

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Financial Statements

Year Ended September 30, 2024

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA
Index to Financial Statements
Year Ended September 30, 2024

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Revenues and Expenditures	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 10

THE *Accounting* AGENCY

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of PHA Public Health Association of British Columbia

I have reviewed the accompanying financial statements of PHA Public Health Association of British Columbia (the Association) that comprise the statement of financial position as at September 30, 2024, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of PHA Public Health Association of British Columbia as at September 30, 2024, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Societies Act, I report that, in my opinion, the Association's financial statements have been prepared following Canadian accounting standards for not-for-profit organizations.

The Accounting Agency

Victoria, British Columbia
March 31, 2025

CHARTERED PROFESSIONAL ACCOUNTANT

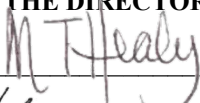

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Statement of Financial Position

September 30, 2024

	2024	2023
ASSETS		
CURRENT		
Cash and cash equivalents <i>(Note 3)</i>	\$ 1,733,030	\$ 2,032,195
Accounts receivable	1,162,170	1,108,213
Public Service Bodies' Rebate receivable	6,235	6,568
Prepaid expenses	121,165	182,742
	3,022,600	3,329,718
TANGIBLE CAPITAL ASSETS <i>(Note 4)</i>	2,270	5,045
INTANGIBLE CAPITAL ASSETS <i>(Note 5)</i>	21,442	21,442
	\$ 3,046,312	\$ 3,356,205
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued charges	\$ 75,167	\$ 55,081
Wages payable	79,708	64,892
Goods and services tax payable	17,985	25,129
Employee deductions payable	4,978	14,363
Deferred revenue	2,098,343	1,279,460
	2,276,181	1,438,925
NET ASSETS		
Unrestricted fund	766,852	1,914,001
Endowment fund <i>(Note 6)</i>	3,279	3,279
	770,131	1,917,280
	\$ 3,046,312	\$ 3,356,205

APPROVED BY THE DIRECTORS


 _____ Director

 _____ Director

See accompanying notes to financial statements

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA
Statement of Revenues and Expenditures
Year Ended September 30, 2024

	2024	2023
REVENUES		
Project revenues and grants <i>(Note 7)</i>	\$ 3,214,422	\$ 3,134,088
Project administration <i>(Note 8)</i>	464,355	306,633
Other income	1,074	2,453
Membership fees	3,818	3,634
Interest	10,254	5,444
Conferences	77,646	99,684
	<u>3,771,569</u>	<u>3,551,936</u>
EXPENSES		
Accounting fees	13,089	16,344
Administration fee <i>(Note 8)</i>	464,355	306,633
Amortization of tangible capital assets <i>(Note 4)</i>	2,775	6,166
Bank charges and interest	5,228	8,091
Community development	94,631	105,636
Conference and event expenses	244,635	208,537
Consultants <i>(Note 9)</i>	1,059,138	972,975
Digital applications	233,186	254,750
Donations	1,653	10,500
Grants	295,101	4,292
Immunize BC advertising and promotion	127,759	270,756
Insurance	3,078	2,492
Meetings and conventions	5,133	6,463
Office and sundry	85,628	102,812
Professional development	5,597	203
Rent	13,620	12,839
Travel	160,121	114,603
Utilities and telephone	26,239	19,680
Wages and employee benefits <i>(Note 9)</i>	2,077,752	1,606,059
	<u>4,918,718</u>	<u>4,029,831</u>
DEFICIENCY OF REVENUES OVER EXPENSES FOR THE YEAR	<u>\$ (1,147,149)</u>	<u>\$ (477,895)</u>

See accompanying notes to financial statements

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA
Statement of Changes in Net Assets
Year Ended September 30, 2024

	Unrestricted Fund	Endowment Fund	2024	2023
NET ASSETS - BEGINNING OF YEAR	\$ 1,914,001	\$ 3,279	\$ 1,917,280	\$ 2,395,175
DEFICIENCY OF REVENUES OVER EXPENSES	(1,147,149)	-	(1,147,149)	(477,895)
NET ASSETS - END OF YEAR	\$ 766,852	\$ 3,279	\$ 770,131	\$ 1,917,280

See accompanying notes to financial statements

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Statement of Cash Flows

Year Ended September 30, 2024

	2024	2023
OPERATING ACTIVITIES		
Cash receipts from funding organizations	\$ 4,536,494	\$ 3,668,743
Cash paid to suppliers and subcontractors	(4,823,619)	(4,113,549)
Public Service Bodies' Rebate receivable	334	487
Interest and bank charges paid	(5,230)	(8,094)
Goods and services tax	(7,144)	(10,521)
	<hr/>	<hr/>
DECREASE IN CASH FLOW	(299,165)	(462,934)
Cash - beginning of year	<hr/> 2,032,195	<hr/> 2,495,129
CASH - END OF YEAR <i>(Note 3)</i>	<hr/> \$ 1,733,030	<hr/> \$ 2,032,195

See accompanying notes to financial statements

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements

Year Ended September 30, 2024

(Unaudited - See Compilation Engagement Report)

PHA Public Health Association of British Columbia (the "Association") is a charitable organization incorporated provincially under the Society Act of British Columbia. The Association received its charitable status on October 1, 2019.

The Association's 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)(f) 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).

Fund accounting

PHA Public Health Association of British Columbia follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the Unrestricted Fund.

Endowment contributions are reported in the Endowment Fund. Investment income earned on resources of the Endowment Fund is reported in the Endowment Fund or Unrestricted Fund depending on the nature of any restrictions imposed by contributors of funds for endowment.

Cash and cash equivalents

Cash and cash equivalents are defined as cash on deposit, less outstanding items, and guaranteed investment certificates, which are recorded at cost plus accrued interest.

Goods and Services Tax

Goods and Services Tax is charged on taxable supplies and input tax credits are recorded at 100% for expenses related to such supplies.

For all other expenses, input tax credits are recoverable at 50% under the Public Service Bodies' rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

(continues)

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements

Year Ended September 30, 2024

(Unaudited - See Compilation Engagement Report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives as determined by management on a declining balance basis at the following rates and methods:

Computer equipment	55% declining balance method
--------------------	------------------------------

The Association regularly reviews its tangible capital assets to eliminate obsolete items. Government grants are treated as a reduction of tangible capital assets cost.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Intangible capital assets

The software costs and website development costs are being amortized on a declining balance basis at a rate of 100%.

Indefinite-life intangible capital assets

Indefinite-life intangible capital assets consist of costs related to trademarks. These assets are tested for impairment annually or more frequently when events or changes in circumstances indicate that an asset might be impaired. The assets are tested for impairment by comparing their carrying value to estimates of their fair value based on estimates of discounted future cash flows or other valuation methods. When the fair value is determined to be less than carrying value, the resulting impairment is reported in the income statement.

Financial instruments

The Association's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued charges and deferred revenue.

The Association's financial instruments are initially measured at fair value when issued or acquired. At each subsequent reporting date, the Association measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets). The Association regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Association determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

(continues)

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements

Year Ended September 30, 2024

(Unaudited - See Compilation Engagement Report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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.

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.

- Project revenue and grants received are deferred and revenue is recognized over the life of the project.
- Administration fees are recognized as revenue at the commencement date of the applicable funding agreements.
- Seminar, conference and summer school fees are recognized as revenue when the events are held.
- Membership fees are recognized based on the portion of the fees applicable to the current fiscal year.
- Interest income is recognized as revenue when earned.
- Contributions by other parties and funds received for swag from third-party merchant services are recorded as revenue when the funds are received.

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements

Year Ended September 30, 2024

(Unaudited - See Compilation Engagement Report)

2. FINANCIAL INSTRUMENTS

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, 2024.

(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 a reputable, major financial institution to limit the credit risk exposure. Cash and cash equivalents include investments issued by a high-credit quality financial institution 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

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Association manages exposure through its normal operating and financing activities.

3. CASH AND CASH EQUIVALENTS

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

	<u>2024</u>	<u>2023</u>
Cash on deposit	\$ 1,715,976	\$ 1,893,874
Cheques issued and outstanding	(84,567)	(67,556)
Deposits in transit	3,662	2,633
	<u>1,635,071</u>	1,828,951
Bank term deposit bearing interest at 4.00% per annum (2023 - ranging from 2.90% to 3.00% per annum)	97,959	203,244
	<u>\$ 1,733,030</u>	<u>\$ 2,032,195</u>

4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Computer equipment	\$ 37,392	\$ 35,122	\$ 2,270	\$ 5,045

PHA PUBLIC HEALTH ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements

Year Ended September 30, 2024

(Unaudited - See Compilation Engagement Report)

5. INTANGIBLE CAPITAL ASSETS

	<u>2024</u>	<u>2023</u>
Trademarks	<u>\$ 21,442</u>	<u>\$ 21,442</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. ECONOMIC DEPENDENCE

The Association received approximately 36% (2023 - 51%) of its funding from the British Columbia government. Should this funder substantially change its dealings with the Association, management is of the opinion that continued operations would be viable.

8. PHABC ADMINISTRATION FEE

Effective in the 2020 year, the expense item "Administration fee" is used to reflect the 10-12% fee charged to cover administration costs. The previous treatment had the costs recorded to the specific expense account.

9. DISCLOSURES UNDER THE NEW SOCIETIES ACT

On November 28, 2016, the new British Columbia Societies Act ("Act") came into force. Included in the new Act is a requirement to disclose the remuneration paid to all directors and the ten highest paid employees and all contractors who are paid at least \$75,000 annually.

During the year, the Association paid no remuneration to directors.

There were four employees (2023 - four) that received over \$75,000 during the year, for combined total payments of \$879,530 (2023 - \$4469,976).

There were three contractors (2023 - three) that received over \$75,000 during the year, for combined total payments of \$552,300 (2023 - \$277,719).

10. COMPARATIVE FIGURES

Certain comparative figures were prepared on a review engagement basis and are presented for comparative purposes only.