THORP & COMPANY
Chartered Professional Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Saskatchewan College Of Physical Therapists

At the request of Saskatchewan College Of Physical Therapists, we have audited the statement of financial position of Saskatchewan College Of Physical Therapists as at December 31, 2017 and the statements of operations and 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, 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.

Auditors' Responsibility

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 we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the College derives part of its revenue from various sources, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of receipts from these sources was limited to the amounts recorded in the records of the College. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses, and cash flows from operations for the years ended December 31, 2017 and 2016, and net assets as at January 1 and December 31 for both the 2017 and 2016 years.

INDEPENDENT AUDITORS' REPORT

Qualified Opinion

In our opinion, except for the effect of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Saskatchewan College Of Physical Therapists as at December 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Thorp + Company

Regina, Saskatchewan

March 21, 2018

Chartered Professional Accountants

THORP & COMPANY
Chartered Professional Accountants

SASKATCHEWAN COLLEGE OF PHYSICAL THERAPISTS
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017
(with comparative figures for 2016)

	2017	2016
ASSETS		
Current assets		
Cash	$ 155,667	$ 159,861
Temporary investments (Note 4)	558,420	473,080
Accounts receivable	2,832	2,239
Prepaid expenses	4,883	5,346
	721,802	640,526
Property and equipment (Note 5)	23,176	14,451
	$ 744,978	$ 654,977
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	$ 6,693	$ 6,265
Government remittances payable	4,004	-
	10,697	6,265
Net assets (Note 6)	734,281	648,712
	$ 744,978	$ 654,977

See accompanying notes

Approved on Behalf of the Board

_____ Director

_____ Director

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SASKATCHEWAN COLLEGE OF PHYSICAL THERAPISTS
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017
(with comparative figures for 2016)

	2017	2016
Revenue		
Memberships	$ 388,345	$ 370,895
Interest and sundry income	7,856	9,036
	396,201	379,931
Expenses		
Alliance fees	15,701	14,995
Amortization	4,736	4,806
Committee expenses, conferences and travel	47,972	53,347
Computer support and website	19,914	12,842
Honorariums	23,320	10,750
Insurance	3,260	3,204
Interest and bank charges	8,356	7,362
Licenses and dues	704	701
Office	11,296	11,466
Professional fees	8,656	18,105
Recruitment and relocation	-	1,784
Rent	17,180	15,020
Telephone	5,021	3,592
Wages and benefits	137,205	126,419
Loss on disposal of property and equipment	7,311	-
	310,632	284,393
Excess of revenues over expenses	85,569	95,538
Net assets, beginning of year	648,712	553,174
Net assets, end of year	$ 734,281	$ 648,712

See accompanying notes

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SASKATCHEWAN COLLEGE OF PHYSICAL THERAPISTS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017
(with comparative figures for 2016)

	2017	2016
Operating activities		
Excess of revenues over expenses	$ 85,569	$ 95,538
Items not involving an outlay of cash		
Amortization	4,736	4,806
Loss on disposal of property and equipment	7,311	-
	97,616	100,344
Net change in non-cash operating working capital balances (Note 11)	(81,038)	(29,318)
Cash provided by operating activities	16,578	71,026
Investing activities		
Purchase of property and equipment	(20,772)	(5,653)
Cash used in investing activities	(20,772)	(5,653)
Increase (decrease) in cash	(4,194)	65,373
Cash position, beginning of year	159,861	94,488
Cash position, end of year	$ 155,667	$ 159,861

See accompanying notes

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1. Purpose of the College

The College has been organized to protect the public through licensing, regulation and discipline of physical therapists in the province of Saskatchewan.

2. Summary of significant accounting policies

The financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Revenue recognition

Membership fees are recognized as revenue when received.

(b) Capital assets

Property and equipment are recorded at cost. Amortization is provided for on the straight-line basis at rates which are estimated to amortize the costs over the useful lives of the assets. The useful lives of the assets are estimated at the following annual rates:

Furniture and equipment	10 years
Computer equipment	3 years
Database software	10 years

(c) Financial instruments

Measurement

The College initially measures its financial assets and financial liabilities at fair value. The College subsequently measures all its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of these financial instruments are recognized in net income.

Financial assets measured at amortized cost on a straight-line basis include cash, temporary investments and accounts receivable.

Financial liabilities measured at amortized cost on a straight-line basis include the accounts payable and accrued liabilities.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income.

Transaction costs

The College's transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. The carrying amount of the financial instruments that will not be subsequently measured at fair value is adjusted for transaction costs directly attributable to the origination, issuance or assumption of these instruments.

2. Summary of significant accounting policies (continued...)

(d) Management estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts 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 current period. Significant estimates include those used when accounting for amortization. All estimates are reviewed periodically and adjustments are made to the statements of operations as appropriate in the year they become known.

3. Income tax status

The College is exempt from Canadian income tax as a not-for-profit organization.

4. Temporary investments

	2017	2016
RBC Investment Savings	$ 272,715	$ 300,375
2.30%, Canadian Western Trust, maturing October 29, 2020	72,706	72,706
2.36%, General Bank of Canada, maturing July 27, 2022	53,000	-
1.77%, Laurentian Bank, maturing March 12, 2018	33,333	33,333
1.86%, ICICI Bank Canada, maturing March 11, 2019	33,333	33,333
2.17%, Canadian Tire Bank, maturing March 10, 2021	33,333	33,333
1.42%, Equitable Bank, maturing July 27, 2018	20,000	-
1.95%, Equitable Bank, maturing July 29, 2019	20,000	-
2.10%, Homeequity Bank, maturing July 21, 2021	20,000	-
	$ 558,420	$ 473,080

5. Property and equipment

	Cost	Accumulated Amortization	2017 Net Book Value	2016 Net Book Value
Furniture and equipment	$ 8,150	4,205	3,945	$ 4,703
Computer equipment	18,888	17,234	1,654	2,436
Database software	19,530	1,953	17,577	7,312
	$ 46,568	23,392	23,176	$ 14,451

6. Net assets invested in capital assets

Net assets includes $23,176 (2016 - $14,451) relating to net assets invested in capital assets. The current year deficiency of revenues over expenses relating to capital assets consists of amortization and loss on disposal in the amount of $12,047 (2016 - $4,806). Purchase of capital asset during the year amounts to $20,772. There were no proceeds received on the disposal of capital assets during the year. The net book value of the disposals was $7,311.

7. Allocation of expenses

Costs incurred by the College for legal fees of $15,361 (2016 - $14,242) have been allocated to various committee expense accounts on a time incurred basis.

8. Commitment

The College is committed to the current property lease which commenced April, 2016, will require monthly payments of $948 for the first thirty months and $1,058 for the last thirty months plus occupancy costs estimated at $331 per month and utility costs estimated at $110 per month. The lease will expire March, 2021 with two options to renew of three years each. The aggregate commitment over the remaining term of the lease amounts to $60,462 and is payable as follows:

2018	$	17,001
2019		17,993
2020		17,993
2021		7,475
	$	60,462

9. Financial instruments

The College is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis provides a measure of the College's risk exposure at the balance sheet date.

(a) Liquidity risk

Liquidity risk is the risk that the College will not be able to meet a demand for cash or fund its obligations as they come due. The College meets its liquidity requirements by monitoring forecasts of cash flows from operations and investments and holds investments that can readily be converted into cash.

(b) Credit risk

Credit risk is the possibility that other parties may default on their financial obligations. At year-end, the maximum exposure of the College to credit risk in cash and investments was $714,087 (2016 - $632,941). The risk is minimized by ensuring these assets are invested in major financial institutions.

The maximum exposure of credit risk in accounts receivable is $2,832 (2016 - $2,239). This credit risk is minimized by limiting who credit is extended to. The accounts receivable consists of accrued interest receivable.

9. Financial instruments (continued...)

(c) Interest rate risk

Interest rate risk is the risk that the fair value of financial instruments will fluctuate because of changes in market interest rates. The College manages its exposure to the interest rate risk of its cash by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market rates of interest on cash do not have a significant impact on the College's operations. The primary objective of the College's investments is to ensure the security of principal amounts invested, provide a high degree of liquidity and achieve a satisfactory investment return.

Changes in risk

There have been no significant changes in the College's risk exposures from the prior year and no significant changes are expected for the subsequent year.

10. Capital management

The College's objective when managing capital is to enable the effective execution of its programs and provide support to its members. The objectives are considered in the budget process and in monitoring the actual revenue and expenses.

11. Net change in non-cash working capital balances

	2017	2016
Decrease (increase) in current assets:		
Temporary investments	$ (85,340)	$ (25,401)
Accounts receivable	(593)	(669)
Prepaid expenses	463	225
	(85,470)	(25,845)
Increase (decrease) in current liabilities:		
Accounts payable and accrued liabilities	428	(3,473)
Government remittances payable	4,004	-
	4,432	(3,473)
	$ (81,038)	$ (29,318)