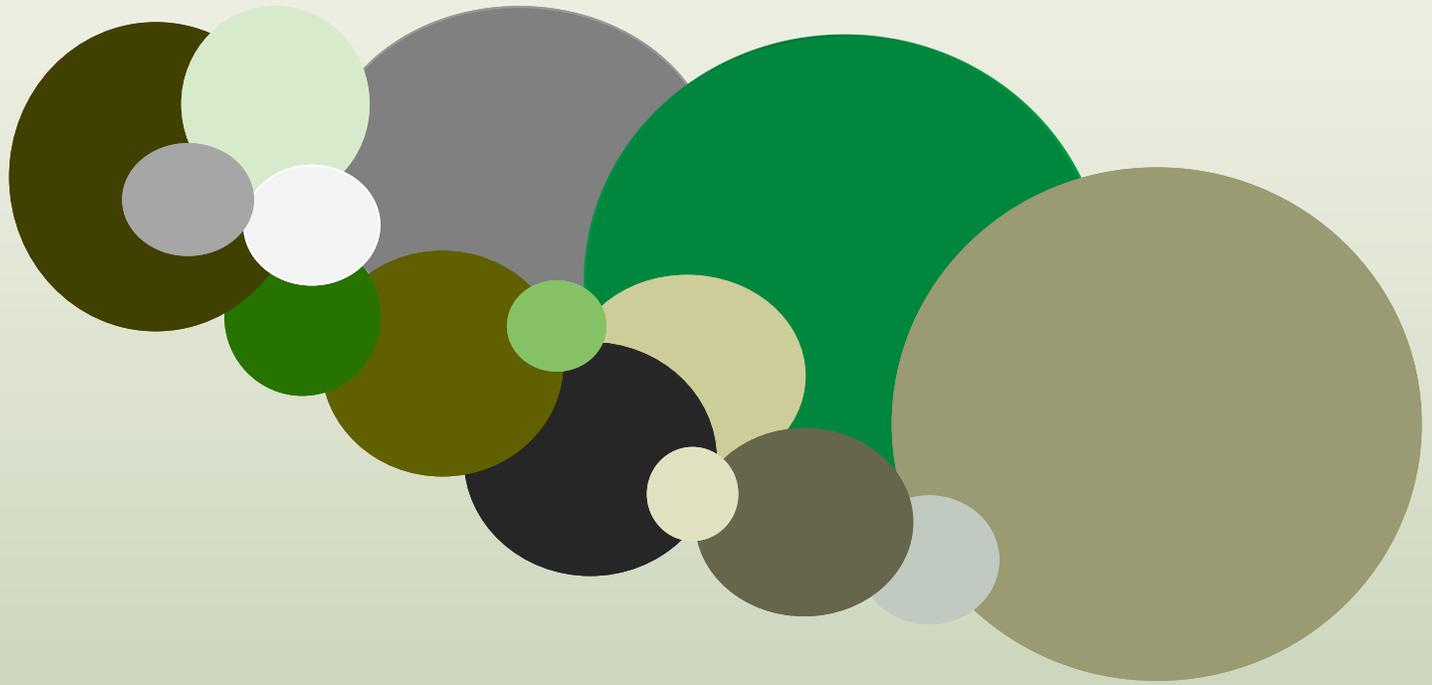




**Saskatchewan**  
Association of Medical Radiation Technologists



# 2013 Annual Report



# Our Vision Statement

**A** highly respected profession operating successfully in an Inter-professional collaborative environment, and being the patients advocate and champion in regards to patient and worker safety related to medical radiation application.



**T**o serve and protect the public through self-regulation while meeting the needs of our members through advancing and influencing health care policy, championing innovations and competency and providing high quality products and services to our members in order for them to provide effective, safe, and efficient health-care in Saskatchewan.

# Our Mission Statement

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*\* from SAMRT Strategic Plan 2010-2013*

## About Us

The Saskatchewan Association of Medical Radiation Technologists (SAMRT) was founded in 1940 under the name Saskatchewan Society of X-Ray Technicians as a professional non-profit organization. The name was changed in 1987 in order to properly recognize the four technological disciplines that make up our membership:

- **Magnetic Resonance Imaging**
- **Nuclear Medicine**
- **Radiation Therapy**
- **Radiological Imaging**

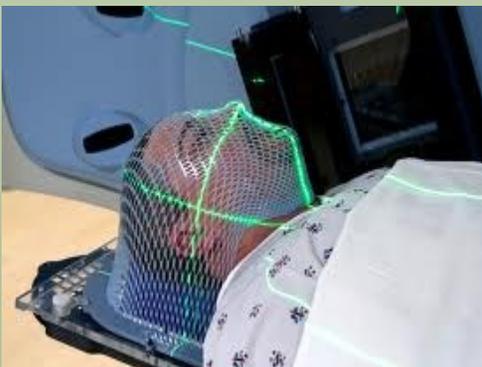
The SAMRT is governed in the Province of Saskatchewan through an act of Government. "*The Medical Radiation Technologists Act, 2006*" went under revision and was proclaimed on May 30th 2011. Medical Radiation Technologists who practice in the Province must be licensed with the SAMRT,

**MAGNETIC RESONANCE TECHNOLOGISTS** or MRI technologists, produce diagnostic images using equipment that generates radio waves and a strong magnetic field. They apply their extensive knowledge of anatomy, pathology and physiology as well as their patient care skills in order to obtain the necessary images and monitor patients during scans.

**NUCLEAR MEDICINE TECHNOLOGISTS** have technical expertise in the use of radio pharmaceuticals and radiation physics, which allows them to perform diagnostic imaging procedures through SPECT and PET imaging. They acquire images of various body systems which aid in identifying normal and diseased tissue, and they keep patients safe by ensuring proper radiation handling and protection techniques are followed.

**RADIATION THERAPISTS** are responsible for accurately planning and administering the radiation treatment for cancer patients using radiation treatment units. Newer techniques, such as Intensity Modulated Radiation Therapy, alone or in conjunction with Image Guided Radiation Therapy, offer the most advanced forms of treating cancer from outside the body. Therapists offer ongoing care and support to patients and their families during the course of treatment.

**RADIOLOGICAL TECHNOLOGISTS** produce images of body parts and systems by performing exams in general x-ray, CT, breast imaging, and operating room procedures. They are highly trained in the use of complex medical equipment which is used to better differentiate between normal and diseased tissue, while at the same time providing comprehensive compassionate care to each patient.



# Message from the President and Executive Director

In 2013, the Association continued its primary mandate to serve and protect the public through the privilege of self-regulation. Self Regulation of the public is essential for safe, quality, effective and efficient patient care. In addition to the regulatory responsibility, the SAMRT continues to provide limited membership services.

## Key highlights from 2013

- SAMRT Council and Staff had 2 - 2 day workshops that included education on The Policy Governance Model and adoption of a Policy Governance Manual
- Received funding from the Ministry of the Economy to complete a project related to Internationally Educated Medical Radiation Technologists
- Created a new member orientation package that will be sent to all new members
- Audited 10% of the Membership to provide verification of Continuing Education Credits and Practice Hours. All individuals randomly audited provided sufficient evidence and were approved
- Hired a part-time Administrative Assistant to support the SAMRT Office
- Put out an RFP for Standards of Practice and Scope of Practice. Selected Dianne Parker-Taillon Consulting who comes highly recommended from the Alberta College of Medical Diagnostic and Therapeutic Technologists. The Standards/Scope of project will begin January 2014 and is expected to take 18 months to complete. An adhoc committee has been established to work on this project.
- Provided the membership with an option of electronic license/membership cards versus paper cards
- Worked on revisions to the Regulatory Bylaws. The revisions were approved by Council in 2013 and will be submitted to Government early 2014
- Council made a motion to increase the practice hour requirement to 1200 practice hours in 5 years in ones primary discipline and leave 300 practice hours in ones secondary discipline the same. These practice hours will be a requirement for the 2017 renewal, provided they are passed by the Government in the revised Regulatory Bylaws.
- Effective December 1 2013, members are required to get 10 Medical Radiation Technology Specific Credits. All members were sent a brochure in the mail that include the Continuing Education Guidelines and Audit Expectations

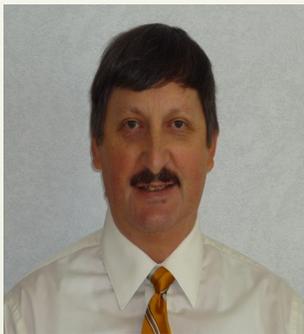
The SAMRT Council met seven times throughout the year. Council met face to face four times and met by teleconference three times. It is the duty of Council to govern and regulate the affairs and business of the Association.

The initiatives of the Association could not be done without the help and support of many volunteers. We would like to thank all Council and Committee members for their dedication and commitment to the organization. Thank you for your ongoing contribution to the public and the profession.

Peter Derrick  
SAMRT President

Chelsea Wilker  
SAMRT Executive Director

# 2013 SAMRT Council & Staff



Peter Derrick  
President



Bonnie Caven  
Public Representative



Jessica Mclean



Bashir Jalloh  
Vice-President



Renee Belitski



Chelsea Wilker  
Executive Director



Ken Weber  
Past-President



Allison Adair



Skye Tannas  
Administrative Assistant



Karen Davis  
CAMRT Director



Jo-Anne Couture



## Legislated Committees

### Discipline

Arlene Binner  
Ralph Hoffman  
Maria McLaren  
Bonnie Caven

### Professional Conduct

Kevin Lobzun  
David Hilkewich  
Gisela Yaroshko

## Council Committees

### Audit

Bashir Jalloh  
Bonnie Caven  
Finte Adem

### Ownership Linkage

Alison Adair  
Karen Davis  
Jessica Mclean  
Nathan Rosenberg  
Bonnie Caven

### Awards

Jo-Anne Couture  
Bob Britz  
Donna Schommer  
Kendra Lischynski

### Nominations

Ken Weber  
Vacant  
Vacant

## Executive Director Committees

### Credentials

Karen Davis  
Debbie Lundy  
Joyce Warren  
Ralph Hoffman  
Lorna Montanini  
Darrel Schneider  
Nathan Rosenberg

### Professional Development

Alison Adair  
Christine Dawson  
Rachelle Reid  
Anne Vigneault  
Penny Burroughs  
Benjamin Essein

### Professional Practice

Renee Belitski  
Bashir Jalloh  
Peter Derrick  
Ken Weber  
Matt Hutcheson  
Dawn Leippi  
Sherilyn Moore

# Membership Statistics

Membership Category	Total	Discipline Breakdown	
Full Practice Membership	597		
		RTMR	38
		RTMN	49
		RTT	78
		RTR	432
Non Practice Membership	9		
		RTMR	0
		RTMN	1
		RTT	1
		RTR	7
Associate Membership	1		
Student Membership	23		
		Magnetic Resonance Imaging	4
		Nuclear Medicine	2
		Radiation Therapy	9
		Radiological	8
Restricted Practice	3		

## Public Representative's Report

It has been an honour and privilege to continue to serve as a public representative on the board for the Saskatchewan Association of Medical Radiation Technologists.

### Public Representative's role:

The role of a public representative is an important part of self-regulation. As volunteers we are appointed by the provincial government to assist the association and the profession it regulates to protect public interest. We do this by providing our own perspectives to council decisions to ensure that the profession acts fairly, follows the Act and its bylaws, and fosters appropriate standards of practice and professional ethics.

### Council Composition:

In addition to two public representatives appointed by the Lieutenant Governor in Council, SAMRT council has nine regulated members who are elected by their peers covering the four discipline areas of practice under the Medical Radiation Technologists Act of: Radiological Technology, Nuclear Medicine, Magnetic Resonance Imaging and Radiation Therapy. The Executive Director is an ex-officio member without voting power.

### Commitment to excellence:

This past year has been one of considerable growth for the board as we went through Board Governance training. The board completed its Governance documents and Policy Manual. Under this governance model, the board has clear guidelines and reporting transparencies to members and the public it serves. The board's continued commitment to excellence and public safety will only be enhanced by the efficiency and transparency the new governing model supports. I'm impressed with the professional dedication that each board member brings to their role on council every day, and the passion they display for the work they do.

Respectfully submitted by Bonnie Caven on behalf of the SAMRT Public Representatives

## **Governance**

The SAMRT underwent a major change in governance in 2013 moving towards The Policy Governance Model. Andrew Bergen, Jannice Moore and Associates, was consulted and provided SAMRT Council and staff education on The Policy Governance Model and worked with Council to establish and adopt a Policy Manual. The Policy Manual was approved by Council on September 21 2013.

This new Governance Model changes the way in which the SAMRT runs its day to day affairs as well as the structure of committees and who the committees report to. The SAMRT Committees now fall into three categories:

### **1. Legislated Committees:**

- Professional Conduct Committee
- Discipline Committee

### **2. Council Committees (reports directly to Council):**

- Audit Committee
- Ownership Linkage Committee
- Nominations Committee
- Awards Committee

### **3. Executive Director Committees (reports to the Executive Director (ED) and the ED reports to Council):**

- Credentials Committee
- Professional Practice Committee
- Professional Development Committee

## **Committee Year in Review**

### **Legislated Committees**

#### **Professional Conduct Committee**

The SAMRT sent a member of the Professional Conduct Committee (PCC) to two workshops in 2013. The workshops focused on interview processes for investigations and were very informative.

The committee has had several teleconferences since the fall of 2013 to discuss the referral of a matter concerning a member's safe practice. The committee meeting was joined by the SAMRT Executive Director as well as SAMRT legal Counsel to the PCC Committee, Merrilee Rasmussen QC, Rasmussen Rasmussen and Charowsky. The committee has not reached a decision at this time. Face to face interviews with the member as well as other relevant parties are pending.

No other issues have been brought forward to the attention of the PCC at this time.

## Discipline Committee

The Discipline Committee met once in 2013 by teleconference to review a report put forth from the Professional Conduct Committee:

The Professional Conduct Committee received notice from the Registrar that a member had reported a criminal conviction within the previous year on their license renewal application.

Pursuant to subsection 26(1) of The Medical Radiation Technologists Act (“the Act”), the committee investigated the matter by requesting further information concerning the conviction from the member. The member was convicted of driving while impaired. The offence occurred when he/she was not at or en route to or from her work and, therefore, in the opinion of the Committee, nothing in these facts discloses any or sufficient evidence of either professional incompetence or professional misconduct, as those terms are defined in the Act.

In accordance with subclause 26(2)(b)(ii) of the Act, the Professional Conduct Committee recommended to the Discipline Committee that no further action be taken with respect to the matter under investigation because, in the committee’s opinion, none is warranted on the facts of the case.

Number of complaints received	2
Complaints dismissed	1
Number resolved through mediation or alternative dispute resolution process	0
Number of formal investigations undertaken for misconduct and discipline	2
Number of cases referred to discipline committee	0
Decisions of discipline hearings	0
Number of appeals and decisions	0



## Council Committees

**Audit Committee** - This committee was recently formed with the adoption of the Policy Governance Model. The committee is comprised of the Vice-President, one Public Representative and one Medical Radiation Technologist (MRT) who is a member of the SAMRT. The MRT shall be appointed by Council. The purpose of this committee is to provide Council options for selection of an auditor, ensuring the Executive Director is complying with the Executive Limitation Policies, keeping Council informed of significant accounting principles, reviewing financial statements, reviewing Council spending, and providing Council an annual report highlighting the committee's review of the audited financial statements and any other significant information arising from their discussions with the external auditor. This committee met to review the 2013 Audited Financial Statement and recommend they be approved by Council. Further meetings will take place in the coming year to review Policy and forms relevant to the financial operations of the SAMRT.

**Ownership Linkage Committee** - This committee was recently formed with the adoption of the Policy Governance Manual. This committee has been formed to facilitate constructive communication between the SAMRT and the membership, as well as the SAMRT and the public. The goal is to listen and understand the members and public's perspective and values in order to make decisions. This committee did not meet in 2013.

**Nominations Committee** - This committee shall be responsible to ensure nominations are put forth for Council vacancies. This committee was not active in 2013.

**Awards** - It is the responsibility of the Awards Committee to promote and communicate information regarding annual awards criteria and coordinate all awards. The Awards committee did not meet in 2013.

## Executive Director Committees

**Credentials** - The Credentials Committee met twice in 2013. The first meeting was to work on a project related to Internationally Educated Medical Radiation Technologists (IEMRT's) that was funded by the Provincial Government. The credentials committee drafted a step by step guide for IEMRTs that outlines the steps to become licensed with the SAMRT. The Credentials Committee also worked on creating a separate application form for IEMRTs and reviewed and made changes to the IEMRT assessment process.

The second meeting of the Credentials Committee was to review the SAMRT practice hour requirements. The committee reviewed a benchmarking study done that looked at practice hour requirements in other regulatory organizations. The Credentials Committee put forth a recommendation to Council.

**Professional Development** - The Professional Development Committee met once in 2013 to review the submissions sent in for the 2012 continuing education audit and to review the Continuing Education Credit Program Guidelines, Continuing Education Record and the Continuing Education Audit Expectations. As of December 1 2013, all SAMRT Full Practice and Non-Practice Members are required to earn a minimum of 10 Continuing Education Credits that are specific to Medical Radiation Technology. All SAMRT members were sent a brochure in the mail in 2013 including information pertaining to the requirements.

The SAMRT hosted a successful 2 day conference in Yorkon Saskatchewan in 2013 that provided members with the opportunity to earn 10 Medical Radiation Technology Continuing Education Credits.

**Professional Practice** - The role of the Practice Committee is to make recommendations to Council regarding practice issues, Standards of Practice, Scope of Practice and Code of Ethics. The Practice Committee did not meet in 2013 however has established an adhoc committee: The Standards/Scope of Practice Advisory Committee (SPRAC) to begin to develop an SAMRT Scope of Practice and Standards of Practice. The SAMRT put out a call for RFPs to assist with this project and has selected Dianne Parker-Taillon Consulting.

**SASKATCHEWAN ASSOCIATION OF MEDICAL RADIATION TECHNOLOGISTS**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2013**

## AUDITORS' REPORT

To the Members of:  
Saskatchewan Association of Medical Radiation Technologists

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Saskatchewan Association of Medical Radiation Technologists, which comprise of the statement of financial position as at December 31, 2013, December 31, 2012 and January 1, 2012 and the statement of operations and available net assets, and statement of cash flows for the year then ended, and a summary of significant accounting policies with 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 accounting standards for not-for-profit organizations. 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 auditor's 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 Saskatchewan Association of Medical Radiation Technologists as at December 31, 2013, and its financial performance, and its cash flows for the year then ended in accordance with accounting standards for not-for-profit organizations.

**Other Matters**

**Comparative Information**

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes that the Saskatchewan Association of Medical Radiation Technologists adopted Canadian accounting standards for not-for-profit organization on January 1, 2013 with a transition date of January 1, 2012. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statements of financial position as at December 31, 2012, and January 1, 2012 and the statements of operations, changes in net assets and cash flows for the year ended December 31, 2012 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is unaudited.

*Crowe Mackay LLP*

March 7, 2014  
Regina, Saskatchewan

**SASKATCHEWAN ASSOCIATION OF MEDICAL RADIATION TECHNOLOGISTS**

**STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2013**

	<b>2013</b>	<b>2012</b>	<b>January 1 2012</b>
<b>CURRENT ASSETS</b>			
Cash	\$ 248,492	\$ 236,892	\$ 289,993
Term deposits	140,396	143,186	50,363
Marketable securities (Note 4)	113,150	110,585	83,572
Accounts receivable	2,659	6	1,086
Prepaid expenses	<u>149,767</u>	<u>123,224</u>	<u>92,380</u>
	<u>\$ 654,464</u>	<u>\$ 613,893</u>	<u>\$ 517,394</u>
<b>CURRENT LIABILITIES</b>			
Accounts payable	\$ 11,495	\$ 13,487	\$ 7,383
Membership fees received in advance	<u>337,080</u>	<u>339,435</u>	<u>322,339</u>
	<u>348,575</u>	<u>352,922</u>	<u>329,722</u>
<b>NET ASSETS</b>			
Available net assets	<u>305,889</u>	<u>260,971</u>	<u>187,672</u>
	<u>\$ 654,464</u>	<u>\$ 613,893</u>	<u>\$ 517,394</u>

**APPROVED BY THE BOARD**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**SASKATCHEWAN ASSOCIATION OF MEDICAL RADIATION TECHNOLOGISTS**

**STATEMENT OF OPERATIONS AND AVAILABLE NET ASSETS**

**YEAR ENDED DECEMBER 31, 2013**

	2013	2012
<b>REVENUE</b>		
Membership fees	\$ 366,510	\$ 333,744
Rental income	6,380	6,960
Investments	2,627	977
Other	<u>20,917</u>	<u>20,157</u>
	<u>396,434</u>	<u>361,838</u>
<b>EXPENSES</b>		
Administration	32,244	33,449
Computer hardware, software and internet	2,298	1,247
Continuing education	3,129	3,399
Council	39,467	40,508
Donations and awards	910	280
Governance workshops	29,397	-
Membership dues	-	4,000
National membership fees	129,133	93,533
Newsletter	1,632	1,113
Office rent	23,438	23,077
Professional fees	12,364	22,603
Salaries and benefits	74,454	60,281
Stipends	<u>3,050</u>	<u>5,050</u>
	<u>351,516</u>	<u>288,540</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	44,918	73,298
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>260,971</u>	<u>187,673</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 305,889</u>	<u>\$ 260,971</u>

**SASKATCHEWAN ASSOCIATION OF MEDICAL RADIATION TECHNOLOGISTS**

**STATEMENT OF CASH FLOW**

**YEAR ENDED DECEMBER 31, 2013**

	2013	2012
<b>OPERATING</b>		
Cash receipts from self generated revenue	\$ 392,517	\$ 381,890
Cash paid to suppliers	(306,265)	(250,801)
Cash paid to employees and equivalents	(77,504)	(65,331)
Interest received	<u>2,627</u>	<u>977</u>
	<u>11,375</u>	<u>66,734</u>
<b>INVESTING</b>		
Marketable securities	<u>(2,565)</u>	<u>(27,012)</u>
<b>NET INCREASE IN CASH</b>	8,810	39,722
<b>CASH, BEGINNING OF YEAR</b>	<u>380,078</u>	<u>340,356</u>
<b>CASH, END OF YEAR</b>	<u>\$ 388,888</u>	<u>\$ 380,078</u>

# SASKATCHEWAN ASSOCIATION OF MEDICAL RADIATION TECHNOLOGISTS

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

### **1. NATURE OF OPERATIONS**

Saskatchewan Association of Medical Radiation Technologists (the Association) is incorporated under the Non-profit Corporations Act of Saskatchewan. The Association's primary function is to administer the professional and regulatory affairs of its members. The Association is a registered charity under the Income Tax Act of Canada and as long as it continues to meet the requirements of the Act, is not taxable.

### **2. BASIS OF PRESENTATION**

The Association has elected to apply the standards in Part III of the CICA Accounting Handbook for not-for-profit organizations. These financial statements are the first financial statements for which the entity has applied Canadian accounting standards for not-for-profit organization. The financial statements for the year ended December 31, 2013 were prepared in accordance with the accounting principles and provisions set out in FIRST-TIME ADOPTION, Section 1500, for first-time adopters of this basis of accounting.

The adoption of accounting standards for not-for-profit organizations had no impact on the previously reported assets, liabilities and net assets of the Company, i.e. January 1, 2012 (beginning of the first fiscal period for comparative purposes). Accordingly, no adjustments have been recorded to the comparative statement of financial position, statement of operations and retained earnings and the statement of cash flows. Certain disclosures included in these financial statements reflect the new disclosure requirements of accounting standards for not-for-profit organizations.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with generally accepted accounting principles in Canada and include the following significant accounting policies:

#### **(a) Revenue Recognition**

The Association follows the deferral method of accounting for contributions. 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. Endowment contributions are recognized as direct increases in net assets.

Investment income includes dividends and interest income recorded on the accrual basis, as well as realized investment gains and losses and unrealized gains and losses on financial instruments subsequently measured at fair value. Investment income is included in the statement of operations, deferred or reported directly in net assets depending on the nature of any external restrictions imposed on the investment income.

#### *Member Fees*

Member fees / dues are recognized as revenue proportionately over the fiscal year to which they relate.

# SASKATCHEWAN ASSOCIATION OF MEDICAL RADIATION TECHNOLOGISTS

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

**(b) Marketable Securities**

Marketable securities are recorded at market value for interest bearing investments and securities. Increases and declines in value are recorded in interest income.

**(c) Financial Instruments**

Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

**(d) Use of Estimates**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in operations in the period in which they become known.

#### **4. MARKETABLE SECURITIES**

	<b>Yield</b>	<b>2013</b>	<b>2012</b>
Canadian Western Bank GIC 2015	2.75%	\$ 38,583	\$ 37,550
Nova Gas Transmission 2016	12.6%	26,102	25,305
Province of British Columbia 2014	2.37%	26,259	25,778
Home Trust Company 2014	1.75%	22,206	-
Province of Saskatchewan 2013	2.19%	-	12,396
Royal Bank of Canada 2013	5.45%	-	9,556
		<u>\$ 113,150</u>	<u>\$ 110,585</u>

# SASKATCHEWAN ASSOCIATION OF MEDICAL RADIATION TECHNOLOGISTS

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

### **5. FINANCIAL INSTRUMENTS RISKS**

#### *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 company's exposure to credit risk relates to accounts receivable and arises from the possibility that a debtor does not fulfil its obligations. Management believes this risk is minimized through use of multiple members. The company performs continuous evaluation of its financial assets and records impairment in accordance with the stated policy.

#### *Liquidity Risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting its obligations associated with financial liabilities. The company's exposure to liquidity risk relates to accounts payable and arises from the possibility that the timing and amount of its cash inflows will not be sufficient to enable it to meet its financial obligations as they become due.

#### *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 company is exposed to market risk as follows.

#### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Aside from related party balances, the company's interest-bearing financial instruments include fixed rate guaranteed investment certificates and variable rate investments. The fair values of fixed rate financial instruments fluctuate as market rates of interest change. The cash flows resulting from variable rate financial instruments fluctuate as interest rates applicable to the instruments change. The company does not employ derivative financial instruments to hedge its exposure to interest rate risk. The company has the option to fix the interest rate on its floating-rate debt for the balance of the term.

### **6. CAPITAL MANAGEMENT**

The Association funds operations substantially through revenues generated from its own enterprises. The Association uses the available funds to promote the alumni relations and services.

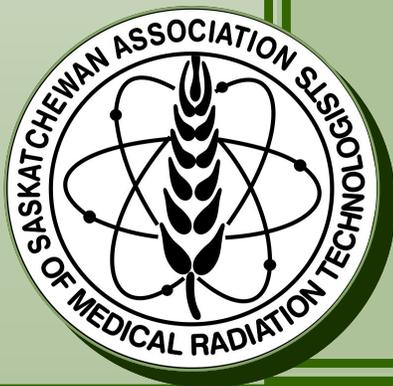
The Association has adopted a conservative investment policy which maintains liquidity in high quality, low risk short term marketable securities.

### **7. COMMITMENT**

The Association rents its office space under an operating lease. The lease commenced August 1, 2008 and terminates September 30, 2014. Minimum annual lease payments required in each year are \$10,240. The Association is also required to pay its share common area costs, property taxes and maintenance charges which are estimated to be \$13,360 annually.

### **8. COMPARATIVE FIGURES**

Certain of the prior year's figures have been restated to conform to the current year's presentation.



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