

**Victoria Epilepsy and Parkinson's Centre Society**  
**Financial Statements**  
**Year Ended March 31, 2019**

## **Independent Practitioner's Review Engagement Report**

### **To the Members of Victoria Epilepsy and Parkinson's Centre Society**

We have reviewed the accompanying financial statements of Victoria Epilepsy and Parkinson's Centre Society which comprise the statement of financial position as at March 31, 2019 and the statements of changes in fund balances, revenues and expenditures 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, 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 for the Financial Statements**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us 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, we do not express an audit opinion on these financial statements.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Victoria Epilepsy and Parkinson's Centre Society as at March 31, 2019, 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.

Victoria, British Columbia  
July 25, 2019

DUSANJ & WIRK  
Chartered Professional Accountants



**Victoria Epilepsy and Parkinson's Centre Society**  
**Statement of Financial Position**  
**March 31, 2019**

	General Fund \$	Internally Restricted Fund \$	2019 \$	2018 \$
<b>Assets</b>				
Current				
Cash	7,015	-	7,015	65,405
Accounts receivable	-	-	-	1,950
Government remittances receivable	1,641	-	1,641	-
Prepaid expenses	9,784	-	9,784	12,273
	18,440	-	18,440	79,628
Investments (Note 3)	-	310,926	310,926	388,001
Equipment (Note 4)	1,420	-	1,420	1,813
	19,860	310,926	330,786	469,442
<b>Liabilities</b>				
Current				
Accounts payable and accrued liabilities	21,124	-	21,124	33,598
Government remittances payable	-	-	-	4,093
Deferred contributions (Note 5)	5,275	-	5,275	14,275
	26,399	-	26,399	51,966
<b>Fund Balances</b>				
Unrestricted	(6,539)	-	(6,539)	29,475
Internally restricted (Note 6)	-	310,926	310,926	388,001
	(6,539)	310,926	304,387	417,476
	19,860	310,926	330,786	469,442

Commitment (Note 7)

**On behalf of the Board**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

*The accompanying notes are an integral part of these financial statements*

**Victoria Epilepsy and Parkinson's Centre Society**  
**Statement of Changes in Fund Balances**  
**Year Ended March 31, 2019**

	General Fund \$	Internally Restricted Fund \$	2019 \$	2018 \$
Fund balances - beginning of year	29,475	388,001	417,476	566,756
Interfund transfers	80,504	(80,504)	-	-
Deficiency of revenues over expenses	(116,518)	3,429	(113,089)	(149,280)
Fund balances - end of year	(6,539)	310,926	304,387	417,476

*The accompanying notes are an integral part of these financial statements*

**Victoria Epilepsy and Parkinson's Centre Society**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2019**

	General Fund	Internally Restricted Fund	2019	2018
	\$	\$	\$	\$
<b>Revenues</b>				
Grants - VIHA Parkinson's program	29,004	-	29,004	28,700
Grants - Other	14,587	-	14,587	34,415
Bequests	54,298	-	54,298	50,100
Donations and memberships	93,901	-	93,901	86,353
Interest and investment income	12,715	-	12,715	32,401
Services fees	8,255	-	8,255	9,063
Fundraising	45,518	-	45,518	79,393
Conference	1,733	-	1,733	3,910
	<u>260,011</u>	<u>-</u>	<u>260,011</u>	<u>324,335</u>
<b>Expenses</b>				
Amortization	1,839	-	1,839	2,277
Bank charges	3,684	-	3,684	5,630
Financial aid	-	-	-	180
Fundraising	11,483	-	11,483	21,341
Insurance	9,968	-	9,968	10,872
Investment counsel fees	3,108	-	3,108	4,488
Meetings and events	2,873	-	2,873	1,551
Office and sundry	12,257	-	12,257	17,182
Postage	6,009	-	6,009	5,572
Professional fees	21,644	-	21,644	26,911
Promotion and publicity	4,187	-	4,187	5,357
Rent and occupancy costs	47,448	-	47,448	51,698
Salaries and benefits	246,528	-	246,528	295,790
Telecommunications	3,542	-	3,542	3,837
Travel	1,959	-	1,959	5,040
	<u>376,529</u>	<u>-</u>	<u>376,529</u>	<u>457,726</u>
<b>Other revenues (expenses)</b>				
Gain on sale of marketable securities	-	7,140	7,140	15,532
Unrealized (loss) on marketable securities	-	(3,711)	(3,711)	(31,421)
	<u>-</u>	<u>3,429</u>	<u>3,429</u>	<u>(15,889)</u>
<b>Excess (deficiency) of revenues over expenses</b>	<u>(116,518)</u>	<u>3,429</u>	<u>(113,089)</u>	<u>(149,280)</u>

*The accompanying notes are an integral part of these financial statements*

**Victoria Epilepsy and Parkinson's Centre Society**  
**Statement of Cash Flows**  
**Year Ended March 31, 2019**

	2019 \$	2018 \$
Cash flows from operating activities		
Deficiency of revenues over expenses	(113,089)	(149,280)
Items not affecting cash:		
Amortization of equipment	1,839	2,277
Write-down of marketable securities	3,711	31,421
	<u>(107,539)</u>	<u>(115,582)</u>
Changes in non-cash working capital:		
Accounts receivable	1,951	(1,543)
Government remittances receivable	(1,642)	-
Prepaid expenses	2,489	(1,760)
Accounts payable and accrued liabilities	(12,475)	9,997
Government remittances payable	(4,093)	(2,716)
Deferred contributions	(9,000)	(12,195)
	<u>(22,770)</u>	<u>(8,217)</u>
Cash flows from operating activities	<u>(130,309)</u>	<u>(123,799)</u>
Cash flows from investing activities		
Purchase of equipment	-	(943)
Proceeds from sale of marketable securities	71,919	95,829
Cash flows from investing activities	<u>71,919</u>	<u>94,886</u>
<b>Decrease in cash flow</b>	<b>(58,390)</b>	<b>(28,913)</b>
Cash - beginning of year	<u>65,405</u>	<u>94,318</u>
<b>Cash - end of year</b>	<b><u>7,015</u></b>	<b><u>65,405</u></b>

*The accompanying notes are an integral part of these financial statements*

# Victoria Epilepsy and Parkinson's Centre Society

## Notes to Financial Statements

Year Ended March 31, 2019

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### 1. Purpose of the organization

Victoria Epilepsy and Parkinson's Centre Society (the "Society") is a not-for-profit organization incorporated provincially under the Societies Act of British Columbia. The organization is a registered charity and is exempt from the payment of income taxes under the Income Tax Act.

The purpose of the Society is to promote health by:

- a) Providing education and other professional services to people with epilepsy or Parkinson's and their families;
- b) Increasing public understanding of these conditions;
- c) Collaborating with health and social service providers;
- d) Expanding awareness of the agency and its services.

### 2. Significant accounting policies

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

#### Fund accounting

The Society follows the restricted fund method of accounting for contributions.

The General Fund accounts for the Society's program delivery, administrative activities, and all transactions which are capital in nature. This fund reports unrestricted resources and restricted operating grants.

The Internally Restricted Fund reports resources contributed for endowment. Investment income earned on resources of the Internally Restricted Fund is reported in the General Fund.

#### Revenue recognition

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reliably estimated and collection is reasonably assured.

#### Contributed services

Donated or sponsored services, supplies and equipment are recorded as both revenue and expense at fair value when received for the goods and services the Society would have ordinarily purchased.

The Society makes use of volunteers in the delivery of certain programs and administration services. The Society chooses not to recognize the fair value of contributed services of volunteers within financial statements.

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**Victoria Epilepsy and Parkinson's Centre Society**  
**Notes to Financial Statements**  
**Year Ended March 31, 2019**

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**2. Significant accounting policies (continued)**

Equipment

Equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a straight-line basis at the following rates:

Computer software	5 years
Office furniture and equipment	3 years

A full year of amortization is taken in the year of acquisition, if the equipment is in use, while none is taken in the year of disposition.

Use of estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known. Actual results could differ from those estimates.

Financial instruments policy

The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

The carrying values of cash, accounts receivable, accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these assets and liabilities.

Investments are comprised of bonds, money market investments, exchange traded funds and segregated mutual funds. These are initially recorded at fair value based on quoted market prices and are subsequently measured at fair value at each year end. Net gains and losses arising from changes in fair value are recognized in the Statement of Operations. For the year ended March 31, 2019, the net unrealized loss was \$3,711 (2018: \$15,889 unrealized loss).

Fair value approximates amounts at which financial instruments could be exchanged between willing parties, based on current markets for instruments of the same risk, principal and remaining maturities. Fair values are based on quoted market values.

**3. Investments**

	2019	2018
	\$	\$
Cash and short-term investments	16,543	18,279
Fixed income	172,717	213,795
Canadian equities	63,090	76,649
U.S. equities	28,271	39,729
International equities	30,305	39,549
	<u>310,926</u>	<u>388,001</u>



**Victoria Epilepsy and Parkinson's Centre Society**  
**Notes to Financial Statements**  
**Year Ended March 31, 2019**

**4. Equipment**

	2019		2018	
	Cost \$	Accumulated amortization \$	Cost \$	Accumulated amortization \$
Computer software	1,445	289	13,950	-
Office furniture and equipment	6,831	6,567	49,374	61,511
	8,276	6,856	63,324	61,511
Net book value	1,420		1,813	

**5. Deferred contributions**

Deferred contributions represent unspent resources externally restricted for special programs. These programs include education and employment for adults with developmental disabilities and research. Changes in deferred contributions balance are as follows:

	2019 \$	2018 \$
Balance, beginning of year	14,275	26,470
Grants received	5,000	14,275
Amounts recognized as revenue in the year	(14,000)	(26,470)
	5,275	14,275

**6. Internally restricted**

The Internally Restricted Fund was established in 1986 for both the Epilepsy and Parkinson's programs.

	Epilepsy \$	Parkinson's \$	Non-specified \$	Total 2019 \$	Total 2018 \$
Fund balance, beginning of year	11,102	324,258	52,641	388,001	515,251
Gain on disposal of marketable securities	204	5,967	969	7,140	15,532
Unrealized gain (loss) on marketable securities	(106)	(3,101)	(504)	(3,711)	(31,421)
Transfer from (to) General Fund	(2,303)	(67,278)	(10,923)	(80,504)	(111,361)
Fund balance, end of year	8,897	259,846	42,183	310,926	388,001

# Victoria Epilepsy and Parkinson's Centre Society

## Notes to Financial Statements

Year Ended March 31, 2019

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### 7. Commitments

The Society's lease agreement for office space at 1640 Oak Bay Avenue ends October 31, 2021. Accordingly, the Society is committed to lease payments for the next two years as follows:

Year	Amount \$
2020	49,986
2021	51,211
2022	29,873
	<u>131,070</u>

### 8. Financial instruments

The Society actively manages the risks that arise from its use of financial instruments, including liquidity, credit and market risk. The Society adheres to an investment policy that outlines the objectives, constraints, and parameters related to its investing activities. The Society does not utilize derivatives or other off-balance sheet instruments, nor does the Society engage in hedging transactions. The Society's risk exposures have not changed materially during the year.

#### Liquidity risk

Liquidity risk is the risk that the Society cannot meet a demand for cash or fund its obligations as they come due. Liquidity risk is managed by investing the majority of the Society's assets in investments that are traded in an active market and can be readily liquidated. In addition, the Society aims to retain sufficient cash positions to maintain liquidity. The Society's investments are considered readily realizable and liquid, therefore the Society's exposure to liquidity risk is considered minimal.

#### Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The company is potentially exposed to credit risk from its accounts receivable.

Accounts receivable are not concentrated with a single party. In order to reduce its credit risk, the company reviews its customers' credit performance. An allowance for doubtful accounts is established when factors surrounding the credit risk of specific amounts, historical trends and other information indicate that an amount may not be collectible. At year end, no allowance for doubtful accounts has been recorded.

#### Market risk

Market risk is the potential for financial loss to the Society from changes in the values of its financial instruments due to changes in interest rates, currency exchange rates or equity prices. The investments of the Society are subject to normal market fluctuations and to the risk inherent in investment in capital markets. It is management's opinion that the Society is not exposed to significant interest, currency or equity price risks arising from its financial instruments.

**Victoria Epilepsy and Parkinson's Centre Society**

**Notes to Financial Statements**

**Year Ended March 31, 2019**

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**9. Remuneration of Employees**

Under the Societies Act, societies must disclose remuneration paid to directors, and to employees and contractors whose remuneration was at least \$75,000 for the fiscal year.

During the year, there were no employees or contractors that met this criterion and during the prior year, there were also no employees or contractors who met this criterion. The Board of Directors receive no remuneration for their services other than reimbursement of expenses.