

---

**PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA**

---

**Financial Statements**  
**Year Ended December 31, 2021**

**PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA**  
**Index to Financial Statements**  
**Year Ended December 31, 2021**

---

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 9
Physiotherapy Accreditation ( <i>Schedule 1</i> )	10
Occupational Therapy Assistant and Physiotherapist Assistant Education Accreditation (OTA PTA) ( <i>Schedule 2</i> )	11
Administration ( <i>Schedule 3</i> )	12

---

## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

---

To the Directors of Physiotherapy Education Accreditation Canada

We have reviewed the accompanying financial statements of Physiotherapy Education Accreditation Canada (the organization) that comprise the statement of financial position as at December 31, 2021, 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 (ASNPO), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Practitioner's Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Physiotherapy Education Accreditation Canada as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

### *Report on Other Legal and Regulatory Requirements*

As required by the Society Act of British Columbia, we report that the accounting principles used in these financial statements have been applied on a consistent basis with that of the preceding year.



Kelowna, British Columbia  
June 6, 2022

CHARTERED PROFESSIONAL ACCOUNTANTS

**PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA**  
**Statement of Financial Position**  
**December 31, 2021**


	2021	2020
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents		
- unrestricted cash	\$ 103,940	\$ 75,944
- restricted cash (Note 3)	337,628	349,150
GST receivable	25	2,870
Prepaid expenses	7,693	8,220
	449,286	436,184
CAPITAL ASSETS (Note 4)	225	281
INTANGIBLE ASSET (Note 5)	13,671	-
	\$ 463,182	\$ 436,465
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 15,388	\$ 5,268
Deferred revenue (Note 6)	18,254	-
	33,642	5,268
<b>NET ASSETS</b>		
Internally Restricted (Note 7)	337,628	349,150
Unrestricted	91,912	82,047
	429,540	431,197
	\$ 463,182	\$ 436,465

RELATED PARTY TRANSACTIONS (Note 8)

SUBSEQUENT EVENT (Note 9)

**APPROVED ON BEHALF OF THE BOARD**

  
Lisa Arcobelli (Jun 8, 2022 16:39 EDT) Director

  
Bill Ng (Jun 8, 2022 15:13 MDT) Director

See notes to financial statements

**PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA**

**Statement of Operations**

**Year Ended December 31, 2021**

	2021	2020
<b>RECEIPTS</b>		
Accreditation fees	\$ 360,140	\$ 360,140
Interest	7,544	29,430
	367,684	389,570
<b>DISBURSEMENTS</b>		
Accreditation review	20,311	26,245
Administration fees	10,706	10,706
Administrative support	41,619	41,145
Bank charges and interest	576	415
Document translation	13,560	10,299
Executive director fees <i>(Note 8)</i>	91,172	78,646
Governance	259	19,239
Insurance	4,509	3,951
Licences, dues and fees	1,840	1,610
Office	20,485	5,294
Professional development	1,133	2,083
Professional fees	11,100	11,888
Program manager fees <i>(Note 8)</i>	86,911	62,316
Special projects	39,857	24,732
Telecommunications	2,739	2,337
Travel	-	1,336
	346,777	302,242
<b>EXCESS OF RECEIPTS OVER DISBURSEMENTS FROM OPERATIONS</b>	20,907	87,328
<b>OTHER EXPENSES</b>		
Unrealized loss on marketable securities	19,090	-
Amortization	56	70
Amortization of intangible assets	3,418	-
	22,564	70
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	\$ (1,657)	\$ 87,258

For detailed information on the breakdown of the statement of operations between programs for Physiotherapy Accreditation, the Occupational Therapy Assistant and Physiotherapist Assistant Education Accreditation, and Administration, see the accompanying Schedules.

**PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2021**

	Internally Restricted (Note 6)	Unrestricted	2021	2020
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 349,150	\$ 82,047	\$ 431,197	\$ 343,939
DEFICIENCY OF RECEIPTS OVER DISBURSEMENTS	(11,522)	9,865	(1,657)	87,258
INTERFUND TRANSFER	-	-	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 337,628</b>	<b>\$ 91,912</b>	<b>\$ 429,540</b>	<b>\$ 431,197</b>

**PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA**  
**Statement of Cash Flows**  
**Year Ended December 31, 2021**

	2021	2020
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of receipts over disbursements	\$ (1,657)	\$ 87,258
Items not affecting cash:		
Amortization of capital assets	56	70
Amortization of intangible assets	3,418	-
	1,817	87,328
Changes in non-cash working capital:		
Prepaid expenses	528	3,248
Accounts payable and accrued liabilities	10,118	3,025
GST payable	2,845	1,218
Deferred revenue	18,254	(10,785)
	31,745	(3,294)
Cash flow from operating activities	33,562	84,034
<b>INVESTING ACTIVITY</b>		
Purchase of intangible assets	(17,088)	-
<b>INCREASE IN CASH FLOW</b>	16,474	84,034
Cash - beginning of year	425,094	341,060
<b>CASH - END OF YEAR</b>	\$ 441,568	\$ 425,094
<b>CASH CONSISTS OF:</b>		
Unrestricted cash	\$ 103,940	\$ 75,944
Restricted cash	337,628	349,150
	\$ 441,568	\$ 425,094

# PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA

## Notes to Financial Statements

Year Ended December 31, 2021

---

### 1. PURPOSE OF THE ORGANIZATION

Physiotherapy Education Accreditation Canada, herein referred to as the "Society," was federally incorporated on March 13, 2000, under the Canada Not-for-Profit Corporations Act and is a registered society under the Canadian Income Tax Act. The primary objective of the Society is to conduct accreditation reviews of Canada's entry-level physiotherapy education programs and Canada's occupational therapist assistant and physiotherapist assistant education programs.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook. The following is a summary of the significant accounting policies used by management in the preparation of these financial statements.

#### Use of Estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

#### Financial instruments

The Society's financial instruments consist of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities. The Society measures its cash and cash equivalents at fair value. Accounts receivable, and accounts payable and accrued liabilities at amortized cost.

Changes in fair value are recognized in the statement of operations in the period in which they occur.

Unless otherwise noted, it is the Society's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments.

#### Cash and cash equivalents

Cash and cash equivalents include short term investments that are readily convertible to cash if needed.

#### Capital assets

Capital assets are recorded at cost. It is the policy of the Society to capitalize purchased capital assets over \$500. Amortization is provided annually at rates calculated to write off the assets over their estimated useful lives at the following rates and methods:

Furniture and fixtures	20% diminishing balance method
Web page and logo	20% diminishing balance method

(continues)

---



**PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA**  
**Notes to Financial Statements**  
**Year Ended December 31, 2021**

---

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Intangible assets

Intangible assets are recorded at cost. It is the policy of the Society to capitalize expenditures over \$500. Amortization is provided annually on a straight-line basis over the estimated useful life of the related intangible asset.

Income taxes

The Society qualifies as a not-for-profit organization as defined in the Income Tax Act and, as such, is exempt from income tax provided that certain requirements under the Income Tax Act are met.

Revenue recognition

The Society follows the deferral method of accounting for accreditation fee revenue, contributions and grants, and other revenue.

Accreditation fee revenue is recognized as it is earned when the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions and grants are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions and grants are recognized as revenue in the period in which they are received.

Interdepartmental Transfers

The Society transfers cash between program funds to reflect fees for services between programs, and these transfers are treated as revenues by one program and expenses by the other. As both the revenue and expense amounts are the same they have been eliminated in the statement of operations but have been included in the supplementary schedules for the individual programs.

**3. RESTRICTED CASH AND CASH EQUIVALENTS**

The Society has internally restricted cash, for the purpose of the funds see Note 5. The Society holds these funds in short-term investments that can be readily converted into cash as needed by the Society. The balances at the end of the year are as follows:

	2021	2020
Contingency - PEAC	\$ 119,859	\$ 123,950
Contingency - OTA & PTA EAP	217,769	225,200
	\$ 337,628	\$ 349,150

**PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA**  
**Notes to Financial Statements**  
**Year Ended December 31, 2021**

**4. CAPITAL ASSETS**

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Furniture and fixtures	\$ 806	\$ 637	\$ 169	\$ 211
Web page and logo	559	503	56	70
	<b>\$ 1,365</b>	<b>\$ 1,140</b>	<b>\$ 225</b>	<b>\$ 281</b>

**5. INTANGIBLE ASSET**

	2021	2020
Website development	\$ 17,089	\$ -
Accumulated amortization	(3,418)	-
	<b>\$ 13,671</b>	<b>\$ -</b>

**6. DEFERRED REVENUE**

Deferred revenue is comprised of amounts received by the Society for program fees for the upcoming fiscal year that were received before the year end. The Society received \$18,254 in the current year (2020 - \$Nil).

**7. INTERNALLY RESTRICTED**

Internally restricted net assets consists of funds set aside by the Board of Directors as a contingency fund. The Society will have a minimum annual contribution equal to at least 2% of annual revenues. The amount to be maintained in the contingency account is to equate to at least six months' worth of operating expenses for each program.

- Contingency - Physiotherapy Education Accreditation Canada (PEAC)

Changes in the contingency fund are as follows:

	2021	2020
Beginning balance	\$ 128,212	\$ 70,967
Annual provision	-	44,000
Interest income	2,687	13,245
Unrealized loss on marketable securities	(6,777)	-
	<b>124,122</b>	<b>128,212</b>

*(continues)*

**PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA**  
**Notes to Financial Statements**  
**Year Ended December 31, 2021**

**7. INTERNALLY RESTRICTED (continued)**

- Contingency - Occupational Therapist Assistant & Physiotherapist Assistant Education Accreditation Program (OTA&PTA EAP)

Changes in the contingency fund are as follows:

	2021	2020
Retained Earnings	220,938	204,753
Annual provision	-	-
Interest income	4,881	16,185
Unrealized loss on marketable securities	(12,313)	-
	213,506	220,938
Grand total	\$ 337,628	\$ 349,150

**8. RELATED PARTY TRANSACTIONS**

Related party transactions are in the normal course of operations and are measured at the exchange amount. During the year, the executive director charged and received \$99,972 (2020 - \$78,646) and the program manager charged and received \$88,460 (2020 - \$62,316) for services provided to the Society. Included in accounts payable is \$9,481 owed to a related party (2020 - \$Nil).

**9. SUBSEQUENT EVENT**

In May 2022, the Society was approved for \$75,000 of project funding submitted to Canadian Heritage in 2021. The requested funding is to cover costs associated with the change in physiotherapy (PT) standards, that will embed anti-oppressive practices throughout the Society and organizational culture. The Society will build on their understanding of the new standards, develop a new program, and train employees to implement the new program. The project will be ongoing from April 1, 2022 to March 31, 2024.

**PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA**  
**Physiotherapy Accreditation (Schedule 1)**  
**Year Ended December 31, 2021**

	2021	2020
<b>RECEIPTS</b>		
Accreditation fees	\$ 146,024	\$ 146,024
Interest income	2,663	13,245
Unrealized loss on marketable securities	(6,777)	-
	<u>141,910</u>	<u>159,269</u>
<b>DISBURSEMENTS</b>		
Accreditation review	867	13,603
Administration fees	21,904	21,904
Administration support	11,579	10,577
Amortization	3,432	26
Bank charges and interest	170	79
Document translation	8,713	5,106
Executive director fees	46,588	47,174
Governance	-	4,387
Licenses, dues and fees	920	460
Office	8,158	1,642
Professional development	938	170
Program manager fees	10,050	-
Special projects	34,857	8,745
Telecommunications	1,063	810
	<u>149,239</u>	<u>114,683</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>\$ (7,329)</b>	<b>\$ 44,586</b>

**PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA**  
**Occupational Therapy Assistant and Physiotherapist Assistant Education Accreditation**  
**(OTA PTA) (Schedule 2)**  
**Year Ended December 31, 2021**

	2021	2020
<b>RECEIPTS</b>		
Accreditation Fees	\$ 214,116	\$ 214,116
Interest income	4,881	16,185
Unrealized loss on marketable securities	(12,313)	-
	206,684	230,301
<b>DISBURSEMENTS</b>		
Accreditation review	3,429	12,642
Administration fees	42,823	42,823
Administration support	25,285	25,848
Amortization	42	44
Bank charges and interest	142	137
Document translation	4,253	4,424
Governance	259	13,702
Licenses, dues and fees	920	460
Executive director fees	8,165	-
Office	6,156	2,203
Professional development	195	1,913
Program manager fees	76,861	62,316
Special projects	21,016	15,988
Telecommunications	1,181	1,044
Travel	-	1,037
	190,727	184,581
<b>EXCESS OF RECEIPTS OVER DISBURSEMENTS</b>	<b>\$ 15,957</b>	<b>\$ 45,720</b>

See notes to financial statements

**PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA**  
**Administration (Schedule 3)**  
**Year Ended December 31, 2021**

	2021	2020
<b>RECEIPTS</b>		
Administration fees	\$ 54,021	\$ 54,021
<b>DISBURSEMENTS</b>		
Administration support	4,755	4,720
Bank charges and interest	262	199
Document translation	595	770
Executive director fees	36,419	31,472
Governance	-	1,150
Insurance	4,509	3,951
Licenses, dues and fees	-	690
Office	6,171	1,449
Professional fees	11,100	11,888
Telecommunications	495	483
Travel	-	299
	64,306	57,071
<b>DEFICIENCY OF RECEIPTS OVER DISBURSEMENTS</b>	<b>\$ (10,285)</b>	<b>\$ (3,050)</b>