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**NOVA SCOTIA ASSOCIATION OF  
MEDICAL RADIATION TECHNOLOGISTS**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED FEBRUARY 29, 2016**

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## CONTENTS

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	<u>Page</u>
Review Engagement Report	1
Unaudited Statement of Financial Position	2
Unaudited Statement of Operations and Changes in Net Assets	3
Unaudited Statement of Cash Flows	4
Notes to the Unaudited Financial Statements	5 - 7

## REVIEW ENGAGEMENT REPORT

### To the Members of Nova Scotia Association of Medical Radiation Technologists

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We have reviewed the statement of financial position of Nova Scotia Association of Medical Radiation Technologists as at February 29, 2016 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 enquiry, 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.

The prior year financial statements were reviewed by another firm of accountants.

*WBX I LLP*

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**CHARTERED ACCOUNTANTS**

Dartmouth, Nova Scotia

June 11, 2016

# NOVA SCOTIA ASSOCIATION OF MEDICAL RADIATION TECHNOLOGISTS

## UNAUDITED STATEMENT OF FINANCIAL POSITION

AS AT FEBRUARY 29, 2016

	2016	2015
	\$	\$ (Restated)
<b>A S S E T S</b>		
CURRENT ASSETS		
Cash	393,458	159,035
Short-term investments	27,994	31,003
Accounts receivable	5,909	-
Prepaid expenses	6,047	2,000
	<u>433,408</u>	<u>192,038</u>
PROPERTY, PLANT AND EQUIPMENT (note 3)	<u>725</u>	<u>-</u>
	<u>434,133</u>	<u>192,038</u>
<b>L I A B I L I T I E S</b>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	150,211	6,761
Deferred revenue (note 4)	180,953	56,352
	<u>331,164</u>	<u>63,113</u>
<b>N E T A S S E T S</b>		
NET ASSETS	<u>102,969</u>	<u>128,925</u>
	<u>434,133</u>	<u>192,038</u>

COMMITMENT (note 7)

APPROVED ON BEHALF OF THE BOARD:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**NOVA SCOTIA ASSOCIATION OF MEDICAL RADIATION TECHNOLOGISTS**  
**UNAUDITED STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED FEBRUARY 29, 2016**

	2016 \$	2015 \$ (Restated)
<b>REVENUES</b>		
Member fees	227,615	190,492
Student exam fees	2,200	1,350
Other income	4,960	3,299
	<u>234,775</u>	<u>195,141</u>
<b>EXPENDITURES</b>		
Amortization	275	-
AMRTRC membership fees	4,000	4,000
Accounting fees	1,926	1,605
CAMRT assessment	136,935	137,061
Education and conferences	11,962	4,558
Executive committee and meetings	33,685	28,090
Honorariums and awards	1,979	2,869
Legal fees	4,746	1,010
Management fees	18,874	17,393
Miscellaneous	11,657	3,427
Office supplies	778	262
Registration fees	13,486	7,695
Salaries and wages	4,629	-
Student exam administration	400	600
Telephone and website	12,390	1,318
	<u>257,722</u>	<u>209,888</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES BEFORE OTHER ITEMS	(22,947)	(14,747)
UNREALIZED (LOSS) GAIN ON INVESTMENTS	(3,009)	1,464
<b>DEFICIENCY OF REVENUE OVER EXPENDITURES FOR THE YEAR</b>	<b>(25,956)</b>	<b>(13,283)</b>
NET ASSETS - beginning of year - as previously stated	128,925	184,330
CORRECTION OF AN ERROR (note 5)	-	42,122
NET ASSETS - beginning of year - restated	<u>128,925</u>	<u>142,208</u>
<b>NET ASSETS - end of year</b>	<b><u>102,969</u></b>	<b><u>128,925</u></b>

# NOVA SCOTIA ASSOCIATION OF MEDICAL RADIATION TECHNOLOGISTS

## UNAUDITED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED FEBRUARY 29, 2016

	2016	2015
	\$	\$
		(Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash provided from (used in) operations		
Deficiency of revenue over expenditures for the year	(25,956)	(13,283)
Items in income not involving cash		
Amortization	275	-
Unrealized loss (gain) on investments	3,009	(1,464)
	<u>(22,672)</u>	<u>(14,747)</u>
Change in non-cash working capital balances		
Accounts receivable	(5,909)	601
Prepaid expenses	(4,047)	3,333
Deferred revenue	124,601	14,229
Accounts payable and accrued liabilities	143,450	245
	<u>235,423</u>	<u>3,661</u>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES:</b>		
Acquisition of property, plant and equipment	(1,000)	-
Purchase of short-term investments	-	(530)
	<u>(1,000)</u>	<u>(530)</u>
<b>CHANGE IN CASH</b>	<b>234,423</b>	<b>3,131</b>
CASH - beginning of year	<u>159,035</u>	<u>155,904</u>
CASH - end of year	<u>393,458</u>	<u>159,035</u>

# NOVA SCOTIA ASSOCIATION OF MEDICAL RADIATION TECHNOLOGISTS

## NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED FEBRUARY 29, 2016

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### 1. NATURE OF OPERATIONS

Nova Scotia Association of Medical Radiation Technologists has been established pursuant to the Medical Radiation Technologists' Act of the Province of Nova Scotia. The association is a non-profit organization that collects membership fees on behalf of the Canadian Association and provides continuing education and public relation services on behalf of its members. Under the Income Tax Act of Canada, the association is not subject to income taxes.

### 2. SIGNIFICANT ACCOUNTING POLICIES

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

#### **Short-term Investments**

Short-term investments represent mutual and segregated funds which are valued at fair value.

#### **Property, Plant and Equipment**

Property, plant and equipment are stated at cost. Amortization is provided for using the declining balance method over the estimated useful lives as follows for the major classes of assets:

Computer	55%
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#### **Impairment of Long-lived Assets**

A long-lived asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. Any impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

#### **Revenue Recognition**

##### *Membership dues*

The association follows the deferral method of accounting for members dues and student exam fees. Members dues and student exam fees are considered unrestricted contributions and are recognized as revenue in the fiscal year to which they relate if the amounts to be received can be reasonably estimated and collection is reasonably assured.

##### *Investment and other income*

Unrestricted investment income and other income is recognized as revenue in the period earned.

##### *Unrealized gains and losses on investments*

Changes in the fair value of short-term investments is recognized in excess of revenues over expenditures as an unrealized gain or loss.

#### **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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

**NOVA SCOTIA ASSOCIATION OF MEDICAL RADIATION TECHNOLOGISTS**  
**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED FEBRUARY 29, 2016**

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**2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Financial Instruments**

*Measurement of Financial Instruments*

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

The association subsequently measures all its financial assets and financial liabilities at amortized cost, except for short-term investments, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and accounts receivable.

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

*Impairment*

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

*Transaction Costs*

The association recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

**3. PROPERTY, PLANT AND EQUIPMENT**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>2016 Net Book Value</b>	<b>2015 Net Book Value</b>
	\$	\$	\$	\$
Computer equipment	1,000	275	725	-

**4. DEFERRED REVENUE**

Membership fees are for a 12 month period which runs January 1 to December 31. The association defers and recognizes the revenue into the statement of operations based on the months that fall within the fiscal year.

**5. CORRECTION OF AN ERROR**

During the course of the audit, it was determined that membership fees in the prior years had not been appropriately deferred into the fiscal year to which they relate. As a result, the prior year's statement of financial position and statement of operations and changes in net assets have each been restated. This error created an overstatement in membership fees of \$14,299, an understatement of deferred revenue of \$56,351 and an overstatement of opening net assets of \$42,122 in the prior year which has been corrected retroactively in the 2016 fiscal year.



**NOVA SCOTIA ASSOCIATION OF MEDICAL RADIATION TECHNOLOGISTS**  
**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED FEBRUARY 29, 2016**

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**6. FINANCIAL INSTRUMENTS**

**Risks and Concentrations**

The association is exposed to various risks through its financial instruments. The following analysis provides a measure of the association's risk exposure and concentrations at the balance sheet date.

**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 clients in the normal course of its operations.

**Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The association is mainly exposed to other price risk.

*Other Price Risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The association is exposed to other price risk through its short-term investments.

**7. COMMITMENT**

Nova Scotia Association of Medical Radiation Technologists and the Nova Scotia Society of Diagnostic Medical Sonographers are awaiting proclamation from the Nova Scotia Legislature that would amalgamate these organizations. It is anticipated that this proclamation will occur within the next fiscal period. The assets, liabilities, revenues and expenditures of the Nova Scotia Society of Diagnostic Medical Sonographers are not reflected in the current year's financial statements.