

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Financial Statements

Year Ended September 30, 2016

(Unaudited)

The financial statements were approved by the Board on Monday, December 12th, 2016, and were presented to the membership at the AGM held on December 12, 2016.

Marjorie MacDonald



Paola Ardiles



BURNS & CO.

CHARTERED PROFESSIONAL ACCOUNTANT

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

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Year Ended September 30, 2016
(Unaudited)

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Burns & Co.



Chartered Professional Accountant

REVIEW ENGAGEMENT REPORT

To the Members 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, 2016 and the statements of revenues and expenditures, changes in net assets and cash flow 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 the Association.

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, British Columbia
December 8, 2016

Burns & Co
CHARTERED PROFESSIONAL ACCOUNTANT

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

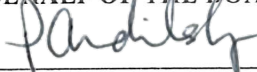
Statement of Financial Position

September 30, 2016

(Unaudited)

	2016	2015
ASSETS		
CURRENT		
Cash and cash equivalents <i>(Note 2)</i>	\$ 886,905	\$ 1,202,420
Accounts receivable	70,763	4,400
Goods and services tax recoverable	19,116	24,131
Prepaid expenses	4,648	1,173
	<u>\$ 981,432</u>	<u>\$ 1,232,124</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued charges	\$ 22,834	\$ 36,069
Deferred revenue <i>(Note 4)</i>	529,000	700,000
	<u>551,834</u>	<u>736,069</u>
NET ASSETS		
Unrestricted fund	426,319	492,776
Endowment fund <i>(Note 5)</i>	3,279	3,279
	<u>429,598</u>	<u>496,055</u>
	<u>\$ 981,432</u>	<u>\$ 1,232,124</u>

ON BEHALF OF THE BOARD

 Director

 Director

See notes to financial statements

BURNS & CO. 2

CHARTERED PROFESSIONAL ACCOUNTANT

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Statement of Revenues and Expenditures

Year Ended September 30, 2016

(Unaudited)

	2016	2015
REVENUE		
Revenue (Note 6)	\$ 908,429	\$ 1,350,227
Interest	1,885	2,776
	<u>910,314</u>	<u>1,353,003</u>
EXPENSES		
Accounting fees	9,565	7,617
Advertising and promotion	196,426	325,990
Bank charges and interest	509	483
Conference and event expenses	20,077	47,905
Consultants	526,726	547,733
Grants	66,000	122,228
Insurance	2,016	2,120
Office and sundry	1,040	2,996
Program Costs	132,086	147,376
Rent	5,889	5,351
Travel	8,112	7,697
Utilities and telephone	7,112	7,115
Website	1,213	66,237
	<u>976,771</u>	<u>1,290,848</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ (66,457)</u>	<u>\$ 62,155</u>

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Statement of Changes in Net Assets

Year Ended September 30, 2016

(Unaudited)

	Unrestricted Fund	Endowment Fund	2016	2015
NET ASSETS - BEGINNING OF YEAR	\$ 492,776	\$ 3,279	\$ 496,055	\$ 434,050
Deficiency of revenue over expenses	(66,457)	-	(66,457)	62,155
Change in endowment fund <i>(Note 5)</i>	-	-	-	(150)
NET ASSETS - END OF YEAR	\$ 426,319	\$ 3,279	\$ 429,598	\$ 496,055

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Statement of Cash Flow

Year Ended September 30, 2016

(Unaudited)

	2016	2015
OPERATING ACTIVITIES		
Cash receipts from funding organizations	\$ 672,951	\$ 895,750
Cash paid to suppliers and subcontractors	(992,971)	(1,306,375)
Interest and bank charges paid	(510)	(483)
Goods and services tax	<u>5,015</u>	<u>(6,286)</u>
OTHER CASH FLOW ITEMS		
Change in endowment fund <i>(Note 5)</i>	<u>-</u>	<u>(150)</u>
DECREASE IN CASH FLOW	(315,515)	(417,544)
Cash - beginning of year	<u>1,202,420</u>	<u>1,619,964</u>
CASH - END OF YEAR <i>(Note 2)</i>	<u>\$ 886,905</u>	<u>\$ 1,202,420</u>

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements Year Ended September 30, 2016 (Unaudited)

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements of the Association were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). Canadian accounting standards for not-for-profit organizations are part of Canadian generally accepted accounting principles (GAAP).

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.

Tangible capital assets

Management determines the useful life of tangible capital assets and that estimate determines the rate of amortization. As at September 30, 2016, the Association did not have any unamortized tangible capital assets.

Cash and cash equivalents

Included in cash and cash equivalents are guaranteed investment certificates which are recorded at cost plus accrued interest.

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.

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements

Year Ended September 30, 2016

(Unaudited)

2. CASH AND CASH EQUIVALENTS

The major components of cash and cash equivalents are as follows:

	2016	2015
Cash on deposit	\$ 734,188	\$ 1,026,123
Cheques issued and outstanding	(33,697)	(8,507)
	700,491	1,017,616
Bank term deposits bearing interest at a rate of 0.85% per annum	186,414	184,804
	\$ 886,905	\$ 1,202,420

3. FINANCIAL INSTRUMENTS

Financial assets and liabilities are initially recorded at fair value. Subsequent measurement of all financial assets and liabilities are at amortized cost. Financial assets measured at amortized cost include cash and cash equivalents and accounts receivable. Financial liabilities measured at cost include accounts payable and accrued charges.

The Association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the association's risk exposure and concentration as of September 30, 2016.

(a) Credit risk

Credit risks arise from three sources: cash and cash equivalents, accounts receivable, and accounts payable and accrued charges. Cash and cash equivalents are deposited with reputable, major financial institutions to limit the credit risk exposure. Cash and cash equivalents 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. The credit risk from counter parties not paying accounts receivable is not considered to be significant.

(b) 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.

(c) Interest rate risk

The Association is exposed to interest rate risk with respect to cash and cash equivalents. Changes in interest rates can affect the cash flows related to interest income and expenses.

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements

Year Ended September 30, 2016

(Unaudited)

4. DEFERRED REVENUE

	<u>2016</u>	<u>2015</u>
Deferred revenue consists of the following grant revenue:		
Province of British Columbia	\$ 400,000	\$ 700,000
British Columbia Agriculture in the Classroom Foundation	110,000	-
Vancouver Island Health Authority	11,000	-
Public Health Agency of Canada	<u>8,000</u>	<u>-</u>
	<u>\$ 529,000</u>	<u>\$ 700,000</u>

5. ENDOWMENT FUND

Endowment fund consists of the Phyllis M. Baird Memorial Award Public Health Nursing. The funds are restricted such that a yearly maximum 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.

6. REVENUE

	<u>2016</u>	<u>2015</u>
Included in revenue is funding from the following sources:		
Public Health Agency of Canada	\$ 8,000	\$ 19,000
Province of British Columbia Ministry of Health	702,289	846,492
Vancouver Island Health Authority	<u>44,000</u>	<u>-</u>
	<u>\$ 754,289</u>	<u>\$ 865,492</u>