Competency 2 (not complying with established standards of practice causing injury)
- Advertising 1

Professional Misconduct

- Billing infractions 1
- Failure to comply with Act, Regulations & Bylaws 3
- Communication 1

Disposition of Complaints in 2006

Dismissed – no jurisdiction	0
Closed – no findings/breach	1
Closed – reprimand/undertaking	8
Referred to Discipline	0
Request for Board Reviews	3
TOTAL	12

Outstanding Complaints as of December 31, 2006

Under Investigation	8
Complaints requiring follow up	3
Total	11

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 2006. No cases were presented before the Committee or are under consideration.

Respectfully submitted by **Bruce Clark**, Chair

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 bulk of the Committee's work in 2006 continued to be the revision of the Bylaws to ensure accordance with the forthcoming *Health Professions Act* updates, and to be in keeping with the model Bylaws set out by the Ministry of Health. The Committee works with legal counsel, and consults with other Committees and the Board for direction and guidance on concepts and wording for the Bylaws. The final revision of the Bylaws will be submitted to the Board for approval, with subsequent submission to the Provincial 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 met seven times during the fiscal year, which ended November 30, 2006.

The College's audited financial statements for 2006 are contained in this Annual Report. The College has maintained a sound financial position. The Board has approved the budget for 2007.

The projects the Finance Committee committed to in 2006 were continuation of the upgrade of the office information technology system and the staff compensation review. Dues for 2007 were increased to help support the Quality Assurance Program through its development phase.

The Board approved an extension to Nancy Cho's term of office to October 2006. Gabriele Yoneda was appointed to the Committee in September 2006 and appointed to the Chair position effective November 2006. Melissa Holland resigned from her appointment as the Board Public Representative as of August 2006.

A big thank you to both Nancy Cho and Melissa Holland for their many years of service on the Finance Committee. Many thanks also go to the office staff, Arlene Gloria and Brenda Hudson for their support to the Finance Committee.

Respectfully submitted **Gabriele Yoneda**, Chair (effective November 2006)
Nancy Cho, Chair (until October 2006)

DISCIPLINE COMMITTEE

Bruce Clark,
Chair & Registrant
Jane Calland,
Registrant
Jan Halliday,
Public
Representative
Grant McLean,
Registrant
Gillian Parker,
Registrant
Ann Parsons,
Registrant
Barbara Picton,
Registrant
Dr. Richard
Primeau,
Public
Representative

LEGISLATIVE COMMITTEE

Annick de Gooyer,
Chair & Registrant
Marilyn Atkins,
Vice Chair &
Registrant
Scott Brolin,
Registrant
Garrett Gabriel,
Registrant & Board
Member (from
April 2006)
Melissa Holland,
Board Public
Representative
(until July 2006)
Irene Ruel,
Registrant (until
May 2006)

FINANCE COMMITTEE

Nancy Cho,
Chair & Registrant
(until October
2006)
Gabriele Yoneda,
Registrant (from
September 2006)
Committee Chair
(from November
2006)
Margaret Harris,
Registrant
Melissa Holland,
Board Public
Representative
(until August 2006)

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, 2006 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, 2006 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 LLP
 Chartered Accountants

Vancouver, British Columbia
 January 10, 2007

STATEMENT OF FINANCIAL POSITION

NOVEMBER 30, 2006	2006	2005
ASSETS		
Current assets		
Cash and short-term deposits	\$ 459,507	\$ 627,654
Accrued interest receivable	1,605	806
Prepaid expenses	<u>48,256</u>	<u>46,787</u>
	509,368	675,247
Property and Equipment (Note 3)	37,215	48,814
Intangible Assets (Note 4)	<u>108,431</u>	<u>8,752</u>
	<u>\$ 655,014</u>	<u>\$ 732,813</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 74,810	\$ 34,668
Deferred fee revenue	<u>53,378</u>	<u>63,904</u>
	<u>128,188</u>	<u>98,572</u>
DEFERRED GRANT RELATING TO INTANGIBLE ASSETS (Note 5)	<u>11,250</u>	<u>—</u>
CONTINGENCY (Note 6)		
COMMITMENTS (Note 7)		
NET ASSETS		
Net assets invested in capital assets	\$ 145,646	\$ 57,566
Unrestricted net assets	<u>369,930</u>	<u>576,675</u>
	<u>515,576</u>	<u>634,241</u>
	<u>\$ 655,014</u>	<u>\$ 732,813</u>

STATEMENT OF OPERATIONS

YEAR ENDED NOVEMBER 30, 2006	2006	2005
REVENUE		
Application and registration fees	\$ 674,341	\$ 640,157
Incorporation fees	19,600	15,550
Interest	22,580	18,015
Expense recoveries and other income	23,838	12,538
Amortization of deferred grant	<u>2,250</u>	<u>—</u>
	<u>742,609</u>	<u>686,260</u>
EXPENSES		
Alliance dues	38,214	37,897
Amortization - intangible assets	24,137	1,750
Amortization - property and equipment	14,479	11,971
Bank charges and interest	4,361	1,207
Consulting and office support	125,977	29,779
Equipment rental	4,193	4,266
Honoraria	8,050	8,050
Income replacement	23,341	30,218
Insurance	5,744	5,458
Investigation	10,765	17,135
Meetings	12,780	12,503
Office and sundry	27,690	22,628
Postage, mailing and courier	28,376	29,516
Preparation fees	11,100	9,450
Printing	25,817	35,136
Professional fees	119,294	114,806
Rent	33,445	37,160
Salaries and benefits	302,582	233,771
Staff/board development	2,260	6,913
Telephone	8,636	5,602
Travel and accommodation	<u>30,033</u>	<u>45,643</u>
	<u>861,274</u>	<u>700,859</u>
DEFICIENCY OF REVENUE OVER EXPENSES FROM OPERATIONS	(118,665)	(14,599)
Loss on disposal of capital assets	<u>—</u>	<u>(7,286)</u>
DEFICIENCY OF REVENUE OVER EXPENSES	<u>\$ (118,665)</u>	<u>\$ (21,885)</u>

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED NOVEMBER 30, 2006	2006			2005
	<i>Invested in capital assets</i>	<i>Unrestricted</i>	<i>Total</i>	<i>Total</i>
Balance, beginning of year	\$ 57,566	\$ 576,675	\$ 634,241	\$ 656,126
Excess (deficiency) of revenue over expenses	(38,616)	(80,049)	(118,665)	(21,885)
Investment in capital assets	<u>126,696</u>	<u>(126,696)</u>	<u>—</u>	<u>—</u>
Balance, end of year	<u>\$ 145,646</u>	<u>\$ 369,930</u>	<u>\$ 515,576</u>	<u>\$ 634,241</u>

STATEMENT OF CASH FLOWS

YEAR ENDED NOVEMBER 30, 2006	2006	2005
CASH FROM (USED IN)		
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ (118,665)	\$ (21,885)
Items not involving cash		
Amortization - property and equipment	14,479	11,971
Amortization - intangible assets	24,137	1,750
Loss on disposal of capital assets	—	7,286
	<u>(80,049)</u>	<u>(878)</u>
Change in non-cash working capital items:		
Accrued interest receivable	(799)	(494)
Prepaid expenses	(1,469)	(38,564)
Accounts payable and accrued liabilities	40,142	14,587
Deferred fee revenue	<u>(10,526)</u>	<u>14,067</u>
	<u>27,348</u>	<u>(10,404)</u>
	<u>(52,701)</u>	<u>(11,282)</u>
INVESTING ACTIVITIES		
Acquisition of property and equipment	(2,879)	(28,334)
Acquisition of intangible assets	<u>(123,817)</u>	<u>(10,502)</u>
	<u>(126,696)</u>	<u>(38,836)</u>
FINANCING ACTIVITIES		
Proceeds from grant relating to intangible assets	<u>11,250</u>	—
DECREASE IN CASH DURING THE YEAR	(168,147)	(50,118)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>\$ 627,654</u>	<u>\$ 677,772</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 459,507</u>	<u>\$ 627,654</u>

NOTES TO THE FINANCIAL STATEMENTS

NOVEMBER 30, 2006

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 basis
Furniture and equipment	20% declining balance basis
Leasehold improvements	20% straight-line method

c) Long-lived assets

Long-lived assets are tested for recoverability annually or whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. An impairment loss is recognized when the carrying amount exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying amount of the asset over its fair value. To December 31, 2005, no impairment losses have

been recorded.

d) **Intangible assets**

Intangible assets with estimated useful lives are amortized over their respective estimated useful lives to their estimated residual values, and reviewed for impairment by assessing the recoverability of the carrying values. The College has intangible assets relating to a new online database system which allows members to register and communicate with College online. The database is being amortized over three years using the straight line method, with a half year's provision in the year of acquisition.

e) **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 amount recorded as accrued liabilities.

3 **Property and Equipment**

	2006			2005
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 28,917	\$ 10,977	\$ 17,940	\$ 22,132
Furniture and equipment	45,344	30,227	15,117	18,896
Leasehold improvements	18,139	13,981	4,158	7,786
	<u>\$ 92,400</u>	<u>\$ 55,185</u>	<u>\$ 37,215</u>	<u>\$ 48,814</u>

4 **Intangible Assets**

	2006			2005
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Database software	\$ 134,319	\$ 25,888	\$ 108,431	\$ 8,752

5 **Deferred Grant Related to Intangible Assets**

Deferred grant related to the acquisition and development of the College's membership database software. The grant will be amortized at the same rate as the underlying asset using three years straight-line method, with a half year's amortization in the first year.

	2006
Grant received during the year	\$ 13,500
Less: Amortized to Revenue	<u>2,250</u>
Balance at end of year	<u>\$ 11,250</u>

6 **Contingency**

At November 30, 2006, the College is the defendant in a legal claim associated with a member of the College. This claim has been dismissed by the Human Rights Tribunal but the final outcome of this matter is not determinable at this time.

7 **Commitments**

The College's premises are leased under an operating lease with the term ending March 31, 2007. In addition to basic rent, the College is required to pay a portion of certain operating costs and property taxes.

The College has also entered into a long-term term lease for office equipment and service contracts.

Commitments in each of the next four years are as follows:

2007.....	\$ 18,063
2008.....	\$ 11,642
2009.....	\$ 3,425
2010.....	\$ 2,422

8 **Financial Instruments**

The College's financial instruments consist of cash and short-term deposits, and accounts payable and accrued liabilities. 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.

9 **Statement of Cash Flows**

The short-term deposits have been treated as cash equivalents as they are all deposits with financial institutions and are able to be cashed at any time.

10 **Comparative Figures**

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with presentation in the current year financial statements. Such reclassification does not have any effect on the assets or earnings previously reported.