

**COLLEGE OF
KINESIOLOGISTS
OF ONTARIO**



2016/2017 Annual Report

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President and Registrar's Message

We are pleased to present the College's achievements and successes from a busy but rewarding year. As we move forward in the coming years, we expect to see significant changes for health profession regulators. Some of this change we have been preparing for and in 2016/2017 we entered the second year of our three year strategic plan. The creation of a strategic plan in 2015 was an important milestone in the College's growth. It allowed us to better focus our work on continuing to help the public receive high-quality, patient/client-centred kinesiology services.

Transparency has always been a core value of this College. Making it one of our strategic priorities allowed us to critically examine steps needed to increase transparency and build public confidence. The College developed by-laws that came into effect on July 1, 2016 that make more information available about kinesiologists, such as criminal charges. To further increase transparency, we began posting Council meeting materials to our website in December 2016. We continue to look for ways to improve the quality and relevance of information we make available about kinesiologists and our processes.

Another priority for the College has been enhancing professionalism of kinesiologists. Concerns from the Ontario government raised the prevention of sexual abuse to a level of urgency and while we have had no sexual abuse complaints to-date, the College is committed to doing everything possible to keep patients/clients safe. As we work through the third year of our strategic plan, the College will be devoting even more resources to advancement of professionalism among kinesiologists, with expanded peer and practice assessments and new training initiatives. The College firmly believes that these types of investments serve the public interest.

We also endeavour to engage the academic institutions providing kinesiology and related degree programs through the annual meeting of the CKO-Universities Liaison Committee. We are encouraged when noting that some institutions have responded with course offerings in ethics and professionalism, and new practical experiences for students considering careers in healthcare.

Finally, we continued efforts to educate the public on the role kinesiologists play in the healthcare system and how the College protects their interests. We created two new videos to explain the practice of kinesiology and how the public can find a kinesiologist. These videos were distributed via social media so that we could reach as wide an audience as possible. So far these two videos have garnered over 10,000 views. We also began a successful brochure campaign in doctors' offices and diabetes clinics across the province. The brochure explains in plain language what kinesiologists do and where they work, and what regulation means to the public. To date, over 21,000 brochures have been picked-up. In response to the level of interest and success, we are developing a new brochure for release and finding new ways of reaching the public with our story.

As we enter the final year of our strategic plan, we will continue seeking innovative ways to increase public confidence and efficiency. We will develop new plans and strategies to respond to legislative changes, and will work with other colleges to achieve greater consistency and modernization of health profession regulation in Ontario. To our Council members, staff and volunteers, thank you for

your tireless efforts and dedication, and to kinesiologists, thank you for your continued confidence, support and involvement.

Mary Pat Moore, President

Brenda Kritzer, Registrar and CEO

2016/2017 Highlights

- The College developed and published the [Practice Guideline- Treating Family Members and Other Close Personal Relations](#). The document provides guidance to kinesiologists on things to consider should they choose to treat a family member or someone they share a close personal relationship with.
- By-laws related to the posting of the following information about kinesiologists took effect July 2016:
 - All findings of guilt made under the Criminal Code of Canada and the *Controlled Drugs and Substances Act, 1996*;
 - All charges laid under the Criminal Code of Canada and the *Controlled Drugs and Substances Act, 1996*;
 - Any restrictions that may limit a kinesiologist's ability to practise (i.e. bail conditions);
 - Any findings of incapacity, incompetence or professional misconduct from another regulated profession in any jurisdiction;
 - More information about a referral to the College's Discipline Committee and the status of the hearing; and
 - Outcomes from the Inquiries, Complaints and Reports Committee, including:
 - When a kinesiologist is required to appear before the Committee to be cautioned (cautions-in-person)
 - If a kinesiologist is directed to complete a specified continuing education and remediation program (SCERP)
- Focus groups were conducted with kinesiologists and stakeholders to help develop content for a sexual abuse prevention e-learning module.
- Council established the Planning and Finance Committee. The Committee provides guidance and advice on financial and planning matters.
- The College more than doubled the number of kinesiologists who will be selected annually for a [peer and practice assessment](#).
- Council approved the [Prescribed Learning Modules Policy](#), which requires kinesiologists in the General Class to complete certain modules as part of the Quality Assurance Program.
- An [Ethics and Professionalism e-Learning Module](#) was developed. This mandatory training module is designed to help kinesiologists better understand how to apply the College's Code of Ethics in daily practice and the process of making ethical decisions.

College Council and Staff

Council

Mary Pat Moore- President
Steve Anderson- Vice-President
Ken Alger (since September 2016)
Marilyn Bartlett (since September 2016)
Lori-Anne Beckford
Rosario Colomba, R.Kin (until July 2016)
Daniel Crête, R.Kin
Nicole DiFilippo, R.Kin (since September 2016)
Jonathan Dubberley, R.Kin (until September 2016)
Samantha Eyles, R.Kin
Don Halpert (until July 2016)
Kalen Johnson
Lynn Kabaroff, R.Kin (until September 2016)
Elwin Lau, R.Kin (since September 2016)
Chad McCleave
Michelle Meghie
Fergal O'Hagan, R.Kin
Jennifer Pereira, R.Kin
Graydon Raymer, R.Kin (since September 2016)
Robert Ross, R.Kin (until September 2016)
Kathie Sharkey, R.Kin (until September 2016)
Alexander Stephen, R.Kin (since September 2016)
Gennady Vaserbakh, R.Kin
Michelle Young, R.Kin (since September 2016)

Non-Council Committee members

Rosario Colomba, R.Kin
Marc Davis, R.Kin
Justin Fabella, R.Kin
Jonathan Kwok, R.Kin
Chris Pizzimenti, R.Kin
Renee Raymond, R.Kin
Chris Serran, R.Kin

College Staff

Brenda Kritzer- Registrar and CEO

Susan James- Executive Assistant

Nancy Leris- Director, Operations and Financial Services

Zeina Yusuf- Administrative Assistant

Stamatis Kefalianos- Director, Registration (until December 2016)

Ugie Ifesi- Manager, Registration Services (since February 2017)

Magdalena Reder- Registration and Examinations Coordinator

Cara Moroney- Director, Professional Conduct

Lara Thacker- Director, Quality Assurance

Ryan Pestana- Communications Officer

Registration Committee Report

The Registration Committee is responsible for developing and implementing transparent, objective, impartial and fair registration practices that adhere to the policies approved by Council and the Registration Regulation. The Committee considers applications for registration that have been referred by the Registrar in situations where the Registrar:

- has doubts about whether an applicant has met the registration requirements;
- is of the opinion that terms, conditions or limitations should be imposed on a certificate of registration; or
- proposes to refuse the application.

In 2016/2017, the Registration Committee reviewed and decided on the following:

Type of case	Number of cases	Decision
Application under the grandparenting provisions- experience requirement	1	The Panel directed the Registrar to issue a certificate of registration upon successful completion of the entry-to-practice exam.
Proposal for upgrading/remediation	6	Four remediation plans were approved. Decision on two remediation plans was deferred until more information is provided.
Application under the grandparenting provisions- Non-exemptible educational requirement	18	Five applications were approved for registration pending completion of specified training. 13 applications were refused
Reinstatement to the General Class after more than two years in the Inactive Class	1	Reinstatement granted

Applicants who are not satisfied with the decision of the Registration Committee may appeal the decision to the [Health Professions Appeal and Review Board](#) (HPARB). There were no appeals submitted to HPARB in 2016/2017.

Other Committee activities included:

- Submission of the annual [Fair Registration Practices Report](#) to the Office of the Fairness Commissioner of Ontario. The Office of the Fairness Commissioner also conducted a [full assessment](#) of the College's registration practices.
- Review and revision of registration policies.
- Annual Committee training.

Exam

472 applicants wrote the entry-to-practice exam in 2016, which is a 5.5% increase from the previous year.

The College administered two sittings of the exam in 2016.

	Registered	Wrote	Passed	% Passing
April	219	207	148	71
September	289	265	190	72

Examination Appeals Committee

The Examination Appeals Committee is responsible for hearing appeals from applicants who unsuccessfully completed the entry-to-practice exam and who meet the criteria for filing an appeal. In 2016, one appeal was received and granted.

Examination Committee

The Examination Committee is comprised of College members and faculty members from kinesiology programs across Ontario. The Committee approves test forms, sets the pass mark for each exam and ensures that the exam reflects the entry-level competencies. The Committee met three times in 2016.

Item Writing Committee

The Item Writing Committee is comprised of College members and faculty members from kinesiology programs across Ontario. Panels of the Committee develop exam questions that correspond to the Examination Blueprint. The Committee met in 2016 for two, four-day sessions and developed 138 new exam questions.

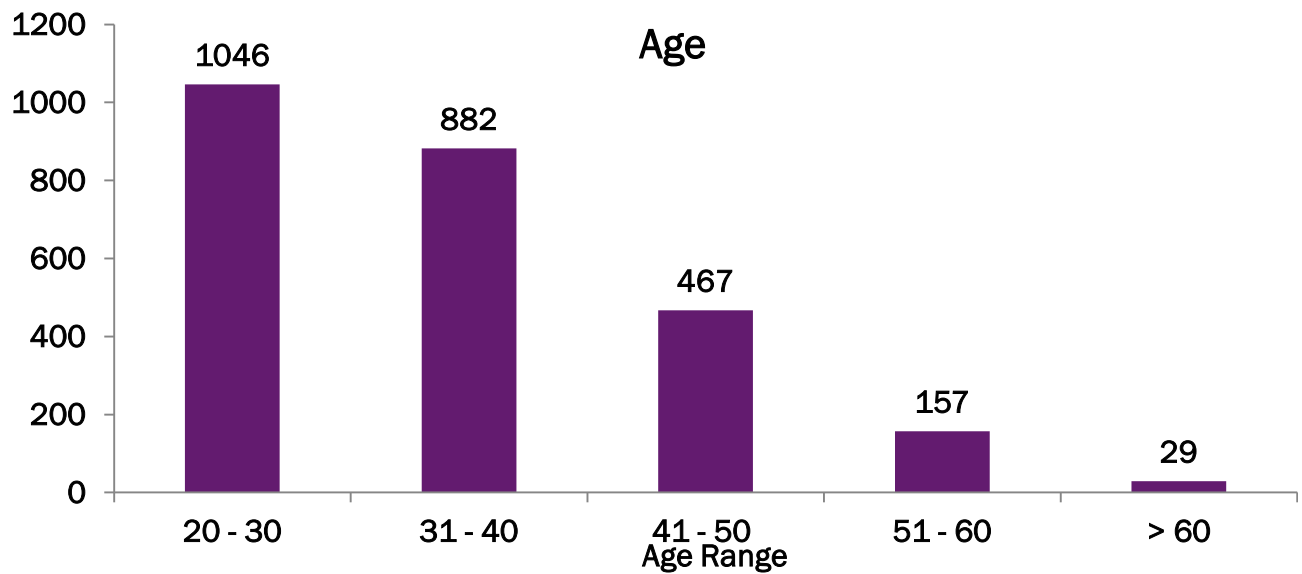
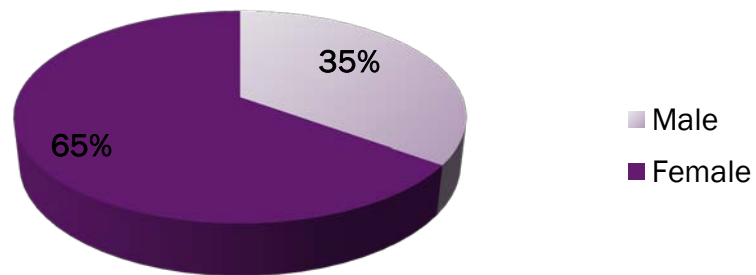
The College is grateful for the support of those who assisted with the preparation, development and administration of the exam. Their contributions are invaluable.

Membership Statistics

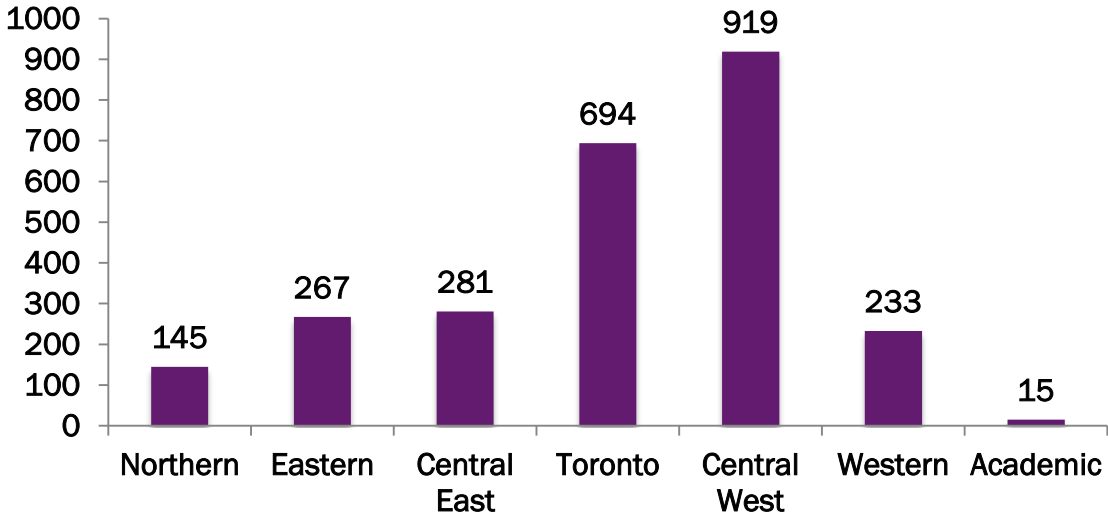
(All data is as of March 31, 2017 unless otherwise indicated)

Registration Status	Number of members
General	2294
Inactive	287
Suspended	16
Deceased	1

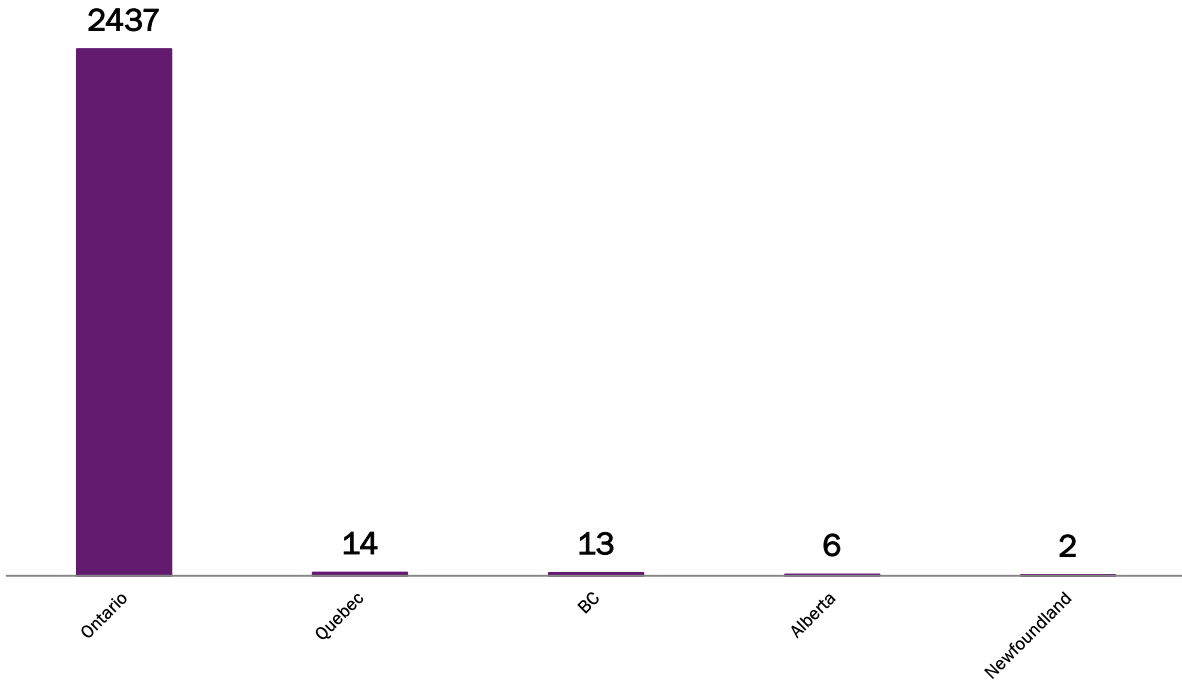
Gender



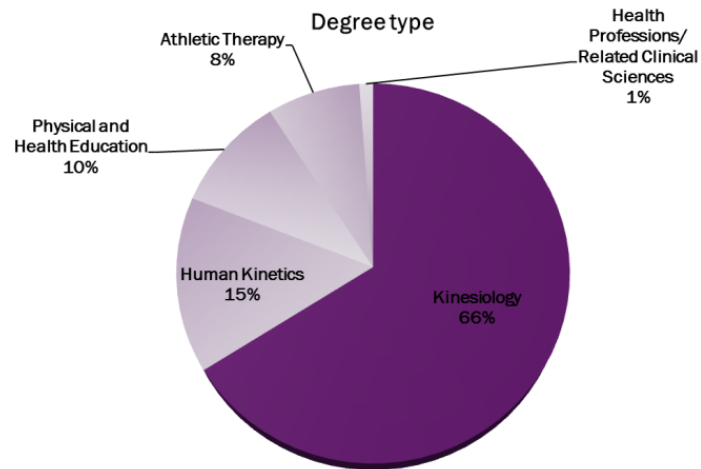
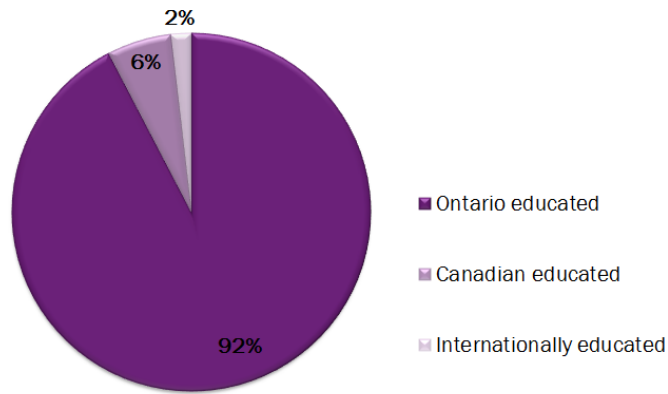
Distribution by College electoral district



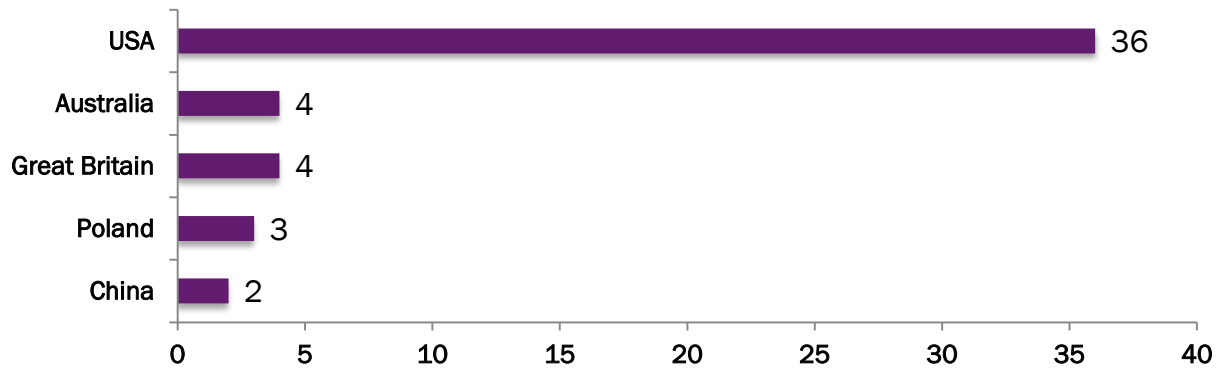
Top 5 provinces of practice



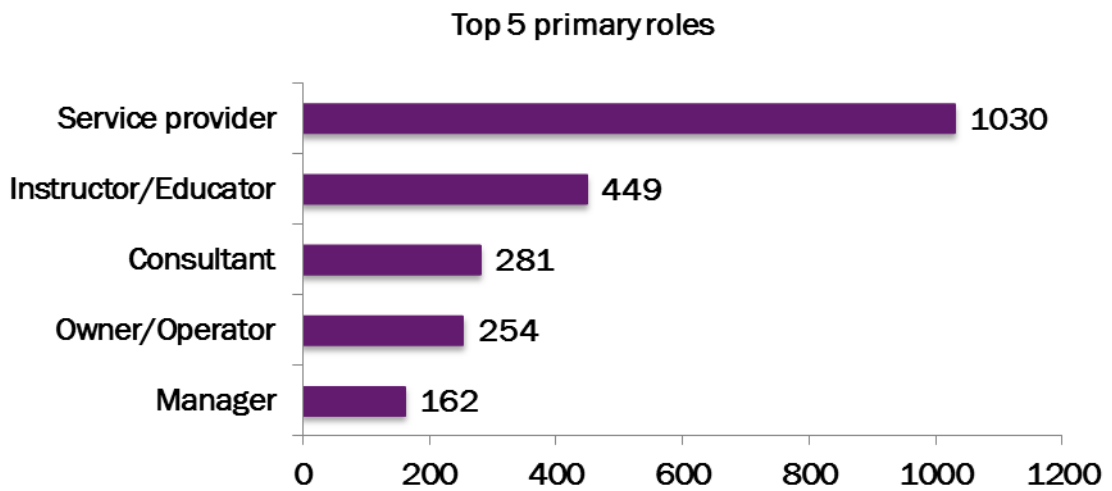
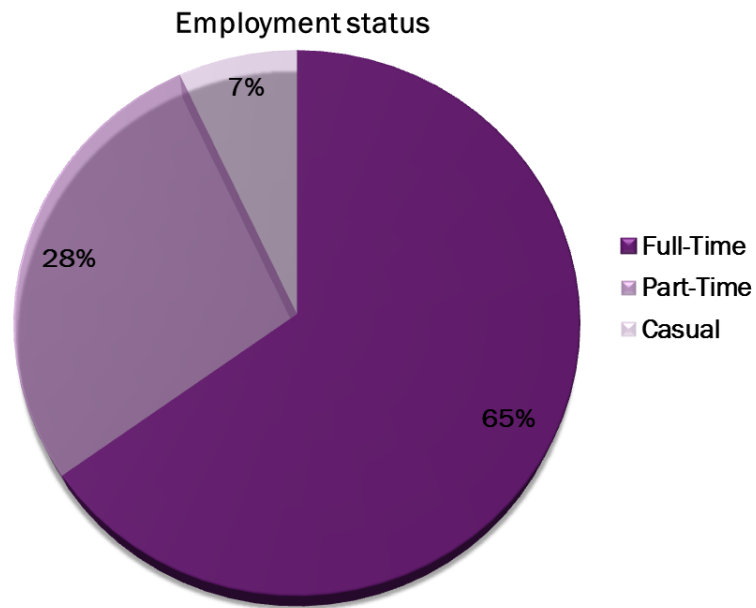
Place of education



Top 5 countries where international R.Kins were educated



(The following data was obtained from the renewal period as of August 31, 2016)



Quality Assurance Committee Report

The Quality Assurance Committee administers programs that promote continuing competence and continuing professional improvement among kinesiologists. The Quality Assurance Program includes:

- Continuing professional development;
- Self-assessment and peer and practice assessment; and
- Mechanisms for the College to monitor kinesiologists' participation and compliance with the Program.

All kinesiologists registered in the General Class must participate in the QA Program and demonstrate commitment to continuous improvement and ongoing learning. The Program is intended to be educational and supportive in nature.

The QA Committee achievements for 2016/2017 included:

- Administration of the fourth annual self-assessment;
- Administration of 16 peer and practice assessments;
- Recruitment and appointment of 12 new peer assessors;
- Completion of the first QA mentorship program;
- Conversion of the Ethics and Professionalism e-Learning Module to an online format; and
- Development of content for a prevention of sexual abuse e-learning module.

The Committee recommended to Council and Council approved the following:

- The *Continuing Professional Development: Prescribed Learning Modules Policy*. The College is now able to periodically issue mandatory learning modules to introduce important general practice issues/topics, help kinesiologists understand their professional obligations, and guide them in integrating the new knowledge into their practice.
- Increasing the scale of operations of the peer and practice assessment to proactively enhance individual kinesiologists' competence and performance of the profession as a whole.

Self-assessment

Self-assessment is the foundation on which kinesiologists plan their professional development throughout the year. Self-assessment helps guide kinesiologists in reflecting on their practice in relation to the practice standards and essential competencies, and helps identify areas of knowledge, skill and judgment to strengthen.

- 95% of members completed their 2016 Self-Assessment on time.

- 10 members were referred to Inquiries, Complaints and Reports Committee for non-compliance with the 2015 Self-Assessment.

Peer and practice assessment

The peer and practice assessment is an educational opportunity designed to assess kinesiologists' knowledge, skills and judgment, and to help them identify areas of strength and opportunities for improvement within their practice.

PPA selection profile

	2015	2016
PPA conducted	11	16
Deferrals and exemptions granted	3	0
Total randomly selected	14	16

Top areas for improvement identified through the PPA

Rank	2015	2016
1.	Record keeping	Record keeping
2.	Consent	Consent
3.	Develops patient/client-centred recommendations, plan of care, and/or exercise prescription; and confidentiality and privacy	Communicates in a timely, accurate and effective manner

Final PPA decisions by the QA Committee (as of March 31, 2017)

Decision	2015	2016
No Further Action	6	16
Competency Enhancement – Demonstrated Change Report	2	0
Competency Enhancement – Mentorship Program	1	0
Total	9	16

Complaints and Discipline

The College receives complaints, concerns and reports about the practice or conduct of kinesiologists. All complaints are reviewed by the Inquiries, Complaints and Reports Committee (ICRC) and a decision is made on how to proceed. The Registrar may also initiate an investigation based on other information coming to the College's attention if there is reason to believe a kinesiologist has committed an act of professional misconduct, or is incompetent or incapacitated. Registrar's Reports are also reviewed and decided by the ICRC. Not all information received results in an investigation and some information is about individuals not registered with the College but who are using the restricted title "kinesiologist".

The ICRC is a screening committee and determines whether or not an allegation warrants a referral to the Discipline Committee for a hearing. If a referral is not warranted, there are other options available to the ICRC. These include ordering a kinesiologist to complete a specified continuing education or remediation program (SCERP), requiring a kinesiologist to appear before the Committee to be cautioned in person, or issuing written advice. The ICRC can also decide to take no action on a matter.

Matters received by the ICRC

	2015/2016	2016/2017
Complaints	3	1
Registrar's Reports- Investigations	3	3
Referral from the Quality Assurance Committee for non-compliance (self-assessment)	1	10
Total matters received by the ICRC	7	14

On the complaint received in 2016/2017, a panel of the ICRC took no action on five incidents and issued written advice on one incident. Of the 10 QA referrals, nine were dealt with informally by the ICRC and no formal investigation was initiated. One QA referral ended in an investigation where an oral caution was ordered. The three Registrar's Reports are still outstanding at the time of writing.

Health Professions Appeal and Review Board

Decisions made by the ICRC can be appealed to the [Health Professions Appeal and Review Board](#) (HPARB). The complaint from 2016/2017 was appealed and a hearing is pending.

Registrar's Inquiries

Any information that comes to the attention of the Registrar that is not a formal complaint from a member of the public, a kinesiologist or other healthcare professional is assessed as to whether a formal investigation is required. In some cases, informal measures are taken, such as meeting with a kinesiologist to discuss the concerns and provide direction, and the file is closed.

In 2016/2017 the College received nine mandatory self-reports and five other non-mandatory reports from various sources. Three of these reports resulted in formal investigations. One report

ended in a resignation and agreement to never practise again. The remaining reports were either closed and no further action was taken, or involved meetings between the kinesiologist and the Registrar and/or the Director, Professional Conduct.

The College received 16 formal reports of misuse of title and followed up with the individual and/or the employer.

Discipline Committee

The Discipline Committee received its first referral in June 2016, which involved three different investigations about one kinesiologist. Even though the kinesiologist resigned in April 2016, the ICRC retains jurisdiction over any conduct that occurred before the resignation and the Discipline Committee has the full range of penalty options before it when the matter is heard.

The allegations involved submitting false and/or misleading invoices, failing to cooperate with the College's investigation, failure to keep records, and practising while suspended, among others. The [summary of the hearing](#) and the Committee's [decisions and reasons](#) is published on the College website.

The kinesiologist received an oral reprimand. The penalty also included a 10 month suspension with a two month remission should the other terms of the penalty be fulfilled, which included meeting with a mentor and submitting to inspections. This penalty will only come into effect if and when the former kinesiologist applies and is granted a new certificate of registration. One of the principles of penalty is to ensure that it serves as a general deterrent to the membership at large and to educate the profession on the standards of acceptable practice and conduct. The penalty in this case will serve as a baseline should the Discipline Committee receive similar allegations in which they make findings.

Patient Relations Committee Report

The Patient Relations Committee develops measures for preventing or dealing with the sexual abuse of patients/clients. These include providing:

- education to kinesiologists
- guidelines for the conduct of kinesiologists with their patients/clients
- training for College staff
- information to the public

The Patient Relations Committee also administers the funding for therapy for victims of sexual abuse.

In December 2016 the Ontario government introduced Bill 87, the *Protecting Patients Act*. The proposed changes will give colleges more power to deal with matters of sexual abuse. The Patient Relations Committee works proactively to prevent sexual abuse by advising the College on resources needed by kinesiologists to better understand professional boundaries and what constitutes sexual abuse. The Committee reviews information made available to the public to ensure it is relevant and easily understood. The Committee also identifies additional ways that the College can prevent sexual abuse, provide support to victims and provide education to kinesiologists.

The Committee met in March 2017 to review Bill 87 and directed that a strategic plan be developed for how the College will implement any legislative changes or make progress in other areas not affected by the new legislation. The Committee reviewed changes to the *Practice Standard- Clinical Education/Supervision/Delegation* and added a new section on kinesiologists' responsibility to ensure that those working under them maintain appropriate boundaries. The Committee also proposed to rename the standard to the *Practice Standard- Supervision and Education of Students and Support Personnel*.

Finance and Planning

The Planning and Finance Committee was established by Council in December 2016. The Committee provides guidance and advice on financial matters and oversees planning activities that help the College achieve its strategic goals. The Committee met for the first time in March 2017 to appoint the College's auditor, review the proposed 2017/2018 budget, and review the proposed business plan for 2017/2018.

Financial Statements

See below for the College's 2016/2017 audited financial statements.

COLLEGE OF KINESIOLOGISTS OF ONTARIO

FINANCIAL STATEMENTS

MARCH 31, 2017

COLLEGE OF KINESIOLOGISTS OF ONTARIO

FINANCIAL STATEMENTS

MARCH 31, 2017

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
College of Kinesiologists of Ontario

We have audited the accompanying financial statements of College of Kinesiologists of Ontario, which comprise the statement of financial position as at March 31, 2017 and the statements of operations, changes in net assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of College of Kinesiologists of Ontario as at March 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.

Crowe Soberman LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
June 26, 2017

COLLEGE OF KINESIOLOGISTS OF ONTARIO
STATEMENT OF FINANCIAL POSITION

At March 31

2017

2016

ASSETS

Current

Cash - unrestricted	\$ 1,256,403	\$ 894,834
Cash - restricted, internally (Note 3)	260,000	220,000
Prepaid expenses and sundry	90,524	175,907

1,606,927 1,290,741

Capital assets (Note 4)

321,135 396,600

\$ 1,928,062 \$ 1,687,341

LIABILITIES

Current

Accounts payable and accrued liabilities	\$ 72,174	\$ 43,882
Deferred revenue	722,129	580,843

794,303 624,725

Deferred rent

159,811 175,531

954,114 800,256

Commitments (Note 6)

NET ASSETS

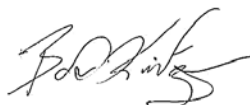
Net assets invested in capital assets	321,135	396,600
Internally restricted net assets (Note 3)	260,000	220,000
Unrestricted net assets	392,813	270,485

973,948 887,085

\$ 1,928,062 \$ 1,687,341

The accompanying notes are an integral part of the financial statements

On behalf of the Board



Brenda Kritzer,
Registrar and CEO

COLLEGE OF KINESIOLOGISTS OF ONTARIO
STATEMENT OF CHANGES IN NET ASSETS
Year ended March 31

	Net assets invested in capital assets	Internally restricted net assets	Unrestricted net assets	Total 2017	Total 2016
Net assets, beginning of year	\$ 396,600	\$ 220,000	\$ 270,485	\$ 887,085	\$ 1,143,940
Excess (deficiency) of revenue over expenses	(95,152)	-	182,015	86,863	(256,855)
Interfund transfers (<i>Note 3</i>)	19,687	40,000	(59,687)	-	-
Net assets, end of year	\$ 321,135	\$ 260,000	\$ 392,813	\$ 973,948	\$ 887,085

The accompanying notes are an integral part of the financial statements

COLLEGE OF KINESIOLOGISTS OF ONTARIO
STATEMENT OF OPERATIONS

Year ended March 31	2017	2016
Revenue		
Registration fees	\$ 1,557,363	\$ 1,019,418
Examination fees	197,315	179,045
Application fees	52,900	115,400
Jurisprudence fees	27,647	54,619
Ministry of Health and Long-Term Care funding (repayment)	-	(23,442)
	1,835,225	1,345,040
Expenses		
Salaries and benefits	828,637	807,890
Rent	211,740	210,254
Registration costs	161,576	159,364
Communications and media costs	149,910	52,465
Office and general	112,264	88,204
Quality assurance	68,442	32,709
Council and committee costs	55,247	65,196
Professional fees	36,280	47,002
Professional conduct	29,114	24,848
Special project	-	11,860
Amortization of capital assets	95,152	102,103
	1,748,362	1,601,895
Excess (deficiency) of revenue over expenses	\$ 86,863	\$ (256,855)

The accompanying notes are an integral part of the financial statements

COLLEGE OF KINESIOLOGISTS OF ONTARIO
STATEMENT OF CASH FLOWS

Year ended March 31

2017

2016

SOURCES (USES) OF CASH

Operating activities

Excess (deficiency) of revenue over expenses \$ 86,863 \$ (256,855)

Item not involving cash

Amortization 95,152 102,103

182,015 (154,752)

Changes in non-cash working capital items

Prepaid expenses and sundry 85,383 (60,242)

Accounts payable and accrued liabilities 28,292 (53,636)

Deferred revenue 141,286 130,548

Deferred rent (15,720) 188,623

Cash provided by operating activities 421,256 50,541

Investing activities

Acquisition of capital assets (19,687) (15,685)

Cash used in investing activities (19,687) (15,685)

Net increase in cash 401,569 34,856

Cash, beginning of year 1,114,834 1,079,978

Cash, end of year \$ 1,516,403 \$ 1,114,834

Represented by:

Cash - unrestricted \$ 1,256,403 \$ 894,834

Cash - restricted, internally 260,000 220,000

\$ 1,516,403 \$ 1,114,834

The accompanying notes are an integral part of the financial statements

COLLEGE OF KINESIOLOGISTS OF ONTARIO
NOTES TO FINANCIAL STATEMENTS
March 31, 2017

1. Purpose of the organization and income tax status

The College of Kinesiologists of Ontario (“the College”) was created April 1, 2013 pursuant to the proclamation of the Kinesiology Act, 2007. The College is a non-profit organization mandated through legislation and regulations to regulate the profession of kinesiology in Ontario in the interest of the public. The College is committed to ensuring excellent professional practice by registered kinesiologists. Through the establishment of entry-to-practice requirements and through the provision of continuous practice support, the College ensures that registered kinesiologists deliver competent, safe and ethical services.

The College is exempt from income tax under Section 149(1)(1) of the Income Tax Act. Registration remains valid so long as the College continues to fulfill the requirements of the Act and regulations in respect of non-profit organizations.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

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 contingent assets and liabilities at the statement of financial position date and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Fund accounting

The capital assets fund reports the assets, liabilities, revenues and expenses related to the College's capital assets.

The internally restricted net assets of the College represent resources internally restricted by the Council for specific use.

Expenditures at the discretion of the College are included in unrestricted fund.

Revenue recognition

Non-refundable application and jurisprudence fees are recognized as revenue when received.

Examination fees are recorded in the fiscal year to which they relate.

Registration fees are recognized as revenue proportionately over the fiscal year to which they relate. Registration fees received in advance of the membership year to which they relate are recorded as deferred revenue.

COLLEGE OF KINESIOLOGISTS OF ONTARIO
NOTES TO FINANCIAL STATEMENTS
March 31, 2017

2. Significant accounting policies (continued)

Financial instruments

The College initially measures its financial assets and liabilities at fair value.

The College subsequently measures all its financial instruments at amortized cost using the straight line method, except for investments in equity instruments that are quoted in an active market and derivatives, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Transaction costs are recognized in the statement of operations in the period incurred.

Capital assets

Capital assets are recorded at cost less accumulated amortization. Amortization is provided annually on bases designed to amortize the assets over their estimated useful lives, as follows:

Furniture and fixtures	-	straight line over 5 years
Computer equipment	-	straight-line over 3 years
Computer software	-	straight-line over 3 years
Leasehold improvements	-	straight-line over 10 years

Deferred rent

Deferred rent includes reduced rent benefits and tenant inducements received in cash.

The College recognizes rental expenses using the straight-line method whereby any contractual rents over the term of a lease are recognized into income evenly over that term. The difference between the rental expense recognized and rental payments made is shown as deferred rent. Lease incentives received in connection with leasehold improvements are amortized to income on a straight-line basis over the terms of the lease.

3. Interfund transfers and internally restricted net assets

The purpose of the internally restricted net assets is to address unplanned expenses, any increases in investigation costs and hearings and provide support to victims of sexual abuse in the future.

During the year, the College's council internally restricted additional resources amounting to \$40,000 for investigations and hearings and abuse therapy. The College also renamed the general contingency fund to the property and technology fund. Transfer of \$40,000 was made from the unrestricted net assets to the internally restricted net assets. These internally restricted amounts are not available for other purposes without approval of the council. The internally restricted net asset of \$260,000 (2016 - \$220,000) is comprised of the abuse therapy fund of \$30,000 (2016 - \$10,000), investigations and hearings fund of \$140,000 (2016 - \$120,000) and property and technology fund of \$90,000 (2016 - \$90,000).

In addition, \$19,687 was transferred from the unrestricted net assets to the capital assets fund in order to fund the cash outlays for capital asset acquisitions.

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4. Capital assets

				2017 Net Carrying Amount	2016 Net Carrying Amount
	Cost	Accumulated Amortization			
Furniture and fixtures	\$ 131,180	\$ 63,063	\$	68,117	\$ 90,138
Computer equipment	29,455	23,924		5,531	12,970
Computer software	112,993	112,993		-	27,846
Leasehold improvements	326,662	79,175		247,487	265,646
	\$ 600,290	\$ 279,155	\$	321,135	\$ 396,600

5. Financial instruments

The College regularly evaluates and manages the principal risks assumed with its financial instruments. The risks that arise from transacting in financial instruments include liquidity risk, credit risk, market risk, interest rate risk, and foreign currency risk. The following analysis provides a measure of the College's risk exposure and concentrations. There are no significant changes in the risk exposures from the prior period.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities as they come due. The College is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. Accounts payable are generally repaid within the credit terms.

The College is not exposed to any significant credit risk, market risk, interest rate risk, and foreign currency risk at the statement of financial position date.

6. Commitments

The College is committed under an examination development and implementation agreement which expires in June 2017 and a marketing agreement which expires in July 2018. The College is also committed under a long-term lease for premises which expires in June 2024. Annual contract and lease payments (exclusive of requirement to pay taxes, insurance and maintenance costs) for the next five years and thereafter are approximately as follows:

Year ending March 31, 2018	\$ 238,000
2019	119,000
2020	113,000
2021	113,000
2022	118,000
Thereafter	265,000
	<hr/>
	\$ 966,000

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7. Comparative figures

Certain reclassifications for the year ended March 30, 2016 have been made for the purpose of comparability.