
**PARKINSON SOCIETY BRITISH COLUMBIA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2017**





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, 2017 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, 2017 and 2016, total assets as at December 31, 2017 and 2016 and net assets at both the beginning and end of the December 31, 2017 and 2016 years. Our audit opinion on the financial statements for the year ended December 31, 2016 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, 2017 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 20, 2018

PARKINSON SOCIETY BRITISH COLUMBIA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash	\$ 288,742	\$ 47,328
Accounts receivable	43,087	40,160
Accrued interest receivable	7,700	13,747
Prepaid expenses	14,906	42,341
	354,435	143,576
INVESTMENTS (Note 3)	1,126,215	801,528
CAPITAL ASSETS (Note 4)	32,752	29,694
	\$ 1,513,402	\$ 974,798
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 32,674	\$ 63,094
Deferred revenue	-	420
	32,674	63,514
NET ASSETS		
INVESTED IN CAPITAL ASSETS	32,752	29,694
UNRESTRICTED	1,447,976	881,590
	1,480,728	911,284
	\$ 1,513,402	\$ 974,798

COMMITMENTS (Note 9)

Approved by the Board:

_____ Director

_____ Director



PARKINSON SOCIETY BRITISH COLUMBIA
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Invested in capital assets	Unrestricted	2017 Total	2016 Total
BALANCE AT BEGINNING OF YEAR	\$ 29,694	\$ 881,590	\$ 911,284	\$ 1,304,917
Excess (deficiency) of revenue over expenses for the year	-	569,444	569,444	(393,633)
Capital asset additions	23,062	(23,062)	-	-
Amortization of capital assets	(20,004)	20,004	-	-
BALANCE AT END OF YEAR	\$ 32,752	\$ 1,447,976	\$ 1,480,728	\$ 911,284



PARKINSON SOCIETY BRITISH COLUMBIA
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2017

	2017	2016
REVENUE		
Fundraising (Note 5)		
Bequests	\$ 898,836	\$ 69,076
Special events	569,516	531,171
General donations	328,565	271,093
Donations - in memoriam	52,919	34,244
Donations - research	25,066	23,900
Donations - corporate	2,350	19,448
	<u>1,877,252</u>	<u>948,932</u>
Support services		
Conference fees	20,711	26,636
Conference sponsorship	15,050	-
Resource material cost recovery	9,315	1,008
	<u>45,076</u>	<u>27,644</u>
Other income		
Investment income	12,513	18,747
	<u>1,934,841</u>	<u>995,323</u>
EXPENSES		
Support services and outreach (Note 6)	552,140	554,952
Fundraising (Note 5)	476,623	469,792
Public awareness, communication and advocacy	187,273	165,631
Research	86,917	119,996
Governance and administration	62,444	78,585
	<u>1,365,397</u>	<u>1,388,956</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	\$ 569,444	\$ (393,633)



PARKINSON SOCIETY BRITISH COLUMBIA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017

	2017	2016
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses for the year	\$ 569,444	\$ (393,633)
Item not involving cash:		
Amortization of capital assets	20,004	8,198
	589,448	(385,435)
Change in non-cash working capital items:		
Accounts receivable	(2,927)	(15,185)
Accrued interest receivable	6,047	(2,238)
Prepaid expenses	27,435	(15,531)
Accounts payable and accrued liabilities	(30,420)	37,840
Deferred revenue	(420)	(1,025)
	589,163	(381,574)
INVESTING ACTIVITIES		
Net proceeds from sales of investments	473,000	300,000
Purchase of investments	(797,687)	(77,242)
Purchase of capital assets	(23,062)	(12,449)
	(347,749)	210,309
INCREASE (DECREASE) IN CASH DURING THE YEAR	241,414	(171,265)
CASH, BEGINNING OF YEAR	47,328	218,593
CASH, END OF YEAR	\$ 288,742	\$ 47,328



PARKINSON SOCIETY BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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 with a half year's provision in the year of acquisition as follows:

Computer hardware	20%
Computer software	100%

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, 2017

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, fundraising, public awareness, communication and advocacy, research 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 7. 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 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 3.

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, 2017

3. INVESTMENTS

The fair value of investments at December 31, 2017 is \$1,133,915 (2016 - \$815,275) which includes accrued interest.

4. CAPITAL ASSETS

				2017		2016
	Cost	Accumulated Amortization		Net Book Value		Net Book Value
Computer hardware	\$ 73,798	\$ 52,577	\$	21,221	\$	29,694
Computer software	23,062	11,531		11,531		-
	\$ 96,860	\$ 64,108	\$	32,752	\$	29,694

Amortization of \$20,004 is included in governance and administration expenses (2016 - \$8,198).

5. FUNDRAISING ACTIVITIES

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

	Revenue	Expenses		2017		2016
				Net		Net
Special events						
Superwalk	\$ 438,606	\$ 267,505	\$	171,101	\$	128,924
Parkinson Movement	-	-		-		3,762
Third party events	130,910	74,018		56,892		61,529
	569,516	341,523		227,993		194,215
Donations and bequests	1,307,736	135,100		1,172,636		284,925
	\$ 1,877,252	\$ 476,623	\$	1,400,629	\$	479,140

6. SUPPORT SERVICES AND OUTREACH

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

				2017		2016
Salaries and benefits			\$	291,272	\$	270,611
Office				97,731		84,355
Conferences and meetings				62,207		106,040
Support group services and programs				43,444		32,483
Resource and library materials				31,292		21,509
Newsletter publications				21,960		26,827
Exercise programs				4,059		6,521
Website and services				175		6,606
			\$	552,140	\$	554,952



PARKINSON SOCIETY BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

7. 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:

	2017	2016
Support services and outreach	\$ 291,272	\$ 270,611
Fundraising – special events	140,197	148,553
Public awareness, communication and advocacy	121,339	107,674
Fundraising – general	76,732	75,473
Governance and administration	46,760	59,897
	<u>\$ 676,300</u>	<u>\$ 662,208</u>

8. DONATIONS IN-KIND

In addition to monetary donations, the Society receives donations in-kind. During the year ended December 31, 2017, 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 \$11,479 (2016 - \$43,125) from those donations in-kind was included in general donations in the statement of operations.

9. 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 two years are anticipated to be as follows:

2018	\$ 119,402
2019	4,868

The Society makes commitments to fund future and/or multi-year research and fellowship grants. Minimum payments during the next five years and thereafter are anticipated to be as follows:

2018	\$ 169,542
2019	93,906
2020	58,718
2021	48,458
2022	45,000
Thereafter	11,250

10. REMUNERATION

One employee earned over \$75,000 during the year ended December 31, 2017 (2016 - One).

