
**PARKINSON SOCIETY BRITISH COLUMBIA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2016**





INDEPENDENT AUDITORS' REPORT

To the Members of:
Parkinson Society British Columbia

Report on the Financial Statements

We have audited the accompanying financial statements of Parkinson Society British Columbia (the "Society") which comprise the statement of financial position as at December 31, 2016 and the statements of operations, changes in net assets and cash flows for the year then ended, and the related notes comprising 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, 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.

Auditors' Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the Society derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Society and we were unable to determine whether any adjustments might be necessary to donation revenue, excess (deficiency) of revenue over expenses, and cash flows from operations for the years ended December 31, 2016 and 2015, total assets as at December 31, 2016 and 2015 and net assets at both the beginning and end of the December 31, 2016 and 2015 years. Our audit opinion on the financial statements for the year ended December 31, 2015 also contained a qualification because of the possible effects of this limitation in scope.



INDEPENDENT AUDITORS' REPORT

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Parkinson Society British Columbia as at December 31, 2016 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the Society's financial statements have been prepared following Canadian accounting standards for not-for-profit organizations applied on a consistent basis.

Manning Elliott LLP

Chartered Professional Accountants

Vancouver, British Columbia

March 6, 2017



PARKINSON SOCIETY BRITISH COLUMBIA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016

	2016	2015
ASSETS		
CURRENT ASSETS		
Cash	\$ 47,328	\$ 218,593
Accounts receivable	40,160	24,975
Accrued interest receivable	13,747	11,509
Prepaid expenses (Note 3)	42,341	26,810
	143,576	281,887
INVESTMENTS (Note 4)	801,528	1,024,286
CAPITAL ASSETS (Note 5)	29,694	25,443
	\$ 974,798	\$ 1,331,616
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 63,094	\$ 25,254
Deferred revenue	420	1,445
	63,514	26,699
NET ASSETS		
INVESTED IN CAPITAL ASSETS	29,694	25,443
UNRESTRICTED	881,590	1,279,474
	911,284	1,304,917
	\$ 974,798	\$ 1,331,616

COMMITMENTS (Note 10)

SUBSEQUENT EVENT (Note 12)

Approved by the Board:


 _____ Director

 _____ Director



**PARKINSON SOCIETY BRITISH COLUMBIA
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Invested in capital assets	Unrestricted	2016 Total	2015 Total
BALANCE AT BEGINNING OF YEAR	\$ 25,443	\$ 1,279,474	\$ 1,304,917	\$ 1,257,495
Excess (deficiency) of revenue over expenses for the year	-	(393,633)	(393,633)	47,422
Capital asset additions	12,449	(12,449)	-	-
Amortization of capital assets	(8,198)	8,198	-	-
BALANCE AT END OF YEAR	\$ 29,694	\$ 881,590	\$ 911,284	\$ 1,304,917



PARKINSON SOCIETY BRITISH COLUMBIA
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016

	2016	2015
REVENUE		
Fundraising (Note 6)		
Special events	\$ 531,171	\$ 508,931
General donations	271,093	255,588
Bequests	69,076	385,156
Donations - in memoriam	34,244	50,825
Research	23,900	33,542
Donations - corporate	19,448	11,238
	948,932	1,245,280
Support services		
Conference fees	26,636	54,900
Resource material cost recovery	1,008	1,099
	27,644	55,999
Other income		
Investment income	18,747	20,657
	995,323	1,321,936
EXPENSES		
Support services and outreach (Note 8)	554,952	498,115
Fundraising (Note 6)	469,792	401,346
Public awareness, communication and advocacy	165,631	149,280
Research	119,996	-
Governance and administration	78,585	73,553
Federation assessment - other (Note 11)	-	91,332
Federation assessment - research	-	60,888
	1,388,956	1,274,514
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	\$ (393,633)	\$ 47,422



PARKINSON SOCIETY BRITISH COLUMBIA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016

	2016	2015
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses for the year	\$ (393,633)	\$ 47,422
Item not involving cash:		
Amortization of capital assets	8,198	6,462
	(385,435)	53,884
Change in non-cash working capital items:		
Accounts receivable	(15,185)	59,827
Accrued interest receivable	(2,238)	5,686
Prepaid expenses	(15,531)	16,376
Accounts payable and accrued liabilities	37,840	(11,353)
Government remittances payable	-	(5,346)
Deferred revenue	(1,025)	1,445
	(381,574)	120,519
INVESTING ACTIVITIES		
Net proceeds from sales of investments	300,000	194,829
Purchase of investments	(77,242)	(218,765)
Purchase of capital assets	(12,449)	(23,678)
	210,309	(47,614)
INCREASE (DECREASE) IN CASH DURING THE YEAR	(171,265)	72,905
CASH, BEGINNING OF YEAR	218,593	145,688
CASH, END OF YEAR	\$ 47,328	\$ 218,593



PARKINSON SOCIETY BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

NATURE OF OPERATIONS

The B.C. Parkinson's Disease Association was incorporated without share capital on November 14, 1969 under the Societies Act of British Columbia and changed its name to Parkinson Society British Columbia (the "Society") in 2002. It is registered with the Canada Revenue Agency as a charitable organization and is, accordingly, exempt from income tax. The purpose of the Society is to ease the burden and find a cure for Parkinson's disease through advocacy, education, research and support services.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") under Part III of the CPA Canada Handbook - Accounting. Financial statements prepared in accordance with ASNPO are also in accordance with Canadian generally accepted accounting principles ("GAAP").

These financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies noted below:

a) Cash

Cash consists of cash on deposit.

b) Financial instruments

i) Measurement

The Society's financial instruments consist of cash, accounts receivable, investments and accounts payable.

The Society initially measures its financial assets and liabilities at fair value. The Society subsequently measures all of its financial assets and liabilities at amortized cost.

ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down that is determined is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of any improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations in the period in which it is determined.

c) Capital assets

Capital assets are recorded at amortized cost. Amortization is provided annually over the estimated useful lives of the assets on the straight-line basis at 20% per annum, with a half year's provision in the year of acquisition.

The Society monitors the recoverability of capital assets based on their long-term service potential. When a capital asset no longer has any long-term service potential to the Society, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs recognized under this policy are not reversed.



PARKINSON SOCIETY BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Revenue recognition

The Society 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.

e) Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, revenues and expenses as at the end of or during the reporting period. Management believes that the estimates used are reasonable and prudent, however, actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the determination of the useful lives of assets used for calculating amortization, recognition of deferred revenue and the amounts recorded as accrued liabilities.

f) Contributed services and materials

Contributed services are not recognized in the financial statements due to the difficulty of determining their fair value. Contributed materials are recognized only when their fair value can be reasonably estimated and when the materials are used in the normal course of the Society's operations and would otherwise have been purchased.

g) Allocation of expenses

The Society reports its expenses under one of the following functions: support services and outreach, funding of research, fundraising, public awareness and communication and governance and administration.

Each of the functions is allocated a portion of the Society's total salaries and benefit expense and a portion of the office expenses. The allocation of salaries and benefits is based on the relative amount of time the Society's employees work on each function. Details of the amounts allocated are disclosed in Note 9. The allocation of the office expenses is based on the same percentage allocation as the salaries and benefits.

2. FINANCIAL INSTRUMENTS RISKS

The Society's financial instruments are described in Note 1(b). In management's opinion, the Society is not exposed to significant currency, credit, liquidity, interest or other market risks except as described in the next paragraph.

The Society's investments are comprised of high-quality government, corporate debt instruments with low credit risk exposures and fixed rates of interest and mutual funds. Accordingly, the primary financial risk to the Society lies in its exposure to the effects of fluctuations in market interest rates. The Society's investment policy seeks to partially mitigate this risk by maintaining staggered maturity dates in its investments. The fair value of the Society's investments is disclosed in Note 4.

In addition, the Society is not exposed to any material concentrations of risk and there has been no change in the risk exposures from the prior year.



PARKINSON SOCIETY BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

3. PREPAID EXPENSES

Prepaid expenses include an amount of \$20,000 paid to the Michael Smith Foundation for Health Research for research in 2017.

4. INVESTMENTS

The fair value of investments at December 31, 2016 is \$815,275 (2015 - \$1,035,795) which includes accrued interest.

5. CAPITAL ASSETS

			2016	2015
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 73,798	\$ 44,104	\$ 29,694	\$ 25,443

Amortization of \$8,198 is included in governance and administration expenses (2015 - \$6,462).

6. FUNDRAISING ACTIVITIES

The Society's fundraising activities for the year are summarized as follows:

	Revenue	Expenses	2016 Net	2015 Net
Special events				
Superwalk	\$ 415,519	\$ 286,595	\$ 128,924	\$ 154,109
Parkinson Movement	18,209	14,447	3,762	17,491
Third party events	97,443	35,914	61,529	35,580
	531,171	336,956	194,215	207,180
Donations and bequests	417,761	-	417,761	736,349
General fundraising expenses	-	132,836	(132,836)	(99,595)
	\$ 948,932	\$ 469,792	\$ 479,140	\$ 843,934

7. DONATIONS IN-KIND

In addition to monetary donations, the Society receives donations in-kind. During the year ended December 31, 2016, the Society received equity shares traded on a public stock exchange. The shares were recorded at fair market value as at the date they were contributed and sold shortly after. Total revenue of \$43,125 (2015 - \$5,183) from those donations in-kind was included in general donations in the statement of operations.



PARKINSON SOCIETY BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

8. SUPPORT SERVICES AND OUTREACH

The Society's expenditures for the year on support services and outreach are summarized as follows:

	2016	2015
Salaries and benefits	\$ 270,611	\$ 250,015
Office	84,355	81,079
Conferences and meetings	106,040	52,205
Exercise programs	6,521	47,429
Newsletter publications	26,827	24,697
Support group services and programs	32,483	24,569
Resource and library materials	21,509	10,089
Website and services	6,606	8,032
	\$ 554,952	\$ 498,115

9. ALLOCATION OF SALARIES AND BENEFITS EXPENSE

Pursuant to the policy described in Note 1(g), the Society's expenditures for the year for salaries and benefits are allocated as follows:

	2016	2015
Support services and outreach	\$ 270,611	\$ 250,015
Fundraising – special events	148,553	128,481
Public awareness, communication and advocacy	107,674	87,789
Fundraising – general	75,473	57,122
Governance and administration	59,897	55,536
	\$ 662,208	\$ 578,943

10. COMMITMENTS

The Society leases certain office equipment and premises under long-term leases. Minimum payments under the lease commitments and service contracts during the next three years are anticipated to be as follows:

2017	\$ 116,882
2018	119,402
2019	4,868

11. REMUNERATION

One employee earned over \$75,000 during the year ended December 31, 2016.

12. SUBSEQUENT EVENT

Subsequent to the year ended December 31, 2016, the Society received a bequest of \$247,991 which was originally expected to be received during the year.

