

Financial Statements of

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

Year ended March 31, 2007

AUDITORS' REPORT

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

We have audited the balance sheet of College of Traditional Chinese Medicine Practitioners and Acupuncturists of British Columbia as at March 31, 2007 and the statements of revenue and expenses and changes in net assets for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2007 and the results of its operations and changes in its net assets for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Society Act of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

SRTK Tam Kurozumi

Chartered Accountants

Vancouver, Canada

July 7, 2007

COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND ACUPUNCTURISTS OF BRITISH COLUMBIA

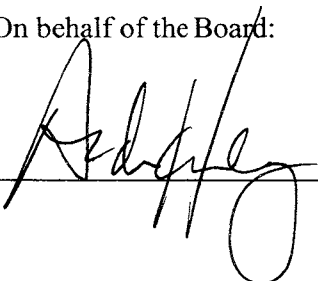
Balance Sheet

March 31, 2007, with comparative figures for 2006

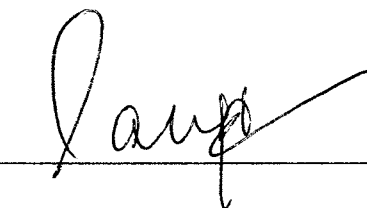
	2007	2006
Assets		
Current assets:		
Cash	\$ 424,219	\$ 243,783
Short-term investments	225,564	268,602
Prepaid expenses and deposits	5,988	3,911
	<u>655,771</u>	<u>516,296</u>
Office equipment (note 2)	24,911	26,689
	<u>\$ 680,682</u>	<u>\$ 542,985</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 29,989	\$ 34,116
Deferred revenue	477,271	428,959
	<u>507,260</u>	<u>463,075</u>
Net assets	173,422	79,910
Contingency (note 3)		
	<u>\$ 680,682</u>	<u>\$ 542,985</u>

See accompanying notes to financial statements.

On behalf of the Board:



Director



Director

COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND ACUPUNCTURISTS OF BRITISH COLUMBIA

Statement of Revenue and Expenses

Year ended March 31, 2007, with comparative figures for 2006

	2007	2006
Revenues:		
License and registration fees	\$ 561,896	\$ 440,079
Course and examination fees	295,293	307,339
Interest and other income	10,980	40,269
	868,169	787,687
Expenses:		
Advertising	2,729	10,178
Amortization	7,594	7,960
Computer services	4,977	5,970
Courses and examinations	144,588	112,066
Honorariums	12,450	5,700
Interest on capital lease	-	380
License and registration	3,867	4,700
Meetings	17,297	12,521
Office and miscellaneous	40,662	34,296
Professional fees	132,776	166,670
Publications	12,758	5,086
Rent	42,113	38,717
Telephone	6,054	6,104
Travelling	9,431	15,591
Salaries, subcontractors and employee benefits	337,361	598,546
	774,657	1,024,485
Excess (deficiency) of revenues over expenses for the year	\$ 93,512	\$ (236,798)

See accompanying notes to financial statements.

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

Statement of Changes in Net Assets

Year ended March 31, 2007, with comparative figures for 2006

				2007	2006
	Funds invested in office equipment	Funds internally restricted for acquisition of office	Unrestricted funds	Total	Total
Balance, beginning of year	\$ 26,688	\$ 50,750	\$ 2,472	\$ 79,910	\$ 316,708
Additions during the year	5,817	-	(5,817)	-	-
Excess (deficiency) of revenues over expenses for the year	(7,594)	1,650	99,456	93,512	(236,798)
Balance, end of year	\$ 24,911	\$ 52,400	\$ 96,111	\$ 173,422	\$ 79,910

See accompanying notes to financial statements.

COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND ACUPUNCTURISTS OF BRITISH COLUMBIA

Notes to Financial Statements, page 1

Year ended March 31, 2007

The College of Traditional Chinese Medicine Practitioners and Acupuncturists of British Columbia (the "College") is provincially incorporated under the Health Professions Act of British Columbia to govern, control and administer the affairs of its registrants. The College is a non-profit organization under the Income Tax Act and, as such, is exempt from income taxes.

1. Significant accounting policies:

(a) Basis of presentation:

These financial statements include the undernoted funds which are segregated for purposes of carrying on specific activities as described below:

- (i) The Office Equipment Fund consists of funds invested in office equipment.
- (ii) The Office Acquisition Fund consists of funds which have been designated by the board of directors for expenditures relating to office premises and major capital asset purchases.
- (iii) The Unrestricted Fund consists of funds from general activities of the College.

(b) Short-term investments:

Short-term investments include highly liquid investments and are recorded at cost plus accrued interest, which approximate their current market values.

(c) Office equipment:

Office equipment is stated at cost. Depreciation and amortization are provided on the declining balance basis at rates reflecting the estimated useful lives as follows:

Asset	Rate
Furniture and equipment	20%
Computer hardware	30%
Computer software	100%

(d) Revenue recognition:

License and registration fees are recognized as revenue in the year to which they relate. Course and examination fees are recognized as revenue when the courses or examinations are taken.

(e) Use of estimates:

The presentation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

COLLEGE OF TRADITIONAL CHINESE MEDICINE PRACTITIONERS AND ACUPUNCTURISTS OF BRITISH COLUMBIA

Notes to Financial Statements, page 2

Year ended March 31, 2007

1. Significant accounting policies:

(f) Financial instruments:

The carrying amounts of all the College's financial instruments approximated their fair values in all material respects at March 31, 2007. It is management's opinion that the College is not exposed to significant interest, currency or credit risks arising from these financial instruments.

(g) Statement of cash flows:

A statement of cash flows has not been presented as management is of the opinion that it would not provide any additional meaningful information.

2. Office equipment:

			2007	2006
	Cost	Accumulated depreciation and amortization	Net book value	Net book value
Furniture and equipment	\$ 36,956	\$ 23,191	\$ 13,765	\$ 17,091
Computer hardware	41,911	31,378	10,533	9,598
Computer software	10,108	9,495	613	-
	\$ 88,975	\$ 64,064	\$ 24,911	\$ 26,689

3. Contingency:

The College has been named defendant in the Small Claims Court by a former employee for insufficient severance payment. Management is of the opinion that the College will be successful in defending the claim. As the outcome of this claim is not determinable at this time, the College has made no provision for any amounts that may be owed to the former employee. In the event that any further payment is incurred in the resolution of this claim, such payment will be charged to operations in the year the claim is resolved.