

**PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA**

**Financial Statements**

**Year Ended September 30, 2017**

*(Unaudited)*

**BURNS & CO.**

CHARTERED PROFESSIONAL ACCOUNTANT

**PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA**

**Index to Financial Statements**

**Year Ended September 30, 2017**

*(Unaudited)*

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# Burns & Co.



Chartered Professional Accountant

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## REVIEW ENGAGEMENT REPORT

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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, 2017 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  
November 15, 2017

*Burns & Co.*  
CHARTERED PROFESSIONAL ACCOUNTANT

**PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA**

**Statement of Financial Position**


**September 30, 2017**

*(Unaudited)*

	2017	2016
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents <i>(Notes 2, 8)</i>	\$ 1,568,416	\$ 886,905
Accounts receivable <i>(Note 4)</i>	502,974	70,763
Goods and services tax recoverable	17,828	19,116
Prepaid expenses	3,869	4,648
	<u>\$ 2,093,087</u>	<u>\$ 981,432</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued charges	\$ 85,206	\$ 22,834
Deferred revenue <i>(Note 5)</i>	1,278,052	529,000
	<u>1,363,258</u>	<u>551,834</u>
<b>NET ASSETS</b>		
Unrestricted fund	726,550	426,319
Endowment fund <i>(Note 6)</i>	3,279	3,279
	<u>729,829</u>	<u>429,598</u>
	<u>\$ 2,093,087</u>	<u>\$ 981,432</u>

**ON BEHALF OF THE BOARD**

 Director

 Director

See notes to financial statements

**BURNS & CO.**

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CHARTERED PROFESSIONAL ACCOUNTANT

**PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA**

**Statement of Revenues and Expenditures**

**Year Ended September 30, 2017**

*(Unaudited)*

	2017	2016
<b>REVENUE</b>		
Revenue (Note 7)	\$ 1,197,625	\$ 908,429
Interest	1,831	1,885
	<u>1,199,456</u>	<u>910,314</u>
<b>EXPENSES</b>		
Accounting fees	6,394	9,565
Bank charges and interest	1,814	509
Board meeting expense	15,000	(41)
Community development	15,817	-
Conference and event expenses	50,438	20,077
Consultants	545,633	526,726
Donations	17,536	-
Grants (Note 9)	6,152	66,000
iboost advertising and promotion	98,187	196,426
Insurance	2,115	2,016
Office and sundry	97,492	1,040
Other program costs	15,518	133,398
Phyllis Baird Award	150	-
Rent	8,287	5,889
Travel	9,404	6,841
Utilities and telephone	5,445	7,112
Website	3,843	1,213
	<u>899,225</u>	<u>976,771</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<u>\$ 300,231</u>	<u>\$ (66,457)</u>

**PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA**

**Statement of Changes in Net Assets**

**Year Ended September 30, 2017**

*(Unaudited)*

	Unrestricted Fund	Endowment Fund	2017	2016
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 426,319	\$ 3,279	\$ <b>429,598</b>	\$ 496,055
Excess of revenue over expenses	300,231	-	<b>300,231</b>	(66,457)
Change in endowment fund <i>(Note 6)</i>	-	-	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 726,550</b>	<b>\$ 3,279</b>	<b>\$ 729,829</b>	<b>\$ 429,598</b>

See notes to financial statements

**PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA**

**Statement of Cash Flow**

**Year Ended September 30, 2017**

*(Unaudited)*

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Cash receipts from funding organizations	\$ 1,516,297	\$ 672,951
Cash paid to suppliers and subcontractors	(834,259)	(992,971)
Interest and bank charges paid	(1,815)	(510)
Goods and services tax	1,288	5,015
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>681,511</b>	<b>(315,515)</b>
Cash - beginning of year	886,905	1,202,420
<b>CASH - END OF YEAR</b> <i>(Notes 2, 8)</i>	<b>\$ 1,568,416</b>	<b>\$ 886,905</b>

# PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

## Notes to Financial Statements

Year Ended September 30, 2017

(Unaudited)

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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, 2017

(Unaudited)

2. CASH AND CASH EQUIVALENTS

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

	2017	2016
Cash on deposit	\$ 1,390,152	\$ 734,188
Cheques issued and outstanding	(9,746)	(33,697)
	1,380,406	700,491
Bank term deposits bearing interest at a rate of 0.85% per annum	188,010	186,414
	\$ 1,568,416	\$ 886,905

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.

4. ACCOUNTS RECEIVABLE

The variance in the accounts receivable amount in the current year as compared to the prior is a result of the timing of the receipt of revenue.

# PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

## Notes to Financial Statements

Year Ended September 30, 2017

(Unaudited)

### 5. DEFERRED REVENUE

	2017	2016
Deferred revenue consists of the following grant revenue:		
Province of British Columbia	\$ 1,255,556	\$ 400,000
British Columbia Agriculture in the Classroom Foundation	-	110,000
Vancouver Island Health Authority	-	11,000
Public Health Agency of Canada	-	8,000
Horner Foundation Grant	22,496	-
	<u>\$ 1,278,052</u>	<u>\$ 529,000</u>

### 6. 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.

### 7. REVENUE

	2017	2016
Included in revenue is funding from the following sources:		
Public Health Agency of Canada	\$ 1,885	\$ 8,000
Province of British Columbia Ministry of Health	569,000	702,289
Vancouver Island Health Authority	-	44,000
Vancouver Coast Health	105,000	-
	<u>\$ 675,885</u>	<u>\$ 754,289</u>

### 8. CASH AND CASH EQUIVALENTS

	2017	2016
Cash and cash equivalents	<u>\$ 1,568,416</u>	<u>\$ 886,905</u>

### 9. GRANTS

The farm to school grants are normally distributed prior to September 30th. The farm to school grants received during this fiscal year were not distributed until October 2017.