



College of Optometrist of British Columbia

2019 Annual Report



A woman with short brown hair, wearing a white lab coat over a dark top, is smiling at the camera. In the background, a microscope is visible, and the entire image has a blue overlay. The text is positioned on the left side of the image.

Mission

To facilitate the wellbeing of the public by guiding and regulating the profession of Optometry in British Columbia.

Vision

Enhance health outcomes through excellence in optometric regulation.

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BOARD OF DIRECTORS

Dr. Justin Asgarpour, Chair

Dr. Joan Hansen

Dr. Sally Donaldson

Dr. Pardeep Dhillon

Dr. David Schwartz

Dr. Jaelyn McComas

Mr. Joseph P.A. Finamore

Ms. Joyce Kenoras

OFFICE STAFF

Dr. Dale Dergousoff

REGISTRAR/CEO

Ms. Stanka Jovičević

CAO/ASSISTANT TO THE REGISTRAR

Jela Vuksan

ADMINISTRATIVE ASSISTANT/BOOKKEEPER

Tatjana Anicic

ADMINISTRATIVE ASSISTANT

Daniel Komarnicky

ADMINISTRATIVE ASSISTANT

Felicia Poss

RECEPTIONIST

College of Optometrists of BC is located on the traditional, ancestral and unceded territory of the Coast Salish peoples – Skwxwú7mesh (Squamish), Stó:lō and Səlilwətaʔ/Selilwitulh (Tsleil-Waututh) and xʷməθkʷəʔəm (Musqueam) Nations





The College of Optometrists of British Columbia is committed to ensure that our registrants maintain a high standard of practice, that leads to the best possible patient outcomes. As a whole, effort is continually being made to be responsible leaders to our registrants and maintain the all-important engagements with our stakeholders, in the interest of the public.

The College's mandate has guided the board and our committees, thus creating a strong foundation, upon which the College has been built and allowed us to be a strong, effective organization.

In June 2019, the College went through a transitioning of leadership, as Dr. Robin Simpson retired as the Registrar/CEO of the College. We all would like to thank Dr. Simpson for his years of guidance, which resulted in a growth and strengthening of the College, as regulatory body.

This past year began with the influential report, presented by Mr. Harry Cayton to Ministry of Health. The report called for a modernization of the health regulatory framework. Ultimately, this report led to the formation of a tri-party Steering Committee with a focus on the modernization of health regulatory framework in British Columbia: Modernizing the provincial health profession regulatory framework: A paper for consultation. The College made a strong submission in response to the proposed changes, and intently waits for the returned response from the Steering Committee.

As a further commitment of our College to recognizing the importance for advancing cultural safety and humility among regulated health professionals for Indigenous people, in Victoria, BC, on July 7th, 2019, FORAC/FAROC members jointly signed a Declaration of Commitment to Cultural Safety and Humility. This signing was the first of its kind, as we were part of the first national group of healthcare regulators to sign a Declaration that reflects a mutually agreed upon set of principles of cultural humility and cultural safety. This would have not been possible without the efforts of The First Nations Health Authority, here in British Columbia, and we kindly thank them for making this possible.

Additionally, this year we witnessed the implementation of the OE Tracker program, which captures and stores continuing professional education (CE) participation data, that allowed for fast, efficient complete audit of all our registrants CE, as this continues to be a requirement for renewal of licensure. The ability to do a full registrant CE audit resulted in a small number of registrants who were deficient, in the required CE hours.

In October 2019, the Governance and Nominations Advisory Group completed the development of a manual that encompasses the governance policy framework for the College. The College would like to extend its gratitude and appreciation to this team of hard working and devoted people. Additionally, The College would like to thank our fellow provincial regulatory bodies for sharing their manuals which were valuable in the development of our own.

Our sincere appreciation goes to the public Board members, appointed by the Ministry of Health, as well as to our public representatives appointed by the Board for providing their valuable public perspective.

Thank you to our elected Board members for all their time and dedication to the College and to those registrants who were appointed and contributed countless hours to the different committees and working groups. Your continued commitment, either as Board or committee member, is inherent to the success of the College to effectively regulate optometry, in the public interest.

Finally, and most importantly, thank you to all the College staff for their dedication and hard work throughout the year. You continue to rise to all the challenges placed before you, and have achieved this by creating a respectful, collaborative, and productive workplace culture.



2019 Accomplishments



Strategic Plan 2019 – 2021

The College reviewed its current strategic plan and updated the areas of focus for the coming years.



FORAC/FAROC (Federation of Optometrist Regulatory Authorities of Canada/Federation des autorités réglementaires en optométrie du Canada) Declaration of Commitment

The College took part in signing a Declaration of Commitment to Cultural Safety and Humility in the regulation of optometrists, serving First Nations and Indigenous Peoples in Canada. Our Declaration of Commitment is an important step towards advancing cultural safety and humility among optometrists, who are involved in the delivery of vision care services to First Nations and Indigenous peoples in Canada. This commitment reflects the high priority the College places on cultural safety and humility, as quality and safety dimensions that are integral components of our public protection mandate.



BC Health Regulators (BCHR) Collaboration

The Registrar continues to participate in regular meetings of this regulatory network.



Optometric Collaboration

The Registrar continues stakeholder engagement with national and international optometric regulators and examiners.



Governance Policy Manual

The manual was completed by the Governance and Nominations Advisory Group and encompasses the governance policy framework for the College.



REGISTRATION COMMITTEE

CHAIR:

Dr. Sally Donaldson

COMMITTEE MEMBERS:

Mr. Joseph P. A. Finamore
PUBLIC MEMBER

Mr. Thomas Beasley
PUBLIC REPRESENTATIVE

Dr. Evelyn Lo

Dr. Andrew Asgarpour

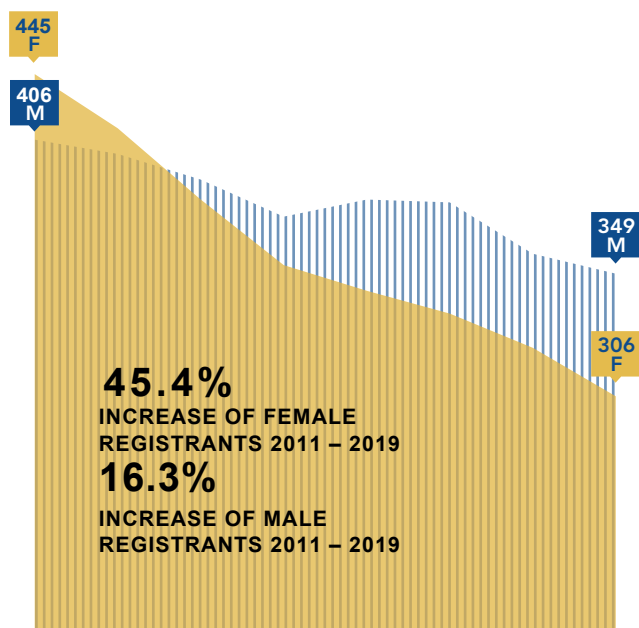
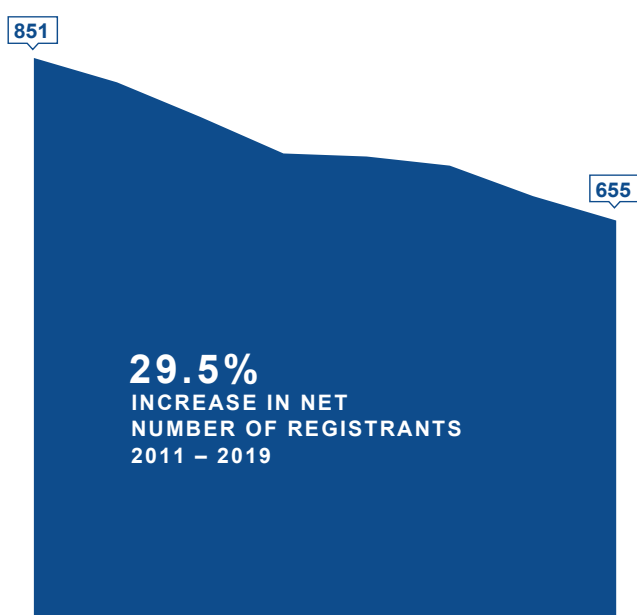
Dr. Priya Vohora

The Registration Committee has a duty under section 20 of the Health Professions Act to administer the registration and reinstatement process in accordance with the College Bylaws. An applicant who is denied registration or granted registration on terms and conditions has the right to seek a review of that decision by the Health Professions Review Board (HPRB).

To date, no applications for review of Registration Committee decisions have been filed with the HPRB.

The Registration Committee, like all other committees of the College, must act in the public interest in a manner that is transparent, objective, unbiased, and fair.

As of December 31, 2019, there were 848 practising and three non-practising registrants



FOCUS ON REGISTRANTS

TOTAL REGISTRANTS

851

406 M 445 F

832

THERAPEUTIC QUALIFIED

391 M 441 F

16

NON-THERAPEUTIC QUALIFIED

14 M 2 F

3

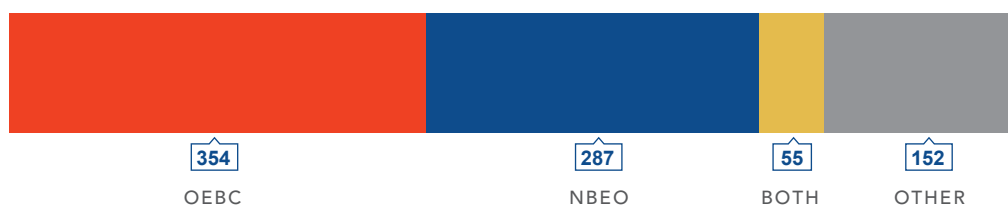
NON-PRACTISING

1 M 2 F

PRACTISING REGISTRANTS BY EDUCATION (848 TOTAL)

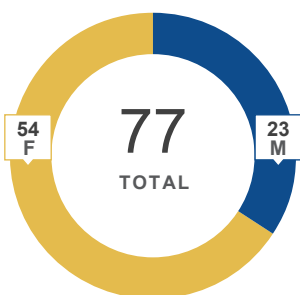


PRACTISING REGISTRANTS BY QUALIFYING EXAM (848 TOTAL)

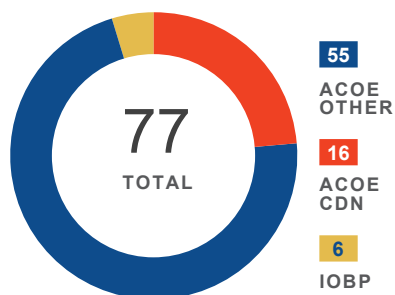


New Registrants

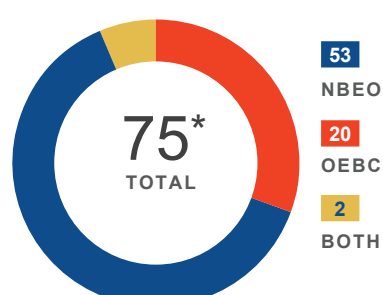
GENDER



EDUCATION



QUALIFYING EXAM



OEBC: Optometry Examining Board of Canada (referred to in the Bylaws as the national qualifying exam)

NBEO: National Board of Examiners in Optometry (USA, referred to in the Bylaws as the national qualifying exam equivalent)

* Two registrants transferred to BC from other jurisdictions without either exam, under *Canada Free Trade Act* rules.



QUALITY ASSURANCE COMMITTEE

The Quality Assurance (QA) Committee is responsible for two core functions of the College, specified in Section 16(2) of the Health Professions Act:

CHAIR:

Dr. Jessica Ng

COMMITTEE MEMBERS:

Ms. Joyce Kenoras

PUBLIC MEMBER

Ms. Leza Muir

PUBLIC REPRESENTATIVE

Dr. Kimberly Tsang

Dr. Pardeep Dhillon

Dr. Joan Hansen

In 2019, the QA Committee continued to work with the Standards of Practice, developed in December 2017, to provide the interactive Peer Circle Program, monitor continuing education (CE), and completed Practitioner Assessments to support the College's core regulatory functions.

Using the Standards of Practice as a foundation and framework, the Quality Assurance Committee continues to develop the Standards of Practice Enhancement Program to enhance registrant competency.

To meet the College's goals, the QA Committee directs the maintenance of a quality assurance programs, which currently include the following components:

Continuing Education

The objective of the continuing education program is to ensure that each registrant regularly engages in high quality continuing professional development that is free of commercial interest and positively influences outcomes for their patients. As a condition of annual registration renewal, all registrants are required to participate in approved continuing education programs.

Practitioner Assessment and Peer-Based Support Programs

The objective of the practitioner assessment program is to identify and assist registrants who may not be meeting the standards of practice and professional competence. Practitioner assessments began in 2005 as a pilot project, and were formally instituted in 2008. Since 2010, assessments have included a place of practice assessment and a clinical record assessment. To further improve the cost-effectiveness of this program, in 2015 we began conducting assessments remotely (online). The assessments evaluate compliance and the Remote Practice Assessments have proven to be very efficient in helping identify registrants who would benefit from peer based support programs. Registrant peers, who are trained in assessment methodologies, assess a sample of registrants and their practices for compliance with the Bylaws and

policies of the College, concerning standards of practice and professional competence. The QA Committee and the College have concentrated their efforts in providing support through a collegial and helpful methodology. Registrants are invited to request support from the College at any time.

Peer Circles

The objective of the peer circle program is to promote improvement in clinical competence. The Peer Circle program was developed in 2006 to address quality assurance issues relevant to clinical practice, within a small-group, interactive learning environment. This program provides registrants with an opportunity to enhance best practices by analyzing, identifying, and resolving problems related to clinical care, through safe discussions and dialogue with colleagues.

In 2019, the QA Committee held a successful Peer Circle in conjunction with the annual BCDO Optofair accompanied by a useful question and answer session with the Registrar."

The Committee acknowledges and appreciates the dedication and commitment of our volunteers and staff, who contribute many hours to the quality assurance programs, ensuring that the public can trust the profession of optometry to provide safe, effective, and ethical services in BC.



INQUIRY COMMITTEE

The *Health Professions Act* (HPA) requires that the College establish and employ inquiry procedures that are transparent, objective, impartial, and fair.

CHAIR:

Dr. Joan Hansen

COMMITTEE MEMBERS:

Ms. Joyce Kenoras

PUBLIC MEMBER

Mr. Gurminder Parihar

PUBLIC MEMBER

Dr. Dorlee Kneifel

PUBLIC REPRESENTATIVE

Dr. Justin Asgarpour

Dr. Eva Kalicinsky

Dr. Kelsey Snow

The Inquiry Committee is comprised of registrant members who provide invaluable subject matter expertise and a public member and public representative, who provide an invaluable public perspective lens and ensure that the public interest is served.

Mandate

The Inquiry Committee mandated to investigate written complaints that are submitted to the College from members of the public, organizations, employers, and health professionals regarding the conduct and/or competence of registrants. In addition to investigating written complaints, the Inquiry Committee has authority to initiate its own investigation where there is a concern that a registrant is not complying with the HPA, regulations or College bylaws, has been convicted of an indictable offence, has engaged in professional misconduct or unprofessional conduct, or may be medically unfit to practice.

The Inquiry Committee meets regularly to ensure that investigations proceed promptly. The investigation process is objective, transparent, impartial and fair. The registrant who is the subject of a complaint or own motion investigation will be invited to respond to the written complaint or concerns that have been identified. The registrant's response is shared with the complainant, if any.

The Inquiry Committee often appoints experienced optometrists as inspectors to assist by gathering clinical records. The Inquiry Committee often appoints experienced optometrists as inspectors to assist by gathering clinical records and other information and conducting interviews of complainants, registrants and others who may have relevant evidence and provide written inspector reports which are also shared with the complainant and registrant.

Once an investigation is completed, the Inquiry Committee must determine whether the complaint allegations or concerns are substantiated and issue a formal disposition decision in accordance with s. 33(6) of the HPA. A copy of the disposition decision which sets out the information that the Inquiry Committee considered and its reasoning process is provided to both the complainant and the registrant. Where the Inquiry Committee determines that the complaint allegations or concerns are not substantiated, it will take no further action under s. 33(6)(a) and notify the complainant of the right to seek a review with the Health Professions Review Board.

Where the Inquiry Committee determines that there is evidence to support the complaint allegations or concerns, it has three options depending on the seriousness of the underlying concerns.

It may attempt to resolve the matter between the complainant and registrant through alternative dispute resolution or mediation under s. 33(6)(b) if the conduct does not raise broader public safety concerns. It may seek a consent order from the registrant with remedial terms to address the misconduct under s. 33(6)(c). A consent order is a formal agreement between the College and registrant with terms to ensure that remediation and monitoring is undertaken to ensure the conduct is not repeated. A registrant who fails to strictly comply with the terms of a consent order will face further regulatory action. If a registrant is not prepared to agree to the terms of a proposed consent order, the Inquiry Committee may direct the Registrar to issue a citation which initiates a public discipline hearing - process. For serious allegations of misconduct, the Inquiry Committee may direct the issuance of a citation without attempting to seek a consent order.

If the Inquiry Committee takes any action other than directing a citation, it will notify the complainant of the right to seek a review with the Health Professions Review Board. No right of review arises from a decision to issue a citation.

Generally speaking, the types of complaint allegations and concerns commonly investigated by the Inquiry Committee fall under the following broad categories:

- Concerns about clinical competency which include the provision of optometric skills in accordance with the College's standards of practice and delivering current, safe, and effective services.
- Concerns about compliance with regulatory requirements as registrants are required to comply with the HPA, regulations, College bylaws and other requirements established by the College as well as by other public authorities that relate to the practice of optometry such as directives issued by the provincial health officer.

- Concerns about ethical conduct as registrants must comply with the College's Code of Ethics and demonstrate integrity, honesty and trustworthiness and act in the best interests of their patients in all aspects of practice and maintain appropriate professional boundaries.

- Concerns about interpersonal or interprofessional communications which include the ability to provide others with information in a way that can be clearly understood, adapting language and communication manner as necessary and communicating with empathy and being alert to non-verbal signals that suggest unspoken concerns and addressing them. Registrants must ensure that they attempt to resolve any conflicts that arise.

The Inquiry Committee's work over the last year

At the outset of 2019, there were 11 files carried forward from the previous year which were still in the process of investigation. In addition, 21 new complaints were filed with the College and referred to the Inquiry Committee for investigation. The Inquiry Committee also initiated 16 own motion investigations against registrants without receiving a formal written complaint. The Inquiry Committee issued 19 disposition decisions. There were no cases involved fitness to practice issues and no cases of boundary violations.

Of the 19 investigations that were concluded in 2019, the Inquiry Committee obtained consent orders under s. 33(6)(c) of the HPA in relation to two complaint files with terms that required the registrants in question to undertake not to repeat the conduct, to undertake remedial action, and to agree to monitoring through random audits by a College appointed inspector.

INQUIRY COMMITTEE

Of the 19 investigations, the Inquiry Committee determined that the complaint allegations were not substantiated in 13 of the files and took no further action under s. 33(6) (a) of the HPA on the basis that the conduct or competence of the registrant was satisfactory. Several of these complaints related to concerns about the accuracy of prescriptions where considerable time had passed between the issuance of the prescription and the filing of the complaint or where other optometrists had provided very similar prescriptions to the one issued by the registrant.

No action was taken on two additional files as the complainants did not wish to participate in the investigation after filing the complaint and or were otherwise satisfied with the registrant's response.

The Inquiry Committee did not direct the issuance of citations on any files as there were no serious allegations of misconduct that warranted hearings and that could not be resolved by adequate public safety terms in consent orders. Four complainants filed requests for review with the Health Professions Review Board in 2019. The Health Professions Review Board dismissed three of the requests for review on the basis that the Inquiry Committee's investigations were adequate and the disposition decisions were reasonable.

The fourth request for review is on reserve with the Health Professions Review Board.

The Inquiry Committee also continued to monitor the compliance of registrants who entered into consent orders in 2018 to ensure that they were fulfilling the requirements of those orders. No compliance concerns were identified.

The Inquiry Committee is grateful to complainants who brought their concerns forward and to both complainants and registrants for their cooperation in the investigation process. The information that was gathered ensured that proper regulatory action was taken to remediate the conduct of the registrant and protect the safety of the public where conduct or competence concerns were identified.

2019 Complaints



4.3%

Complaints /
Registrants Ratio



37

New

11

From
2018



13

Unsubstantiated
Complaints

6

Substantiated
Complaints



College of Optometrist of British Columbia

2019 Audited Financial Statements



THE COLLEGE OF OPTOMETRISTS OF BRITISH COLUMBIA

Financial Statements
December 31, 2019

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INDEPENDENT AUDITORS' REPORT

TO THE BOARD MEMBERS OF THE COLLEGE OF OPTOMETRISTS OF BRITISH COLUMBIA

Opinion

We have audited the financial statements of The College of Optometrists of British Columbia (the "College"), which comprise:

- ♦ the statement of financial position as at December 31, 2019;
- ♦ the statement of operations and changes in net assets for the year then ended;
- ♦ the statement of cash flows for the year then ended; and
- ♦ the 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 December 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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* section of our report. We are independent of the College in accordance with the 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 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.

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. 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.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia
March 17, 2020

THE COLLEGE OF OPTOMETRISTS OF BRITISH COLUMBIA
Statement of Financial Position
December 31

	2019	2018
Assets		
Current		
Cash and cash equivalents	\$ 2,076,620	\$ 1,811,261
Accounts receivable (note 4)	579	981
Prepaid expenses	7,292	6,390
	2,084,491	1,818,632
Website (note 5)	7,491	22,473
Property and equipment (notes 6 and 7)	1,032,844	1,042,575
	\$ 3,124,826	\$ 2,883,680

Liabilities

Current		
Accounts payable and accrued liabilities	\$ 59,254	\$ 57,612
Deferred revenue	1,179,613	1,130,635
	1,238,867	1,188,247

Net Assets

Unrestricted	1,885,959	1,695,433
	\$ 3,124,826	\$ 2,883,680

Commitment (note 8)

Approved by:



(College Registrar)



(Chair, Board of College)

THE COLLEGE OF OPTOMETRISTS OF BRITISH COLUMBIA
Statement of Operations and Changes in Net Assets
Year Ended December 31

	2019	2018
Revenue		
Annual fees	\$ 1,291,388	\$ 1,245,854
Registration application fees	57,850	51,650
Other fees	27,535	20,328
Interest	17,961	9,321
Corporate application fees	14,175	16,741
	1,408,909	1,343,894
Expenditures		
Salaries and benefits	557,672	529,753
Office services	183,246	145,722
Meetings and conferences	148,803	141,582
Committees	116,648	182,852
Office	66,172	63,494
Professional fees	38,163	28,861
Registrar	28,312	15,865
Occupancy costs	25,817	24,725
Membership dues	22,833	22,183
Amortization	30,717	35,626
	1,218,383	1,190,663
Excess of revenue over expenditures for year	190,526	153,231
Net assets, beginning of year	1,695,433	1,542,202
Net assets, end of year	\$ 1,885,959	\$ 1,695,433

See notes to financial statements

THE COLLEGE OF OPTOMETRISTS OF BRITISH COLUMBIA
Statement of Cash Flows
Year Ended December 31

	2019	2018
Operating activities		
Excess of revenue over expenditures	\$ 190,526	\$ 153,231
Item not involving cash		
Amortization	30,717	35,626
	221,243	188,857
Changes in non-cash working capital		
Accounts receivable	402	2,918
Prepaid expenses	(902)	(416)
Accounts payable and accrued liabilities	1,642	24,963
Deferred revenue	48,978	35,521
	50,120	62,986
Cash provided by operating activities	271,363	251,843
Investing activity		
Purchase of equipment	(6,004)	(12,397)
Inflow of cash	265,359	239,446
Cash, beginning of year	1,811,261	1,571,815
Cash, end of year	\$ 2,076,620	\$ 1,811,261

See notes to financial statements

THE COLLEGE OF OPTOMETRISTS OF BRITISH COLUMBIA

Notes to Financial Statements

Year Ended December 31, 2019

1. OPERATIONS

The College of Optometrists of British Columbia (the "College") is a not-for-profit organization with the objective to serve and protect the public in relation to the practice of optometry in British Columbia.

The College's bylaws are regulated under the *Health Professions Act* of British Columbia (the "HPA"). The College establishes qualifications of members and ensures the standards set out in the HPA regulations and bylaws are maintained by the members.

The College is exempt from income tax under the provisions of the *Income Tax Act*.

2. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with maturities of three months or less from their date of acquisition, which are readily convertible into a known amount of cash, and are subject to an insignificant risk to changes in their fair value.

(b) Revenue recognition

Annual renewal fees are recognized as revenue in the fiscal year to which they relate. Fees received in advance have been recorded as deferred revenue.

Registration fees, corporation fees, other fees and continuing education are recognized as revenue when the member is invoiced.

Interest income is recognized as it is earned.

(c) Amortization

Property and equipment are recorded at cost less accumulated amortization and amortized over its estimated useful lives using the following methods and annual rates:

Buildings	4 years straight-line
Computer equipment	3 years straight-line

(d) Website

Website is recorded at cost less accumulated amortization. The website is amortized over its estimated useful life using a five-year straight-line method.

THE COLLEGE OF OPTOMETRISTS OF BRITISH COLUMBIA

Notes to Financial Statements

Year Ended December 31, 2019

2. SIGNIFICANT ACCOUNTING POLICIES — continued

(e) 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. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

(f) Financial instruments

The College initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The College subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations and changes in net assets.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations and changes in net assets. In the event a previously recognized impairment loss should be reversed, the amount of the reversal is recognized in the statement of operations and changes in net assets provided it is not greater than the original amount prior to write-down.

For any financial instrument that is measured at amortized cost, the instrument's cost is adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption. These transaction costs are amortized into income on a straight-line basis over the term of the instrument. All other transaction costs are recognized in the statement of operations and changes in net assets in the period incurred.

(g) Use of estimates

The preparation of these financial statements in conformity with ASNPO 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 expenditures during the reporting period. Significant estimates include the estimated useful lives of property and equipment and website and accrued liabilities. While management believes these estimates are reasonable, actual results could differ from those estimates and could impact future results of operations and cash flows.

3. FINANCIAL INSTRUMENTS

(a) Liquidity risk

Liquidity risk is the risk that the College will encounter difficulty in meeting obligations associated with financial liabilities.

The College is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. Cash flow from operations provides satisfactory resources to meet the College's cash requirements.

THE COLLEGE OF OPTOMETRISTS OF BRITISH COLUMBIA

Notes to Financial Statements

Year Ended December 31, 2019

3. FINANCIAL INSTRUMENTS — continued

(b) 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 College is exposed to credit risk with respect to its cash. The College has mitigated this risk by holding its cash with a major Canadian financial institution.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The College is exposed to interest rate price risk on its line of credit bearing a variable interest rate, when the line of credit is used.

4. ACCOUNTS RECEIVABLE

As of December 31, 2019, the College has issued invoices for penalties and restitution for hearing costs totaling \$125,186 (2018 - \$125,186), excluding interest, to be paid by a former registrant. Collection of this receivable is not assured and is therefore not recorded in the accounts receivable balance.

5. WEBSITE

	2019		2018	
	Cost	Accumulated amortization	Net	Net
Website	\$ 74,909	\$ 67,418	\$ 7,491	\$ 22,473

6. PROPERTY AND EQUIPMENT

	2019		2018	
	Cost	Accumulated amortization	Net	Net
Land	\$ 769,273	\$ -	\$ 769,273	\$ 769,273
Buildings	330,556	75,238	255,318	265,037
Computer equipment	55,947	47,694	8,253	8,265
	\$ 1,155,776	\$ 122,932	\$ 1,032,844	\$ 1,042,575

THE COLLEGE OF OPTOMETRISTS OF BRITISH COLUMBIA

Notes to Financial Statements

Year Ended December 31, 2019

7. LINE OF CREDIT

The College has available an operating line of credit to a maximum of \$200,000 (2018 - \$200,000). The line of credit is secured by the College's property. Advances under this facility bear interest at the bank prime rate plus 0.25% per annum. As of year-end, the balance of the line of credit is \$nil (2018 - \$nil).

8. COMMITMENT

The College is committed to equipment leases with payments totaling \$66,981 over the remaining terms expiring February 2024 and October 2025.

2020	\$	12,084
2021		12,084
2022		12,084
2023		12,084
2024		10,246
2025		8,399
	\$	66,981



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