



College of Physical Therapists of Alberta

Protecting Albertans through effective regulation and leadership



COLLEGE OF
PHYSICAL THERAPISTS
OF ALBERTA

Annual Report | 2007

Mission

Protect the public through ensuring competence in physical therapy practice and effective representation.

Vision

The College of Physical Therapists of Alberta will be recognized as an essential player in health care policy and regulation.

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Annual General Meeting 2008

be heard | get involved

The College's 2008 AGM will take place Friday, April 18, 2008 at the Edmonton Crowne Plaza, Salon B from 7:00 – 9:00 pm. All members are encouraged to attend. It's a great opportunity to get involved and directly impact your profession.

Please contact the College to confirm your attendance.

T (780) 438.0338 | F (780) 436.1908 | TF 1.800.291.2782 | cpta@cpta.ab.ca

The College of Physical Therapists of Alberta

an introduction

The College of Physical Therapists of Alberta protects and serves Albertans by regulating, leading and supporting physical therapists to help ensure competent, ethical and quality physical therapy practice. Our core business is licensing, regulation, setting standards, and practitioner competence and conduct.

We are a non-profit, self-governing legislative body who protects patients and the public by:

- Licensing only qualified and competent physical therapists.
- Setting, encouraging and enforcing practice and professional standards, and a code of ethics.
- Accepting, addressing and investigating public concerns and disciplining members.
- Supporting member understanding and fulfillment of their regulatory responsibilities.

While we cannot mandate or regulate perfection, we strive for and are committed to excellence in physical therapy practice through effective and fair regulation, leadership, accountability, accessibility, transparency, and enforcement.

Governance

The College's governing board, which we call a Council, is comprised of eight physical therapists elected by their peers and a public member appointed by the provincial government. Our public member's role is crucial—providing valuable and insightful public input and perspective into the College's policy and legislative decisions.

We also have two University of Alberta physical therapy students who attend Council meetings as non-voting mem-

bers. They provide the perspective and feedback of future physical therapists and regulated members.

Council is supported in its regulatory and legislative duties by committees including: competence, registration and discipline. These committees are comprised of regulated members who volunteer their time and expertise. The discipline committee also includes a public member appointed by the province.

The College's daily operations, regulatory and administrative functions are managed by the Registrar, with support from a small office team.

Privilege of self-governance

The College governs in a manner that respects the privilege of self-governance. We are diligent, accessible, responsive, and accountable, and firmly committed to competent, ethical and quality physical therapy practice in the best interests of patients and Albertans.

Registration and licensing

We currently regulate over 2,200 Alberta physical therapists. Only those registered and licensed by the College can legally use the title physical therapist.

To obtain a license to practice, applicants must meet rigorous education and entry to practice requirements and pass a national exam. Members must then maintain that license by practicing within

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the College's practice standards and code of ethics. Members are expected to pursue professional development and must renew their license annually.

The College supports members in meeting their regulatory responsibilities through practice standards, competency requirements, a code of ethics, practice advice, and member communication.

Advocacy

We advocate for, support and encourage excellence in physical therapy practice on behalf of Albertans. This includes encouraging the evolution and advancement of physical therapy regulation and practice to meet the needs of Albertans and the provincial healthcare system.

We provide recommendations and advice on physical therapy regulation and competencies, and are always ready to participate in the development of healthcare policy and regulation. We also work with government, insurers, employers, educators, and physical therapists on important issues related to physical therapy, Alberta's healthcare system and the health of Albertans.

Alberta's regulated physical therapists...

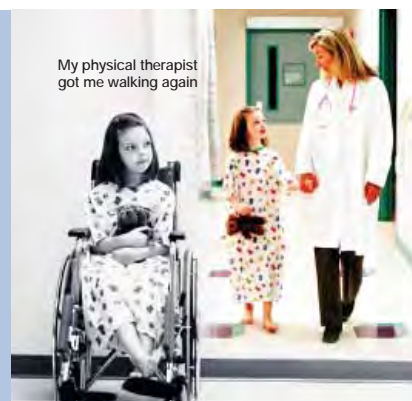
Are highly skilled, university educated health professionals who are leaders in physical function and mobility, physical rehabilitation, therapeutic exercise, pain management and injury prevention. They:

- Help restore and improve optimal physical function, strength and mobility affected by injury, disease or disability.
- Assess and diagnose and treat physical dysfunction to help patients maintain and restore optimal physical function and mobility.
- Contribute to health promotion and disease prevention.
- Get people moving again.

Physical therapy involves various treatments including therapeutic

exercise, acupuncture, chronic pain management and wound care. Physical therapists work in diverse public (e.g., hospital and community health care centres) and private settings (e.g., private clinics). They often work in conjunction with other rehabilitation providers such as occupational therapists, doctors and nurses to better meet patient needs and achieve better quality patient care.

In short, physical therapists are body mechanic and physical rehabilitation leaders who help get Albertans 'back on their feet,' improve their physical function and mobility, reduce pain, gain greater control of their situation and prevent future injury. In so doing, they help Albertans stay active and independent, at work, and out of hospitals and long-term care facilities.



Physical therapy is
a valuable, essential and direct access primary healthcare service which helps improve physical function and mobility in patients with musculoskeletal, neuromuscular, cardio-respiratory, and oncologic conditions.

President's message



On behalf of Council, I am pleased to present the College's 2007 annual report. As always, the College's work focused on our primary business of regulating Alberta physical therapists in the public interest. While we continued to support and guide member understanding and fulfilment of their regulatory obligations, we also

began implementing our 2007-2010 strategic plan—our vision and roadmap for the next few years.

While the plan supports and reinforces our core public protection role, it also introduces new strategic priorities including building stakeholder awareness, forging new and strengthening existing collaborative relationships, and becoming a valued contributor to provincial healthcare policy development and evolution. The plan seemed ambitious at the time of development, but after the first year we are well on our way to achieving our goals.

Our strategic goals

Our 2007-2010 plan identifies four key strategic priorities:

1. **Stakeholders recognize and understand the College's essential protection role.** To facilitate this we've developed a comprehensive communication plan to help reach members and other stakeholders in new ways. The plan also ensures accountability by communicating what we do and progress made. Last year also included numerous activities that both supported and profiled the College's commitment to public protection, including:
 - **Supporting a critical public safety/protection issue—infection control,** which is a major concern and priority for many of our stakeholders, including the public, Alberta Health and Wellness, and the nine regional health authorities. The College's infection control commitment took the form of an infection control position statement along with member information, communication, and guidance.
 - **Spinal manipulation competency profile re-evaluation.** Our existing profile was reviewed and re-validated through a national review process involving content experts from across Canada.
 - **Health Professions Act (HPA)**—we continued to work closely with Alberta Health and Wellness in preparation for proclamation under the HPA, which should occur in 2008.

2. **The College is the authority for defining and evaluating physical therapy competency.** To achieve this, we must have current and defensible competency documents and evaluation processes. The College implemented an extensive review of our current competency program, resulting in several recommendations all of which were approved by Council. Our next step is to enhance our program's structure, content and processes to ensure we have a 'best in class' competency program.

From a policy perspective, Council will review administrative issues like 'rostering' to ensure the public interest is met and that appropriate credentialing and competence assessment processes are in place.

3. **We are recognized as a public protection advocate.** The publics' and the professions' interests are not mutually exclusive. As a result, the College seized various opportunities—like those illustrated under goal number one—to collaborate with stakeholders to enhance and promote public protection.
4. **We will have a dynamic infrastructure to advance and support our strategic directions.** Building capacity within the profession is critical for leadership of the profession. This means we need a strategic Council committed to advancing the College's mission and vision, and leveraging resources to achieve those goals. It also means we need the expertise, talent and motivation of individual Alberta physical therapists, in the form of Council and committee members, to help shape our profession's future.

Additional activities undertaken last year to support and advance our strategic directions include:

- New visual image for the College—a dynamic and modern new logo and vibrant colour scheme was developed and is being unveiled in this report.
- Revamped bookkeeping processes.
- Inaugural Alberta physical therapy conference (in partnership with the University of Alberta's Physical Therapy Department and the Alberta Physiotherapy Association). Attendees and organizers described the conference as a huge success and look forward to this new annual event.

Acknowledgement and thanks

The ability to manage the College's business and accomplish its goals rests primarily on two key teams:

1. **The Council** - representing members of the profession and the public; a committed team of men and women and,
2. **Our College office team** - who work diligently to implement Council's direction and the College's strategic plan.

Together these two teams strive to ensure the public interest is protected and members are supported. Their commitment to excellence is inspiring and I thank them profusely.

I also extend my thanks to members who volunteer their time on College committees and workgroups. Your contributions have helped build and shape both the College and the profession, and are very much appreciated. Our new tag line says it all: **'protecting Albertans through effective regulation and leadership.'**

Continued success in:

- self-regulation
- serving and protecting Albertans and

- the evolution of physical therapy

requires participation, commitment and accountability. Not only from Council and College staff, but also from physical therapists, as individual practitioners and as a profession. I therefore encourage all members to get involved in College activities and help build the profession's future.

Thank you for this opportunity and I look forward to another productive and rewarding year in 2008.



Current council (left to right)
 Back: Grant Fedoruk, Rochelle Graham, Simon Cooke (president), Sarah Kerlake, Harry Davis (public member)
 Front: Erica Bowen, Karin Eldred, Gwen Harris

Simon Cooke,
 President, College of Physical Therapists of Alberta

Council and committees

Council

- Simon Cooke, president
- Erica Bowen, vice-president
- Sarah Kerlake, secretary treasurer
- Karin Eldred
- Grant Fedoruk
- Rochelle Graham
- Gwen Harris
- Shaela Doig (replaced by Mara Shular)
- Harry Davis, public member
- Karen Budnick, student member
- Simone Godbout, student member

Practice Review Board

- Kevin Van Es, chair
- Gwen Harris
- Jan Hodge
- Bronwyn Lasair
- Dave Rode, public member

Competence

- Jennifer Dunn, chair
- Barbara Byrne
- Heather Toporowski
- Elizabeth Good
- Berni Martin
- Barbara Norton
- Matthew Vyse
- Jennifer Horne
- Kathy Hanrahan
- Erica Bowen, council representative

Registration

- Sarah Kerlake, chair
- David Jones
- Jennifer Dunn
- Jackie Morissette
- Melanie Harris
- Nicola Sadorra
- Gwen Harris, council representative
- Teresa Waser, student representative

Discipline

- Johanna Kwakernaak, chair
- Brenda Bissell
- Mark Hall
- Leanne Loranger
- David Magee
- Melissa Merritt
- Julie Moylan
- Jo-Anne Ogle
- Bob Sydenham
- David van Driesum
- Diane Zayac
- Marlene Smitheram
- Greg Hoffman, public member

Recruitment and retention

- Mara Shular, chair
- Karin Eldred
- Sharla Butler
- Kevin Van Es

Year in review

highlights from the past year

Promoting competent practice and public safety

The College undertook numerous activities to support and promote competent practice and help members fulfil their regulatory, professional and ethical responsibilities. These included:

- **Member tools and resources** including College Callings (the College's newsletter), practice advice articles, an infection control and protection position statement, Therapeutic Relationships Guide, and a Guide to Managing Challenging Situations.
- **Comprehensive review and re-validation of the College's continuing competency program** in preparation for our transition to the HPA.
- **Spinal manipulation competency profile re-validation** with national content experts and focus group participants. The profile (modeled after the Essential Competency Profile for Physiotherapists in Canada) will be published in 2008.
- **Primary healthcare toolkit** developed for members interested in pursuing primary care network opportunities.

Raising stakeholder awareness.

In fall 2007, the College launched several communication initiatives designed to help raise stakeholder awareness and understanding about who we are, what we do, and how we benefit and serve Albertans and their health care system. These initiatives included:

- **A comprehensive communication plan**—a roadmap for the College

and Council. The plan includes communication strategies, key messages and activities, to help deliver on our stakeholder awareness goals.

- **Member communication survey.** The College surveyed members to better understand their perception of the College, its role and responsibilities, activities and past member communication efforts.

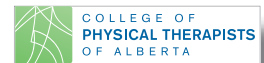
Essentially respondents told us we were doing a good job. The two areas ranked highest in member satisfaction were College newsletter and license renewal. While respondents are happy with the job we are doing, they did express a desire for more communication around College initiatives and strategic goals—we plan to include more information about these areas in future newsletters and other member communications.

While respondents clearly understood the College's regulatory and public protection role, survey responses showed that there is still confusion regarding advocacy, marketing and public relations on behalf of the profession. Many associated this as a College responsibility instead of the Association's.

- **Re-brand**—a strong and striking visual identity (or brand) helps attract attention and establish a strong and defined presence. It's half the battle when trying to create stakeholder recognition and awareness. Therefore the College felt it was time to update and refresh our visual presence and began work with a local design firm, (experienced in healthcare

branding) to design a new visual identity for the College.

We are pleased to unveil



our new look in this annual report. The new logo and colour scheme will be rolled out to our newsletter and then our website followed by a phased in implementation across all other College documents and communications.

- **Journal/Herald ad.** The College identified a special advertising opportunity late last year—a publication to celebrate the University of Alberta's centenary. This was an excellent opportunity to publicly acknowledge, celebrate and thank the Faculty of Rehabilitation Medicine and the University for their contribution to physical therapy education training and research. While at the same time, begin building awareness and recognition of the College among our various stakeholder groups.

The magazine was distributed in late January 2008 via the Calgary Herald, Edmonton Journal, and National Post. Its 410,000 copies are expected to reach over one million readers* (*NDAbank 2007).



Partnership/external stakeholder activities

The College participated in a variety of initiatives/activities with our many external partners and stakeholders, including:

- **Rehabilitation workforce planning** with a newly formed task force (composed of various stakeholders) whose purpose is to develop a strategic plan around workforce planning. Stakeholders include, but are not limited to, regional health authorities, the faculty of rehabilitation medicine, rehabilitation colleges and professional associations, the therapist assistant's association and provincial government representatives.

The task force's first step was to complete an environmental scan documenting current and future planning activities. The scan provides a comprehensive overview of workforce planning initiatives to date. The task force also initiated a project to document the supply of rehabilitation providers on a continuing basis. The first report will be completed and available in 2008.

- **National model of practice forum** hosted by the National Physiotherapy Advisory Group (NPAG). The forum's objective was to further discuss the development of a model of practice for physical therapy that incorporates advanced practice and supports the profession's evolution. NPAG will continue to work on the model for discussion with a broader group of stakeholders.
- **Canadian Alliance of Physiotherapy Regulators (the Alliance)**. Much of the Alliance's 2007 work focused on implementing a new

governance structure, reviewing its credentialing standards and Mutual Recognition Agreement (used by regulators to facilitate inter-provincial mobility of physical therapists). New credentialing standards were approved for January 2008 and are posted on www.alliancept.org.

- **Workers' Compensation Board (WCB)**. As a member of the WCB Physical Therapy Advisory Committee (formed following contract discussions in late 2006) our work last year focused on strategic planning, providing advice on future physical therapy contracts and preparing for an education session scheduled for April 2008.
- **Joint talks with the Alberta Physiotherapy Association (APA)**. While the College and Association's mandates differ (APA is a member services organization and is responsible for promoting/marketing the profession), both organizations share some mutual goals, issues and concerns. Our joint discussions included WCB-related issues and whether to merge the College and Association into one body, or remain two separate and distinct organizations. The latter discussion was prompted by member feedback at last year's AGM. While no 'merger' decision was reached, the need for further exploration and detailed discussion was identified.
- **Federation of Regulated Health Professions**. A group of 29 Alberta health professions who collaborate on and discuss issues of common interest related to provincial health regulation. In 2007, the Federation continued

its work towards a more formal governance model and establishing a 'visual' presence for the organization. Federation members also prepared a response to the province's Bill 41 (amendments to the HPA), and established a new working group to address issues related to substantial equivalence which is a mechanism of registration under the HPA.

Complaints and discipline 2007

October 1, 2006 - September 31, 2007

Complaints received:	
Written	8
Verbal	29
Nature of complaints:	
Professional misconduct (one billing and two communication related)	3
Unskilled practice	5
Hearings held	
Discipline	3
Appeal	4

Public member's report

Harry Davis, public member

It is an honour and a privilege to serve my fellow Albertans in my role as public member for the College of Physical Therapists of Alberta. I believe the public member role is vital as I am entrusted by the province on behalf of Albertans, to:

- Represent the public's interest and perspective.
- Provide public perspective and input into the College's regulatory and policy decisions.
- Ensure Albertans interests are represented and protected.

I was involved in many diverse projects last year, one of the largest and most critical being a complete review and evaluation of the College's continuing competence program. The evaluation was conducted in preparation for physical therapy's proclamation under Alberta's HPA. The College wanted to ensure its program was robust, comprehensive and reflected the competencies required in today's physiotherapy practice.

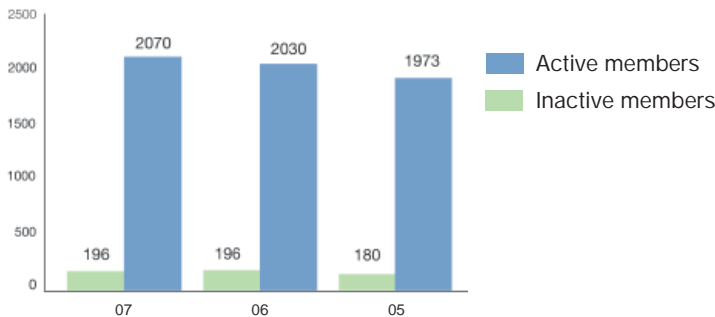
The Registrar and I also worked with the Canadian Alliance of Physiotherapy Regulators (the Alliance) to implement a new governance structure and enhance credentialing services. The Alliance develops and enhances physical therapy regulatory standards, and is the national certification and credentialing body for applicants wanting to register and practice as physical therapists in Canada.

Since joining the College as their public member, I have had the pleasure of working with a committed group of elected representatives and a dedicated and supportive office team. Both the College and Council have been openly welcoming to the public perspective and involvement I bring. I remain impressed with the dedication, leadership and professional commitment exhibited by Council and College committee members who serve Albertans and the profession within a regulatory framework.

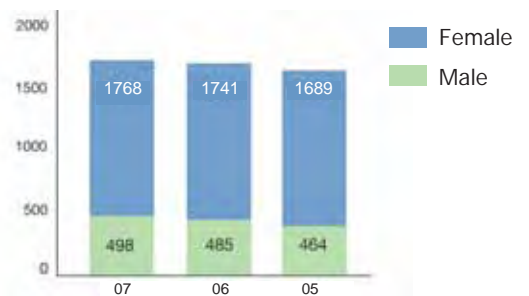
Thank you for the opportunity to continue to serve.

Membership statistics

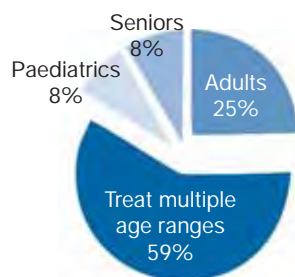
Number of registered members



Registered members by gender



Patients by age range



New member profile

	2007	% of new registrants
Educated in Alberta	53	39%
Educated in other provinces	47	35%
Internationally educated	17	12%
Re-registrants (i.e., previous members)	19	14%
Total new members	136	
Non renewals/registrations	96	

Primary practice area of physical therapists working in direct patient care

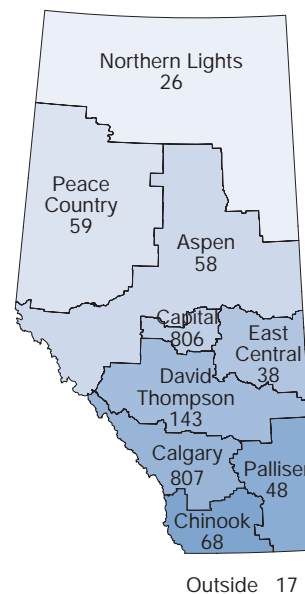
	2007	2006	2005
Amputations	6	6	6
Burns/wound management	7	7	7
Cardiology	10	12	13
Consultant	5	NC	NC
Critical care	4	NC	NC
Ergonomics	1	NC	NC
General practice	834	692	615
Gerontology	NC	104	102
Health promotion and wellness	5	7	9
Mental Health	NC	1	2
Neurology	132	128	137
Obstetrics/gynecology	NC	9	6
Oncology	3	NC	NC
Orthopaedics	640	687	766
Palliative care	8	8	8
Perineal	5	NC	NC
Plastics	16	16	23
Psychiatry	NC	1	2
Respirology	17	20	22
Rheumatology	6	8	9
Sports medicine	13	14	19
Vestibular rehabilitation	4	NC	NC
Other areas	12	NC	NC

Note: NC fields contain data not previously or no longer collected.

Physical therapists by primary role

	2007	2006	2005
Patient care	1728	1720	1745
Administration	99	84	76
Teaching	16	12	10
Research	11	11	12
Consulting	54	49	38
Unknown	162	154	92

Practising members by health region



Physical therapists by practice setting

	2007	2006	2005
Assisted living residence	1	NC	NC
Association/government	150	56	19
Community health centre	48	46	37
General hospital	559	529	541
Group practice/clinic	18	NC	NC
Home care program	NC	83	84
Industry/manufacturing/commercial	5	5	2
Long term care	NC	108	103
Mental health facility	12	10	12
Paediatric hospital/facility	NC	61	50
Post secondary education/institution	34	36	22
Rehabilitation hospital/facility	81	97	99
Residential care facility	100	NC	NC
School or school board	49	48	47
Solo professional practice	713	709	770
Visiting agency/business	82	NC	NC
Other	56	32	46
Unknown	NC	165	89
WCB	NC	45	52

Note: NC fields contain data not previously or no longer collected.

Auditors' Report

To members of the College of Physical Therapists of Alberta

We have audited the statement of financial position of the College of Physical Therapists of Alberta as at September 30, 2007 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 an 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 September 30, 2007, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Kouri-Berezan-Heinrichs
Chartered Accountants


November 23, 2007
Edmonton, Alberta

Statement of financial position September 30, 2007

	2007	2006
Assets		
Current		
Cash	\$73,586	\$125,378
Short term investment (note 3, 4)	410,405	217,823
Accounts receivable	-	3,146
Prepaid expenses	5,893	7,515
	<u>489,884</u>	<u>353,862</u>
Restricted investments (note 3, 5)	923,380	843,793
Equipment/leasehold improvements (note 6)	57,090	61,116
	<u>\$1,470,354</u>	<u>\$1,258,771</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$77,024	\$83,673
Current portion of retiring allowances (note 7)	10,964	10,750
Deferred revenue	258,037	213,366
	<u>346,025</u>	<u>307,789</u>
Retiring allowances (note 7)	-	10,750
	<u>346,025</u>	<u>318,539</u>
Net assets		
Net assets internally restricted for membership reserve (note 8)	878,773	843,793
Cumulative net unrealized gains/losses on available for sale investments	44,607	-
Net assets invested in equipment and leasehold improvements	57,090	61,116
Unrestricted assets	143,859	35,323
	<u>1,124,329</u>	<u>940,232</u>
	<u>\$1,470,354</u>	<u>\$1,258,771</u>

Lease commitments (note 9)

Approved by Council:

President  PT

Secretary-Treasurer 

Statement of operations
Year ended September 30, 2007

	2007	2006
Revenue		
Membership fees (schedule 1)	\$ 993,914	\$ 860,637
Other revenue (schedule 2)	76,001	53,600
	<u>1,069,915</u>	<u>914,237</u>
Member services expenses		
Alliance	34,127	36,461
Amortization	17,404	17,968
Annual general meeting	4,221	3,003
Bank charges	28,685	18,410
Committees	1,679	1,561
Continuing competency	29,551	9,039
Council	25,274	24,751
Discipline hearings	52,422	35,336
Investigations	10,001	14,520
Professional fees	27,349	24,051
Special projects	88,117	62,146
	<u>318,830</u>	<u>247,246</u>
Income before operating expenses	<u>751,085</u>	<u>666,991</u>
Operating expenses		
Communication	44,719	40,471
Office support	26,684	21,912
Office supplies	10,588	8,434
Printing	36,256	36,206
Registrar's expenses	11,169	7,626
Rent	56,356	55,364
Salaries and benefits	425,823	411,066
	<u>611,595</u>	<u>581,079</u>
Excess of revenue over expenses	<u>\$ 139,490</u>	<u>\$ 85,912</u>

Statement of cash flows
Year ended September 30, 2007

	2007	2006
Operating activities		
Excess of revenue over expenses	\$ 139,490	\$ 85,912
Items not affecting cash:		
Amortization	17,404	17,968
Gain on disposal of equipment	-	(1,646)
	<u>156,894</u>	<u>102,234</u>
Changes in non-cash working capital:		
Accounts receivable	3,146	(3,146)
Accounts payable and accrued liabilities	(6,645)	34,878
Deferred revenue	44,671	8,638
Prepaid expenses	1,622	(4,854)
Retiring allowances	(10,536)	(17,094)
	<u>32,258</u>	<u>18,422</u>
Cash flow from operating activities	<u>189,152</u>	<u>120,656</u>
Investing activities		
Purchase of equipment	(13,378)	(38,483)
Proceeds on disposal of equipment	-	3,613
Proceeds on sale of short-term investments	-	19,548
Purchase of short-term investments	(192,582)	-
Proceeds on sale of restricted investments	185,876	168,500
Purchase of restricted investments	(221,397)	(284,762)
Cash flow used by investing activities	<u>(241,481)</u>	<u>(131,584)</u>
Decrease in cash flow	<u>(52,329)</u>	<u>(10,928)</u>
Cash - beginning of year	<u>127,017</u>	<u>137,945</u>
Cash - end of year	<u>\$ 74,688</u>	<u>\$ 127,017</u>
Cash consists of:		
Cash	\$ 73,586	\$ 125,378
Cash from restricted investments (note 5)	1,102	1,639
	<u>\$ 74,688</u>	<u>\$ 127,017</u>

Statement of changes in net assets Year ended September 30, 2007	Net assets internally restricted for member reserve	Net assets invested in equipment/ leasehold improvements	Unrestricted net assets	Accumulated unrealized gains/losses	2007 total	2006 total
Net assets at beginning of the year	\$ 843,793	\$ 61,116	\$ 35,323	-	\$ 940,232	\$ 854,320
Excess of revenue over (under) expenses	34,980	(17,404)	121,914	-	139,490	85,912
Investment in equipment and leasehold improvements	-	13,378	(13,378)	-	-	-
	<u>878,773</u>	<u>57,090</u>	<u>143,859</u>	<u>-</u>	<u>1,079,722</u>	<u>940,232</u>
Accumulated gains/losses included directly in the statement of changes in net assets						
Change in accounting policy (note 3)	-	-	-	21,426	21,426	-
Unrealized gains on available for sale financial assets arising during the year	-	-	-	23,181	23,181	-
	-	-	-	44,607	44,607	-
Net assets at end of year	<u>\$ 878,773</u>	<u>\$ 57,090</u>	<u>\$ 143,859</u>	<u>\$ 44,607</u>	<u>\$ 1,124,329</u>	<u>\$ 940,232</u>

Notes to financial statements

Year ended September 30, 2007

1. Purpose of organization

The College of Physical Therapists of Alberta was established pursuant to the Physical Therapy Profession Act of Alberta, A/R 298/95 and operates to regulate physical therapists in the province who are licensed under the Physical Therapy Profession Act. Operations are administered by a registrar and office staff and are governed by an elected council. Several standing, bi-annually appointed and ad-hoc committees carry out the College business activities and programs which include practice review, discipline, and continuing competence. The College is a not-for-profit organization for income tax purposes. No dividends may be paid or assets distributed to members of the College.

2. Summary of significant accounting policies

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 include providing for amortization of equipment and leasehold improvements. Actual results could differ from these estimates.

Short term investments

Short term investments are classified as available for sale and are recorded at market value.

Restricted investments

Restricted investments are classified as available for sale and are recorded at market value.

Equipment and leasehold improvements

Equipment and leasehold improvements are stated at cost less accumulated amortization. Equipment and leasehold improvements are amortized over their estimated useful lives at the following rates and methods:

- Computer equipment 30% declining balance method
- Furniture & fixtures 20% declining balance method
- Leasehold improvements 20% straight-line balance method

Revenue recognition

The College follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Membership fees are collected annually for the calendar year. Revenue is recognized monthly on a straight-line basis.

Deferred revenue represents membership fees for the period from October to December of this calendar year.

Investment income includes dividends, interest income and realized gains and losses. Unrealized gains and losses on available for sale financial assets are included directly in net assets until the asset is removed from the statement of financial position.

Contributed goods and services

The College records the fair market value of donated goods and services only in circumstances where the fair market value is reasonably determinable and where the goods and services would otherwise be purchased by the College.

3. Financial instruments

The College adopted fair value accounting for investments using the available for sale method effective October 1, 2006. Management believes the new accounting policy more appropriately depicts investment performance and provides more relevant information. The valuation basis as at September 30, 2006 is cost since generally accepted accounting principles preclude restatement of prior years when adopting market valuation of investments. The effect of this change resulted in an increase of net assets at October 1, 2006 of \$21,426.

For cash, accounts receivable, current portion of retiring allowances and accounts payable and accrued liabilities, the carrying amount of these financial instruments approximate their fair value due to their short term maturities. It is management's opinion that the College is not exposed to any significant interest, currency or credit risks arising from these financial instruments.

4. Short-term investment

	2007	2006
Scotia treasury bill fund (quoted market value: 2006 - \$217,823)	\$ 410,405	\$ 217,823

The Scotia treasury bill fund has a yield of approximately 3.6%

5. Restricted investments

	2007	2006
Cash	\$ 1,102	\$ 1,639
Government bonds including accrued interest (quoted market value: 2006 - \$373,880)	285,631	376,326
Guaranteed investment certificates and deposit note including accrued interest (quoted market value 2006: \$270,958)	382,718	270,958
Sovereign equity funds (quoted market value: 2006 \$220,257)	253,929	194,870
	\$ 923,380	\$ 843,793

The government bonds have effective yields of approximately 3.18% to 4.15% and mature between December, 2007 and December, 2008. The guaranteed investment certificates and deposit note bear interest at rates ranging from 3.75% to 4.42% and mature on dates from March, 2008 to October, 2010.

6. Equipment and leasehold improvements

	Cost	Accumulated amortization	2007 net book value	2006 net book value
Furniture and fixtures	\$ 128,298	\$ 91,442	\$ 36,856	\$46,070
Computer equipment	76,911	59,373	17,538	15,046
Leasehold improvements	16,740	14,044	2,696	-
	<u>\$ 221,949</u>	<u>\$ 164,859</u>	<u>\$ 57,090</u>	<u>\$ 61,116</u>

7. Retiring allowances

The College had a retirement policy that entitled staff members with a minimum of ten years of employment to one week of salary for each year of service. Effective October 1, 2005, this policy was terminated. The amount earned to the termination date for these employees will be paid out over the next year.

	2007	2006
Retiring allowances	\$ 10,964	\$ 21,500
Less current portion of retiring allowances	(10,964)	(10,750)
	<u>-</u>	<u>10,750</u>

8. Net assets restricted for membership reserve

By resolution of Council, the carrying value of the funds held in the restricted investment account (see note 5) should equal at least one year of operating costs. This account is a contingency fund to be used for unforeseen legal liabilities, discipline costs and other unanticipated expenses incurred during the operating year. Council approval is required for any utilization of the membership reserve net assets fund.

9. Lease Commitments

The College operates from leased premises under a long-term lease to August, 2011. The lease provides for annual rental payments of approximately \$54,609 which include a proportionate share of operating costs. The College is responsible for its share of any additional incremental operating costs.

The College has entered into an operating lease for an office photocopier to December, 2010. Annual payments on the operating lease are \$9,171.

Under the terms of a contract with Softworks Group Inc., the College is committed to payments of \$36,835 for the purchase of

licensing rights and professional services to configure, customize and implement the Alinity software application modules. The College is also committed to maintenance and hosting fees to December, 2007. Annual payments are \$9,860.

The College has a contract with Charis Management Consulting Inc. for consulting services. The College is committed to payments of \$11,240 which is required to be paid by December 2007.

The College also has a contract with Western Management Consultants to provide consulting services in identifying key economic indicators facing Albertans. The College is committed to payments totaling \$7,560 for these services.

10. Comparative figures

Certain of the 2006 figures, presented in these financial statements for comparative purposes have been reclassified to conform with the basis of presentation adopted in 2007.

Schedules to the financial statements

Year ended September 30, 2007

Membership fees (schedule 1)	2007	2006
Late fees	\$ 14,850	\$ 10,150
Physical therapists	957,891	822,947
Physical therapy corporations	15,174	14,920
Registered practitioners	5,999	12,620
	<u>\$ 993,914</u>	<u>\$ 860,637</u>

Other revenue (schedule 2)	2007	2006
Donations	\$ 14,000	\$ -
Gain on disposal of equipment	-	1,646
Grant revenue	-	12,000
Investment income, net of fees	61,752	39,884
Miscellaneous	249	70
	<u>\$ 76,001</u>	<u>\$ 53,600</u>

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