

COTNS COLLEGE of OCCUPATIONAL
THERAPISTS of NOVA SCOTIA

ANNUAL REPORT

2018-2019

Photo credit: Jonathan Belbin

Front Page: Lighthouse at Peggy's Cove

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Page 3: Skyline Trail, Cape Breton Highlands National Park

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Back Cover: Cabot Trail, Cape Breton



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MISSION

To protect the public by ensuring and advancing safe, effective, and ethical occupational therapy practice.

VISION

Public trusts in quality occupational therapy for Nova Scotians.

VALUES

The College of Occupational Therapists of Nova Scotia is committed to demonstrating:

- *Accountability*: we are accountable to the public we serve
- *Respect*: we respect both public and professional perspectives
- *Trust*: we act with honesty and integrity
- *Collaboration*: we value the opinions of the public, registrants, and stakeholders
- *Fairness*: we demonstrate impartiality in decisions to ensure fairness to the public and registrants
- *Transparency*: we maintain an open and honest communication process
- *Leadership*: we proactively regulate the profession and demonstrate best practice in regulation



STRATEGIC PLAN

1. Enhancing Collaborative Relationships

- 1.1. Registrants are actively engaged in the College
- 1.2. The public is aware of the role of the College
- 1.3. College decision-making processes are open, transparent, and clear
- 1.4. Public is able to provide input to inform College decisions
- 1.5. The College identifies shared priorities with stakeholders

2. Pursuing Regulatory Excellence

- 2.1. Practice Standards and Guidelines support critical areas of practice
- 2.2. The College maintains an effective reporting and investigating process to address concerns with practice
- 2.3. The College measures performance of its regulatory programs for quality improvement
- 2.4. Committees are structured and supported to optimally administer regulatory programs
- 2.5. The College demonstrates best practice standards for good regulation
- 2.6. Pursue changes to the Occupational Therapists Act to enhance regulatory efficiency

3. Advancing Quality Practice by Occupational Therapists

- 3.1. Occupational therapists demonstrate competence through an integrative and comprehensive continuing competence program
- 3.2. The College supports practice by providing education to registrants to meet College standards
- 3.3. The College promotes quality improvement through education of best practice
- 3.4. Occupational therapy students are competent through education that reflect essential competencies to practice

BOARD CHAIR'S REPORT

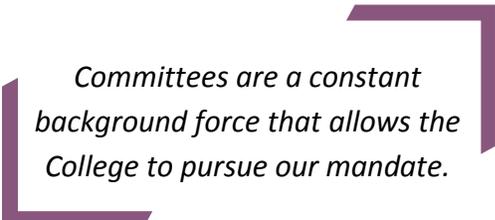
This was a year of transition for the College, as we said goodbye to our outgoing Registrar, Jonathan Belbin, and welcomed our new Registrar, Kevin Wong.

On behalf of the Board, I extend significant gratitude to our College employees. Our outgoing Registrar, Jonathan, continued to provide hours to the College during the transition period to ensure that the essential tasks of the Registrar position continued to be met; for this we are thankful. Kevin began the Registrar role in April and hit the ground running being involved in an appeal process and attending ACOTRO meetings to represent COTNS. Jenn has been an integral part in ensuring the day to day operations of the College are being met and also provided additional hours during the transition period to keep the office running efficiently. Thank you Kevin, Jonathan, and Jenn for your hard work and for making the transition between Registrars as smooth as possible.

The Board would also like to thank committee members who lend their time and expertise to meet the needs of the College. Committees are a constant background force that allows the College to pursue our mandate. The Continuing Competency Committee continues to spend significant time detailing our new Continuing Competency Program which ensures ongoing quality practice in Nova Scotia; the roll out of the first learning



module and quiz took place this spring. The Credentials Committee reviewed and made recommendations to existing policies and the Practice Committee released a Scope of Practice Guideline with corresponding education sessions.



Committees are a constant background force that allows the College to pursue our mandate.

I would also like to extend gratitude to my fellow Board members. Your active participation on the Board of Directors ensures the continuation of the self-regulation of our profession. This year we detailed and approved a new strategic plan which outlined our priorities over the next few years. These include enhancing collaborative relationships, pursuing

regulatory excellence, and advancing quality practice. In addition, the Board reviewed new regulations to coincide with our request for new legislation in the *Occupational Therapists Act*. Thank you for your many hours of document review and input which contributes to maintaining the values of the college.

Lastly, thank you to our members who have been exceedingly patient during the transition period over the last year, it is much appreciated. In addition, thank you for providing valuable feedback as we roll out learning modules in preparation for our new Continuing Competency Program.



Christine Bray, OT Reg. (NS)
Chair, Board of Directors



REGISTRAR'S REPORT

Reflecting on the work that has been completed in the past few years to strengthen the College as an organization, the College has looked to the future to better strengthen occupational therapy regulation in Nova Scotia. It is critical to the ongoing success of the College to ensure our vision and mission clearly articulates our mandate to protect the public interest as established in the *Occupational Therapists Act*. The Board has approved a new vision that describes our desired future state: that the public trusts that they will receive quality occupational therapy services in Nova Scotia. Through the College's regulatory programs, we can promote public trust in occupational therapy services by *ensuring* they receive safe, effective, and ethical care. All College activities must reflect this mission. A recent survey demonstrated that 82% of registrants either agreed or strongly agreed that all College activities reflect its mandate to protect the public. However, we must continue to strive to do better. Therefore, our mission is also to *advance* occupational therapy regulation. With this framework, the Board was able to approve a strategic plan that will focus the College over the coming years.

Our first strategic priority is to enhance our collaborative relationships with our registrants, stakeholders, and the public. Occupational therapy is a self-regulated profession in Canada. This requires the collective contribution of registrants to inform decisions consistent with our mission, vision, and values. Participation can be through

attendance of College activities, volunteering for a committee or working group, or serving on the Board of Directors. Without the dedicated commitment of committee and Board members, occupational therapy would not be able to continue as a self-regulated profession. Therefore, we must ensure registrants are actively engaged in their College. However, to be consistent with our mandate we must ensure that we serve the interests of the public and not the profession. It is vital then to not only inform the public of the purpose of the College, but to ensure that the public can provide valuable input to College decisions.



Participation can be through attendance of College activities, volunteering for a committee or working group, or serving on the Board of Directors.

Consistent with this priority, we aim to work collaboratively with our stakeholders provincially and nationally on shared matters. The College continues to contribute to the Nova Scotia Regulated Health Professions Network to improve regulation within our province. The College has also participated in the formation of the Nova Scotia Occupational Therapy Collective with representation from the College, the Nova Scotia Society of Occupational Therapists (NSSOT), Dalhousie School of Occupational Therapy, the Nova Scotia Health Authority (NSHA), and

the IWK Health Centre. The Collective was formed to address issues common within the profession and that affects multiple stakeholders. Nationally, we continue to work with the Association of Canadian Occupational Therapy Regulatory Organizations (ACOTRO) for consistent regulatory practices between provinces. To this end, we have signed a national memorandum of understanding regarding cross-jurisdictional practice and each province is working to implement this agreement within their jurisdiction.

Our second strategic priority is to continue to pursue regulatory excellence. Regulatory bodies are facing greater public scrutiny and pressure to demonstrate accountability by government. Globally, there is movement toward regulatory reform and regulatory audits. Within this context, the College must be able to demonstrate that our regulatory programs are achieving desired results consistent with best practice or standards for good regulation. In the coming years, the College will aim to ensure that practice standards and guidelines exist for critical areas of practice and there is a process to measure the performance of regulatory programs. Establishing practice standards and guidelines was a common theme in a recent survey when registrants were asked to identify the top 3 priorities for the College. While supporting practice, the College will ensure that concerns regarding registrants are addressed by broadening our reporting and investigation process. Working with our provincial and

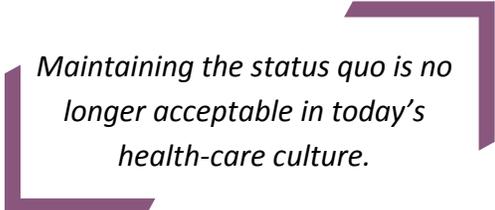
national regulatory partners, we will evaluate our current practices to ensure we meet standards for good regulation.

In the pursuit of excellence, we have submitted a request to government in fall 2018 for new legislation to address concerns with the current *Occupational Therapists Act*. These revisions will bring the College in line with current regulatory practices and strengthen professional regulation within Nova Scotia. New regulations for the proposed legislation have been drafted and are currently being reviewed by the Board.

Our final strategic priority is to advance the quality of practice of occupational therapists. Critical to the success of this priority is the on-going development of our Continuing Competence Program consistent with evidence-based and best practice. This was the most important initiative of the College identified by registrants. This will include developing annual learning modules, conducting the written competence assessment, and establishing an on-site professional performance assessment. Further information is included within this annual report of the great work being conducted on the Continuing Competence Program.

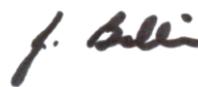
Consistent with this priority, the College will promote quality improvement through providing education and promoting best practice. Annual education sessions will be developed and made available to all

registrants through multiple formats. Finally, the College will ensure occupational therapy programs continue to prepare qualified applicants to enter practice as registered occupational therapists. A review of program accreditation will ensure programs meet essential regulatory requirements to protect the public.



Maintaining the status quo is no longer acceptable in today's health-care culture.

This new strategic plan charts our course through regulatory scrutiny to transparency, trust, accountability, and proactive leadership in regulation. Maintaining the status quo is no longer acceptable in today's health-care culture. We must envision better health-care for Nova Scotians and take bold and creative steps towards continuous improvement. This requires occupational therapists and health-care professions to dedicate their time, efforts, and expertise to contribute to their profession and the health-care system. Only together can we achieve these aspiring goals to deliver and demonstrate safe, effective, and ethical health-care for the public we serve.



Jonathan Belbin, OT Reg. (NS)
Outgoing Registrar

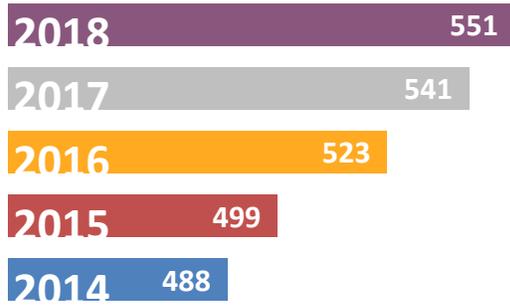
REGISTRATION

The Credentials Committee reviews applications for registration and establishes policies that govern registration. Over the past year, the Committee has reviewed and approved 54 applications for registration and licence. In addition, the Committee has completed a registration review, leading to an application for appeal to the Board. Learning from this experience, the Committee is making recommendations to strengthen our policies and registration process.

Over the past year, the College has completed its first fair registration review under the *Fair Registration Practices Act (FRPA)*. This Act requires the College to maintain registration practices that are transparent, objective, impartial, and procedurally fair. The College was found to be compliant with the Fair Registration Practices Code as outlined in the Act and has demonstrated many best practices for registration. As part of the process, a continuous improvement plan has been developed in collaboration with the FRPA review officer. The College has already taken steps to implement these changes and anticipates to have met our goals early in the 2019-2020 registration year.



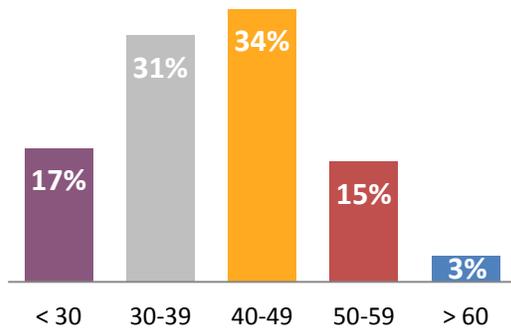
Number of Registrants



Registration Issued in 2018-2019

25	New Nova Scotia Educated
4	New Canadian Educated
0	International Educated OTs
16	Labour Mobility
6	Re-registrants
2	Re-entry
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53	TOTAL
39	Surrenders
2	Suspended
2	Expired

Age of OTs



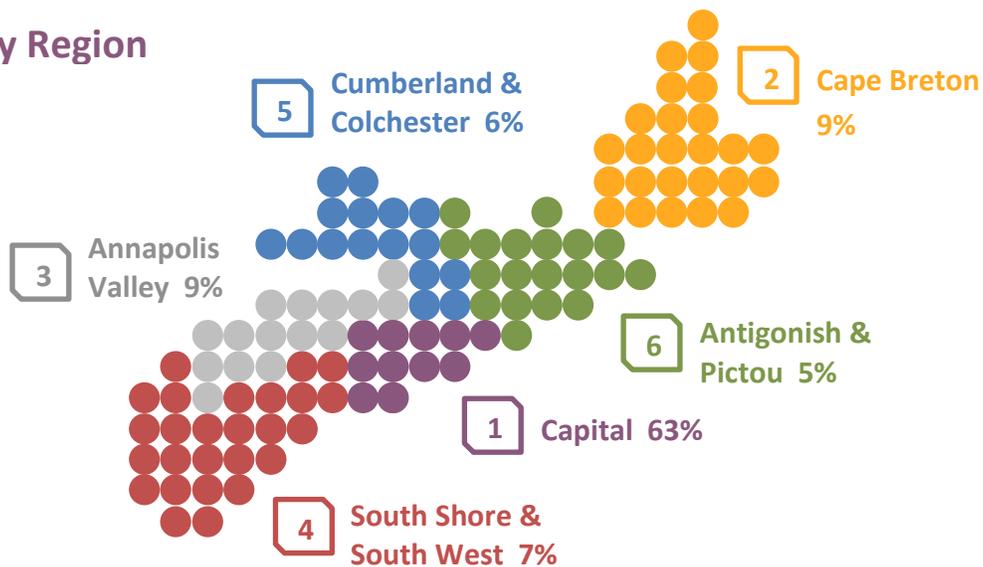
Gender



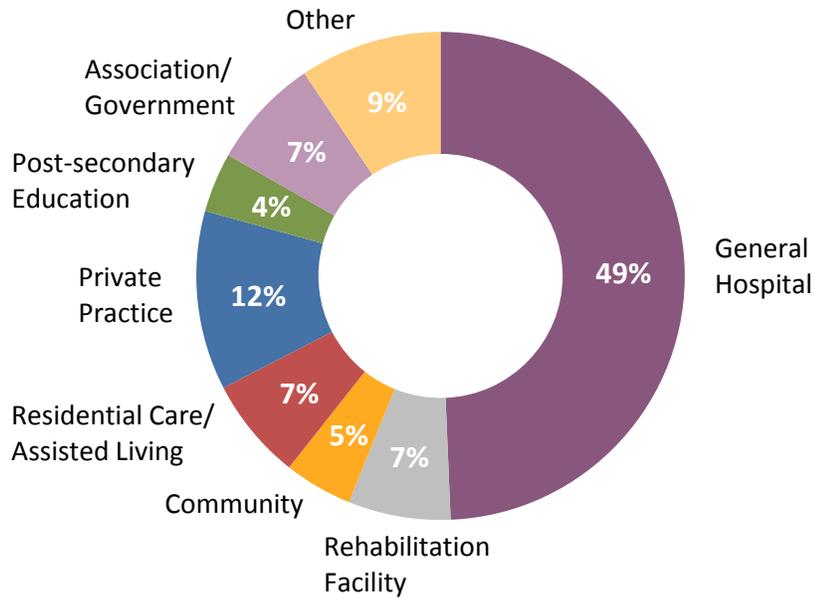
Occupational Therapy Education

76%	Nova Scotia	3%	Western Canada
17%	Ontario	0.5%	United States
3%	Quebec	0.5%	United Kingdom

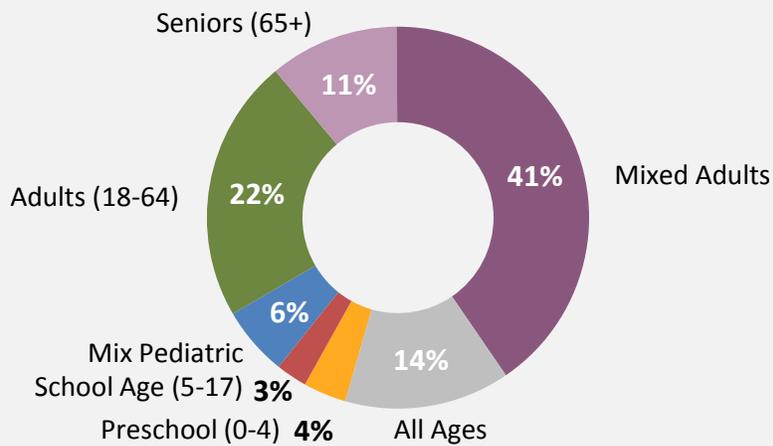
OTs by Region



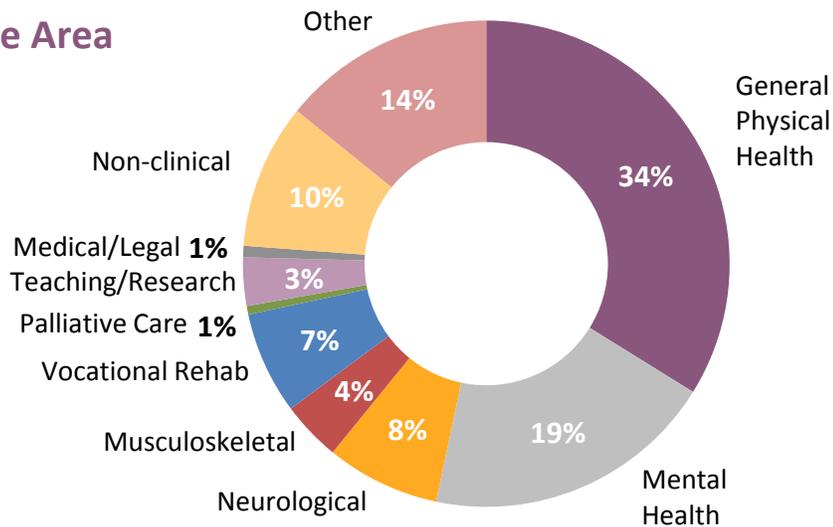
Practice Setting



Client Age



Practice Area



Continuing Competence

The Continuing Competence Committee is responsible for developing, implementing, maintaining, and evaluating a continuing competence program to ensure registrants have the knowledge, skills, judgements, and values to provide quality service to the public. While the current program consists of a self-administered professional portfolio, the restructured program will be based on the following framework:



The College released its first learning module, Ethics in Practice, in the fall. The College worked collaboratively with our database provider to develop a responsive e-learning platform to provide the modules to registrants. Included in the modules are short quizzes that are modeled after the written competence assessment; successfully passing the quiz ensures all registrants can demonstrate a minimal level of competence. Completion of the modules was a requirement for license renewal. The Learning Module Working Group has started development on the next module on documentation.

The Committee over the past year has reviewed current evidence in competence assessment to select the tools to be used in the on-site professional practice assessment. Tools reviewed included chart-stimulated recall, direct observation, multi-source feedback, and behavioural interviews. Chart-stimulated recall, which includes an interview based on a chart audit, can be applied in many practice settings and is



currently being used by regulatory bodies in Ontario and British Columbia. It has also demonstrated the ability to discriminate good and poor performers and correlates well with other measures of competence. However, chart-stimulated recall cannot assess technical skills. Direct observation has similarly demonstrated good correlation with other measures of competence and good accuracy and sensitivity to identify poor performance with behavioural anchors and assessor training. While direct observation can better assess technical skills over chart-stimulated recall, it may not be appropriate for all practice settings. Conversely, multisource feedback has failed to discriminate good and poor performance due to rater leniency and inflated scores. Interviews of clinical competence have generally demonstrated poor correlation of scores with performance or future capacity. Based on this review, the Committee decided to use a combination of chart-stimulated recall and direct observation, depending on the practice context of the registrant.

The Assessment Development Working Group continues to develop the items for the written competence assessment. Currently, 75% of the content has been drafted and is being reviewed to ensure they meet practice standards for assessments. The Committee has drafted the policies that will direct the written competence assessment and these will be reviewed by the Board. Registrants will be informed at least six months prior to the full administration of assessment.

PRACTICE STANDARDS

Under the *Occupational Therapists Act*, the College is required to establish, maintain, and develop standards of knowledge and skill among its registrants. The Board has delegated this function to the Practice Committee, which is responsible for developing practice standards and guidelines. Standards are issued by the College to ensure a minimum level of practice is maintained for occupational therapists in Nova Scotia. Although standards are prescriptive, occupational therapists are still expected to exercise professional judgment in their practice. In contrast, guidelines are issued by the College for the assistance of the professional. They represent guidance from the College on how members should practice. Guidelines are intended to support, not replace, the exercise of professional judgment by therapists in particular situations.

A recent complaint identified the need to develop a Managing Conflicts of Interest practice standard. In addition, the College has received many questions on this subject. Conflicts of interest may arise in many situations, such as working with known vendors, receiving gifts, providing public and private services, and when managing personal biases and beliefs. These pose a risk to the practice of registrants and may impact the care of clients. Identifying and preventing or managing these conflicts of interest is important to providing safe, effective, and ethical care. The Committee is finalizing a draft of this practice standard and registrant and stakeholder consultation is anticipated to occur over the summer.

Over the past year, the College has released a scope of practice guideline that more clearly articulates the College position and guides registrants in determining what is within their personal scope of practice. Education sessions were provided in person and online and a recording is available on the College's website. The College has also established a working group to address scope of practice specific to mental health. A position statement has been drafted and will be sent out for registrant and stakeholder consultation.

Common practice questions received this year:

1. Conflict of interest
2. Recording keeping
3. Scope of practice
4. Managing private practice



INVESTIGATIONS

To fulfill its mandate to protect the public, the College must investigate concerns raised about a registrant's conduct or competence. Under the *Occupational Therapists Act*, the Investigation Committee is responsible for assessing the complaint and gathering information during the course of an investigation. Upon completion of the investigation, the Committee may dismiss the complaint, refer the matter to a hearing, or take additional action under the *Occupational Therapists Act*, including issuing a caution or a counsel. The College has not received any new complaints this year and has not held a hearing since 2001.

To ensure fair, impartial, and objective decision-making during investigations, the Board has reviewed and modified its policies to be consistent with legal principles of investigation and procedural fairness.

Complaints Received

April 1 st – March 31 st	
2018-2019	0
2017-2018	7
2016-2017	0
2015-2016	3
2014-2015	1
TOTAL	11

Complaints Outcomes

Outcome	
Dismissed	8
Informal resolution	0
Caution	1
Counsel	2
Reprimand or remedial action by consent	0
Open	0

BOARD & COMMITTEES

Board of Directors

Christine Bray, Chair
Cherie Lewis, Vice-Chair
Phoebe Rai, Secretary, Public Member
Niki Kiepek, Treasurer
Myrna King
Gerry Johnson, Public Member
Sean Ponnambalam, Public Member

Credentials Committee

Christine Bray
Annette Fraser
Myrna King
Christine Marchessault
Scott Thieu

Continuing Competence Committee

Joanne Comeau, Chair
Dorothy Edem
Karen Landry
Diane MacKenzie
Karen Roberts-Small
Sue Street

Practice Committee

Karen Kendall, Chair
Sandy Cantwell-Kerr
Amanda Forward
Leslie Greencorn
Sheila Poulton
Angela Stairs
Nadine Wadden

Investigations Committee

Scott Thieu, Chair
Christine Marchessault
Allanna Jost
Pauline Cousins
Connie Morrissey, Public Member
Jim Stewart, Public Member

Staff

Jonathan Belbin, Outgoing Registrar
Kevin Wong, Incoming Registrar
Jenn MacKay-Myra, Administrative Manager



Auditor's Report

To the Members of:
College of Occupational Therapists of Nova Scotia

Opinion

We have audited the financial statements of **College of Occupational Therapists of Nova Scotia** ("the College"), which comprise the statement of financial position as at March 31, 2019 and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2019, and results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the College or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the College's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an

auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 College's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Dartmouth, Nova Scotia
June 12, 2019

Chartered Professional Accountants
Licensed Public Accountants

**COLLEGE OF OCCUPATIONAL THERAPISTS OF NOVA SCOTIA
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2019**

	2019	2018
	\$	\$
REVENUES		
Membership fees	256,150	251,100
Interest income	10,156	6,416
Administrative charges	3,882	4,075
	<u>270,188</u>	<u>261,591</u>
OPERATING EXPENSES		
Administration	23,410	26,461
Board and committees	13,765	13,071
Collaborative partnerships	5,515	4,440
Committee	759	-
Continuing competency	5,492	-
Occupancy	17,992	18,397
Professional fees	14,314	15,148
Public and member education	407	1,295
Salaries and wages	120,145	142,059
	<u>201,799</u>	<u>220,871</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>68,389</u>	<u>40,720</u>

**COLLEGE OF OCCUPATIONAL THERAPISTS OF NOVA SCOTIA
STATEMENT OF CHANGES IN NET ASSETS
AS AT MARCH 31, 2019**

	CONTINUING COMPETENCY FUND \$	HEARING FUND \$	SPECIAL PROJECTS FUND \$	UNRESTRICTED \$	Total 2019 \$	Total 2018 \$
Net Assets						
Balance, beginning of year	97,524	200,000	73,714	39,579	410,817	392,651
Excess (deficiency) of revenues over expenses	(12,285)	(21,479)	-	68,389	34,625	18,166
Interfund transfers	<u>5,000</u>	<u>-</u>	<u>14,580</u>	<u>(19,580)</u>		
Balance, end of year	<u>90,239</u>	<u>178,521</u>	<u>88,294</u>	<u>88,388</u>	<u>445,442</u>	<u>410,817</u>

**COLLEGE OF OCCUPATIONAL THERAPISTS OF NOVA SCOTIA
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2019**

	2019	2018
	\$	\$
ASSETS		
CURRENT		
Cash	97,358	154,339
Investments (Note 3)	178,774	162,227
Accounts receivable	461	-
Prepays	<u>4,156</u>	<u>4,071</u>
	280,749	320,637
INVESTMENTS (Note 3)	<u>192,822</u>	<u>107,738</u>
	<u>473,571</u>	<u>428,375</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 4)	26,779	17,558
Deferred Revenue	<u>1,350</u>	<u>-</u>
	<u>28,129</u>	<u>17,558</u>
NET ASSETS		
CONTINUING COMPETENCY FUND	90,239	97,524
HEARING FUND	178,521	200,000
SPECIAL PROJECTS FUND	88,294	73,714
UNRESTRICTED	<u>88,388</u>	<u>39,579</u>
	<u>445,442</u>	<u>410,817</u>
	<u>473,571</u>	<u>428,375</u>

**COLLEGE OF OCCUPATIONAL THERAPISTS OF NOVA SCOTIA
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 2019**

	2019	2018
	\$	\$
CASH PROVIDED BY (USED FOR):		
OPERATING		
Excess (deficiency) of revenues over expenses	68,389	40,720
Items affecting cash		
Payments from Continuing Competency Fund	(12,285)	(22,554)
Payments from Hearing Fund	(21,479)	-
	34,625	18,166
Changes in non-cash working capital items		
Accounts receivable	(461)	2,292
Prepays	(85)	(2,446)
Accounts payable and accrued liabilities	9,221	(19,567)
Deferred Revenue	1,350	-
	44,650	(1,555)
INVESTING		
Acquisition of investments	(266,276)	(65,897)
Proceedings on disposition of investments	164,645	122,572
	(101,631)	56,675
CHANGE IN CASH	(56,981)	55,120
CASH – beginning of year	154,339	99,219
CASH – end of year	97,358	154,339

**COLLEGE OF OCCUPATIONAL THERAPISTS OF NOVA SCOTIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019**

1. OPERATIONS

College of Occupational Therapists of Nova Scotia ("the College") is a governing body established by the provincial government to regulate the practice of Occupational Therapy in Nova Scotia in accordance with the Occupational Therapists Act. The College is a not-for-profit organization.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

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

Fund accounting

The Board has established several internally restricted funds which include the Continuing Competency Fund, Hearing Fund and Special Projects Fund.

Continuing Competency Fund

The purpose of the Continuing Competency Fund is to provide funds for specified education and learning activities for the members. A portion of net assets at year end is agreed upon by the board and allocated to this fund.

Hearing Fund

The purpose of the Hearing Fund is to provide funds for legal matters. A balance of \$200,000 is maintained for this fund. If the balance falls below the established minimum, a portion of net assets is transferred to the Hearing Fund at year end.

Special Projects Fund

The purpose of the Special Projects Fund is to provide funds for agreed upon projects necessary for the College. A portion of net assets at year end is agreed upon by the board and allocated to this fund.

Unrestricted Fund

The Unrestricted Fund is used for the College's day-to-day ongoing activities. Membership fees are collected annually and are unrestricted. This fund includes the assets, liabilities, revenues and expenses other than those related to the Continuing Competency Fund, Hearing Fund and Special Projects Fund.

**COLLEGE OF OCCUPATIONAL THERAPISTS OF NOVA SCOTIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2019**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash

Cash consists of cash on hand and bank balances held with a financial institution.

Revenue recognition

Revenues from membership fees and administrative charges are recorded when the services are rendered, the price is fixed or determinable and collection is reasonably assured. Revenues from investments are recognized as they are earned over time.

Income taxes

The College is a non-profit organization under Section 149.1 (1) of the Income Tax Act, and, as such, is exempt from income taxes. Accordingly, no provision has been made in the accounts for income taxes.

Financial instruments

Measurement of financial instruments

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 amortized cost, except for investments and cash, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include accounts receivable.

Financial assets measured at fair value include investments and cash.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and deferred revenue.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write down is recognized in the excess of revenues over expenses. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of reversal is recognized in the excess of revenues over expenses.

**COLLEGE OF OCCUPATIONAL THERAPISTS OF NOVA SCOTIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of estimates

The preparation of financial statements in accordance 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 and disclosure of contingencies at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for items and matters such as certain accrued liabilities. Actual results could differ from those estimates.

3. INVESTMENTS

Investments are purchased and held in accordance with policies specifying the quality of investments and limiting the amount of market risk exposure.

Fixed Income - held to maturity	Maturity Date	2019	2018
		\$	\$
Bank of Nova Scotia, 1.66%, GIC	May 30, 2019	78,589	77,306
Montreal Trust Company of Canada, 2.50%, GIC	Sep. 5, 2019	100,185	-
Scotia Mortgage Corporation, 2.48%, GIC	Jun. 13, 2020	105,778	-
Bank of Nova Scotia, 2.00%, GIC	Jul. 12, 2022	31,041	30,432
Scotia Mortgage Corporation, 3.00%, GIC	Jun. 5, 2023	56,003	-
Matured GIC's		<u>-</u>	<u>162,227</u>
		371,596	269,965
Less current portion		<u>178,774</u>	<u>162,227</u>
		<u>192,822</u>	<u>107,738</u>

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4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2019	2018
	\$	\$
Trade payables	17,674	6,941
Accrued liabilities	7,224	7,064
Government remittances	<u>1,881</u>	<u>3,553</u>
	<u><u>26,779</u></u>	<u><u>17,558</u></u>

5. SUBSEQUENT EVENT

Subsequent to year end, the Board approved the distribution of \$50,000 to the Hearing Fund and \$5387 to the Continuing Competency Fund.

6. FINANCIAL INSTRUMENTS

Risks and concentrations

The College is exposed to various risks through its financial instruments. The following analysis provides a measure of the College's risk exposure and concentrations at March 31, 2019.

It is management's opinion that the College is not exposed to significant interest or currency risk from its financial instruments. The risks arising on financial instruments are limited to the following:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the College to concentrations of credit risk consist of cash and investments. The College deposits its cash in and purchases investments from a reputable financial institution and therefore believes the risk of loss to be remote.

Liquidity risk

Liquidity risk is the risk that the College will encounter difficulty in meeting obligations associated with financial liabilities. The College is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The College has sufficient working capital to fund operations and fulfil obligations as they become due.



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