



2018

ANNUAL REPORT

ANNUAL GENERAL MEETING | SEPT. 22ND 2019
MARRIOTT DELTA HOTEL AND CASINO
BURNABY BC



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BOARD OF DIRECTORS

RMTBC 2018



CHAIR/PRESIDENT
Anne Horng, RMT



VICE CHAIR
Alison Coolican, RMT



SECRETARY
Theresa Draper, RMT



TREASURER
Lizette Tucker, RMT



DIRECTOR
Voula Sourcos, RMT



DIRECTOR
Eric Purves, RMT



DIRECTOR
Sandra Coldwell, RMT



DIRECTOR
James Johnston, RMT



DIRECTOR
Deetria Egeli, RMT

OUR MISSION

To lead the profession of massage therapy by fostering excellence in practice, education and research.

OUR VISION

To be a global health care leader by advancing the science and practice of massage therapy .

CORE VALUES

In supporting our members and serving our stakeholders, the RMTBC is committed to the following core values:

- Integrity
- Accountability
- Collaboration
- Excellence
- Innovation



MESSAGE FROM THE CHAIR

Anne Horng, RMT

The year 2018 brought several changes to the Association. We bid farewell to three of our long serving board members. I would like to acknowledge the contributions of Damon Marchand, Walter Ament and Stefania Huzyk. Each of these individuals contributed greatly to the success of the Association and to supporting the profession.

We also welcomed three (3) new board members to our board. Deetria Egeli, Eric Purves and Lizette Tucker all joined the Board in 2018. Each brings to the Board experience and skills that assist in building a strong organization.

We began discussions with ICBC in 2018 as they moved to develop a new insurance model which places the focus on patient recovery resulting in a system which is easier for health care professionals to navigate.

The spring brought us to our “Aging Population Symposium” which was developed in response to the Ministry of Health identifying senior’s health as one of its key priorities. This was our second consecutive sold out symposium. The Board is dedicated to presenting topics to our members which bring forward areas of opportunity for the profession.

Scope of Practice is an issue that has been front and centre for our profession. In April we held the first Scope of Practice Meeting. This event which is a continuation of the work conducted at the 2015 Summit involved over 50 members. It was encouraging to hear the issues and level of discussion. A report of the meeting will be released by the Board and it is hoped that the information contained within the report will form the basis for future meetings with various stakeholders regarding the Association’s position on such elements as education, research and practice.

In August, I along with staff attended the American Massage Therapy Association (AMTA) Conference in Washington DC where we started to build partnerships with both the AMTA and the Massage Therapy Foundation (MTF). These developing relationships with not only the organizations but with researchers and presenters will bring added value to our future events.

Finding effective ways of keeping our members informed is always a priority for the RMTBC. We have had tremendous success disseminating important information such as the recent changes to ICBC and our insurance program through our webinars.

The Board also began the task of moving towards a policy driven model of governance with governance training becoming a regular occurrence after each Board meeting.

I along with staff also attended the Canadian Massage Therapy Alliance Annual Meeting in Winnipeg. The opportunity to discuss critical issues with our colleagues across Canada can only build a stronger profession nationally.

I’d like to also thank the dedicated staff and my fellow Board members for their continued commitment to our members and the profession. I look forward to continuing to work on behalf of the profession in 2019.

Sincerely,

A handwritten signature in black ink, appearing to be 'AH' with a checkmark-like flourish at the end.

Anne Horng, RMT



EXECUTIVE DIRECTOR REPORT

Gordon MacDonald

2018 began with a continuation of improving supports, resources and other benefits to members. Technological improvements in 2018 within the existing database provided for further streamlining of the registration and renewal period. Staff were provided additional data capture fields in order to continue the data collection improvements first undertaken in 2017. These continued improvements are now beginning to provide improved tracking of membership issues and concerns. All calls and inquiries are now captured within the database. Detailed metrics are allowing the Association management and Board to be evidence informed when making decisions regarding improvements to member services and supports, while also allowing for important common issues that affect the profession to be more readily identified, along with improved response time to inquiries.

2018 saw the retirement of long-service employee Nancy Bohonoski. The RMTBC would like to recognize and thank Nancy for her service to the membership over the last many years. Given Nancy's retirement, the RMTBC entered into a contractual agreement with Deloitte, one of Canada's largest accounting and auditing firms for the providing of bookkeeping services. This resulted in a reduction of staff, as the previous position no longer was required. It has also resulted in the automation of much of the accounting processes. This in turn has streamlined the processing of invoices and allowed the RMTBC to move towards a green approach as transactions are now conducted electronically with minimal paper transactions and recordings. This has also resulted in the Association's accounts receivables and payables reporting to be of greater accuracy and with minimal human intervention. A substantial cost saving should be reportable for the 2019/2020 fiscal period.

The RMTBC also solidified its partnership with the Massage Therapy Foundation (MTF). Although initial discussions between the organizations took place the previous year, 2018 saw the RMTBC and MTF enter into a partnership agreement. As a partner with the MTF, RMTBC members now have access to all resources of the MTF. These include, webinars, podcast on research, article and journals along with other research resources. This partnership has also provided increased exposure to the resources of the MTF to members of the profession through our weekly e-Newsletter and our website.

Further, student members along with regular members of the RMTBC can now submit Case Studies for publication by the MTF. It is hoped that this will encourage individual members to engage more fully in research opportunities.

2018 saw the awarding of three (3) Case Study Awards for Students. The purpose of the Clinical Case Report Award is to increase the emphasis students place on writing case reports, and to acknowledge students' efforts. Clinical case reports play an important role in research development. The clinical case report generates and examines a new hypothesis, and reports on the experience of each individual practitioner. These are all important steps toward randomized controlled trials that test a hypothesis. 2018's winners were Devin Cox, Natalie Delange and Gabrielle De Winter.

This past year, RMTBC has been an active participant in the consultation process with ICBC during their restructuring. Attending over eight (8) meeting and information sessions, these consultations were attended not only by RMTBC staff, but individual members of the RMTBC. This was appreciated by ICBC and allowed ICBC staff to have an improved understanding of the unique regulatory requirements of RMTs in BC. This level of advocacy assisted in improved compensation for our members treating ICBC patients. RMTBC continues to work directly with ICBC as they continue to refine their processes.

Continuing Education and professional development are important resources for an association representing health care professionals. The RMTBC has a proud history of facilitating and organizing quality educational opportunities for our members. In order to provide RMTBC members with resources, the Association contracted with Dr. John Collins for the development and delivery of an on-line "Making Critical Decisions" course. The course was submitted and approved for 3 credits by the CMTBC. Offered free to members, over 340 members signed up to take the course. We are continuing to develop further on-line courses with a "Professional Relationships for RMTs" course to come on-line in late 2019.

The RMTBC contracted with Lux Insight Consulting to develop an on-line Public Survey. This 7-minute survey involved over 753 British Columbians from across the province. Takeaways included the majority of British Columbians are aware of RMTs, but only a small minority claim to be very familiar with the profession. To boost familiarity, RMTBC is providing information about the various conditions treated by RMTs on our new website, and that RMTs are regulated and how this benefits the user. Among those who have received treatments from a RMT, the majority hold favourable opinions of RMTs. Almost all perceive treatments to be effective and are likely to recommend RMTs to others. RMTs continue to be one of the most well-recognized healthcare professionals, despite experiencing a dip in awareness returning to the level seen in 2008. There is opportunity to shine a brighter spotlight on RMTs and improve knowledge of the profession. Most British Columbians are only somewhat familiar with RMTs. Among those who are aware, many have not heard, seen or read anything about RMTs in

the past. Only half are aware that RMTs are regulated, providing another educational opportunity for RMTBC to the public. This led to our 2018 media campaign. Based on the results of the public survey; informing the public as to the efficacy and effectiveness of massage therapy was a key project in 2018. The Association developed a comprehensive marketing strategy. This resulted in the development a TV campaign during the 2017/18 Canuck hockey season as well as the 2018 Winter Olympics. The ads “My RMT Got Me Back” were well received by the public.

The Association also worked with Lamar Advertising to provide banners and marketing materials for BC Transit and TransLink Buses in Victoria, Prince George, Vancouver and some smaller communities. Ads were also placed at various Skytrain stations throughout the Lower Mainland.

A secondary ad campaign also took place in 2018, in response to an individual in the Merritt/Kamloops area who was initially identified as an RMT, but who subsequently was found to not be, but had been criminally charged with assault. This campaign consisted of small articles in local newspapers such as Castanet, where the Association described the importance the public should be aware of regarding non-regulated individuals versus our members who are professional healthcare practitioners with regulatory responsibilities. Additionally, RMTBC also created decals “A Regulated Health Professional works here” for clinic owners and practitioners to place in the windows/doors of their clinics to reinforce the importance of seeking treatment from a registered healthcare professional.

As mentioned above, outreach to the public was highly recommended from the results of the public survey. As such, the RMTBC attended several events in 2018. RMTBC participated at the BC Physiotherapy Association Conference, had a booth at the RCMP E-Division Complex in Surrey, attended the Union of BC Municipalities Annual Conference as well as New Medical Graduates Conference at UBC. This is in addition to the support that was provided directly to 15 members through the Community Health Fair Initiative. This initiative provides members with the opportunity to showcase not only the profession using professional banners and marketing materials provided by the Association, but also to highlight their own practice.

As the Association receives many calls from the public, it was determined that another helpful resource to members would be the development of a “What to Expect” video for clinics and individual practitioners to share with first-time patients. The 11-minute video with captioning is available to any RMTBC member for download. The video covers such elements as initial assessment, consent, draping, etc.

Webinars have become a large part of communication between members and the Association. This past year the Association held seven (7) webinars. These included: “Malpractice Insurance. Presented by Wilson Beck”, our insurance broker. “Bridgepoint Financial”, a webinar regarding a direction to pay service, the “New Clinic Owner Insurance Policy” as well as “Changes at ICBC, What’s Coming”. We also held webinars at a select number of schools

for new students in order to make them aware of the benefits of student membership with the Association. We will be developing and offering more webinars in the coming year.

RMTBC held a Scope of Practice (SOP) Meeting in the Spring of 2018. This facilitated meeting with over 50 attendees, focused on such issues as who is responsible for defining the SOP, the history and development of SOPs across professions in Canada. Further discussions took place within the meeting regarding areas of concern from members regarding what may or may not be in the current legislated SOP. A report on the meeting was developed outlining the results of the meeting. At this time, the document has not been shared with members, government or other stakeholders and is awaiting Board approval.

As a member of the Canadian Massage Therapy Alliance (CMTA), staff along with the RMTBC President attended the Annual CMTA meeting in Winnipeg. A highlight of the three-day session was the development of a strategic plan for the Alliance. Other items raised and discussed included the future regulation of therapists in Prince Edward Island and the impact that would have on GST/HST exemption, concerns of third-party insurers regarding practice in unregulated provinces, and the growth in educational programs, particularly in non-regulated provinces.

Malpractice Insurance is an important benefit for our members. In negotiations with our Broker Wilson Beck and Continental Casualty Company (CNA) the RMTBC has designed a high-level malpractice insurance package for our members. As insurance claims have increased across all healthcare professions, and particularly in respect to massage therapy in BC, the RMTBC in 2018 began to subsidize the overall costs per member for the malpractice insurance coverage. While the subsidy in the amount of \$27.00 per member who purchase our insurance package is substantive, it also provides for an extremely high-level of coverage. RMTBC offers the only first dollar malpractice insurance plan for massage therapists in Canada. This first dollar coverage means that any member who is investigated by the RMTBC is not out of pocket for legal expenses while an on-going investigation takes place. This is particularly important given that the average fee for legal counsel is approximately \$350.00 or more per hour.

Additionally, the RMTBC has contracted with LifeWorks, a division of Morneau Shepell for a member assistance program. This program, available to both members and their families provides a broad range of services. These include but are not limited to legal advice (non-business), personal counselling, financial planning, as well as significant affinity program with over 400 retail and food service providers. LifeWorks also provides on-line access to articles and resources such as do-it yourself will kits, budgeting tools, etc. Again, as this program is accessible to both members and their families, we expect a continued uptake on its use over the next year.

Further enhancements were made to the conference and event registration processes in 2018. This year we introduced the use of scanners for confirming participant attendance. This has allowed for more accurately managed CEC courses, events and the collection

of information important to our members along with improved automation of the issuing of receipts and certificates for CEC events.

The ability for members to renew their memberships directly through the website has continued to result in improved response times for members as well as smoother administrative processes within the office. The 2018-2019-member registration period saw a further increase in the use by members of the on-line registration process as compared to previous years.

In 2018, the RMTBC offered two (2) First Aid and CPR Recertification Sessions across the province.

Understanding the needs and issues that are affecting the membership is paramount for organizations such as the RMTBC. To collect this vital information, the Association developed and distributed three (3) surveys to the general membership. These surveys included a survey on ownership of patient files, a survey on the safety of members as it relates to working in their clinic and a survey on the understanding of the current Scope of Practice for RMTs in British Columbia. These surveys play a key role in providing feedback to the Board and the information collected assists in the Board's decision making as it relates to these important issues.

In order to address a need identified by many of our members, the RMTBC in conjunction with our legal counsel created a revised Consent Form in response to the new CMTBC Standards of Practice regarding Patient Consent. As it is the mandate of the regulator to set Standards of Practice, the Association developed the revised form as a guide only. This form joined the other practice resources offered to members of the Association.

RMTBC staff provided ten (10) school talks in 2018. The Association also began to offer school talks using webinars. This has allowed the Association to bring our messaging directly to those schools and students who are outside the lower mainland, while minimizing travel costs.

Providing a quality member service experience is a must do for any member driven association. Members expect and can rely on the staff of the RMTBC to be there when called upon. In 2018, the RMTBC staff received over 14,000 calls or approximately 50 calls per day. These calls range from general inquiries by members of the public regarding locating a therapist, to inquiries concerning malpractice insurance or contract issues. Over 5000 calls regarding practice issues were handled this past year.

Communication is a key component for any membership organization. 2018 saw the association create and distribute over 61 e-Newsletters and e-mail blasts to members and stakeholders. The year saw enhancements to the e-Newsletters format. This included highlighting research resources from the Massage Therapy Foundation, providing a weekly practice tip, notification of upcoming Continuing Education Courses or events, ICBC updates, Pain BC information, along with notification of affinity program benefits such as Whitecaps and BC Lion Home games.

2018 also saw the continuation of several member affinity programs.

These include discounted rates at all Sandman Hotels across BC, Whitecaps tickets, BC Lions game tickets, Telus Mobility/E-Health, Shaw Business along with Alliance Merchants.

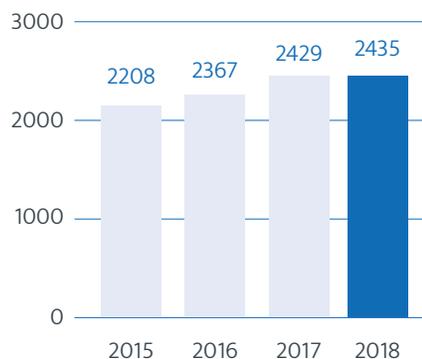
RMTBC staff handled 88 requests for legal consultations referrals on behalf of members. These referrals ranged from a legal review of clinic contracts to issues related to practice complaints made to the CMTBC against members by the public.

As mentioned earlier, metrics are an important element of any organization. The following tables outline many of the important metrics collected by the Association in support of our members and the profession.

RMTBC METRICS

2018

Full-Time Membership 2018



Student Membership 2018



Membership stats shown in previous Annual Reports only reflect the membership number at the time of publishing. 2017/18 stats are based on actual fiscal numbers.

MEMBERSHIP

	2015	2016	2017	2018
Associate	42	27	29	23
Full Time	2208	2367	2429	2435
Honorary	5	4	12	15
New Grad	240	278	268	126
Part Time	433	408	405	358
School	4	8	6	6
Senior	185	192	207	193
Student	971	1020	998	1000
Grand Total	4088	4304	4354	4156

DEMOGRAPHICS 2018

	Female	Male	Other	Unknown	Total
15-19	5	1		16	22
20-24	142	47		106	295
25-29	415	118	1	151	685
30-34	504	121	1	71	697
35-39	446	112	2	37	597
40-44	372	108		19	499
45-49	338	102	1	21	462
50-54	200	99		10	309
55-59	127	67		1	195
60-64	84	39		1	124
65-69	74	23			97
70-74	13	7			20
75+	7	1			8
NULL	95	53	2	194	344
Grand Total	2822	898	7	627	4354

MARKETING & COMMUNICATION

2018 Highlights

It was a busy year for your marketing and communications team. Outreach throughout the province resulted in some very impressive results. Highlights of the fiscal year include:

- 15 second ads on Canucks TV during the month of November featuring a hockey player that was able to get back on the ice with the help of an RMT
- Articles and ads on “Ensuring Massage Professionalism” appeared online on digital newspapers as well as 100 Community Newspapers throughout B.C.
- We sponsored the Arts Umbrella Dance Program throughout their season
- We ran a very successful online and print campaign in two issues of the Georgia Straight Healthy Living issues
- Our winter My RMT Got Me Back ads were featured on the CBC Winter Olympics coverage throughout the province.
- Our Aging Population conference sold out in record time.

- We initiated and subsequently released the results of our Public Survey which measure and tracked awareness, usage and perceived effectiveness and performance of RMT’s among BC residents.
- Our inside and outside transit campaign during the month of September throughout the province was seen by a record number of British Columbians
- Trade shows and conferences attended by staff included 53rd Annual UBC Faculty of Medicine, RCMP Healthy Living Expos, Worksafe BC, and the B.C. Phyiotherapists Conference. In addition we sponsored and supported the Canadian Sports Massage Therapists Association conference held in Richmond

From top left: Transit ad campaign, interior and exterior. Arts Umbrella Sponsorship ad. From bottom left: Our Aging Population conference. Physiotherapy Conference ad. “My RMT Got Me Back” television ad.



**Registered Massage Therapists'
Association of British Columbia**

**Financial Statements
(Unaudited)**

September 30, 2018

**Registered Massage Therapists' Association of British Columbia
Financial Statements
(Unaudited)**

September 30, 2018

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Independent Practitioners' Review Engagement Report

To the Directors of Registered Massage Therapists' Association of British Columbia

Report on the Financial Statements

We have reviewed the accompanying financial statements of Registered Massage Therapists' Association of British Columbia that comprise the statement of financial position as at September 30, 2018, and the statements of changes in net assets, operations 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 private enterprises, 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.

Practitioners' Responsibility

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

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

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Registered Massage Therapists' Association of British Columbia as at September 30, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

**Vancouver, Canada
June 3, 2019**

Chartered Professional Accountants

Registered Massage Therapists' Association of British Columbia

**Statement of Financial Position
(Unaudited)**

September 30, **2018** **2017**

Assets

Current

Cash	\$ 270,641	\$ 565,162
Short-term deposits (note 3)	882,127	1,002,582
Accounts receivable	5,841	12,815
Prepaid expenses	38,452	37,267

1,197,061 **1,617,826**

Long-term deposits (note 3)	22,955	30,000
Property and equipment (note 4)	12,604	14,967

\$ 1,232,620 **\$ 1,662,793**

Liabilities

Current

Accounts payable and accrued liabilities (note 5)	\$ 82,965	\$ 224,143
Deferred revenue (note 6)	273,071	528,646

356,036 **752,789**

Net Assets

Internally restricted (note 7)	848,975	848,975
Unrestricted	27,609	61,029

876,584 **910,004**

\$ 1,232,620 **\$ 1,662,793**

Commitments (note 9)

Approved on behalf of the board:

Anne Horng Director
[Signature] Director

See accompanying notes

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Registered Massage Therapists' Association of British Columbia

**Statement of Changes in Net Assets
(Unaudited)**

For the year ended September 30, 2018

	2018		
	Total	Internally Restricted	Unrestricted
Balance, beginning of year	\$ 910,004	\$ 848,975	\$ 61,029
Deficiency of revenues over expenditures	(33,420)	-	(33,420)
Balance, end of year	\$ 876,584	\$ 848,975	\$ 27,609

	2017		
	Total	Internally Restricted	Unrestricted
Balance, beginning of year	\$ 944,011	\$ 845,247	\$ 98,764
Deficiency of revenues over expenditures	(34,007)	-	(34,007)
Interfund transfers	-	3,728	(3,728)
Balance, end of year	\$ 910,004	\$ 848,975	\$ 61,029

See accompanying notes

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Registered Massage Therapists' Association of British Columbia**Statement of Operations
(Unaudited)**

For the year ended September 30,	2018	2017
Revenues		
Memberships	\$ 1,547,864	\$ 1,506,641
Member's liability premium received	300,784	448,754
Conference and workshop revenue	175,761	159,711
Other income	15,580	13,394
Interest income	11,059	12,870
	<hr/>	<hr/>
	2,051,048	2,141,370
Expenditures		
Accounting and legal	128,908	115,863
Amortization	6,172	7,649
Bad debts	2,182	1,996
Communications	427,481	293,349
Conference and workshop	158,975	200,352
Credit card processing fees	31,132	39,469
Equipment rental	6,175	11,697
Member assistance program	26,109	23,780
Member's liability insurance	332,988	445,026
Member's life insurance premium	48,401	47,704
Office	77,662	74,038
Rent	59,073	60,645
Research	37,006	90,170
Salaries and benefits	505,827	451,943
Telephone	18,822	20,273
Travel	146,873	109,502
	<hr/>	<hr/>
	2,013,786	1,993,456
Excess of revenues over expenditures before Other item	37,262	147,914
GST assessment (note 10)	70,682	181,921
Deficiency of revenues over expenditures	\$ (33,420)	\$ (34,007)

See accompanying notes

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Registered Massage Therapists' Association of British Columbia**Statement of Cash Flows
(Unaudited)**

For the year ended September 30,	2018	2017
Cash provided by (used for)		
Operating activities		
Deficiency of revenues over expenditures	\$ (33,420)	\$ (34,007)
Item not affecting cash		
Amortization	6,172	7,649
	(27,248)	(26,358)
Change in non-cash working capital items		
Accounts receivable	6,974	10,245
Prepaid expenses	(1,185)	(35,017)
Accounts payable and accrued liabilities	(141,178)	(82,109)
Deferred revenue	(255,575)	(240,045)
	(418,212)	(373,284)
Investing activities		
Deposits	127,500	50,000
Purchase of property and equipment	(3,809)	(5,010)
	123,691	44,990
Decrease in cash and cash equivalents	(294,521)	(328,294)
Cash and cash equivalents, beginning of year	565,162	893,456
Cash and cash equivalents, end of year	\$ 270,641	\$ 565,162

See accompanying notes

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Registered Massage Therapists' Association of British Columbia

Notes to the Financial Statements (Unaudited)

September 30, 2018

1. Nature of operations

The Registered Massage Therapists' Association of British Columbia is organized to provide its members educational and practice related services and to promote the interests of its members with the public and government bodies. The Association is incorporated under the Society Act of British Columbia, is a not-for-profit organization and is non-taxable under the Income Tax Act.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for private enterprises. The significant policies are detailed as follows:

(a) Fund accounting

The Association follows the deferral method of accounting for contributions.

The Internally Restricted Fund includes a contingency reserve fund and a prudent reserve fund to provide for unusual or unexpected events and circumstances.

The Unrestricted Fund accounts for the Association's general operations of providing educational and practice related services, conferences, and other general sources of income.

(b) Revenue recognition

Membership fees are recognized as revenue when received or the amount to be received can be reasonably estimated and collection is reasonably assured. Grants received for a specific project or purpose are accounted for as deferred revenue and are recognized in income as related costs are incurred. Revenue from other sources is recognized when the amount is estimatable and collection is reasonably assured.

(c) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and bank deposits maturing within a year.

(d) Property and equipment

Property and equipment are recorded at cost and are being amortized over their estimated useful lives on a declining balance basis. The annual amortization rates are as follows:

Library resources	20%
Furniture and equipment	30%
Computer equipment	55%
Computer software	100%

Registered Massage Therapists' Association of British Columbia

Notes to the Financial Statements (Unaudited)

September 30, 2018

2. Significant accounting policies (continued)

(e) Use of estimates

The preparation of the financial statements in conformity with Canadian standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(f) Impairment of long-lived assets

The carrying value of long-lived assets is reviewed for impairment whenever events or circumstances indicate that their carrying amount may not be recoverable. If the sum of the undiscounted expected future cash flows expected to result from the use and eventual disposition of an asset is less than its carrying amount, it is considered to be impaired. An impairment loss is measured at the amount by which the carrying amount of the asset exceeds its fair value. When quoted market prices are not available, the Association uses the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset as an estimate of fair value.

(g) Financial instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

The company subsequently measures the following financial assets and financial liabilities at amortized cost:

Financial assets measured at amortized cost include cash, accounts receivable, short and long term deposits.

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

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, to a maximum of the related accumulated impairment charges recorded in respect of the particular asset, is recognized in operations.

Registered Massage Therapists' Association of British Columbia

**Notes to the Financial Statements
(Unaudited)**

September 30, 2018

3. Term deposits

The term deposits bear interest from 0.90% to 3.15% per annum, and mature between March 8, 2019 and October 16, 2020

	2018	2017
Term deposit, 3.05% interest, maturity date Oct 16, 2017	\$ -	\$ 22,955
Term deposit, 0.90% interest, maturity date Jun 14, 2019	729,627	729,627
Term deposit, 0.90% interest, maturity date Mar 08, 2019	152,500	250,000
Short-term deposits	882,127	1,002,582
Term deposit, 1.10% interest, maturity date Nov 13, 2018	-	30,000
Term deposit, 3.15% interest, maturity date Oct 16, 2020	22,955	-
Long-term deposits	22,955	30,000
	\$ 905,082	\$ 1,032,582

Term deposit in the amount of \$22,955 (2017 - \$22,955) is held as a collateral for the line of credit (note 8).

4. Property and equipment

	2018		2017	
	Cost	Accumulated amortization	Net book value	Net book value
Library resources	\$ 3,261	\$ 3,000	\$ 261	\$ 327
Furniture and equipment	44,001	35,777	8,224	10,280
Computer equipment	52,560	48,441	4,119	3,017
Computer software	-	-	-	1,343
	\$ 99,822	\$ 87,218	\$ 12,604	\$ 14,967

Registered Massage Therapists' Association of British Columbia

Notes to the Financial Statements (Unaudited)

September 30, 2018

5. Accounts payable and accrued liabilities

	2018	2017
Accounts payable and accrued liabilities	\$ 71,406	\$ 57,942
Government remittances payable	3,947	7,886
GST payable (note 10)	7,612	158,315
	\$ 82,965	\$ 224,143

6. Deferred revenue

Deferred revenue is comprised of \$273,071 (2017 - \$528,646) relating to prepaid membership fees, workshop fees and other unearned amounts received in the current year that are related to expenses to be incurred in the subsequent year.

7. Internally Restricted Net Assets

The Association has established a \$22,955 (2017 - \$22,955) Member Restricted Contingency Fund, expenditures from which must be approved by the Members.

The Association has also internally restricted \$740,080 (2017 - \$740,080) as Prudent Reserve for other contingencies. The amounts are not available for other purposes without the approval of the Board of Directors.

The Association has established a \$30,151 Research Fund (2017 - \$30,151). Purpose of the Fund is to finance the Research Foundation which will be established.

The Association has established an Insurance Reserve in the amount of \$55,789 (2017 - \$55,789) for insurance related matters for members.

8. Bank loan

The Association has a line of credit authorized to a maximum of \$22,000, and bears interest at bank's prime lending rate plus 1.25% per annum. The line of credit is secured by a term deposit of \$22,955 held in the name of the Association. As at September 30, 2018, the outstanding balance is \$nil (2017 - \$nil).

9. Commitments

The Association leases an office under a lease expiring in July 2020. The minimum lease payments for the next two years are:

2019	\$ 40,413
2020	44,903

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10. GST assessment

In the Spring of 2017, the Association's prior year GST returns were reviewed by Canada Revenue Agency (CRA). The review was concluded Spring of 2018; CRA's decision was that membership dues are GST taxable, as a result \$252,603 in GST and interest were paid for the years 2014 to 2018.

11. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

The financial instruments of the Association and the nature of the risks to which it may be subject are as follows:

(a) Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Association is exposed to credit risk in its cash and cash equivalents as the majority of its cash and cash equivalents are held at one financial institution. The Association limits its credit risk by placing its cash with major financial institutions.

The Association is also exposed to credit risk in the event of non-performance by counterparties in connection with accounts receivable. The Association does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant losses for non-performance.

(b) Liquidity risk

Liquidity risk is the risk that the Association cannot repay its obligations when they become due to its creditors. The Association's exposure to liquidity risk is dependent on the receipt of funds from its related sources, whether in the form of revenue or advances. The Association reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due; monitors and manages its cash balance to ensure adequate cash flow is available to repay trade creditors as payments become due.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association is exposed to interest rate risk from the interest rate differentials between the market rate and the rates used on these financial instruments.

