



## Financial Statements

Association of New Brunswick Massage  
Therapists Inc.

July 31, 2018

# Contents

	<b>Page</b>
Independent Practitioner's Review Engagement Report	1 - 2
Statements of Operations and Changes in Net Assets	3
Statement of Financial Position	4
Statement of Cash Flows	5
Notes to the Financial Statements	6 - 8

# Independent Practitioner's Review Engagement Report

---

**Grant Thornton LLP**  
4th Floor  
570 Queen Street, PO Box 1054  
Fredericton, NB  
E3B 5C2

T +1 506 458 8200  
F +1 506 453 7029  
[www.GrantThornton.ca](http://www.GrantThornton.ca)

To the Members of the  
[Association of New Brunswick Massage Therapists Inc.](#)

We have reviewed the accompanying financial statements of the Association of New Brunswick Massage Therapists Inc. that comprise the statement of financial position as at July 31, 2018, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Practitioner's 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 practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates 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.

# Independent Practitioner's Review Engagement Report (continued)

## 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 the Association of New Brunswick Massage Therapists Inc. as at July 31, 2018, 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.

Fredericton, Canada  
October 29, 2018

The logo for Grant Thornton LLP is written in a black, cursive script font.

Chartered Professional Accountants

---

## Association of New Brunswick Massage Therapists Inc.

### Statements of Operations and Changes in Net Assets

Year ended July 31	2018	2017
<b>Revenues</b>		
Membership fees	\$ 101,366	\$ 93,725
Workshop fees	69,568	49,048
Miscellaneous revenue	3,573	2,699
AGM fees	<u>8,610</u>	<u>11,824</u>
	<u>183,117</u>	<u>157,296</u>
<b>Expenditures</b>		
AGM expenses	16,773	12,803
Advertising and promotion	12,045	8,525
Dues and fees	2,500	1,250
Insurance	1,155	1,155
Interest and bank charges	1,566	1,540
Miscellaneous	1,794	1,280
Office	3,478	5,603
Professional fees	11,783	12,285
Rent	1,035	1,035
Salaries and related benefits (Note 5)	62,635	57,638
Telephone and utilities	4,305	3,245
Travel	1,354	3,429
Website	1,033	40
Workshop expenses	<u>44,077</u>	<u>48,436</u>
	<u>165,533</u>	<u>158,264</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 17,584</u>	<u>\$ (968)</u>
<hr/>		
Surplus, beginning of year	\$ 13,840	\$ 14,808
Excess (deficiency) of revenues over expenditures	<u>17,584</u>	<u>(968)</u>
Surplus, end of year	<u>\$ 31,424</u>	<u>\$ 13,840</u>

---

---

# Association of New Brunswick Massage Therapists Inc.

## Statement of Financial Position

July 31	2018	2017
<b>Assets</b>		
Current		
Cash	\$ 75,503	\$ 57,257
Prepays	<u>1,764</u>	<u>1,764</u>
	<u>\$ 77,267</u>	<u>\$ 59,021</u>
<b>Liabilities</b>		
Current		
Payables and accruals (Note 4)	\$ 10,573	\$ 7,749
Unearned revenue	<u>35,270</u>	<u>37,432</u>
	45,843	45,181
<b>Surplus</b>	<u>31,424</u>	<u>13,840</u>
	<u>\$ 77,267</u>	<u>\$ 59,021</u>

---

On behalf of the board

\_\_\_\_\_ Member

---

## Association of New Brunswick Massage Therapists Inc.

### Statement of Cash Flows

Year ended July 31	2018	2017
Increase (decrease) in cash		
<b>Operating</b>		
Excess (deficiency) of revenues over expenditures	\$ 17,584	\$ (968)
Change in non-cash working capital items		
Receivables	-	115
Payables and accruals	2,824	907
Unearned revenue	<u>(2,162)</u>	<u>5,510</u>
Increase in cash	18,246	5,564
Cash		
Beginning of year	<u>57,257</u>	<u>51,693</u>
End of year	<u>\$ 75,503</u>	<u>\$ 57,257</u>

---

---

# Association of New Brunswick Massage Therapists Inc.

## Notes to the Financial Statements

July 31, 2018

---

### 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
--------------------	-----------------------

#### 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
- 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

July 31, 2018

---

### 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 receivables.

Financial liabilities measured at amortized cost include payables and accruals.

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>2018</u>	<u>2017</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

July 31, 2018

---

#### 4. Payables and accruals

Payables and accruals include government remittances of \$3,125 (2017 - \$1,376).

---

#### 5. Salary and related benefits

	<u>2018</u>	<u>2017</u>
Salary	\$ 56,636	\$ 51,748
CPP Expense	2,378	2,504
EI Expense	1,359	1,307
Vacation Pay Expense	<u>2,262</u>	<u>2,080</u>
	<u>\$ 62,635</u>	<u>\$ 57,639</u>

---

#### 6. 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, 2018.

(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 receivables. 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 payables and accruals. 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.

---