



Financial Statements

(Unaudited)

Association of New Brunswick Massage Therapists
Inc.

July 31, 2017

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Review Engagement Report

To the Members of
Association of New Brunswick Massage Therapists Inc.

We have reviewed the statement of financial position of the Association of New Brunswick Massage Therapists Inc. as at July 31, 2017 and the statements of operations and changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the association.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Fredericton, Canada
November 10, 2017

Grant Thornton LLP

Chartered Professional Accountants

Association of New Brunswick Massage Therapists Inc.

Statements of Operations and Changes in Net Assets

(Unaudited)

Year ended July 31

	2017	2016
Revenues		
Membership fees	\$ 93,725	\$ 87,787
Workshop fees	49,048	22,285
AGM fees	11,824	7,717
Miscellaneous revenue	<u>2,699</u>	<u>856</u>
	<u>157,296</u>	<u>118,645</u>
Expenditures		
Advertising and promotion	8,525	1,684
AGM expenses	12,803	16,270
Amortization	-	127
Dues and fees	1,250	1,596
Insurance	1,155	1,155
Interest and bank charges	1,540	1,245
Miscellaneous	1,280	1,523
Office	5,603	7,630
Professional fees	12,285	15,621
Rent	1,035	1,017
Salaries and related benefits	57,638	56,277
Telephone and utilities	3,245	2,165
Travel	3,429	-
Website	40	9,278
Workshop expenses	<u>48,436</u>	<u>26,366</u>
	<u>158,264</u>	<u>141,954</u>
Deficiency of revenues over expenditures	<u>\$ (968)</u>	<u>\$ (23,309)</u>
Surplus, beginning of year	\$ 14,808	\$ 38,117
Deficiency of revenues over expenditures	<u>(968)</u>	<u>(23,309)</u>
Surplus, end of year	<u>\$ 13,840</u>	<u>\$ 14,808</u>

Association of New Brunswick Massage Therapists Inc.
Statement of Financial Position

(Unaudited)
 July 31

2017 2016

Assets

Current

Cash	\$ 57,257	\$ 51,693
Receivables	-	115
Prepays	<u>1,764</u>	<u>1,764</u>
	<u>\$ 59,021</u>	<u>\$ 53,572</u>

Liabilities

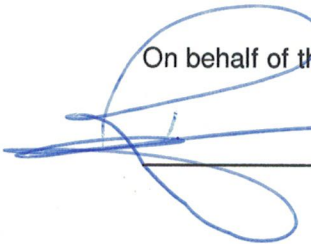
Current

Payables and accruals (Note 4)	\$ 7,749	\$ 6,842
Unearned revenue	<u>37,432</u>	<u>31,922</u>
	45,181	38,764

Surplus

	<u>13,840</u>	<u>14,808</u>
	<u>\$ 59,021</u>	<u>\$ 53,572</u>

On behalf of the board


 _____ Member

_____ Member

Association of New Brunswick Massage Therapists Inc.

Statement of Cash Flows

(Unaudited)

Year ended July 31

2017

2016

Increase (decrease) in cash

Operating

Deficiency of revenues over expenditures \$ (968) \$ (23,309)

Item not affecting cash

Amortization - 127

(968) (23,182)

Change in non-cash working capital items

Receivables 115 75

Prepays - (524)

Payables and accruals 907 (188)

Unearned revenue 5,510 12,997

Increase (decrease) in cash 5,564 (10,822)

Cash

Beginning of year 51,693 62,515

End of year \$ 57,257 \$ 51,693

Association of New Brunswick Massage Therapists Inc.

Notes to the Financial Statements

(Unaudited)
July 31, 2017

1. Nature of operations

the Association of New Brunswick Massage Therapists Inc. was incorporated in New Brunswick in 1994. As a not-for-profit organization, it is exempt from federal and provincial corporate taxes under paragraph 149(1)(l) of the Income Tax Act of Canada.

The objective of the Association is to promote the science, art and philosophy of massage therapy, represent members before government and regulatory bodies, foster and encourage professional growth and high standards of practice among members, and encourage a high standard of education for massage therapy students.

2. Significant accounting policies

The Association applies the Canadian accounting standards for not-for-profit organizations.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks.

Revenue recognition

Membership fees are deferred when received and recognized as income over the membership year which ends on September 30th.

All other revenues and expenditures are recorded using the accrual basis, whereby they are reflected in the accounts in the period in which they have been earned and incurred respectively, whether or not such transactions have been finally settled by the receipt or payment of cash.

Equipment

Equipment is initially measured at cost and subsequently measured at cost less accumulated amortization. Amortization is provided on a straight-line basis over the estimated useful life of the asset.

The amortization rates used for each class of equipment are:

Computer equipment	5 years straight-line
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Financial instruments

The Association considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Association accounts for the following as financial instruments:

- Cash and cash equivalents
- Receivables
- Payables and accruals

A financial asset or liability is recognized when the Association becomes party to contractual provisions of the instrument.

Association of New Brunswick Massage Therapists Inc.

Notes to the Financial Statements

(Unaudited)
July 31, 2017

2. Significant accounting policies (continued)

Financial instruments (continued)

The Association initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the Association is in the capacity of management in which case they are accounted for in accordance with financial instruments.

The Association subsequently measures all of its financial assets and financial liabilities at amortized cost less any reduction for impairment. Changes in fair value are recognized in excess of revenues over expenditures in the period of change.

Financial assets measured at amortized cost less any reduction for impairment include cash and accounts receivable.

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

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in excess of revenues over expenditures.

Use of estimates

Management reviews the carrying amounts of items in the financial statements each year to assess the need for revision or any possibility of impairment. Some items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to excess of revenues over expenditures as appropriate in the year they become known.

Management has not identified any items subject to significant estimates.

3. Equipment

			<u>2017</u>	<u>2016</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer equipment	\$ 3,474	\$ 3,474	\$ -	\$ -

Association of New Brunswick Massage Therapists Inc.

Notes to the Financial Statements

(Unaudited)
July 31, 2017

4. Payables and accruals

Accounts payable and accrued liabilities include government remittances of \$1,376 (2016 - \$1,497).

5. Financial instruments

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposures and concentrations at July 31, 2017.

(a) 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. The Association's main credit risks relate to its accounts receivable. The Association provides credit to its members in the normal course of its operations. There was no significant change in exposure from the prior year.

(b) Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting the obligations associated with its financial liabilities. The Association is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. In the opinion of management, the liquidity risk exposure to the Association is low and not material. There was no significant change in exposure from the prior year.

6. Comparative figures

Comparative figures have been adjusted to conform to changes in the current year presentation.
