

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

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, 2014, 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 inquiry, 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.  
December 1, 2014

*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, 2014

	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>		
Current		
Cash and bank	\$ 1,437,332	\$ 893,491
Investments	182,632	179,042
Accounts receivable	23,076	12,936
GST/HST receivable	17,845	46,198
Prepaid expenses	<u>9,638</u>	<u>10,217</u>
	<u>\$ 1,670,523</u>	<u>\$ 1,141,884</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current		
Accounts payable and accrued charges	\$ 60,542	\$ 25,342
Deferred revenue (Note 2)	<u>1,175,929</u>	<u>714,604</u>
	<u>1,236,471</u>	<u>739,946</u>
Net assets		
Unrestricted net assets	430,623	398,509
Restricted net assets (Note 3)	<u>3,429</u>	<u>3,429</u>
	<u>434,052</u>	<u>401,938</u>
	<u>\$ 1,670,523</u>	<u>\$ 1,141,884</u>

Approved by the Board

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(See accompanying notes)  
Prepared without audit

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED SEPTEMBER 30, 2014

	<u>Unrestricted</u>	<u>Restricted</u> (Note 3)	<u>2014</u> <u>Total</u>	<u>2013</u> <u>Total</u>
Balance, beginning of year	\$ 398,509	\$ 3,429	\$ 401,938	\$ 413,982
Excess (deficiency) of revenue over expenses	<u>32,114</u>	<u>-</u>	<u>32,114</u>	<u>(12,044)</u>
Balance, end of year	<u>\$ 430,623</u>	<u>\$ 3,429</u>	<u>\$ 434,052</u>	<u>\$ 401,938</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, 2014

	<u>2014</u>	<u>2013</u>
Revenue		
Revenue (Note 4)	\$ 889,642	\$ 796,117
Interest	<u>3,068</u>	<u>1,808</u>
	<u>892,710</u>	<u>797,925</u>
Expenses		
Accounting fees	9,942	8,604
Advertising and promotion	107,658	76,995
Bank charges and interest	143	288
Conference and event expenses	69,719	64,285
Consultants	520,278	459,450
Grants	4,500	-
Insurance	1,442	2,050
Office and sundry	14,470	15,070
Program costs	56,151	97,704
Rent	5,350	5,453
Travel	18,129	24,537
Utilities and telephone	7,113	6,793
Website	<u>45,701</u>	<u>48,740</u>
	<u>860,596</u>	<u>809,969</u>
Excess (deficiency) of revenue over expenses for the year	<u>\$ 32,114</u>	<u>\$ (12,044)</u>

(See accompanying notes)  
Prepared without audit

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30, 2014

	<u>2014</u>	<u>2013</u>
Operating activities		
Excess (deficiency) of revenue over expenses for the year	\$ 32,114	\$ (12,044)
Cash provided by (used for) changes in non-cash working capital items		
Investments	(3,590)	(2,127)
Accounts receivable	(10,140)	65,450
GST/HST receivable	28,353	2,385
Prepaid expenses	579	(7,456)
Accounts payable and accrued charges	35,200	8,498
Deferred revenue (Note 2)	<u>461,325</u>	<u>128,894</u>
Increase in cash	543,841	183,600
Cash and bank, beginning of year	<u>893,491</u>	<u>709,891</u>
Cash and bank, end of year	<u>\$ 1,437,332</u>	<u>\$ 893,491</u>

(See accompanying notes)  
Prepared without audit

# PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

## NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

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. PHABC is exempt from income tax under paragraph 149(1)(l) of the Income Tax Act of Canada.

### Note 1 - Accounting Policies

#### Basis of Presentation

The financial statements of the Association have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

#### Revenue Recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred. All other contributions are reported as revenue of the current period. Endowment contributions are recognized as direct increases in net assets.

#### Tangible Capital Assets

It is the Association's policy to only capitalize tangible capital asset purchases over a cost of \$1,000.

#### 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.

Prepared without audit

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

Note 1 - Accounting Policies (continued)

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.

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 Association 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 2 - Deferred Revenue

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

	<u>2014</u>	<u>2013</u>
Public Health Agency of Canada	\$ 5,417	\$ -
Vancouver Coastal Health Authority	5,000	-
2014 Conference fees	22,050	-
Provincial Health Services Authority	593,462	638,000
Province of British Columbia	<u>550,000</u>	<u>76,604</u>
	<u>\$ 1,175,929</u>	<u>\$ 714,604</u>

Prepared without audit



PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

Note 3 - 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 4 - Revenue

Included in revenue is government funding from the following sources:

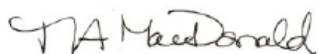
	<u>2014</u>	<u>2013</u>
Public Health Agency of Canada	\$ 19,000	\$ 19,000
Provincial Health Services Authority	-	596,477
Northern Health	-	10,000
Interim First Nations Health Authority	-	10,000
Province of British Columbia	<u>846,492</u>	<u>85,116</u>
	<u>\$ 865,492</u>	<u>\$ 720,593</u>

Note 5 - Comparative Figures

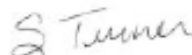
Certain comparative figures have been restated to conform with the financial statement presentation adopted in the current year.

These Financial statements were approved at the AGM on December 4th, 2014.

Marjorie MacDonald  
PHABC President



Shannon Turner  
PHABC Board member



Prepared without audit