



Public Health Association of BC

October 23, 2013

Burns & Co.
Certified General Accountant
100 – 3930 Shelbourne Street
Victoria, BC
V8P 5P6

Dear Jane Burns:

We are providing this letter in connection with your review of the financial statements of the Public Health Association of British Columbia for the fiscal year ended September 30, 2013, which we acknowledge you performed in accordance with Canadian generally accepted standards for review engagements. We acknowledge that we are responsible for the fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for the design and implementation of internal control to prevent and detect fraud and error.

We understand that you have performed a review of the financial statements. We also understand that your review procedures consisted primarily of inquiry, analytical procedures, and discussion, which are not designed to identify, nor can they necessarily be expected to disclose, fraud, shortages, errors or other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

We confirm, to the best of our knowledge and belief, as of the date noted above, the following representations made to you during your review.

Financial statements

1. The financial statements referred to above present fairly, in all material respects, the financial position of the association as at September 30, 2013 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.
2. We confirm that the association is not a publicly accountable enterprise and is a qualifying enterprise for the application of Canadian accounting standards for not-for-profit organizations.
3. We have reviewed and approved all:
 - Adjusting journal entries prepared by you;
 - Account codes determined or changed by you;
 - Transactions classified by you; and
 - Accounting records prepared or changed by you.

All misstatements identified by you and discussed with us, in the course of your review, have been recorded (except for those summarized in the attached schedule of proposed journal entries). It is our opinion that the effects of not recording such identified misstatements are, individually and in aggregate, immaterial to the financial statements as a whole.

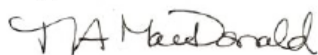
Completeness of information

4. We have responded fully to all inquiries made to us and have made available to you all financial records and related data and all minutes of the meetings of members, directors, and committees of directors.
5. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
6. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
7. We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the financial statements or as the basis of recording a contingent loss.
8. We have identified to you all known related parties and related party transactions, including guarantees, non-monetary transactions, and transactions for no consideration.

Recognition, measurement and disclosure

9. We have disclosed to you, and the association has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
10. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
11. The association has satisfactory title to all assets, and there are no liens or encumbrances on the association's assets.
12. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
13. All related party transactions have been appropriately measured and disclosed in the financial statements.
14. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
15. We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.
16. All events subsequent to the balance sheet date up to the date hereof that would require recognition or disclosure in the financial statements have been disclosed to you and are appropriately disclosed in the financial statements.
17. We hereby acknowledge that you have made us aware of your legal obligations under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*. We hereby acknowledge that we are aware of potential conflict of interest that may arise as a result of your legal obligations under this Act and authorize your firm to release and disclose information about the association if and when required by statute.
18. We have obtained all consents that are required under applicable privacy legislation for the collection, use, and disclosure to you of personal information.

Sincerely,



Marjorie MacDonald, President



Michael Barnes, Executive Director

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

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, 2013, 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.
October 23, 2013

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, 2013

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Current		
Cash and bank	\$ 893,491	\$ 709,891
Investments	179,042	176,915
Accounts receivable	12,936	78,386
GST/HST receivable	46,198	48,583
Prepaid expenses	<u>10,217</u>	<u>2,761</u>
	<u>\$ 1,141,884</u>	<u>\$ 1,016,536</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current		
Accounts payable and accrued charges	\$ 25,342	\$ 16,844
Deferred revenue (Note 3)	<u>714,604</u>	<u>585,710</u>
	<u>739,946</u>	<u>602,554</u>
Net assets		
Unrestricted net assets	398,509	410,553
Restricted net assets (Note 4)	<u>3,429</u>	<u>3,429</u>
	<u>401,938</u>	<u>413,982</u>
	<u>\$ 1,141,884</u>	<u>\$ 1,016,536</u>

Approved by the Board

(See accompanying notes)
Prepared without audit

BURNS & CO.
CERTIFIED GENERAL ACCOUNTANT

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED SEPTEMBER 30, 2013

	<u>Unrestricted</u>	<u>Restricted</u> (Note 4)	<u>2013</u> <u>Total</u>	<u>2012</u> <u>Total</u>
Balance, beginning of year	\$ 410,553	\$ 3,429	\$ 413,982	\$ 384,326
Excess (deficiency) of revenue over expenses	<u>(12,044)</u>	<u>-</u>	<u>(12,044)</u>	<u>29,656</u>
Balance, end of year	<u>\$ 398,509</u>	<u>\$ 3,429</u>	<u>\$ 401,938</u>	<u>\$ 413,982</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, 2013

	<u>2013</u>	<u>2012</u>
Revenue (Note 5)	\$ <u>797,925</u>	\$ <u>619,246</u>
Expenses		
Accounting fees	8,604	9,346
Advertising and promotion	76,995	-
Bank charges and interest	288	389
Conference and event expenses	64,285	66,130
Consultants	459,450	299,291
Insurance	2,050	2,467
Office and sundry	15,070	13,582
Program costs	97,704	91,137
Rent	5,453	5,501
Travel	24,537	38,493
Utilities and telephone	6,793	6,412
Website	<u>48,740</u>	<u>56,842</u>
	<u>809,969</u>	<u>589,590</u>
Excess (deficiency) of revenue over expenses for the year	\$ <u>(12,044)</u>	\$ <u>29,656</u>

(See accompanying notes)

Prepared without audit

BURNS & CO.
CERTIFIED GENERAL ACCOUNTANT

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30, 2013

	<u>2013</u>	<u>2012</u>
Operating activities		
Excess (deficiency) of revenue over expenses for the year	\$ (12,044)	\$ 29,656
Cash provided by (used for) changes in non-cash working capital items		
Investments	(2,127)	(2,304)
Accounts receivable	65,450	21,702
GST/HST receivable	2,385	(26,824)
Prepaid expenses	(7,456)	2,123
Accounts payable and accrued charges	8,498	4,877
Deferred revenue (Note 3)	<u>128,894</u>	<u>367,743</u>
Increase in cash	183,600	396,973
Cash and bank, beginning of year	<u>709,891</u>	<u>312,918</u>
Cash and bank, end of year	<u>\$ 893,491</u>	<u>\$ 709,891</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, 2013

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

BURNS & CO.
CERTIFIED GENERAL ACCOUNTANT

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

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>2013</u>	<u>2012</u>
The McConnell Foundation	\$ -	\$ 30,000
Community-University Research Alliance	-	5,000
Provincial Health Services Authority	638,000	8,398
Province of British Columbia	76,604	441,544
Vancity	-	75,000
Vancouver Island Health Authority	<u>-</u>	<u>25,766</u>
	<u>\$ 714,604</u>	<u>\$ 585,708</u>

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.

Prepared without audit

BURNS & CO.
CERTIFIED GENERAL ACCOUNTANT

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 5 - Revenue

Included in revenue is government funding from the following sources:

	<u>2013</u>	<u>2012</u>
Public Health Agency of Canada	\$ 19,000	\$ 37,809
Provincial Health Services Authority	596,477	16,796
Vancouver Island Health Authority	-	4,234
Northern Health	10,000	10,000
Interim First Nations Health Authority	10,000	-
Province of British Columbia	<u>85,116</u>	<u>176,456</u>
	<u>\$ 720,593</u>	<u>\$ 245,295</u>

loan detail here

Note 6 - Comparative Figures

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