

**BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**

**FINANCIAL STATEMENTS**

**31 MARCH 2022**

# **BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**

## **Financial Statements**

For the year ended 31 March 2022

### **Contents**

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Independent Auditors' Report	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Operations	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 14

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## INDEPENDENT AUDITORS' REPORT

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To the Directors,  
BCCDC Foundation for Population & Public Health

### **Opinion**

We have audited the financial statements of BCCDC Foundation for Population & Public Health (the "Foundation"), which comprise the statement of financial position as at 31 March 2022, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at 31 March 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for non-profit organizations.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

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## INDEPENDENT AUDITORS' REPORT - Continued

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### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITORS' REPORT - Continued**

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on Other Legal and Regulatory Requirements**

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting principles as described in Note 2 have been applied on a basis consistent with that of the preceding year.

*Rolfe Benson LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada  
29 July 2022

**BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**  
**Statement of Financial Position**  
31 March 2022

	2022	2021
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 321,554	\$ 4,140
Term deposits (Note 3)	50,000	-
Investments (Note 4)	11,403,158	1,910,805
Accounts receivable	124,305	10,101,000
Prepaid expenses	7,872	10,130
GST receivable	7,738	2,982
	\$ 11,914,627	\$ 12,029,057

**Liabilities**

<b>Current</b>		
Accounts payable and accrued liabilities	\$ 121,889	\$ 48,181
Current portion of deferred contributions (Notes 5 and 6)	1,408,286	738,016
	1,530,175	786,197
<b>Deferred contributions (Notes 5 and 6)</b>	<b>9,630,972</b>	<b>10,304,187</b>
	<b>11,161,147</b>	<b>11,090,384</b>

**Commitments (Note 6)**

**Net Assets**

<b>Unrestricted</b>	<b>753,480</b>	<b>938,673</b>
	<b>\$ 11,914,627</b>	<b>\$ 12,029,057</b>

APPROVED BY THE BOARD:

 _____ Director		 _____ Director
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The accompanying notes are an integral part of these financial statements

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**BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**  
**Statement of Changes in Net Assets**  
**For the year ended 31 March 2022**

	<b>2022</b>	2021
<b>Balance - beginning of year</b>	<b>\$ 938,673</b>	\$ 655,173
Excess (deficiency) of revenues over expenses for the year	<u><b>(185,193)</b></u>	<u>283,500</u>
<b>Balance - end of year</b>	<b>\$ 753,480</b>	\$ 938,673

The accompanying notes are an integral part of these financial statements

**BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**  
**Statement of Operations**  
For the year ended 31 March 2022

	<b>2022</b>	<b>2021</b>
<b>Revenues</b>		
Grants, donations and other contributions (Note 8)	\$ 658,103	\$ 742,159
Investment income (Note 4)	318,876	483,469
In-kind contributions (Note 2(d))	10,500	10,500
	<b>987,479</b>	<b>1,236,128</b>
<b>Project Expenses</b>		
Project awards (Note 9)	388,497	487,689
Project contractors	99,691	38,500
Project general expenses	68,836	-
Project management	7,754	3,851
	<b>564,778</b>	<b>530,040</b>
<b>Expenses</b>		
Salaries and related benefits (Note 7)	383,304	311,186
Contractors and consultants	71,922	34,579
Investment fees	63,775	14,322
Marketing	28,515	4,322
Audit and accounting fees	15,541	17,055
Fundraising activities	14,352	-
Office, in-kind (Note 2(d))	10,500	10,500
Administrative support	5,887	6,701
Legal	5,161	11,003
Software	2,934	3,322
Professional development	2,579	1,306
Merchant fees	824	7,803
Insurance	700	-
Website domains and hosting	628	144
Bank charges and interest	533	345
Board meetings	494	-
Travel	245	-
	<b>607,894</b>	<b>422,588</b>
<b>Excess (deficiency) of revenues over expenses for the year</b>	<b>\$ (185,193)</b>	<b>\$ 283,500</b>

The accompanying notes are an integral part of these financial statements

**BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**  
**Statement of Cash Flows**  
For the year ended 31 March 2022

	<b>2022</b>	<b>2021</b>
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Excess (deficiency) of revenues over expenses for the year	\$ (185,193)	\$ 283,500
Items not involving cash		
Realized (gain) loss on sale of investments	(67,644)	6,675
Unrealized (gain) loss on investments (Note 4)	289,955	(411,658)
	37,118	(121,483)
Changes in non-cash working capital balances		
Accounts receivable	9,976,695	(10,068,119)
Prepaid expenses	2,258	(10,130)
GST receivable	(4,756)	(463)
Accounts payable and accrued liabilities	73,708	(226,939)
Deferred contributions	(2,945)	9,810,406
	10,082,078	(616,728)
<b>Investing activities</b>		
Purchase of term deposits	(50,000)	-
Purchase of investments	(16,533,485)	(150,291)
Proceeds on sale of investments	6,818,821	672,470
	(9,764,664)	522,179
<b>Net decrease in cash</b>	<b>317,414</b>	<b>(94,549)</b>
<b>Cash - beginning of year</b>	<b>4,140</b>	<b>98,689</b>
<b>Cash - end of year</b>	<b>\$ 321,554</b>	<b>\$ 4,140</b>

The accompanying notes are an integral part of these financial statements

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**BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

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**1. Incorporation and operations**

BCCDC Foundation for Population & Public Health (the "Foundation") was incorporated under the Societies Act of British Columbia on 13 February 2004 and subsequently transitioned to the Societies Act (British Columbia). The Foundation is registered as a charitable organization under the Income Tax Act of Canada and as such it is exempt from income taxes providing certain requirements are met.

The Foundation funds and delivers evidence-based initiatives and research that contributes to better public health outcomes in BC, by partnering with the BC Centre for Disease Control and other stakeholders.

**2. Summary of significant accounting policies**

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Financial Instruments

(i) Measurement of Financial Instruments

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

Financial assets measured at amortized cost include cash, term deposits and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Financial assets measured at fair value include investments.

(ii) Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, 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.

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**BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

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**2. Summary of significant accounting policies - Continued**

(a) Financial Instruments - Continued

(iii) Transaction Costs

The Foundation recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance, or assumption.

(b) Cash and cash equivalents

The Foundation's policy is to disclose bank balances under cash, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and highly liquid temporary investments usually with a maturity period of three months or less from the date of the acquisition.

(c) Revenue recognition

The Foundation 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.

Investment income includes dividends, interest income, and realized and unrealized investment gains and losses. Investment income is recognized as revenue when earned.

(d) Contributed services

The Foundation recognizes contributed services when the fair value of such services can be reasonably estimated and the services are used in the normal course of the Foundation's operations and would otherwise have been purchased.

In-kind contributions recorded in these financial statements consist of the estimated fair value of office space expenses that were contributed to the Foundation during the year.

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**BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**  
**Notes to the Financial Statements**  
For the year ended 31 March 2022

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**2. Summary of significant accounting policies - Continued**

(e) Use of estimates

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 amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Items requiring the use of management estimates include in-kind contributions, recognition of accrued liabilities, and the current portion of deferred revenue. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent; however, actual results could differ from these estimates.

**3. Term deposits**

As of 31 March 2022, the Foundation holds a term deposit maturing on 15 April 2022 with an interest rate of 0.30%.

**4. Investments**

Investments consist of the following:

	2022		2021	
	Cost	Market	Cost	Market
Fixed Income	\$ 5,607,025	\$ 5,223,028	\$ 990,955	\$ 942,729
Equity	5,881,452	6,045,763	849,540	968,076
Cash equivalents	134,367	134,367	-	-
	<b>\$ 11,622,844</b>	<b>\$ 11,403,158</b>	\$ 1,840,495	\$ 1,910,805

Investment income includes (\$289,955) (2021 - \$411,658) of unrealized (losses) gains on the investment assets during the year.

**BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

**5. Deferred contributions**

The Foundation received restricted contributions for various projects. The unspent balances related to these projects are as follows:

	<u>2022</u>	<u>2021</u>
MoH Public Health Response & Planning (Note 6(b))	\$ 9,837,850	\$ 10,000,000
Bacteriology & Mycology	950	950
STI Research/Education	26,461	26,461
Preventing Childhood Asthma	2,716	2,380
MoH WGS Salmonella	197,900	125,000
MoH Foodborne Illness	95,000	110,000
MoH FS and Sanitation 2020, Thermal and Dairy Processing	54,124	80,029
MoH FS and Drinking Water Businesses Processes	3,050	83,000
MoH Food Processing & Safety	97,826	147,826
Hepatitis fund	15,000	15,000
Combat Collective	6,966	5,593
Emergency Response Fund	53,215	233,614
Compassion, Inclusion & Engagement	-	310
CCD Research Scholar	-	56,921
CCD Research Program	106,556	106,556
CCD Research Data	3,075	48,315
Sogiece	248	248
Knowledge Translation	1,303	-
Anal Cancer Education	30,000	-
Vaccine Effectiveness	11,095	-
Test Link Call	45,413	-
Reducing Harms	391	-
Safer Supply	119	-
Societal Consequences of COVID-19	450,000	-
	<u>11,039,258</u>	<u>11,042,203</u>
Less current portion	<u>1,408,286</u>	<u>738,016</u>
Long-term portion	<u>\$ 9,630,972</u>	<u>\$ 10,304,187</u>

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**BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

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**5. Deferred contributions - Continued**

The changes in deferred contributions during the year are comprised of the following:

	<b>2022</b>	<b>2021</b>
Balance, beginning of year	\$ 11,042,203	\$ 1,231,797
Contributions received	651,013	10,586,631
Revenue recognized	(588,579)	(530,039)
Administration fees recognized (Note 8)	(65,379)	(143,120)
Transfer to unrestricted fund	-	(103,066)
	<b>\$ 11,039,258</b>	<b>\$ 11,042,203</b>

**6. Commitments**

(a) Award Agreements

The Foundation is committed to estimated annual payments under various award agreements as follows:

2023	\$ 1,408,286	
2024	225,000	
	<b>\$ 1,633,286</b>	

(b) MoH Public Health Response & Planning

In the prior year, the Foundation entered into a funding agreement with the BC Ministry of Health to receive \$10 million for the purpose of a Program of Public Health Response Research Preparedness to be completed by 31 March 2026.

The BCCDC Foundation partners with the BC CDC and public health stakeholders to engage in critical public health research to prevent the spread of COVID-19 in BC. The BC public health experts, scientists and doctors have rapidly responded to prevent the spread of the virus, help save lives, and protect British Columbians. This grant will support activities that will strengthen the practice of public health in tangible and direct ways that support the health of communities across the province.

As at 31 March 2022, unspent funding of \$9,837,850 (2021 - \$10,000,000) is included in deferred contributions, including any administration fees to be earned by the Foundation (Note 8). Estimated payments totalling \$450,000 are included in Note 6(a), with the purpose of the remaining funding to be determined over the remainder of the agreement term.

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**BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

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**7. Remuneration of employees, contractors and directors**

For the fiscal year ended 31 March 2022 the amounts paid to Directors of the Foundation for acting in their noted capacity was \$Nil (2021 - \$Nil). One employee (2021 - one employee) received remuneration in excess of \$75,000 and the total remuneration was \$123,900 (2021 - \$118,000) and is included in salaries and related benefits expense.

**8. Administration Fees**

To ensure that funds are available for the ongoing administration and project management costs of the Foundation, an average of 15% of certain restricted contributions, or other amounts as agreed upon with the funder, are recognized as revenue either based on the terms of the funding agreement or in the period that funds are received. In 2022 total administration fees recognized in revenue was \$65,379 (2021 - \$143,120) which are recorded in grants, donations and other contributions revenue.

**9. Project awards**

Project awards expenses are presented net of funding amounts returned by the recipient in the current year:

Project award expenses	\$ 461,397
Project funding returned	<u>(72,900)</u>
	\$ 388,497

**10. Financial Instruments**

The Foundation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Foundation's risk exposure and concentrations at the statement of financial position date, 31 March 2022.

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of accounts payable and accrued liabilities. The Foundation manages liquidity risk by maintaining adequate cash and highly liquid investments. There has been no change to the risk exposure from the prior year.

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**BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

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**10. Financial Instruments - Continued**

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation's main credit risks relate to its cash, term deposits, investments, and accounts receivable. The Foundation's cash, term deposits, and investments are maintained with large federally regulated financial institutions in Canada. Accounts receivable are generally from government agencies or related to funding agreements and are not subject to significant credit risk. There has been no change to the risk exposure from the prior year.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Foundation is mainly exposed to interest rate risk and other price risk. There has been no change to the risk exposure from the prior year.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to interest rate risk on its fixed rate financial instruments. Fixed-rate instruments subject the Foundation to a fair value risk. The Foundation does not use financial instruments to reduce its risk exposure. There has been no change to the risk exposure from the prior year.

(e) Other price risk

Other price risk is the risk that the fair market value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is exposed to other price risk through its investments, which are held in professionally administered funds. These funds are subject to fluctuating returns based on the market and are exposed to the risk of market volatility. Risk has been assessed by management and an investment policy adopted to mitigate such market risk. There has been no change to the risk exposure from the prior year.

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**BCCDC FOUNDATION FOR POPULATION & PUBLIC HEALTH**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2022**

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**11. COVID-19**

As the public health charity working in partnership with the BC Centre for Disease Control, the Foundation continued playing a key role in COVID-19 response during 2021-22; the Foundation is raising funds and ensuring evidence-based public communications and awareness for COVID-19 response efforts. The Foundation will continue to support COVID-19 response and recovery, and preparedness for the future. Management does not feel there are any significant risks at this time, and does not anticipate that COVID-19 will have a significant impact on the future operations of the Foundation.