



College of
TRADITIONAL
CHINESE MEDICINE
PRACTITIONERS +
ACUPUNCTURISTS
of British Columbia

2019
/ 2020

ANNUAL REPORT

TABLE OF CONTENTS

03

Chair's
Message

05

Registrar's
Message

07

Board of
Directors

07

Mission
& Vision

08

Discipline
Committee
Report

09

Educations &
Examination
Committee

12

Finance
Committee

14

Inquiry
Committee

15

Patients
Relationship
Committee

16

Quality
Assurance
Committee

17

Registration
Committee

21

Financial
Statements

CHAIR'S MESSAGE



The year has been an eventful one, presenting several unique circumstances that were not anticipated by the Strategic Plan. Despite these challenges, the routine business of the College, focused on the superintendence of the practitioners of Traditional Chinese Medicine in this province, has continued uninterrupted under the watchful eyes of our Registrar and his staff.

The Board has experienced the anticipated turnover of members as terms of office have expired. We have been particularly fortunate to retain the services of Dr. Weija Tan on the Education and Examination Committee. Dr. Tan has been a committed College volunteer for many years. Her professional experience both as a practitioner and educator, and her enthusiasm and wisdom, have been much appreciated by all who have worked with her.

Dr. Tan, who most recently served as Vice-Chair of the Board, has been replaced by Dr. Kim Graham. Dr. Jianying Gao is the newest arrival on the Board, while Dr. Weidong Yu was re-elected to a second three-year term. I am grateful to all Board members for their continuing dedication and support.

The *Health Professions Act* (HPA) has now been in effect since 1996. Various changes have been made since it was passed into legislation reflecting the continuing trend away from self-governance by the professions, to one of government oversight in the public interest. Among other changes, the composition of boards has changed significantly from ratios of profession to public membership, where the profession vastly exceeded the number of public representatives, to a ratio where the number professional and public members are more commonly equal. These changes are very much in line with changes occurring in regulation around the world which this College has been monitoring for many years.

In BC, the tempo of change in regulation was significantly accelerated by the inquiry led by Mr. Harry Cayton of the UK Professional Standards Authority at the request of the Minister of Health. Half of the report focuses on an analysis of changes

CONTINUED ON NEXT PAGE...

CHAIR'S MESSAGE

...CONTINUED

that would be appropriate in the HPA. Unfortunately, proposed changes to the Bylaws of the CTCMA remain the subject of a moratorium that is delaying our internal modernization initiatives. The challenge of interpreting and applying outdated bylaws has complicated some regulatory processes.

Another outcome of the Cayton Report has been the initiative to consider the amalgamation of several colleges. A model has been proposed for five groupings of regulatory bodies. While some groups comprise a small number of colleges, CTCMA would join a much larger grouping. The Ministry has temporarily shifted focus away from the process of amalgamation given the pressure of other health care challenges, particularly those posed by the pandemic. Nonetheless, CTCMA has been enjoying collaborative activity by virtue of the migration of its offices to the "HUB" at 200 Granville Street. This move has supported efficiencies of operation, the ability to share expertise and facilities, and has revolutionized the function of the College. These collaborations already involve regulatory bodies outside "the fifth group", the proposed College of Health and Care Professions. It is the view of this Board that it would be undesirable should future circumstances diminish the opportunity for interdisciplinary collaboration in the manner now established at the HUB. CTCMA very much appreciates the hosting provided by the College of Nursing Professionals whose initiative brought about the HUB facility.

As I write this report, we are now 10 weeks into the pandemic and provincial state of emergency. I wish to thank the registrants of this College for their patience and cooperation during a period of unexpected constraint. The Board recognizes the challenges of reopening practices as the orders of the Provincial Health Officer are altered to permit limited clinical activity, always with close attention to the safety of the practitioners, their staff members, and the public. Our admiration and thanks are extended to Dr. Bonnie Henry and to her supporting teams.



Respectfully submitted,

Dr. Peter Stevenson-Moore,
BDS. MSD. MRCD(C)

Board Chair

REGISTRAR'S MESSAGE

The past year has provided an unparalleled level of challenge for the College—challenges that, as of this writing, are ongoing and have had both philosophical and practical impact on our work and on that of registrants.

In August 2019 the College staff and operations had moved into the HUB at 200 Granville Street in Vancouver gaining efficiencies through the sharing of office space and overhead, enhanced technological capabilities, and the opportunity to share processes and generally collaborate with other colleges on regulatory issues.

In late November recommendations from the Ministry of Health Steering Committee concerning the modernization of health regulation were received including, notably, amending the *Health Professions Act*, creating a single register and code of ethics, and reducing the number of colleges to potentially just five regulators. With protection of the public at their core, these recommendations were made with a view to efficient administration, best practice for governance, and to ensure transparency and accountability. The College provided its response in January 2020.

On March 11, 2020, the World Health Organization declared the global outbreak of COVID-19 to be a pandemic and a week later British Columbia was declared to be in a State of Emergency. In the interest of safety, College staff began working remotely and, as directed by the Board, the College

began communicating regularly to registrants on COVID-19, providing guidance from official sources, such as the Public Health Agency of Canada and the BC Centre for Disease Control.

Later in March, and in the interest of public safety and concern for our registrants, the College recommended that all in-person traditional Chinese medicine and acupuncture care be suspended until further notice, except in the rarest of emergency circumstances. Working expeditiously with the Quality Assurance Committee, College staff developed the Practice Standard on Tele-Practice During the Coronavirus (COVID-19) Pandemic, approved by the Board on March 26, 2020.

As one can imagine, regulatory response to the COVID-19 pandemic has added significant workload for College staff in all areas of operations, not least of which has been registration renewal, our busiest time of year under normal circumstances. Staff updated the electronic processing of applications to be able to grant registrations while working remotely.

A more recent development, again due to the COVID-19 pandemic and the need for physical distancing, is the conclusion that it is neither safe nor feasible to hold the annual general meeting (AGM) in the traditional manner as had been planned for September 13, 2020.

To fulfill the legal requirements of the AGM, the format has been changed. Financial statements will be provided in written form. Registrants will be asked to pre-submit questions which

[CONTINUED ON NEXT PAGE...](#)

REGISTRAR'S MESSAGE

... CONTINUED

will be answered in a virtual session. Resolutions, if any, will be handled by the online platform used for Board elections over the past few years. I would also like to note that as none of the registrant Board members' terms of office are due to expire this year a Board election will not be held in 2020.

Another difficult consequence of the coronavirus has been speculation regarding its origin and reports of discrimination against residents of Asian descent. And events in the USA and around the world have further heightened the uncomfortable truth that racism and inequality are as prevalent as ever. We condemn such incidents in the strongest possible terms.

Neither can the College ignore the discrimination long faced by our Indigenous people. In 2017 the College signed the Declaration of Commitment – Cultural Safety and Humility in the Regulation of Health Professionals and all staff have completed the San'yas: Indigenous Cultural Safety Training Program.

The College has pledged to develop a plan that will bring awareness to and help guide us in addressing the racism and injustice experienced by the Black community, and by Asian and Indigenous British Columbians. Tangible change can not be brought about by the Black, Asian, Indigenous, and other communities of colour, alone.

At the close of this uniquely challenging year I would like to thank the Board of Directors, committee members, registrants and College staff for their commitment to serving the public interest. I am grateful for everyone's hard work and support over the past few months and under difficult circumstances.



Respectfully submitted,

Jonathan Ho
Registrar and CEO

BOARD OF DIRECTORS



Peter Stevenson-Moore, Chair ‡

Kimberley Graham, Vice-Chair ⊙
DISTRICT 1

Joelle Berry ‡

Guo Ding ‡

Jennifer Gao ⊙
DISTRICT 1 - SINCE JANUARY 2020

Oleh Ilnyckyi ‡

Rachel Ling ⊙
DISTRICT 1

Edwin Liu ‡

Beverly Osachoff ⊙
DISTRICT 2

Shawn-Poppi Sabhaney ⊙
DISTRICT 1

Jocelyn Stanton ‡

Weijia Tan ⊙
DISTRICT 1 - UNTIL JANUARY 2020

Weidong Yu ⊙
DISTRICT 1

⊙ REGISTRANT MEMBER
‡ PUBLIC MEMBER

VISION

Better health through excellence in regulation of traditional Chinese medicine

MISSION

The College serves and protects the public interest by regulating and advancing safe, ethical and quality Chinese medicine practice in British Columbia.

DISCIPLINE COMMITTEE

Members: Joelle Berry, Chair ☉; Jeda Boughton ☉; Jacqueline Kar Yee Chan ☉; Rachel Ling ☉; William MacLeod ‡; Jennifer Dunn Moynes ☉; Cheri Naslund ☉; Peter Stevenson-Moore ‡; Carol Williams ‡

The Discipline Committee considers allegations of incompetence and professional misconduct referred to it by the Inquiry Committee. If a panel of the Discipline Committee finds the Registrant guilty of professional misconduct or incompetence it may do one or more of the following:

- dismiss the matter
- reprimand the respondent
- impose limits or conditions
- suspend respondent registration
- cancel respondent registration
- fine the respondent
- assess whole or partial hearing costs against the respondent.

In cases where there is a finding of professional misconduct, the results of the proceeding must be included on the College Register, available on the College's website as required by the Health Professions Act. In addition, the Act requires the College to publish a summary of each case. These summaries are also published on the College's website.

In 2019, the Inquiry Committee made decisions and closed complaints without involving the Discipline Committee. The Discipline Committee appreciates the dedicated work at the Inquiry Committee level in implementing strategies developed through meetings with legal counsel and other BC Health Regulators. As a result, no disciplinary hearings were held in the fiscal year ending March 31, 2020.

The College continues to ensure its practicing registrants are well informed on the legal issues their practices require.

Joelle Berry, LL.B.
Discipline Committee Chair

EDUCATION & EXAMINATION COMMITTEE

Members: Bao Qi Cao, Chair ☉; David Ding ‡; John Lee ☉; Peter Liu ‡; Bradley Matthews ☉; Hannah Shen ☉; Jocelyn Stanton ‡; Weijia Tan ☉; Chak Wai Wong ☉

The Education and Examination Committee is responsible for

- determining eligibility to write examinations,
- reviewing education programs in British Columbia for compliance with entry-to-practice standards, and reviewing and making recommendations to the Board regarding:
 - the examinations required for registration in each title/category of registration,
 - the recognition of education programs, and
 - entry-to-practice standards required to register with the College

During this reporting period the Education and Examination Committee and its panels held eight meetings and processed 275 examination applications.

One of those eight meetings was held jointly with the Registration Committee, resulting in an agreement in principle to recommend that the Board:

- update Part I and Part IV of the Bylaws, and
- create Schedule L and Schedule M of the Bylaws.

To maintain the education standard and protect public safety, the Committee:

- amended the policy to update the definition of the training program and restrict the post-graduate clinical training program to be completed under a training institution listed in Schedule H, and
- updated the Transcript Requirements Policy.

A TCM School meeting was held in April 2019 with representatives from eight TCM schools and PTIB. At this meeting, the new Pan-Canadian Examination Format for 2020 was presented by the examination provider's psychometrician, including background information on updated entry-level occupational competency (2018).

During this reporting period, the Education Program Review Team completed the annual and follow-up site visits to nine TCM schools and the initial review on one new TCM school which was recommended by the Committee to the Board for inclusion in CTCMA Bylaws Schedule H (pending).

In March 2020, and in response to COVID-19 pandemic, the Committee:

- made a temporary policy and guideline to approve online classroom instruction during this extraordinary time,
- adopted a policy on provisional approval on examination eligibility for October 2020 Pan-Canadian Examinations to accommodate the delayed clinical training, and
- postponed indefinitely the 2020 Dr.TCM Clinical Retaking Examination.

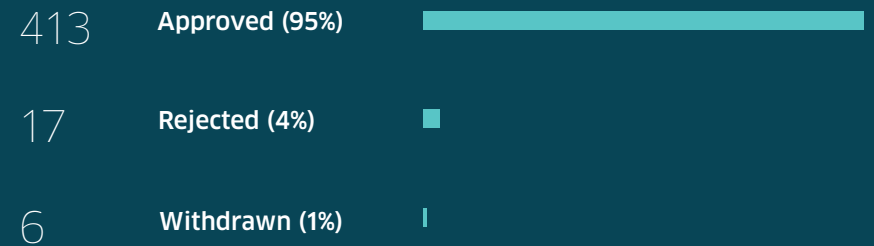
Ben Bao Qi Cao, Dr. TCM
Chair, Education and Examination Committee

EXAMINATION APPLICATIONS



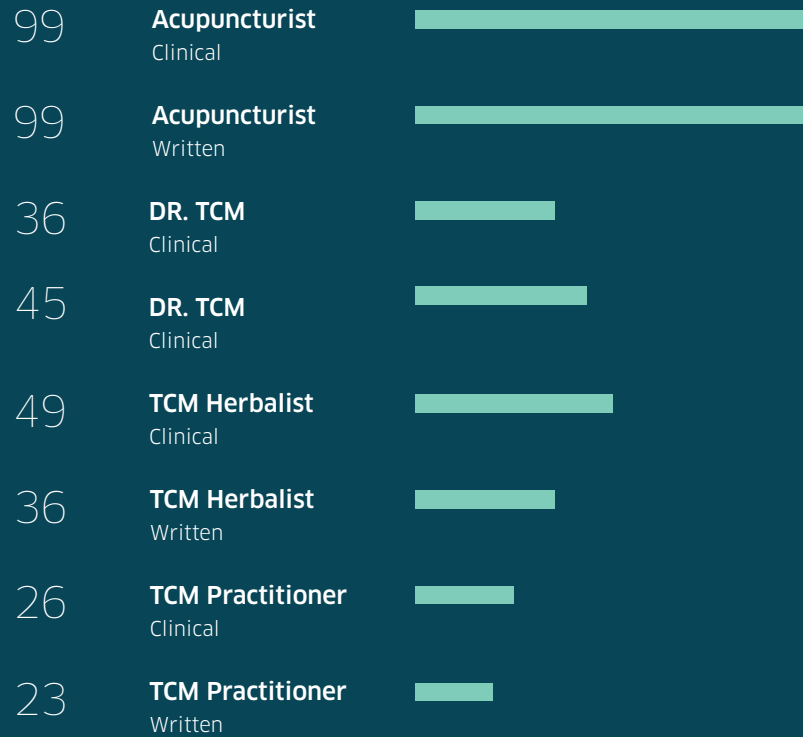
436

APPLICATION RESULTS

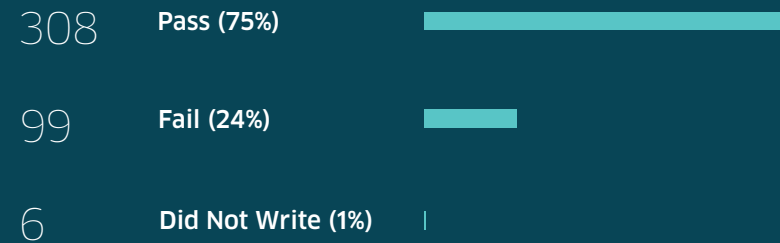


436

EXAMINATION CANDIDATES



CANDIDATE RESULTS



FINANCE COMMITTEE

Members: Edwin Liu, Chair †; David (Guo) Ding †; Kimberley Graham ☉

The Finance and Administration Committee assists the Board in fulfilling its mandate by:

- reviewing the College's budget,
- reviewing operational and capital expenditures, and monitoring actual performances in relation to the approved budget,
- reviewing the College's financial systems, and
- overseeing the annual audit of the financial statements by an external public auditor.

The Finance Committee met quarterly and reported at every Board meeting throughout the year.

As of March 31, 2020, the College holds three Guaranteed Investment Certificates (GIC) with an approximate total value of \$3.85 million and maturity dates ranging from May 2020 to January 2021. Of this \$3.85 million, about \$1.5 million is deferred to the following year's income as registration renewal fees are always collected in advance of a fiscal year.

The College has a responsibility to meet all financial and legal requirements as set out under the Health Professions Act. That responsibility includes ensuring the College is able to meet all legal obligations which could include severance pay, lease commitments and ongoing contracts. The College's

contingency fund, which is equal to approximately one year of operating costs, is intended to cover such expenses. This amount has been vetted by external auditors who have confirmed it is in line with other not-for-profit organizations. This contingency fund comprises the largest part of the College's surplus funds.

The College's fiscal year runs from April 1st to March 31st. Due to the COVID-19 pandemic, a number of projects were suspended in March 2020 resulting in previously allocated funds not being utilized. At the same time, the Board approved an operational budget for the fiscal year ending on March 31, 2021, with an anticipated deficit of \$96,000 to be offset by the surplus from the fiscal year ending on March 31, 2020. The College's financial state remains healthy.

Manning Elliott LLP was reappointed to conduct the audit of the financial statements for the year ended March 31, 2020. The audited financial statements are condensed and presented in graphic form on the following pages.

Edwin Liu, CPA, CA
Chair, Finance and Administration Committee

FINANCIAL OVERVIEW

REVENUE BREAKDOWN 2019

82% \$1,810,674

Registration Fees

4% \$85,258

Other

14% \$307,704

Courses & Examinations

15% \$318,623

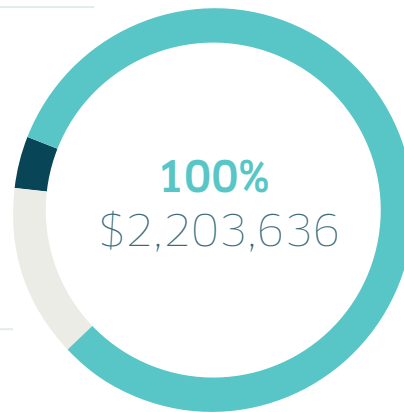
Supporting Registrants

5% \$97,976

Special Projects

26% \$ 540,269

Regulating Entry-to-Practice



EXPENSES BREAKDOWN 2019

7% \$145,636

Acting on Complaints

20% \$ 422,685

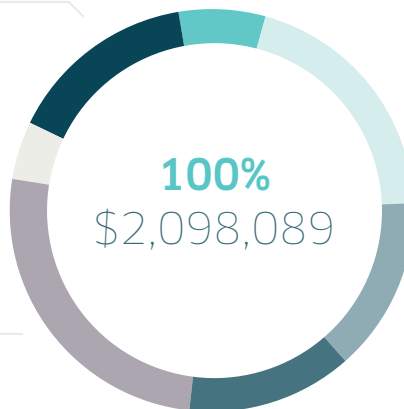
College Oversight

14% \$294,011

Infrastructure

13% \$278,889

Operations



INQUIRY COMMITTEE

Members: Oleh Ilnyckyj, Chair †; Adrian Chaster †; Louise Demorest ☉; Tahmineh Nikookar ☉; Beverly Osachoff ☉; Shawn-Poppi Sabhaney ☉; Vivienne Stewart †; Jennifer Strong ☉

Complaints regarding matters of professional conduct, competency and capacity of registrants and former registrants received by the College are reviewed by the Inquiry Committee which is comprised of registrant and public members. The Committee is committed to a fair, open and transparent process.

Having jurisdiction under the Health Professions Act (the 'Act'), it functions as a screening committee, reviewing, investigating and rendering decisions or initiating investigations stemming from its own motions.

Despite the limitations placed on the College during the ongoing pandemic, the committee is committed to continuous improvement efforts. The College has

INVESTIGATIONS OPENED	%	#
Practice Incompetency	15.4%	6
Professional Misconduct	35.9%	14
Sexual Misconduct	12.8%	5
Unauthorized Practice	5.1%	2
Unauthorized Title	30.8%	12
	100%	39

INVESTIGATIONS CLOSED	%	#
Take no further action	78.1%	25
Take action to resolve the matter between complainant and registrant	6.3%	2
Reprimand by remedial action by consent	12.5%	4
Issue citation for disciplinary hearing	3.1%	1
		32

completed a digital conversion project, has launched a web monitoring tool to proactively identify any COVID-19 related advertising and/or marketing concerns and is continuing to work to improve data tracking and trend reporting. Additionally, the Inquiry Committee has been implementing a new Board policy, approved on March 7, 2020, pursuant to section 32(3) under the Health Professions Act, which authorizes the Registrar to investigate and resolve matters that are trivial in nature, and/or are of low risk and complexity. The new policy is in-line with practices used by other health regulators as a means for workstream segmentation to improve the timeliness and efficiency of investigations. A disposition under this provision is considered a disposition by the Inquiry Committee unless the Registrar receives written direction to proceed to the committee for further investigation and disposition.

The Inquiry Committee met 21 times during this reporting period; 39 cases were opened, 32 cases were closed and 10 cases

CONTINUED ON NEXT PAGE...

INQUIRY COMMITTEE

...CONTINUED

were ongoing. The median time for the processing of a complaint to disposition is 147 days.

Under the Health Professions Act, a complainant dissatisfied with a decision of the Inquiry Committee may request the Health Professions Review Board to review that decision. One request for review was made to the Health Profession Review Board in 2019, which is still ongoing.

Inquiry Committee members meet in panels of three to review complaints. The Committee directs investigations, resolves complaints and issues citations for hearings. Following is a summary of Inquiry Committee activity during this reporting period.

Oleh Ilnyckyj, LL.B.
Chair, Inquiry Committee

PATIENTS RELATIONS COMMITTEE


Members: Weidong Yu ☉ (Chair); Joelle Berry †; Kimberley Graham ☉; Edwin Liu †; Jason Tutt ☉; Paul Sit Cheong Ho ☉

The Patient Relations Committee is mandated to seek to prevent professional misconduct of a sexual nature by:

- establishing and maintain procedures to deal with such complaints,
- developing and coordinating educational programs for professionals and the public,
- developing guidelines for professional conduct, and
- providing information to the public regarding the College's complaint and disciplinary process.

Weidong Yu, Dr. TCM
Chair, Patients Relations Committee

QUALITY ASSURANCE COMMITTEE

Members: Eyal Lebel, Chair ; Kimberley Graham ; Delphia Johnstone ; Adina Kuerban ; Rachel Ling ; Peter Stevenson-Moore ; Weidong Yu 

The Quality Assurance Committee is mandated:

- to review the standards of practice, to enhance the quality of practice and to reduce incompetent, impaired or unethical practice among registrants,
- to establish and maintain a continuing competency program to promote high standards of practice among registrants, and
- to recommend to the Board continuing education and other requirements for revalidation of registration.

The Committee held three meetings during the reporting period. Highlights of the Committee's activities are as follows:

Updating Practice Standards for High-Risk Activities

The Committee identified and prioritized high-risk practice issues requiring a regulatory response, for example, developing new practice standards and policies in a workplan.

Practice Support Program (PSP)

Since 2015, the Committee has been working on the new quality assurance program, the Practice Support Program, which will ensure that registrants continually improve the quality of services they provide. Consultation and development work for the PSP continued through the reporting period in 2019-2020.

- In July 2019 the PSP was confirmed as meeting the BC Health Regulator's Quality Assurance Program

framework and position statements.

- In September 2019 the Committee reported findings from the PSP pilot studies to the Board. The Board adopted the Committee's recommendation to incorporate the career-span competencies (CSCs), the comprehensive self assessment (CSA), client feedback (CF) and the development plan (DP) processes as components of the PSP.
- In Dec 2019, the Committee started work on the "Peer Support" component of the PSP and planned to run facilitated "peer-circling" group discussion pilots in 2020.

Continuing Competency Program

The Committee updated the definition for Category A2 so that more online courses/webinars can be included in this category in September 2019.

New Practice Standard

In March 2020, the Committee developed a new Practice Standard concerning tele-practice during the COVID-19 pandemic. This allowed registrants to use communication technology in the delivery of TCM services remotely, that is, without direct contact with patients.

Eyal Lebel, Dr. TCM
Chair, Quality Assurance Committee

REGISTRATION COMMITTEE

Member: Peter Stevenson-Moore, Chair ‡; Luke Cao ☉ ; Guo Ding ‡; Rachel Ling ☉ ; Bradley Matthews ☉; Jason Tutt ☉

The Committee is mandated to:

- review and approve the registration of a person as a member of the College,
- consider approval of the following information submitted for registration application purposes:
 - accredited colleges or chartered/approved universities for registration applicant purposes
 - good character for registration applicant purposes
 - evidence of authorization to work in Canada for registration applicant purposes, and
- provide decisions pursuant to CTCMA Bylaws sections 48, 50, 51, 53, 58, and 59.

The Registration Committee held six meetings to review registration applications in 2019-2020. The Committee granted approvals for 186 new full registrations to practise Traditional Chinese Medicine and Acupuncture in all four disciplines within the professions in the province, of which 33 were reciprocity registration applicants holding full registration from other Canadian jurisdictions. The Committee also granted approvals for six reinstated registrants with limited registrations and 197 new student registrations.

One of those six meetings was held jointly with the Education and Examination Committee resulting in an agreement in principle to recommend that the Board:

- update Part I and Part IV of the Bylaws; and
- create Schedule L and Schedule M of the Bylaws.

There were 2,231 registrants renewed by the registration deadline on March 31, 2020, of which 2,203 were online renewals (98.7 %) and 28 were renewals by paper forms (1.3 %). As a comparison, in 2019 96.9 % of renewals were online. Two renewal assistance sessions (one in February and one in March) were set up to assist registrants with their online registration, in-person. Assistance was provided by CTCMA staff and professional interpreters in both Korean and Chinese (before the physical office had to close due to the COVID-19 situation). However, all inquiries were successfully handled through emails and phone-calls outside the sessions.

In response to the COVID-19 pandemic, 189 registrants experiencing financial hardship were approved by the Board to pay their 2020 renewal fee in two installments, easing financial pressure on registrants at a difficult time.

Dr. Peter Stevenson-Moore,
BDS. MSD. MRCD(C)
Chair, Registration Committee

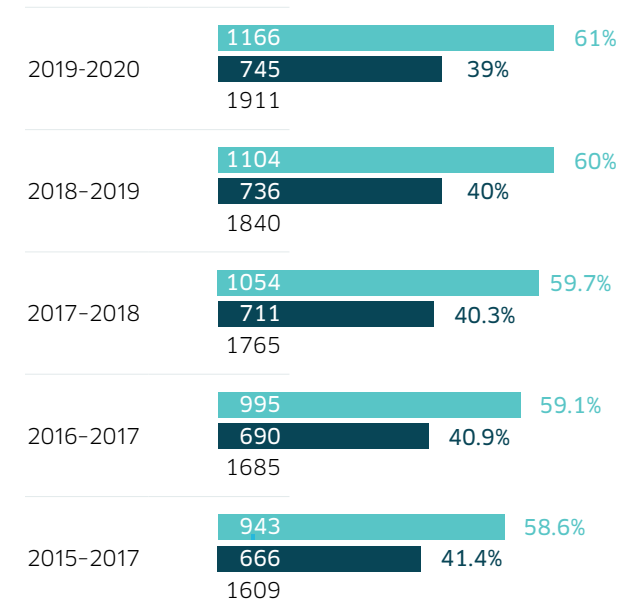
REGISTRATION COMMITTEE

REGISTRATION

BY TITLE

	2019 -2020		2018-2019		2017-2018	
Non-Practicing	87	3.5%	110	4.7%	110	4.7%
Doctor of Traditional Chinese Medicine (Dr.TCM)	343	13.8%	325	14%	324	14%
Registered Acupuncturist (R.Ac.)	959	38.5%	917	38.8%	878	37.8%
Registered Traditional Chinese Medicine Herbalist (R.TCM.H)	29	1.2%	31	1.3%	31	1.3%
Registered Traditional Chinese Medicine Practitioner (R.TCM.P)	580	23.3%	567	24%	532	22.9%
Student	491	19.7%	427	18.1%	447	19.3%
	2489	100%	2361	100%	2322	100%

GENDER OF PRACTICING REGISTRANTS

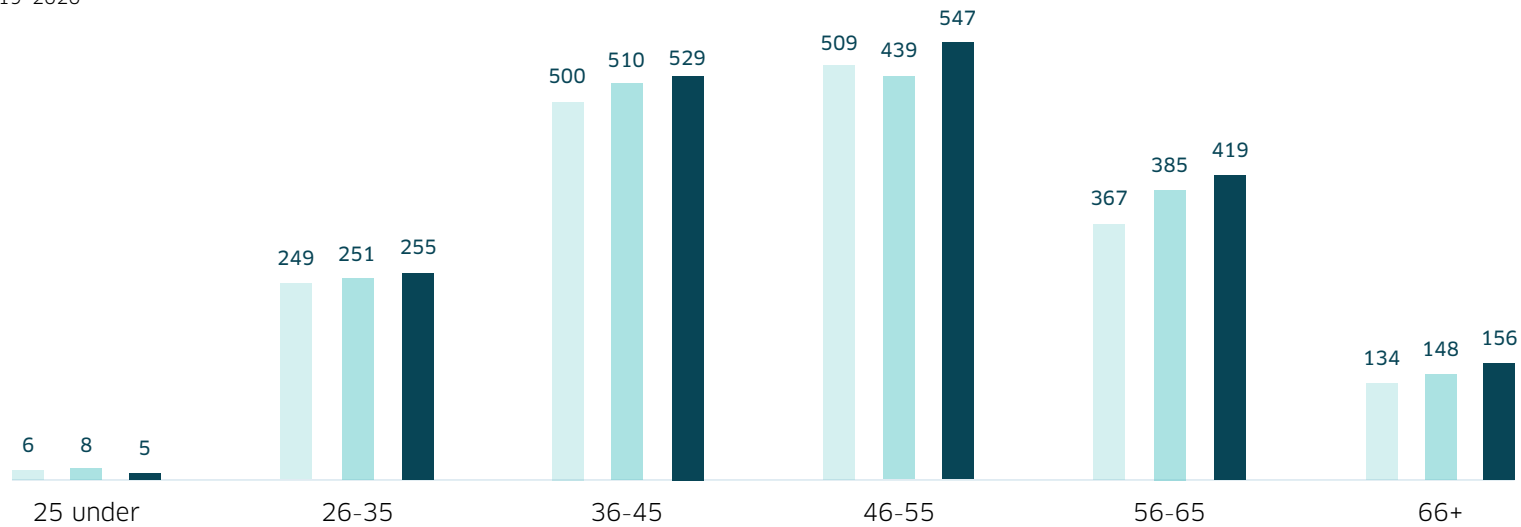


■ FEMALE
■ MALE

REGISTRATION COMMITTEE

AGE OF PRACTICING REGISTRANTS

- 2017-2018
- 2018-2019
- 2019-2020

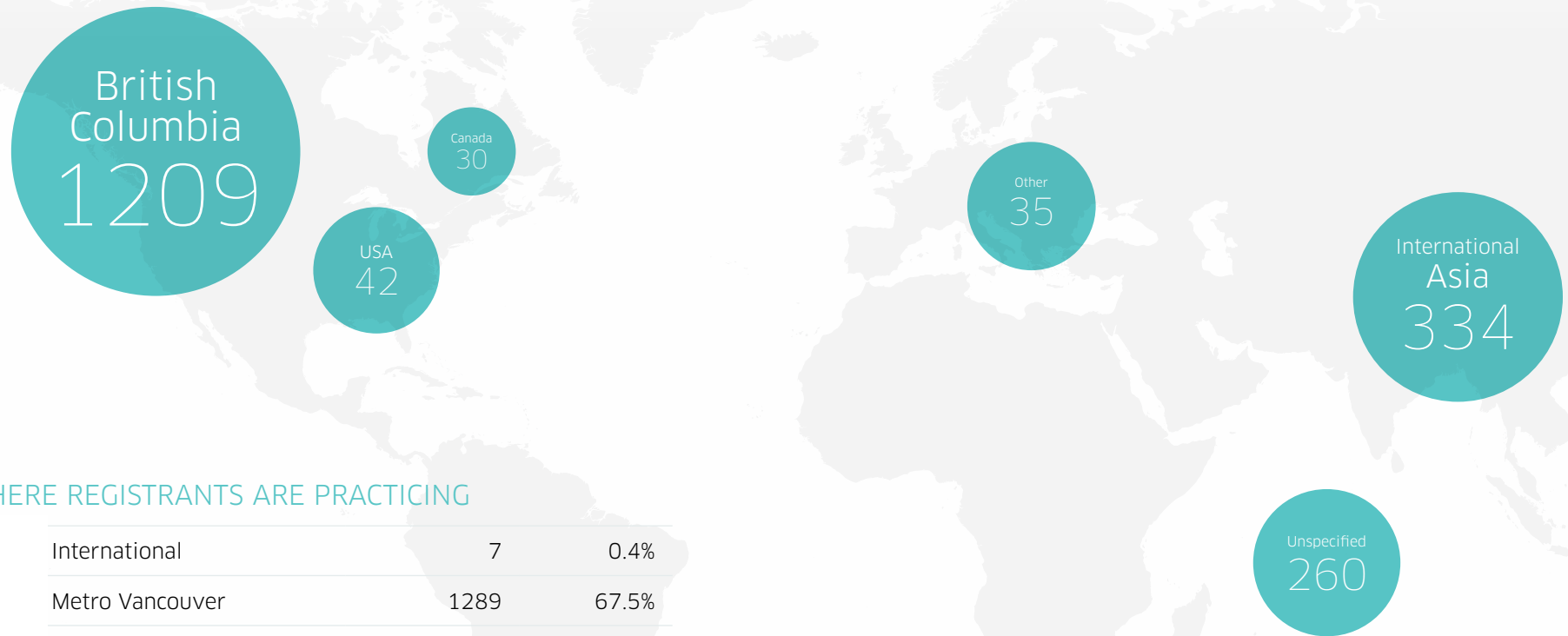


PRIMARY LANGUAGE SPOKEN IN CLINIC

	#	%
Cantonese	123	6.4%
English	1374	71.9%
Korean	43	2.3%
Mandarin	349	18.3%
Other	22	1.1%
Total	1911	100%

REGISTRATION COMMITTEE

Where Practicing Registrants
Were Educated



WHERE REGISTRANTS ARE PRACTICING

International	7	0.4%
Metro Vancouver	1289	67.5%
Okanagan	55	2.9%
Other Areas in BC	257	13.4%
Other Provinces in Canada*	36	1.9%
Vancouver Island	267	14%
Total	1911	100%

**COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND
ACUPUNCTURISTS OF BRITISH COLUMBIA**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2020

INDEPENDENT AUDITORS' REPORT

To the Members of College of Traditional Chinese Medicine Practitioners and Acupuncturists of British Columbia

Opinion

We have audited the financial statements of College of Traditional Chinese Medicine Practitioners and Acupuncturists of British Columbia (the "College"), which comprise the statement of financial position as at March 31, 2020, and the statements of changes in net assets, revenues and expenses and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2020, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements. We are independent of the College in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

In preparing the financial statements, management is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the College or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the College's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 College's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Manning Elliott LLP

Chartered Professional Accountants
Vancouver, British Columbia
June 26, 2020

**COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND
ACUPUNCTURISTS OF BRITISH COLUMBIA
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020**

	2020	2019
ASSETS		
CURRENT		
Cash and cash equivalents (Note 3)	\$ 4,688,103	\$ 4,582,764
Accounts receivable	35,527	41,852
Prepaid expenses and deposits	13,495	29,746
	4,737,125	4,654,362
OFFICE EQUIPMENT (Note 4)	18,225	23,577
OFFICIAL MARKS	8,000	8,000
	\$ 4,763,350	\$ 4,685,939
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 266,556	\$ 216,677
Government remittances payable	19,179	14,502
Vacation payable	33,356	19,075
Deferred revenue (Note 5)	1,501,950	1,598,923
	1,821,041	1,849,177
COMMITMENT (Note 6)		
NET ASSETS		
INTERNALLY RESTRICTED NET ASSETS (Note 1(a)(iii))	2,779,948	2,761,645
UNRESTRICTED NET ASSETS	162,361	75,117
	2,942,309	2,836,762
	\$ 4,763,350	\$ 4,685,939

Approved by the Board:  _____ Director  _____ Director

**COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND
ACUPUNCTURISTS OF BRITISH COLUMBIA
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2020**

	Internally Restricted Net Assets	Unrestricted Net Assets	2020	2019
Balance, beginning of year	\$ 2,761,645	\$ 75,117	\$ 2,836,762	\$ 2,790,643
Excess of revenues over expenses for the year	-	105,547	105,547	46,119
Transfer to internally restricted	18,303	(18,303)	-	-
Balance, end of year	\$ 2,779,948	\$ 162,361	\$ 2,942,309	\$ 2,836,762

**COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND
ACUPUNCTURISTS OF BRITISH COLUMBIA
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED MARCH 31, 2020**

	2020	2019
REVENUES		
Registration fees	\$ 1,810,674	\$ 1,628,233
Examinations	295,394	272,315
Interest income	72,054	62,249
Courses	12,310	13,650
Expense recovery	9,404	8,213
Training program review	3,056	-
Safety program	476	1,268
Tariffs and fines	268	1,462
	2,203,636	1,987,390
EXPENSES		
Wages and benefits	786,876	591,721
Examinations	373,688	308,184
Operations (Note 7)	344,948	224,052
Registrant services	124,663	179,478
Data quality project	106,956	53,060
Committee: operations	106,704	142,292
Legal fees	88,219	129,855
Board operations	80,497	103,981
Committee: inquiry, discipline and insurance	29,951	141,565
Annual general meeting	22,718	30,707
Professional fees	22,249	19,216
Training program review	7,845	4,893
Safety program	2,775	12,267
	2,098,089	1,941,271
EXCESS OF REVENUES OVER EXPENSES FOR THE YEAR	\$ 105,547	\$ 46,119

**COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND
ACUPUNCTURISTS OF BRITISH COLUMBIA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2020**

	2020	2019
OPERATING ACTIVITIES		
Excess of revenues over expenses for the year	\$ 105,547	\$ 46,119
Item not affecting cash:		
Amortization	6,207	23,503
	111,754	69,622
Changes in non-cash working capital:		
Accounts receivable	6,325	(18,694)
Prepaid expenses and deposits	16,251	(10,818)
Accounts payable and accrued liabilities	49,879	7,072
Government remittances payable	4,677	2,560
Vacation payable	14,281	4,661
Deferred revenue	(96,973)	156,548
	106,194	210,951
INVESTING ACTIVITY		
Purchase of office equipment, net	(855)	(4,331)
CHANGE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	105,339	206,620
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,582,764	4,376,144
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 4,688,103	\$ 4,582,764

**COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND
ACUPUNCTURISTS OF BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020**

PURPOSE OF THE COLLEGE

The College of Traditional Chinese Medicine Practitioners and Acupuncturists of British Columbia (the "College" is provincially incorporated under the Health Professions Act of British Columbia to govern, control and administer the affairs of its registrants. The College is a not-for-profit organization under the Income Tax Act (Canada) and, as such, is exempt from income taxes.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") under Part III of the CPA Canada Handbook - Accounting. Financial statements prepared in accordance with ASNPO are also in accordance with Canadian generally accepted accounting principles ("GAAP").

These financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies noted below:

- (a) Basis of presentation
 - i) Unrestricted net assets consists of surplus funds from general activities of the College.
 - ii) Internally restricted net assets consists of funds which have been designated for extraordinary risk management expenditures, unanticipated contingencies and special projects as approved by the board of directors, and includes one year of operating costs.

(b) Financial instruments

Measurement

The College's financial instruments consist of cash and equivalents, accounts receivable and accounts payable.

The College initially measures all of its financial assets and liabilities at fair value. The College subsequently measures all of its financial assets and liabilities at amortized cost.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down that is determined is recognized in the statement of revenues and expenses. A previously recognized impairment loss may be reversed to the extent of any improvement, 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 the reversal is recognized in the statement of revenues and expenses in the period in which it is determined.

Transaction costs

The College recognizes its transaction costs in income 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.

(continues)

**COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND
ACUPUNCTURISTS OF BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020**

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) Cash and cash equivalents

Cash and cash equivalents consists of funds held on deposit and cashable Guaranteed Investment Certificates ("GICs").

(d) Office equipment

Office equipment is stated at cost less accumulated amortization which is recorded over the useful lives on a declining balance basis at the following rates:

Computer hardware	45-55%
Computer software	100%
Furniture and equipment	20%

(e) Impairment

Effective April 1, 2019 the College adopted Section 4433 'Tangible capital assets held by not-for-profit organizations'. Under the new section, the College's policy is to record a write-down to a capital asset's fair value or replacement cost when conditions indicate that a capital asset is impaired. Such conditions include when the capital asset no longer contributes to the College's ability to provide goods and services or when the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. Write-downs are recognized as an expense in the statement of revenues and expenses and are not reversed.

(f) Revenue recognition

The College follows the deferral method of accounting for contributions. License and registration fees are recognized as revenue in the year to which they relate. Course and examination fees are recognized as revenue when the courses or examinations are taken. Other restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(g) Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, revenues and expenses as at the end of or during the reporting period. Management believes that the estimates used are reasonable and prudent, however, actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the determination of the useful lives of assets for computing amortization, recognition of deferred revenue, and the amounts recorded as accrued liabilities.

2. FINANCIAL INSTRUMENTS RISKS

The College's financial instruments are described in Note 1(b). In management's opinion, the College is not exposed to significant credit, liquidity, market, currency, interest rate and other price risks arising from these financial instruments. In addition, the College is not exposed to any material concentrations of risk and there has been no significant change in risk exposures from the prior year.

(continues)

**COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND
ACUPUNCTURISTS OF BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020**

2. FINANCIAL INSTRUMENTS RISKS (continued)

Credit risk

Credit risk is the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The College is exposed to credit risk through its accounts receivable. The College mitigates risk by maintaining a low balance of accounts receivable.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty meeting obligations associated with financial liabilities. The College is exposed to this risk mainly in respect of its receipt of funds from registrants and other related sources in order to meet its obligations associated with its accounts payable. The College mitigates its exposure to liquidity risk by ensuring that it documents when authorized payments become due and monitors its cash balances and cash flows generated from operations against its anticipated, committed and contemplated outflows.

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 rate risk, interest rate risk and other price risk. The College is mainly exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The College is exposed to interest rate risk through its GICs. The College mitigates risk by investing in fixed rate GICs with minimal risk.

3. CASH AND CASH EQUIVALENTS

	2020	2019
Cash on deposit	\$ 838,103	\$ 517,764
Cashable Guaranteed Investment Certificates due within one year and bearing interest at rates between 1.75% and 1.85% (2019 - 1.66% and 2.00%)	3,850,000	4,065,000
	\$ 4,688,103	\$ 4,582,764

4. OFFICE EQUIPMENT

	2020	2019
	Cost	Accumulated amortization
	Net book value	Net book value
Computer hardware	\$ 62,919	\$ 59,740
Furniture and equipment	86,398	71,352
	\$ 149,317	\$ 131,092
	\$ 3,179	\$ 4,057
	15,046	19,520
	\$ 18,225	\$ 23,577

**COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND
ACUPUNCTURISTS OF BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020**

	2020	2019
5. DEFERRED REVENUE		
Balance, beginning of year	\$ 1,598,923	\$ 1,442,375
Cash received	1,501,950	1,598,923
Amount recognized as revenue	(1,598,923)	(1,442,375)
	\$ 1,501,950	\$ 1,598,923

6. COMMITMENT

The College has a rental agreement that expires in July 2024. The anticipated payments during the next four years are estimated as follows:

2021	\$ 142,466
2022	143,584
2023	144,701
2024	145,818
	<u>\$ 576,569</u>

7. OPERATIONS EXPENSE

	2020	2019
7. OPERATIONS EXPENSE		
Rent	\$ 134,110	\$ 60,412
General administration and office	81,008	42,564
Computer maintenance and supplies	65,226	39,780
Credit card processing fees	46,647	45,344
Telephone and utilities	9,708	7,833
Amortization of office equipment	6,207	5,863
Postage and courier	2,042	4,616
Amortization of membership management system	-	17,640
	\$ 344,948	\$ 224,052

**COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND
ACUPUNCTURISTS OF BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020**

8. COVID-19 RISK

In March 2020, a global pandemic was declared due to the COVID-19 virus, which has had a significant impact on not-for-profit organizations through the restrictions put in place by the Canadian and U.S. governments regarding travel, business operations and isolation and quarantine orders. At this time, the extent of the impact that the COVID-19 pandemic may have on the College is unknown as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put in place by Canada, U.S. and other countries to fight the virus. The College continues to monitor its assets and assess the impact COVID-19 will have on its operations. The extent of the effect of the COVID-19 pandemic on the College is uncertain.



College of
TRADITIONAL
CHINESE MEDICINE
PRACTITIONERS +
ACUPUNCTURISTS
of British Columbia

900 – 200 Granville St.,
Vancouver, BC, V6C 1S4
(604) 742-6563
www.ctcma.bc.ca