

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

BURNELL PETERSEN BURNS

PROFESSIONAL ACCOUNTANTS

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AUDITORS' REPORT

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

We have audited the statement of financial position of PHA Public Health Association of British Columbia as at September 30, 2009, the statement of changes in net assets, the statement of operations and the statement of cash flows for the year then ended. These financial statements are the responsibility of the association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the association as at September 30, 2009, the changes in net assets, the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Victoria, B.C.
January 31, 2010

Burnell Petersen & Burns
Professional Accountants

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

STATEMENT OF FINANCIAL POSITION

SEPTEMBER 30, 2009

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Current		
Cash and bank	\$ 204,664	\$ 123,491
Investments	208,507	252,815
Accounts receivable	41,893	74,523
Prepaid expenses	<u>5,358</u>	<u>-</u>
	<u>\$ 460,422</u>	<u>\$ 450,829</u>

LIABILITIES AND NET ASSETS

Current		
Accounts payable and accrued charges	\$ 12,818	\$ 12,499
Deferred revenue (Note 3)	<u>136,525</u>	<u>384,686</u>
	<u>149,343</u>	<u>397,185</u>
Net assets		
Unrestricted net assets	307,650	49,965
Restricted net assets (Note 4)	<u>3,429</u>	<u>3,679</u>
	<u>311,079</u>	<u>53,644</u>
	<u>\$ 460,422</u>	<u>\$ 450,829</u>

Approved by the Board

(See accompanying notes)

BURNELL PETERSEN & BURNS
PROFESSIONAL ACCOUNTANTS

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED SEPTEMBER 30, 2009

	<u>Unrestricted</u>	<u>Restricted</u> (Note 4)	<u>2009</u> <u>Total</u>	<u>2008</u> <u>Total</u>
Balance, beginning of year	\$ 49,965	\$ 3,679	\$ 53,644	\$ 69,926
Excess (deficiency) of revenue over expenses	257,685	-	257,685	(16,282)
Internally imposed restrictions	<u>-</u>	<u>(250)</u>	<u>(250)</u>	<u>-</u>
Balance, end of year	<u>\$ 307,650</u>	<u>\$ 3,429</u>	<u>\$ 311,079</u>	<u>\$ 53,644</u>

(See accompanying notes)

BURNELL PETERSEN & BURNS
PROFESSIONAL ACCOUNTANTS

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

STATEMENT OF OPERATIONS

YEAR ENDED SEPTEMBER 30, 2009

	<u>2009</u>	<u>2008</u>
Revenue (Note 5)	<u>\$ 788,651</u>	<u>\$ 1,181,688</u>
Expenses		
Bank charges and interest (recovery)	(2,100)	2,832
Annual general meeting and board meeting	9,393	13,455
Communications	27	379,626
Conference expenses	550	1,979
Consultants (Note 6)	337,756	307,580
Donations	6,500	9,553
Insurance	1,975	1,975
Office and sundry	7,372	9,009
Phyllis Baird award (Note 4)	-	250
Professional fees	8,704	12,446
Program costs	76,854	379,860
Rent (Note 6)	22,735	24,666
Travel	16,962	23,084
Utilities and telephone	6,150	3,582
Website	34,363	28,073
Workshops and events	<u>3,725</u>	<u>-</u>
	<u>530,966</u>	<u>1,197,970</u>
Excess (deficiency) of revenue over expenses for the year	<u>\$ 257,685</u>	<u>\$ (16,282)</u>

(See accompanying notes)

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30, 2009

	<u>2009</u>	<u>2008</u>
Operating activities		
Excess (deficiency) of revenue over expenses for the year	\$ 257,685	\$ (16,282)
Cash provided by (used for) changes in non-cash working capital items		
Investments	44,308	(252,815)
Accounts receivable	32,630	(63,256)
Prepaid expenses	(5,358)	-
Accounts payable and accrued charges	319	12,499
Deferred revenue (Note 3)	<u>(248,161)</u>	<u>(4,217)</u>
	<u>81,423</u>	<u>(324,071)</u>
Financing activities		
Unrestricted net assets	<u>(250)</u>	<u>-</u>
Increase (decrease) in cash	81,173	(324,071)
Cash and bank, beginning of year	<u>123,491</u>	<u>447,562</u>
Cash and bank, end of year	<u>\$ 204,664</u>	<u>\$ 123,491</u>

(See accompanying notes)

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

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. During the current year, equipment in the amount of \$1,325 (2008 - \$2,484) was expensed.

Investments

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

Financial Instruments

The association's financial instruments consist of cash, accounts receivable, temporary investments, deferred revenue and accounts payable. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

Note 3 - Deferred Revenue

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

	<u>2009</u>	<u>2008</u>
British Columbia Ministry of Health	\$ -	\$ 49,657
Vancouver Island Health Authority	10,000	75,961
BC Healthy Living Alliance	99,179	259,068
Conference fees	2,822	-
Fraser Health Authority	10,000	-
Vancouver Coastal Health	9,524	-
Provincial Health Services Authority	<u>5,000</u>	<u>-</u>
	<u>\$ 136,525</u>	<u>\$ 384,686</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.

Note 5 - Revenue

Included in revenue is government funding from the following sources:

	<u>2009</u>	<u>2008</u>
Public Health Agency of Canada	\$ 155,375	\$ 144,336
British Columbia Ministry of Health	63,770	119,780
Provincial Health Services Association	52,447	-
Vancouver Island Health Authority	139,047	-
BC Healthy Living Alliance	<u>118,785</u>	<u>-</u>
	<u>\$ 529,424</u>	<u>\$ 264,116</u>

In some instances, the association may use up to twelve percent (12%) of the funds received to cover the stewardship and financial management of a project as was the case in the funding received from the BC Healthy Living Alliance.

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

Note 6 - Commitments

Lease Commitments

The association has a lease for its office premises that expires September 2010. The minimum lease payments are \$22,810 for the year ended September 2009 and \$25,090 for the year ended September 30, 2010. There is an option for a one year renewal of the lease.

Contractual Commitments

Subsequent to the year end, the association renegotiated the Executive Director's personal services contract. The contract expires in November 2010. The contract amount for the period October 2009 to November 2010 is approximately \$91,000.