

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

This financial statement was approved by the Board on November 22, 2012 and presented to the membership at the AGM held on November 23, 2012

Marjorie MacDonald  
President

Shannon Turner  
Board member

*MA MacDonald*

*S Turner*

Prepared without audit

**BURNS & CO.**  
CERTIFIED GENERAL ACCOUNTANT

Burns & Co.



Certified General Accountant

REVIEW ENGAGEMENT REPORT

To the Members of the Board of  
PHA Public Health Association of British Columbia

I have reviewed the statement of financial position of PHA Public Health Association of British Columbia as at September 30, 2012, the statement of changes in net assets, the statement of operations and the statement of cash flows for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by management.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Victoria, B.C.  
November 15, 2012

*Burns & Co.*  
Certified General Accountant

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA  
(Incorporated under the Society Act of British Columbia)

STATEMENT OF FINANCIAL POSITION

SEPTEMBER 30, 2012

	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
Current		
Cash and bank	\$ 709,891	\$ 312,918
Investments	176,915	174,611
Accounts receivable	78,386	100,088
Harmonized sales tax receivable	48,583	21,759
Prepaid expenses	<u>2,761</u>	<u>4,884</u>
	<u>\$ 1,016,536</u>	<u>\$ 614,260</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current		
Accounts payable and accrued charges	\$ 16,844	\$ 11,967
Deferred revenue (Note 3)	<u>585,710</u>	<u>217,967</u>
	<u>602,554</u>	<u>229,934</u>
Net assets		
Unrestricted net assets	410,553	380,897
Restricted net assets (Note 4)	<u>3,429</u>	<u>3,429</u>
	<u>413,982</u>	<u>384,326</u>
	<u>\$ 1,016,536</u>	<u>\$ 614,260</u>

Approved by the Board

\_\_\_\_\_  
\_\_\_\_\_

(See accompanying notes)  
Prepared without audit

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED SEPTEMBER 30, 2012

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2012</u>	<u>2011</u>
		(Note 4)	<u>Total</u>	<u>Total</u>
Balance, beginning of year	\$ 380,897	\$ 3,429	\$ 384,326	\$ 310,660
Excess of revenue over expenses	<u>29,656</u>	<u>-</u>	<u>29,656</u>	<u>73,666</u>
Balance, end of year	<u>\$ 410,553</u>	<u>\$ 3,429</u>	<u>\$ 413,982</u>	<u>\$ 384,326</u>

(See accompanying notes)  
Prepared without audit

BURNS & CO.  
CERTIFIED GENERAL ACCOUNTANT

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

STATEMENT OF OPERATIONS

YEAR ENDED SEPTEMBER 30, 2012

	<u>2012</u>	<u>2011</u>
Revenue (Note 5)	\$ <u>619,246</u>	\$ <u>625,365</u>
Expenses		
Accounting fees	9,346	8,457
Annual general meeting and board meeting	6,783	11,526
Bank charges and interest	389	451
Conference and event expenses	66,130	-
Consultants	299,291	276,057
Donations	-	4,200
Insurance	2,467	2,050
Office and sundry	13,582	10,789
Project evaluation fee	-	16,015
Program costs	91,137	95,626
Rent	5,501	23,080
Travel	31,710	36,298
Utilities and telephone	6,412	8,470
Website	<u>56,842</u>	<u>58,680</u>
	<u>589,590</u>	<u>551,699</u>
Excess of revenue over expenses for the year	\$ <u><u>29,656</u></u>	\$ <u><u>73,666</u></u>

(See accompanying notes)  
Prepared without audit

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30, 2012

	<u>2012</u>	<u>2011</u>
Operating activities		
Excess of revenue over expenses for the year	\$ 29,656	\$ 73,666
Cash provided by (used for) changes in non-cash working capital items		
Investments	(2,304)	(120,648)
Accounts receivable	21,702	(58,358)
Harmonized sales tax receivable	(26,824)	(10,353)
Prepaid expenses	2,123	(4,884)
Accounts payable and accrued charges	4,877	(18,846)
Deferred revenue (Note 3)	<u>367,743</u>	<u>(14,102)</u>
Increase (decrease) in cash	396,973	(153,525)
Cash and bank, beginning of year	<u>312,918</u>	<u>466,443</u>
Cash and bank, end of year	<u>\$ 709,891</u>	<u>\$ 312,918</u>

(See accompanying notes)  
Prepared without audit

**BURNS & CO.**  
CERTIFIED GENERAL ACCOUNTANT

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

Note 1 - General Information

The PHA Public Health Association of British Columbia (PHABC) is a voluntary, non-profit, non-government organization, whose mission is to preserve and promote the public's health through disease and injury prevention, health protection and healthy public policy. PHABC is actively engaged in advocating the development and implementation of healthy public policy, facilitating the sharing of health and related information, encouraging research into the broad issues that affect the public's health, and working cooperatively with regional, national, and international organizations.

Note 2 - Accounting Policies

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.

Capital Assets

It is the association's policy to only capitalize equipment purchases over \$5,000.

Investments

Investments consist of guaranteed investment certificates which are recorded at cost plus accrued interest.

Financial Instruments

The association uses risk management to monitor and manage its risk arising from financial instruments. These risks include interest rate risk, credit risk, liquidity risk and market risk.

The association does not use any derivative financial instruments to mitigate these risks.

Credit Risk

Credit risks arise from three sources: cash and cash equivalents, accounts receivable, and investments in debt instruments. Cash and cash equivalents are deposited with reputable, major financial institutions to limit the credit risk exposure. The credit risk from counter parties not paying accounts receivable is not considered to be significant. The investments include investments issued by high-credit quality corporations and financial institutions, and I consider the risk of non-performance of these instruments to be remote.

Interest Rate Risk

The association is exposed to interest rate risk with respect to the following financial instruments: cash and cash equivalents and investments. Changes in interest rates can affect the cash flows related to interest income and expense.

Prepared without audit

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

Note 2 - Accounting Policies (continued)

Liquidity Risk

Liquidity risk exposure is dependent on the receipt of funds from membership fees and other sources to enable the association to pay its liabilities as they become due.

Use of Estimates

When preparing financial statements according to ASNPO, the Society makes estimates and assumptions relating to:

- Reported amounts of revenue and expenses
- Reported amounts of assets and liabilities, and
- Disclosure of contingent assets and liabilities

Management's assumptions are based on a number of factors, including historical experience, current events and actions that the association may undertake in the future, and other assumptions that I believe are reasonable under the circumstances. Actual results could differ from those estimates under different conditions and assumptions. Estimates were used when accounting for certain items, such as accrued payables.

Note 3 - Deferred Revenue

Deferred revenue consists of the following grant revenue and conference fees:

	<u>2012</u>	<u>2011</u>
Vancouver Coastal Health Authority	\$ -	\$ 25,000
Prevention of Violence Canada	-	8,800
Other fees	-	269
The McConnell Foundation	30,000	50,000
Community-University Research Alliance	5,000	5,000
Provincial Health Services Authority	8,398	8,398
Province of British Columbia	441,544	120,500
Vancity	75,000	120,500
Vancouver Island Health Authority	<u>25,766</u>	<u>120,500</u>
	<u>\$ 585,708</u>	<u>\$ 217,967</u>

Prepared without audit

**BURNS & CO.**  
CERTIFIED GENERAL ACCOUNTANT



PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2012

Note 4 - Net Assets Internally Restricted

Net assets internally restricted consists of the Phyllis M. Baird Memorial Award Public Health Nursing. The funds are restricted such that a yearly award of \$250 can be given to reward a public health nurse who demonstrates excellence in practice. The fund was established in 1984 with an original donation of \$2,500. The award is not given out each year and the intention is that the fund will never be less than \$2,500.

Note 5 - Revenue

Included in revenue is government funding from the following sources:

	<u>2012</u>	<u>2011</u>
Public Health Agency of Canada	\$ 37,809	\$ 121,700
Provincial Health Services Authority	16,796	18,300
Vancouver Island Health Authority	4,234	(11,100)
Northern Health	10,000	-
Province of British Columbia	<u>176,456</u>	<u>379,500</u>
	<u>\$ 245,295</u>	<u>\$ 508,400</u>

Note 6 - Comparative Figures

Certain comparative figures have been restated to conform with the financial statement presentation adopted in the current year.

Prepared without audit

**BURNS & CO.**  
CERTIFIED GENERAL ACCOUNTANT