

Financial Statements

Infection Prevention and Control Canada

December 31, 2018



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Independent Auditor's Report

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To the Members of
Infection Prevention and Control Canada

Opinion

We have audited the financial statements of Infection Prevention and Control Canada, which comprise the statement of financial position as at December 31, 2018, and the statements of operations, changes in net assets, 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 organization as at December 31, 2018, and its results of operations and its cash flows for the year then ended in accordance with ASNPO.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization 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 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.

In preparing the financial statements, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report

Auditor's 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 auditor's 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 organization'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 organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the organization 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.

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.

Winnipeg, Canada
May 24, 2019

Grant Thornton LLP

Chartered Professional Accountants

Infection Prevention and Control Canada

Statement of Operations

Year ended December 31

	2018	2017
Revenues		
National conferences	\$ 379,641	\$ 344,837
Membership fees	202,180	202,678
Corporate membership fees	65,825	66,558
Distance education	98,450	90,395
Awards sponsorship	48,985	38,825
Journal	55,334	29,359
Routine practice E-learning	2,504	7,428
Education	20,642	14,000
Website income	1,925	2,075
Donations	19,934	6,963
Infection control products	374	13,346
Interest earned	3,420	3,425
Other projects	22,600	20,000
	<u>921,814</u>	<u>839,889</u>
Expenditures		
National conferences	429,249	422,621
National office staff	120,398	116,983
Office and administration	34,751	36,066
Audit, legal and accounting services	17,605	28,252
Awards	34,513	29,960
Bank, credit card charges and foreign exchange	18,892	20,180
Website	30,808	39,055
Insurance	10,286	9,784
Education	37,735	41,633
Distance education	40,397	46,433
Media releases	1,532	15,105
Infection control products	645	13,223
Routine practice tool	2,465	10,715
Annual general meeting	16,348	14,258
Translation	1,847	4,599
Donations	12,657	2,607
Governance and advocacy	127,513	79,673
Internal committees	19,617	20,244
External committees	21,566	32,154
Interest groups	4,354	4,130
Uncollectible membership fees	5,200	-
	<u>988,378</u>	<u>987,675</u>
Deficiency of revenues over expenditures	<u>\$ (66,564)</u>	<u>\$ (147,786)</u>

Infection Prevention and Control Canada

Statement of Changes in Net Assets

Year ended December 31

	General Fund	Chapter President's Fund	Other Funds (Note 4)	Total 2018	Total 2017
Balance, beginning of year	\$ 184,142	\$ 6,545	\$ 45,168	\$ 235,855	\$ 384,041
Deficiency of revenues over expenditures	(66,564)	-	-	(66,564)	(147,786)
Chapter donations	-	500	-	500	1,100
Chapter expenses	-	(5,336)	-	(5,336)	(1,500)
Balance, end of year	<u>\$ 117,578</u>	<u>\$ 1,709</u>	<u>\$ 45,168</u>	<u>\$ 164,455</u>	<u>\$ 235,855</u>

Infection Prevention and Control Canada

Statement of Financial Position

December 31

2018

2017

Assets

Current

Cash	\$ 156,877	\$ 147,042
Accounts receivable	32,205	47,167
Prepaid expenses	88,758	142,463
Goods and services tax recoverable	<u>13,243</u>	<u>20,039</u>
	\$ 291,083	\$ 356,711

Liabilities

Current

Accounts payable	\$ 31,214	\$ 49,249
Prepaid memberships	89,414	71,607
Deferred revenue	<u>6,000</u>	<u>-</u>
	126,628	120,856

Fund balances

General Fund	117,578	184,142
Chapter President's Fund	1,709	6,545
Other Funds (Note 4)	<u>45,168</u>	<u>45,168</u>
	164,455	235,855
	\$ 291,083	\$ 356,711

On behalf of the board

_____ Member

_____ Member

Infection Prevention and Control Canada

Statement of Cash Flows

Year ended December 31

2018

2017

Increase (decrease) in cash

Operating

Deficiency of revenues over expenditures	\$ (66,564)	\$ (147,786)
Change in non-cash working capital items		
Accounts receivable	14,962	(15,452)
Prepaid expenses	53,705	(23,942)
Goods and services tax	6,796	(16,941)
Accounts payable	(18,035)	22,645
Prepaid memberships	17,807	(12,360)
Deferred revenue	6,000	-
	<u>14,671</u>	<u>(193,836)</u>

Financing

Donation to Chapter Presidents Fund	500	1,100
Disbursement from Chapter Presidents Fund	<u>(5,336)</u>	<u>(1,500)</u>
	<u>(4,836)</u>	<u>(400)</u>

Increase (decrease) in cash

9,835 (194,236)

Cash

Beginning of year	<u>147,042</u>	<u>341,278</u>
End of year	<u>\$ 156,877</u>	<u>\$ 147,042</u>

Infection Prevention and Control Canada

Notes to the Financial Statements

December 31, 2018

1. Basis of presentation

Infection Prevention and Control Canada prepares their financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO).

2. Purpose of Association

Infection Prevention and Control Canada was founded in 1976 and is a not-for-profit charitable organization. The organization is a national multidisciplinary association committed to inspire, nurture and advance a culture committed to infection prevention and control.

3. Significant accounting policies

Revenue recognition

Infection Prevention and Control Canada 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 contribution 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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Seminar fees are recognized as revenue when the seminars are held.

Fair value

The carrying value of cash, accounts receivable, and accounts payable approximate fair value because of the near-term maturity of those instruments.

Financial risk

Financial risk is the risk that arises from the fluctuation in interest and market rates and the degree of volatility of those rates. The Association does not use derivative instruments to reduce its exposure to measurement uncertainty.

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

Infection Prevention and Control Canada

Notes to the Financial Statements

December 31, 2018

3. Significant accounting policies (continued)

Income taxes

The Association is a registered charity as defined in the Income Tax Act and consequently is not subject to corporation income taxes.

Chapter President Fund

A Fund was established to provide financial assistance to Chapter Presidents so they can attend Chapter Presidents meetings. Only donations specifically designated to the Fund will be allocated to the Chapter Presidents Fund.

Research Study Fund

The Board of Directors established a fund to assist with the costs relating to determining the staffing and education resources required to provide adequate infection prevention and control in Canadian health care settings.

Education Fund

The Education Fund was established to provide financial support for an on-line education course for Infection Control professionals. In 2004, the Board of Directors approved an allocation of \$75,000 from the general surplus to establish the Fund. The amount in the fund at December 31, 2018 is the unexpended portion of the original allocation.

4. Other Funds

	<u>2018</u>	<u>2017</u>
Research Study Fund	\$ 27,500	\$ 27,500
Education Fund	<u>17,668</u>	<u>17,668</u>
Total other funds	<u>\$ 45,168</u>	<u>\$ 45,168</u>