
PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA

Financial Statements
Year Ended December 31, 2023

PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA
Index to Financial Statements
Year Ended December 31, 2023

	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
Social Justice Project (<i>Schedule 3</i>)	12
Administration (<i>Schedule 4</i>)	13

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 Corporation) that comprise the statement of financial position as at December 31, 2023, 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, 2023, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Kelowna, British Columbia
May 29, 2024

MBA

MBA Chartered Professional Accountants Inc.

mbacpa.ca

PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA
Statement of Financial Position
December 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 47,398	\$ 162,404
Term deposits	81,197	-
GST receivable	5,740	2,949
Prepaid expenses	11,604	5,235
	145,939	170,588
RESTRICTED CASH (Note 3)	351,680	293,980
CAPITAL ASSETS (Note 4)	144	180
INTANGIBLE ASSETS (Note 5)	6,835	10,252
	\$ 504,598	\$ 475,000
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 16,713	\$ 29,401
Deferred revenue (Note 6)	60,032	-
	76,745	29,401
NET ASSETS		
Internally restricted (Note 7)	351,680	293,980
Unrestricted	76,173	151,619
	427,853	445,599
	\$ 504,598	\$ 475,000

RELATED PARTY TRANSACTIONS (Note 8)

ON BEHALF OF THE BOARD

_____ Director

_____ Director

See notes to financial statements

PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA

Statement of Operations

Year Ended December 31, 2023

	2023	2022
REVENUES		
Accreditation fees	\$ 383,980	\$ 356,167
Social Justice Project	49,375	42,000
Interest	8,170	7,764
	441,525	405,931
EXPENSES		
Accreditation review	31,567	16,836
Administration fees	11,027	10,008
Administrative support	57,761	47,677
Bank charges and interest	478	698
Consulting fees	-	22,900
Document translation	18,396	3,104
Executive director fees (<i>Note 8</i>)	115,882	101,489
Governance	35,703	30,923
Insurance	5,424	4,902
Licences, dues and fees	1,112	12
Office	6,542	4,085
Professional development	1,055	1,296
Professional fees	58,304	11,783
Program manager fees (<i>Note 8</i>)	68,178	73,442
Special projects	36,020	2,997
Telecommunications	3,216	2,846
Travel	5,152	-
	455,817	334,998
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	(14,292)	70,933
OTHER EXPENSES		
Unrealized loss on marketable securities	-	51,412
Amortization	36	45
Amortization of intangible assets	3,418	3,418
	3,454	54,875
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES	\$ (17,746)	\$ 16,058

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, Social Justice Project, and Administration, see the accompanying Schedules.

PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA
Statement of Changes in Net Assets
Year Ended December 31, 2023

	Internally Restricted (Note 7)	Unrestricted	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 293,980	\$ 151,619	\$ 445,599	\$ 429,541
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES	57,700	(75,446)	(17,746)	16,058
NET ASSETS - END OF YEAR	\$ 351,680	\$ 76,173	\$ 427,853	\$ 445,599

PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA

Statement of Cash Flows

Year Ended December 31, 2023

	2023	2022
OPERATING ACTIVITIES		
(Deficiency) excess of revenues over expenses	\$ (17,746)	\$ 16,058
Items not affecting cash:		
Amortization of capital assets	36	45
Amortization of intangible assets	3,418	3,418
	<u>(14,292)</u>	<u>19,521</u>
Changes in non-cash working capital:		
Prepaid expenses	(6,369)	2,458
Accounts payable and accrued liabilities	(12,688)	14,015
GST payable	(2,791)	(2,924)
Deferred revenue	60,032	(18,254)
	<u>38,184</u>	<u>(4,705)</u>
Cash flow from operating activities	<u>23,892</u>	<u>14,816</u>
INVESTING ACTIVITIES		
(Decrease) increase in restricted cash	(57,701)	43,648
Decrease in term deposits	(81,197)	-
Cash flow (used by) from investing activities	<u>(138,898)</u>	<u>43,648</u>
(DECREASE) INCREASE IN CASH FLOW	<u>(115,006)</u>	<u>58,464</u>
Cash - beginning of year	<u>162,404</u>	<u>103,940</u>
CASH - END OF YEAR	<u>\$ 47,398</u>	<u>\$ 162,404</u>
CASH CONSISTS OF:		
Cash	<u>\$ 47,398</u>	<u>\$ 162,404</u>

PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA

Notes to Financial Statements

Year Ended December 31, 2023

1. PURPOSE OF THE CORPORATION

Physiotherapy Education Accreditation Canada, herein referred to as the "Corporation," 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.

Other investments

Investments for which there are quoted prices in an active market are carried at fair value. Unrealized gains or losses are reported as part of net income. Investments for which there is not an active market are carried at amortized cost, except when it is established that their value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of net income.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported 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. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments

The Corporation's financial instruments consist of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities. The Corporation 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.

(continues)

PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA

Notes to Financial Statements

Year Ended December 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Computer software	55%	diminishing balance method
Furniture and fixtures	20%	diminishing balance method
Web page and logo	20%	diminishing balance method

The Corporation regularly reviews its capital assets to eliminate obsolete items.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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 Corporation 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 Corporation 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 Corporation 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.

PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA
Notes to Financial Statements
Year Ended December 31, 2023

3. RESTRICTED CASH AND CASH EQUIVALENTS

The Corporation has internally restricted cash, for the purpose of the funds see Note 7. The Corporation holds these funds in short-term investments that can be readily converted into cash as needed by the Corporation. The balances at the end of the year are as follows:

	2023	2022
Contingency - PEAC	\$ 140,990	\$ 104,364
Contingency - OTA & PTA EAP	210,690	189,616
	\$ 351,680	\$ 293,980

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Furniture and fixtures	\$ 806	\$ 698	\$ 108	\$ 135
Web page and logo	559	523	36	45
	\$ 1,365	\$ 1,221	\$ 144	\$ 180

5. INTANGIBLE ASSET

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Website development	\$ 17,089	\$ 10,254	\$ 6,835	\$ 10,252

6. DEFERRED REVENUE

Deferred revenue is comprised of amounts received by the Corporation for program fees for the upcoming fiscal year that were received before the year end. The Corporation received \$60,032 in the current year (2022 - \$Nil).

PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA
Notes to Financial Statements
Year Ended December 31, 2023

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:

	2023	2022
Beginning balance	\$ 104,364	\$ 119,860
Transfers	34,000	-
Interest	2,626	2,755
Unrealized loss on marketable securities	-	(18,251)
	140,990	104,364

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

Changes in the contingency fund are as follows:

	2023	2022
Retained Earnings	189,616	217,769
Transfers	17,000	-
Interest	4,074	5,007
Unrealized loss on marketable securities	-	(33,160)
	210,690	189,616
Grand total	\$ 351,680	\$ 293,980

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 \$131,149 (2022 - \$107,856), and the program manager charged and received \$75,527 (2022 - \$76,244) for services provided to the Corporation. Included in accounts payable is \$7,341 owed to the program manager (2022 - \$25,888 to the executive director).

9. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA
Physiotherapy Accreditation (Schedule 1)
Year Ended December 31, 2023

	2023	2022
RECEIPTS		
Accreditation fees	\$ 163,449	\$ 156,017
Interest	2,626	2,756
Unrealized loss on marketable securities	-	(18,251)
	166,075	140,522
DISBURSEMENTS		
Accreditation review	22,153	10,280
Administration fees	29,421	23,422
Administration support	20,305	14,562
Amortization	3,431	3,435
Bank charges and interest	155	158
Document translation	9,002	234
Executive director fees	45,632	46,592
Governance	15,429	13,270
Licenses, dues and fees	550	-
Office	3,041	1,634
Professional development	765	1,096
Program manager fees	-	6,177
Special Projects	18,025	19,000
Telecommunication	1,384	1,193
Travel	735	-
	170,028	141,053
DEFICIENCY OF RECEIPTS OVER DISBURSEMENTS	\$ (3,953)	\$ (531)

PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA
Occupational Therapy Assistant and Physiotherapist Assistant Education Accreditation
(OTA PTA) (Schedule 2)
Year Ended December 31, 2023

	2023	2022
RECEIPTS		
Accreditation Fees	\$ 220,531	\$ 200,150
Interest	4,074	5,008
Unrealized loss on marketable securities	-	(33,160)
	224,605	171,998
DISBURSEMENTS		
Accreditation review	9,414	6,556
Administration fees	50,722	40,030
Administration support	28,375	25,063
Amortization	22	28
Bank charges and interest	159	159
Document translation	4,242	2,871
Executive director fees	-	464
Governance	20,275	18,310
Licenses, dues and fees	550	-
Office	1,769	797
Professional development	290	200
Program manager fees	67,786	67,265
Special projects	17,995	2,997
Telecommunications	1,486	1,406
Travel	1,148	-
	204,233	166,146
EXCESS OF RECEIPTS OVER DISBURSEMENTS	\$ 20,372	\$ 5,852

PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA
Social Justice Project (Schedule 3)
Year Ended December 31, 2023

	2023	2022
RECEIPTS		
Project revenue	\$ 31,350	\$ 42,000
Administrative Fee	18,025	19,000
	49,375	61,000
DISBURSEMENTS		
Administration support	4,896	4,318
Document translation	4,956	-
Executive director fees	14,024	6,670
Professional fees	45,944	22,900
Program manager fees	392	-
	70,212	33,888
(DEFICIENCY) EXCESS OF RECEIPTS OVER DISBURSEMENTS	\$ (20,837)	\$ 27,112

PHYSIOTHERAPY EDUCATION ACCREDITATION CANADA
Administration (Schedule 4)
Year Ended December 31, 2023

	2023	2022
RECEIPTS		
Administrative fee	\$ 69,116	\$ 53,444
Interest	1,469	-
	70,585	53,444
DISBURSEMENTS		
Administration support	4,185	3,735
Bank charges and interest	159	379
Document translation	197	-
Executive director fees	56,226	47,763
Governance	-	(657)
Insurance	5,424	4,902
Licenses, dues and fees	12	12
Office	1,733	1,655
Professional fees	12,360	11,783
Telecommunication	347	247
Travel	3,270	-
	83,913	69,819
DEFICIENCY OF RECEIPTS OVER DISBURSEMENTS	\$ (13,328)	\$ (16,375)