



NEWFOUNDLAND LABRADOR
Massage Therapists' Association

A photograph of a wooden mannequin, likely used for massage therapy training. The mannequin is made of light-colored wood and has a simple, jointed design. It is positioned on the left side of the cover, with its back to the viewer and its right arm slightly bent.

Annual Report 2020-2021



WHO WE ARE

This non-profit organization is a board made up of practising Registered Massage Therapists and a paid Administrator. The board (Executive) is made up of a mixture of experience and most importantly volunteers who give their time for the greater good of Massage Therapy in Newfoundland and Labrador.

WHAT WE DO

There are two main functions for the NLMTA. Firstly the NLMTA facilitates professional liability insurance (<http://lmcanada.com/>) to its members which is legally necessary to practice. Secondly, the Association was put in place to support its members. Advertising, managing a website that connects RMT's with the public, answering questions, and providing guidance when needed.

Board Members (Executive and Directors) as of September 30th, 2021

Pat Mennie – Administrator	Ashley Parsons – President
Caitlyn Hill – Vice President/Secretary	Sara Lynn Lawlor – Director
Lisa Day – Director	Denise Hapgood – Director
Denise Hapgood – Director	Natasha Murthy – Director
Sara Sexton - Consultant	

To learn more about our board members visit: <https://nlmta.ca/board-members/>

NLMTA
P.O. Box 23212 Churchill Square, St John's NL A1b 4J9
TEL: (709) 726-4006 1-877-744-2468 FAX: 709-895-7767
nlmta@nlmta.ca OR info@nlmta.ca

Presidents Report

Another year, and as a whole, we've continued to try and streamline information (job openings, upcoming courses/workshops/important information) and ensure members are getting the information they want, as soon as we get it.

I hope everyone takes the time to read through what our sub-committees have been up to. I want to acknowledge the hard work of all sub-committees, specifically the Research sub-committee. The dedication and work that the committee, chaired by Lisa Day has demonstrated has brought a huge surge of energy to the board and hopefully after reading her report you'll feel the same.

I'd also like to take this opportunity to highlight another report that you'll find in this document. Written by Sara Sexton, her CMTCA Report/RMT personal perspective offers insight in the history of where Registered Massage Therapy in NL started, and in her perspective where it is going. It also lays out the difference between the NLMTA and the CMTNL which is something that comes up a lot with new, existing and veteran RMT's! A refresher never hurts!

Looking forward to the coming year – and making sure we as the NLMTA Board are working to serve you, our valued membership.

Administrators Report

Happy Fall Everyone! This 2021 -2022 year started off with 28 New Members joining the NLMTA since Oct 1, 2021. Fourteen from NL and sixteen from Western Canada, with two new members pending CMTNL approval.

This year we have:

427 – Paid Active members – (2 pending)

36 - Paid Inactive

27 – Gone – Retired / changed professions /moved or other reasons.

We have seven unpaid members – including one renewal form without payment and one payment without renewal form, all are Inactive (as far as I know). Liability Insurance has increased to 108 .00 per member, HST is now applicable to Liability Insurance. – $108.00 + 16.20 = \$ 124.20$ per member. If your mailing address or email address changes throughout the year, please let me know asap. Please check the NLMTA website to make sure your name is correctly listed. (Sorry if I missed anyone)

This year my email and phone were blowing up with members asking for their renewal forms. Renewal forms are posted on the NLMTA website – you must log in to the www.nlmta.ca to access the fillable renewal form. If you forget your password - click on “Lost your password”, you will receive instructions on how to reset your password. **I do not have access to your password.**

The member who was first to pay 2021-2022 renewal fees was Susan O’Quinn from Kippens, she won \$ 100.00 - Congrats Susan!!

Have a great Christmas and all good wishes for 2022. Take care and stay safe!!

Pat

Committee Reports

Research Committee

Chair – Lisa Day

Our committee has been busy this year as research continues to become increasingly important, it is great to see Registered Massage Therapy in NL working towards an evidence based approach.

Some accomplishments and upcoming goals to note:

- We are happy to report that we are well on our way to establishing a partnership with Memorial University. We reached out to Safety Net Co-Director, Dr. Kim Cullen who is also an Assistant Professor with the School of Human Kinetics and Recreation and is cross appointed to the Division of Community Health and Humanities, Faculty of Medicine. Our first goal is to work toward bettering our relationship with WorkplaceNL and focus on filling the evidence based research gaps we feel are present regarding Registered Massage Therapy as it stands in injury recovery and a healthy productive life. Dr. Cullen's research focuses on how work and health interconnect - how work can affect health, both positively and negatively and how poor health can affect ability to work sustainably. She has agreed to help us move forward.

To help build our “library” of existing research we have created an annotated bibliography where we have compiled a collection of research papers/systematic reviews we feel have value, and continue to “meet” (virtually) with Dr. Cullen regularly to discuss said papers. We are hoping to present to WorkplaceNL by the end of 2021 if possible. This will include literature reviews of existing research to start. If we do not achieve traction here, the plan is to continue to move forward and apply for a research grant through WorkplaceNL. This research, if it were to take place, must be carried out by a professional researcher and Dr. Cullen has expressed her interest in this as well. We are extremely lucky to have her on board!

- The committee has met once a month to work on all of the above and also discuss initiatives we would like to see in the future, such as MCP coverage. BC has been successful gaining coverage for Massage Therapy through their provincial insurance program and it's next on our list as well.
- Through reaching out and conversing we have gained relationships with other provinces who are working towards the same goals. As one example, each year MTAM host a Research Symposium which we are hoping to possibly participate in this year.
- We also feel it is important to bring awareness to self care as an RMT and plan on researching how to increase the longevity of the career and avoid burnout.
- Some of our committee members are working on/or have completed modalities that will further help increase our knowledge. Student engagement is a priority for us as well and we look forward to going into the schools and sharing with them. To date, we have possibly three presentations to present to them and plan on starting that venture in the fall of 2021.

Of course, some of these are long term goals and they will require time, patience and perseverance but we are passionate about working towards them.

I would be remiss if I did not extend a sincere thank you to the committee members for their help, efforts

and dedication, I would not be able to achieve any of this alone.

As always, we would like to extend an invite to interested members if you feel called to take part. You may do so by contacting me or indicate your interest, on this year's renewal form.

Public Relations Committee

Chair – Natasha Murthy

First, I would like to start this report by thanking the former Chair of this committee, Carolyn Staple RMT. Carolyn was a great asset to this Committee and we should thoroughly appreciate her hard work and diligence in her service to our Membership.

Since taking over this role in September of 2020, it's been pretty quiet given the situation with the Covid19 pandemic we are now residing in.

In October of 2020 during our National Massage Therapy Awareness week, there was a poster sent out to the membership and distributed on Facebook acknowledging this event. There were also attempts to reach out to the local radio stations to announce the significance of this week; however I did not receive any feedback or interest in a public announcement.

Jumping right along to late February 2021, Sara Sexton and I worked on a presentation for the Provincial Health Task Force conference that was held virtually on March 5th. This task force is examining ways to redistribute and streamline health care in general, throughout rural and urban areas of our province. Sara did an amazing job of creating an excellent powerpoint presentation outlining the benefits of Massage Therapy and including our Massage Therapy profession as an integral part of redefining what a community based approach to health care could look like.

Sara Sexton also presented at the MUN Virtual Health Workshop held on March 3rd.

The NL local chapter of the Canadian Mental Health Association reached out to our Association, asking us to do a pre-recorded interview on their annual Radiothon Fundraiser, which was aired on VOXM on March 3rd. The interview was well received. I mostly talked about RMTs training to provide safe space and relaxation in times of stress and unforeseen life challenges, such as this pandemic.

In closing I would like to say thank you to the membership. I hope everyone is staying safe, and supporting your clients in this difficult time. Most importantly, please look after your own selves so that we may stay strong as Practitioners in order to continue to provide effective treatments for our clients in this great time of need.

Website/Communications Committee

Chair – Ashley Parsons

We've been continuing to streamline communications to our membership. This year we started using MailChimp, as an easy way to template and send out important information. The feedback has been great – and if you're not receiving your emails and want to be please reach out to info@nlmta.ca and we'll make sure we have the right email address for you.

Speaking of email, in an attempt to lighten Pat's workload, we had info@nlmta.ca created and it has helped a lot. Any mail that comes in gets answered either directly by me, or forwarded onto Pat.

None of this would be possible if we didn't find ourselves a new web support person – Albert Norman. He's been very valuable in these new endeavours to make sure we're as efficient as possible responding to the membership, getting information out, and making sure our paid administrator isn't bogged down with items outside of her job description! A hard thing to do on a volunteer board when she's been the consistent member for a long time!

We also have our official Facebook page, and up until recently I also managed that, Caitlyn Hill has recently helped and taken over this task – many thanks to Caitlyn for that! If you'd like to help out with our social media presence, please reach out at info@nlmta.ca

Continuing Education Committee

Chair – Denise Hapgood

Due to Covid this year was an odd one for continuing education with lots of online options available to individuals needing to gain additional ones due to the CEU cycle. As we are beginning a new cycle, I am certain that with the lifting of covid restrictions more courses will be offered in this coming fall / winter. To speak to what's happened in the last year, the NLMTA sponsored a no cost workshop for the membership. We were fortunate to have John Dinn from Canadian Mental Health Association host a lunchtime workshop for our members during the lock down in March. Most were very happy to have this offering as it was a stressful time for the membership. We had 50 people register and had approx. 30 people in attendance.

November of 2020 saw a DNM workshop, and another one in February.

Premier Athletic Therapy offered an in-person Concussion course. They also offered an Assessment and Treatment Planning course. Both courses were full.

Danica Benoit offered Self Care for RMT's and REMex for low back pain.

The NL physician's association had suggested that it would be beneficial for more massage therapists to

have Concussion training. I will continue to stay in contact with physicians to ensure that additional course recommendations are forwarded to the membership.

If anyone would like to join the Continuing Education Committee we are open to new ideas and members for this group. Let us know on the registration application renewal or contact info@nlmta.ca

That is about it for this year, hoping you all stay safe and we return to a new normal soon

CMTCA Representative Report

Sara Sexton

Hello members of the NLMTA and CMTNL. Here is your assignment if you choose to accept it. Read this report from start to finish, in order to have a good grasp on our profession here in NL as well as in Canada. Our past, present and future. I am going to call this my CMTCA report or more accurately Acronym 101. Let's start with a glossary, which will be helpful as this information gets digested.

NMTA / NLMTA Newfoundland and Labrador Massage therapists association, formed in 1990

NLMTB/CMTNL College of Massage therapists Newfoundland and Labrador established 2003

CMTCA Canadian Massage Therapy Council for Accreditation formed in 2015 <https://www.cmtca.ca/>

CMTA Canadian Massage Therapists Alliance, also formed in 1990 <http://www.crmta.ca/>

FICS Facilitated Improvement for Corporate Success

FOMTRAC Federation of Massage Therapy Regulators and Colleges

CCMTS Council of Massage Therapy Colleges and Schools

CMTO College of Massage Therapists of Ontario.

A Brief History

1990 - The NLMTA was formed with 4 members and at approximately the same time, the CMTA was formed , with representation from all provinces except Quebec.

2002 - NL receives legislation after 12 years of lobbying , the third province in Canada to achieve regulation

2003 - Our regulatory college is set up and is running. A registrar is appointed and plans begin to offer a regulatory Exam.

Our Association (NLMTA) is responsible for your Liability insurance, it advocates for the profession, supports its members and where possible provides educational opportunities.

The College (CMTNL) is the regulator. This means that they govern over the profession to protect the

public. They can approve programs of training for massage therapy and they determine the approval and the educational value of any courses offered for RMTS.

As you can see , these roles are very different but are often confused . Our legislation in NL requires that all therapists must be members of both the NLMTA and CMTNL which is unique in Canada and something we can thank Pamela Hodgson and Wendy Turnbull for, both who drafted the legislative documents. This strengthens our membership, and ensures Newfoundland is always on the same page within the profession.

The Canadian Massage Therapists Alliance (CMTA) was formed in 1990 to bring the provinces together to help share information, to assist in getting regulation in the unregulated regions and to focus energy on getting the HST we are required to collect and remit, exempted.

To speak to my professional history in regards to the above; I have been the Registrar of the CMTNL. I have been the NLMTA's President and Vice President, plus a consultant for the last few years. I have also been the CMTA President and Vice President, as well as an advocate for Massage Therapy since I began my career. When I was asked by the NLMTA president to put my name forward for this new council for accreditation, the CMTCA I agreed to do so. For the past seven years I have been with the CMTCA. I have learned a great deal about accreditation, and what it will mean to future RMTS and the profession overall.

A little background on the HST exemption fight

The HST was imposed in 1988 requiring all RMTS and MTs alike to pay a 15% tax on income over 30,00.00. The standard of having 5 provinces in Canada regulated in order to receive an exemption, has been in place for as long as HST exemption has been a topic of discussion. I'm sure you have heard that a million times, it hasn't changed.

Personally, I have made HST exemption a professional goal since that time and I have made numerous phone calls, written letters and attended meetings with the same outcome. As recently as 2017 I had direct communication from the Federal minister of Finance's office restating the 5 regulated Province requirements.

Recent History and where we are now

2009 - There were CMTCA stakeholders meetings held in Ontario, looking to brainstorm how we could move the profession forward. This was an excellent opportunity to see the big picture. I attended these meetings as the Registrar of the CMTNL and I came away feeling that good things were happening.

2013 - It was becoming apparent that standardized education and accreditation of training programs was the right direction to take and the plan started to take shape. Funding was put together from the CMTO and the other Regulators made a commitment as did the CMTA and the CCMTS. All organizations put forward names of individuals to create a steering committee for The Canadian Massage Therapy Council for

Accreditation (CMTCA). This group would become the founding members and these individuals would keep their seats for one year until the board was appointed. The focus of this organization would be accreditation. (Time to review your acronyms and catch your breath.)

2017 - The Canadian Massage Therapists Alliance (CMTA) started to work with a private consulting firm called H and K, with the goal of getting HST exemption for the profession. I was informed that my efforts were to discontinue as they could hinder the progress of H and Ks efforts. Consequently, I made no further contact with the Federal department of finance.

The CMTCA Specifically

As mentioned above, I have been on the CMTCA for the past seven years.

In the beginning, the first order of business was to find an executive director. After reviewing resumes , conducting interviews and much debate, we chose a company called FICS (Facilitated Improvement for Corporate Success.) As FICS president, Kathrina Loeffler brought a Masters in leadership education and a strong background in accreditation. Her company with its knowledgeable staff would take on the role of executive director.

To Date (May 2021) : The CMTCA has granted 23 Schools Preliminary Accreditation ,has received 73 applications to undergo their process and has done 11 site visits. These numbers continue to grow.

Go online and look up the CMTCA (<https://www.cmtca.ca/>) Have a look for yourself at their website, what has been accomplished during their short existence and what they are offering . The professionalism and commitment is impressive.

I have personally been involved in reaching out to the CMTA, to 'bridge the gap' and potentially answer questions they may have on the accreditation of schools and what that could mean on a national front, as it pertains to HST exemption. I haven't yet been given that chance. As it stands, the CMTA as one of the original stakeholders of the CMTCA, has decided not to support the commitment for funding.

I have learned much about what accreditation will do for our professional future, I believed then as I believe now that it is the way forward for us. I was able to speak to a few of the Atlantic Canadian Association presidents, in person which were positive and productive. I continue to be disappointed in the lack of support by the CMTA, of the CMTCA.

Because of confidentiality agreements there are things I cannot discuss in this report , but I can say that I know that during this pandemic, and because of the lack of regulation and standardized training for our profession in Canada, I truly believe HST exemption is highly unlikely any time soon and frankly, the way to any exemption will be by the efforts of Regulated provinces and by a commitment to accreditation from all regions.

Stay with me here because this is really important: Members of the NLMTA also pay fees to the CMTA, as

well as to the CMTNL, which contributes an amount per therapist to the CMTCA. If you are still with me, you should be getting the picture that you are paying into all these organizations and whether you realize it or not.. what you support matters.

NLMTA members recently voted on whether to continue to contribute to the CMTA as they have proposed an increase in fees from 750.00 annually to 5000.00. Based on those that voted, a decision was made to stay with the CMTA and personally I am unsure whether those that voted actually understood the CMTA, it's history and the fight to date for HST exemption.

The CMTA has been in existence since 1990 and has been unsuccessful as an alliance because there is no accountability (check out the definition of alliance versus association) and no mechanism in place to get unregulated regions regulated. Putting all cards on the table - the CMTA could operate just as effectively with a monthly zoom call of association presidents or reps and accomplish just as much as they have in the past 30 years.

Where the CMTCA is going: With the support of its stakeholders, the CMTCA as an independent council, will continue to grow, lobby the government and provide support to educational programs across the country.

Having read this report I hope you now know who is who and have a better understanding of the organizations at work and perhaps now can make a more informed choice for the future of this profession, the one you've chosen to put your time and effort into.

CMTA Representatives Report

Sara Lynn Lawlor & Denise Hapgood

Update from the acting executive

Krystin Bokalo, from Ontario (RMTAO) resigned as Chair of the CMTA leaving Lori Green, from Saskatchewan (MTAS) - acting Chair. Gordon MacDonald, from British Columbia (RMTBC) - Secretary Tricia Weidenbacher, from Manitoba (MTAM) - Treasurer

Financial Statement Review

Financial statements were passed and the board agreed to use Stuart Gee and Murray for accounting services once again next year.

Election of Executive

Chair - Gordon MacDonald - RMTBC (British Columbia) Vice Chair - Amy Lynn Graves - MTANS (Nova Scotia) Secretary - Lori Green - MTAS (Saskatchewan) Treasurer - Tricia Weidenbacher - MTAM (Manitoba)

Dues Structure

Dues for membership in the CMTA came to a vote and will now be \$5/member, the most equitable solution for all provinces, especially for Newfoundland and Labrador – our rate will decrease from \$5000 to approximately \$2000.

GST/HST Update

A working group, of cross Canada CMTA members, is operational on the GST/HST tax exemption. We look forward to updates in the near future.

NEWFOUNDLAND & LABRADOR MASSAGE THERAPISTS' ASSOCIATION INC.

Financial Statements

Year Ended September 30, 2020

(Unaudited)

NEWFOUNDLAND & LABRADOR MASSAGE THERAPISTS' ASSOCIATION INC.

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Year Ended September 30, 2020

(Unaudited)

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Fred Earle

Chartered Professional Accountant

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Newfoundland & Labrador Massage Therapists' Association Inc.

I have reviewed the accompanying financial statements of Newfoundland & Labrador Massage Therapists' Association Inc. (the Association) that comprise the statement of financial position as at September 30, 2020, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (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.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Newfoundland & Labrador Massage Therapists' Association Inc. as at September 30, 2020, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

St. John's, Newfoundland and Labrador
November 16, 2021



CHARTERED PROFESSIONAL ACCOUNTANT

NEWFOUNDLAND & LABRADOR MASSAGE THERAPISTS' ASSOCIATION INC.

Statement of Financial Position

September 30, 2020

(Unaudited)

	2020	2019
ASSETS		
CURRENT		
Cash	\$ 178,606	\$ 185,354
Term deposits	11,097	11,062
Accounts receivable	12,302	3,287
Interest receivable	103	-
	\$ 202,108	\$ 199,703
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 9,828	\$ 3,966
Employee deductions payable	2,278	2,177
Deferred income <i>(Note 3)</i>	97,965	125,965
	110,071	132,108
NET ASSETS		
General fund	92,037	67,595
	\$ 202,108	\$ 199,703

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

The notes are an integral part of these financial statements

Fred Earle CPA, CA

NEWFOUNDLAND & LABRADOR MASSAGE THERAPISTS' ASSOCIATION INC.

Statement of Revenues and Expenditures

Year Ended September 30, 2020

(Unaudited)

	2020	2019
REVENUE		
Membership Fees	\$ 149,205	\$ 140,538
Other income	1,114	401
Interest income	139	-
	<u>150,458</u>	<u>140,939</u>
EXPENSES		
Insurance	42,152	40,161
Salaries and wages	31,883	31,900
Advertising and promotion	16,674	15,102
Office	9,343	2,526
Meetings, conferences and travel	5,905	7,718
Rental	4,469	4,746
General and administrative expenses	3,982	5,210
Telephone	3,215	2,742
Bank charges	2,223	2,623
Professional fees	2,185	2,185
AGM	1,627	2,626
Training & workshops	1,210	650
Membership fees	760	760
Repairs and maintenance	388	-
Website	-	503
	<u>126,016</u>	<u>119,452</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 24,442</u>	<u>\$ 21,487</u>

The notes are an integral part of these financial statements

NEWFOUNDLAND & LABRADOR MASSAGE THERAPISTS' ASSOCIATION INC.

Statement of Changes in Net Assets

Year Ended September 30, 2020

(Unaudited)

	2020	2019
NET ASSETS - BEGINNING OF YEAR	\$ 67,595	\$ 46,108
Excess of revenue over expenses	24,442	21,487
NET ASSETS - END OF YEAR	\$ 92,037	\$ 67,595

NEWFOUNDLAND & LABRADOR MASSAGE THERAPISTS' ASSOCIATION INC.

Statement of Cash Flows

Year Ended September 30, 2020

(Unaudited)

	2020	2019
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 24,442	\$ 21,487
Changes in non-cash working capital:		
Accounts receivable	(9,015)	6,665
Interest receivable	(103)	-
Accounts payable	5,862	(3,784)
Deferred income	(28,000)	8,935
Employee deductions payable	101	2,177
	<u>(31,155)</u>	13,993
Cash flow from (used by) operating activities	<u>(6,713)</u>	35,480
INVESTING ACTIVITY		
Term deposits	<u>(35)</u>	5,234
INCREASE (DECREASE) IN CASH FLOW	(6,748)	40,714
Cash - beginning of year	<u>185,354</u>	144,640
CASH - END OF YEAR	\$ 178,606	\$ 185,354
CASH CONSISTS OF:		
Cash	<u>\$ 178,606</u>	<u>\$ 185,354</u>

The notes are an integral part of these financial statements

NEWFOUNDLAND & LABRADOR MASSAGE THERAPISTS' ASSOCIATION INC.

Notes to Financial Statements
Year Ended September 30, 2020
(Unaudited)

1. DESCRIPTION OF BUSINESS

The Newfoundland & Labrador Massage Therapists' Association was established as a corporation by the Newfoundland Corporations Act in 1990 as a not for profit corporation without share capital. The association commenced operations on that date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with accounting standards for not-for-profit organizations in Canada. Outlined below are those policies considered particularly significant for the Association.

Fund accounting

Newfoundland & Labrador Massage Therapists' Association Inc. utilizes fund accounting for financial reporting purposes. The financial statement elements are segregated into funds according to the organizations activities.

Revenues and expenses related to program delivery and administrative activities are reported in the General Fund.

Revenues and expenses related to funds for which the Board or contributors have placed and restrictions on their use are reported in the Restricted Fund.

Cash and cash equivalents

Cash is defined as cash on hand, cash on deposit, and short-term deposits with maturity dates of less than 90 days, net of cheques issued and outstanding at the reporting dates.

Revenue recognition

Membership fee revenue is recorded using the accrual basis of accounting. Fees are recorded as income in the year to which they apply.

Measurement uncertainty

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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates include providing for amortization of capital assets and goodwill. Actual results could differ from these estimates.

Contributed services

The Newfoundland & Labrador Massage Therapists' Association and its members benefit from contributed services in the form of volunteer time for various committees. Contributed services are not recognized in these statements.

Corporate income tax

The Organization is not-for-profit and is not subject to corporate income tax.

(continues)

NEWFOUNDLAND & LABRADOR MASSAGE THERAPISTS' ASSOCIATION INC.

Notes to Financial Statements
Year Ended September 30, 2020
(Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

3. DEFERRED INCOME

Deferred income represents membership fees collected in advance. Fees collected during September 30, 2020 fiscal year but the membership period covered for this revenue is the period ended September 30, 2021. These revenues will be recognized as revenue in the year to which the fees relate.

4. FINANCIAL INSTRUMENTS

The organization's main financial instrument risk exposure is as follows

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization is exposed to credit risk from member fee income. Given the nature of the Organization's activities including requirement of members to be licenced, the organization does not have material exposure to credit risk.

Liquidity Risk

The organization's liquidity risk represents the risk that the organization could encounter difficulty in meeting obligations associated with its financial liabilities. The organization is, therefore, exposed to liquidity risk with respect to its accounts payable and accrued liabilities. The organization manages liquidity risk by monitoring its cash flows and ensuring that it has sufficient cash available to meet its obligations and liabilities.

Fair Value

The Organization's carrying value of cash and cash equivalents, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

5. SUBSEQUENT EVENTS

On March 11, 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic which continues to spread in Canada and around the world, resulting in government imposed emergency measures to combat the spread of the virus.

These emergency measures, including periodic lockdowns and ongoing capacity restrictions, in conjunction with increased costs associated with additional personal protective equipment and other safety measures, have impacted the Organization's operations.

While the Company has been able to mitigate the short-term impact of COVID-19, it is not possible to reliably estimate the severity and long-term impact COVID-19 may have on the Company's financial results, conditions, and cash flows.



NEWFOUNDLAND LABRADOR
Massage Therapists' Association