

Financial statements of

**Health Employers Association of  
British Columbia**

March 31, 2013

# Health Employers Association of British Columbia

March 31, 2013

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## **Independent Auditor's Report**

To the Members of Health Employers Association of British Columbia

We have audited the accompanying financial statements of Health Employers Association of British Columbia, which comprise the statement of financial position as at March 31, 2013 and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and the notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, 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.

### **Auditor's 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 the auditor's 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, the auditor considers 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 is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the statement of financial position of Health Employers Association of British Columbia as at March 31, 2013, and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended are prepared, in all material respects, in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

## **Emphasis of Matter**

We draw attention to Note 2 to the financial statements which describes the basis of accounting used in the preparation of these financial statements and the difference between the basis of accounting and Canadian Public Sector Accounting Standards. Our opinion is not qualified in respect of this matter.

## **Report on other legal and regulatory requirements**

The Society Act (British Columbia) requires that the audit opinion state that the financial statements present fairly the financial position of the Association and the results of its operations for the period under audit. As Health Employers Association of British Columbia's financial statements are prepared in accordance with a compliance framework as described in Note 2 (a), Canadian generally accepted auditing standards do not permit the use of a fair presentation opinion on the financial statements.

As required by the Society Act (British Columbia), we report that, in our opinion, these financial statements are presented on a basis consistent with that of the previous year.

The image shows a handwritten signature in black ink that reads "Deloitte LLP". The signature is written in a cursive, flowing style.

Chartered Accountants  
Vancouver, British Columbia  
May 31, 2013

# Health Employers Association of British Columbia

## Statement of operations and accumulated surplus year ended March 31, 2013

	2013 Budget	2013 Actual	2012 Actual
	\$	\$	\$
<b>Revenues</b>			
Government funding	9,068,215	9,068,215	10,503,215
Benefits and administration fees (Note 5)	50,000	33,678	190,214
Member assessments	165,000	224,259	235,292
Interest and other revenue	120,000	250,767	222,209
Fee for service	100,000	313	51,837
	<b>9,503,215</b>	<b>9,577,232</b>	11,202,767
Funding from deferred contributions - operations (Note 3)	5,794,849	5,672,909	3,397,427
	<b>15,298,064</b>	<b>15,250,141</b>	14,600,194
<b>Expenses (Note 8)</b>			
Strategic negotiations and contract administration	4,369,757	5,087,822	4,031,312
Knowledge management and information technology	2,611,200	2,499,322	2,648,521
Legal services	1,027,721	1,142,275	872,183
Executive services and board governance	774,679	657,533	647,664
Finance and administration	833,193	812,390	762,000
Communications	362,586	367,134	589,964
General	307,579	387,163	416,553
Expenses from ongoing operations	<b>10,286,715</b>	<b>10,953,639</b>	9,968,197
Contracted operations			
Recruitment services - Health Match BC	2,299,000	2,002,649	2,338,597
Physician services	1,561,000	1,047,020	1,028,500
Health cross jurisdictional labour relations database	602,458	545,733	608,789
Care aide registry	548,891	424,260	183,321
Pandemic preparedness	-	163	142,859
Total expenses from contracted operations	<b>5,011,349</b>	<b>4,019,825</b>	4,302,066
Total expenses from operations	<b>15,298,064</b>	<b>14,973,464</b>	14,270,263
<b>Surplus of revenues over expenses</b>	-	<b>276,677</b>	329,931
Accumulated surplus, beginning of year	-	<b>3,186,914</b>	2,856,983
<b>Accumulated surplus, end of year</b>		<b>3,463,591</b>	3,186,914

# Health Employers Association of British Columbia

## Statement of financial position as at March 31, 2013

	2013	2012
	\$	\$
<b>Financial assets</b>		
Cash	17,810	819,677
Short-term investments	11,198,692	11,527,560
Accounts receivable	625,156	567,986
	<b>11,841,658</b>	<b>12,915,223</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	2,080,811	1,458,796
Deferred contributions (Note 3)	6,195,193	8,011,022
Tenant inducements	745,466	774,688
Retirement liability	248,849	274,575
	<b>9,270,319</b>	<b>10,519,081</b>
<b>Net financial assets</b>	<b>2,571,339</b>	<b>2,396,142</b>
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	714,705	717,815
Prepaid expenses	177,547	72,957
	<b>892,252</b>	<b>790,772</b>
<b>Accumulated surplus (Schedules 2 and 3)</b>	<b>3,463,591</b>	<b>3,186,914</b>

Commitments (Note 6)

Approved by the Board

Director

Director

# Health Employers Association of British Columbia

## Statement of changes in net financial assets year ended March 31, 2013

	2013 Budget	2013 Actual	2012 Actual
	\$	\$	\$
<b>Surplus of revenues over expenses</b>	-	276,677	329,931
Acquisition of tangible capital assets	(299,000)	(220,924)	(99,376)
Amortization of tangible capital assets	200,000	222,677	204,478
Disposal of tangible capital assets	-	1,357	-
Acquisition of prepaid expenses	-	(179,022)	(108,009)
Use of prepaid expenses	-	74,432	170,815
Increase in net financial assets	(99,000)	175,197	497,839
Net financial assets, beginning of year		2,396,142	1,898,303
<b>Net financial assets, end of the year</b>		<b>2,571,339</b>	<b>2,396,142</b>

See accompanying notes to the financial statements.

# Health Employers Association of British Columbia

## Statement of cash flows year ended March 31, 2013

	2013	2012
	\$	\$
<b>Operating activities</b>		
Surplus of revenues over expenses	276,677	329,931
Items not affecting cash		
Amortization of tangible capital assets	222,677	204,478
Amortization of tenant inducements	(29,222)	(29,222)
Funding from deferred contributions	(5,672,909)	(3,397,427)
	(5,202,777)	(2,892,240)
Changes in non-cash working capital		
Accounts receivable	(57,170)	(149,103)
Prepaid expenses	(104,590)	62,806
Accounts payable and accrued liabilities	622,016	(152,450)
Deferred contributions	3,857,079	2,079,506
Retirement liability	(25,726)	(17,434)
	(911,168)	(1,068,915)
<b>Capital activity</b>		
Proceeds on disposal of tangible capital assets	1,357	-
Acquisition of tangible capital assets	(220,924)	(99,376)
	(219,567)	(99,376)
<b>Investing activity</b>		
Redemption of short-term investments	328,868	1,655,648
Net cash (outflow) inflow	(801,867)	487,357
Cash, beginning of year	819,677	332,320
<b>Cash, end of year</b>	<b>17,810</b>	<b>819,677</b>

See accompanying notes to the financial statements.



# Health Employers Association of British Columbia

## Notes to the financial statements

March 31, 2013

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### 1. Description of operations

The Health Employers Association of British Columbia ("HEABC") was formed under the Society Act (British Columbia) and the Public Sector Employers Act and is a non-taxable entity under the Income Tax Act.

HEABC's primary purpose is to coordinate and conduct collective bargaining, coordinate compensation for exempt employees, and support health care employers in the areas of benefit administration and human resource practices.

### 2. Significant accounting policies

#### (a) Basis of accounting

These financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of British Columbia that requires the accounting policies and practices of government organizations to conform to generally accepted accounting principles, as modified by any alternative standard or guideline that is made by the Treasury Board. The Canadian Public Sector Accounting Standards ("PSAS") are the generally accepted accounting principles for government.

In November 2011, a Treasury board regulation was issued that requires tax-payer supported organizations to adopt the accounting policies for capital contributions and other restricted contributions described in Note 2 (b). The accounting policies under PSAS require that government transfers with stipulations be recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability. Any such liability is reduced, and an equivalent amount of revenue is recognized, as the liability is settled.

In relation to HEABC's financial statements as at March 31, 2013, there were no differences between the basis of accounting described above and PSAS as HEABC did not receive capital contributions.

#### (b) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are accounted for in accordance with PS 3410 - *Government Transfers*. Under PS 3410, contributions for operating purposes are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. These transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Such revenues are recognized in the statement of operations as the liabilities are settled.

Contributions from non-government sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service being performed is deferred and recognized when the fee is earned or service performed.

Interest income is recognized when earned.

#### (c) Short-term investments

HEABC's short-term investments are recorded at fair value and consist of units in Phillips, Hager & North Canadian Money Market Fund Series O.

#### (d) Accrued employee benefits

The liability for vacation payable and staff illness bank payable of \$436,913 (2012 - \$428,311) is recorded as the benefits are earned, and is included in accounts payable and accrued liabilities.

# Health Employers Association of British Columbia

## Notes to the financial statements

March 31, 2013

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### 2. Significant accounting policies (continued)

#### (d) *Accrued employee benefits (continued)*

The accrued retirement liability is an estimate of future retirement allowances for employees with greater than 10 years of service. The liability will be funded from cash as these liabilities are incurred.

#### (e) *Tenant inducements*

Inducements received or receivable from the landlord have been deferred and are being amortized to rent expense on a straight-line basis over the term of the lease.

#### (f) *Tangible capital assets*

Tangible capital assets are recorded at cost less accumulated amortization. Amortization is determined at rates which will reduce original cost to estimated residual value over the estimated useful lives of the assets on the following basis:

Furniture, fixtures and equipment	20% declining balance
Computer equipment	3 years straight-line
Leasehold improvements	Straight-line over the term of the lease

Tangible capital assets are written down when conditions indicate that they no longer contribute to HEABC's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Contributed tangible capital assets are recorded into revenues at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value.

#### (g) *Accumulated surplus*

Various funds are included in the accumulated surplus. These funds are not presented separately in the statement of operations but are presented on a consolidated basis, with any interfund balances and transactions eliminated. The funds are, however, separated for the purposes of segmented reporting and are detailed in Schedules 2 and 3. The various funds include the following:

##### (a) Operating Fund

This fund consists of the unrestricted funds of the Association.

##### (b) Tangible Capital Assets Fund

This fund represents the tangible capital assets under the management of HEABC, and relates to the maintenance and acquisition of those tangible capital assets.

##### (c) Health Match BC Fund

This fund represents the component of HEABC's surplus that has been generated by Health Match BC.

#### (h) *Financial instruments*

Derivatives and equity instruments quoted in an active market are measured at fair value. Other than short-term investments (Note 2 (c)), HEABC does not have these instruments. All other financial assets and financial liabilities are measured at cost or amortized cost.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a short-term investment to reflect a loss in value is not reversed for a subsequent increase in value.

Transaction costs are a component of cost for financial instruments measured using cost. Transaction costs are expensed for financial instruments measured at fair value.

# Health Employers Association of British Columbia

Notes to the financial statements

March 31, 2013

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## 2. Significant accounting policies (continued)

### (i) Use of estimates

The preparation of financial statements in conformity with the basis of accounting described in Note 2 (a) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates used in the preparation of these financial statements include the fair value of short-term investments, the useful lives of tangible capital assets and tenant inducements, and the determination of accrued liabilities and the retirement liability.

## 3. Deferred contributions

	2013	2012
	\$	\$
Beginning balance	8,011,022	9,328,943
Government funding received	3,825,458	2,002,663
Other funds	(17,676)	-
Interest earned	49,298	76,843
Less: Amounts recognized as revenue	(5,672,909)	(3,397,427)
	<b>6,195,193</b>	<b>8,011,022</b>

During the year, HEABC received funding from the provincial government of British Columbia for the following purposes:

	2013	2012
	\$	\$
Strategic negotiations	380,000	504,000
Recruitment services - Health Match BC	1,930,000	495,000
Physician services (including physician negotiations)	450,000	450,000
Health cross jurisdictional labour relations database	602,458	553,663
Care aide registry	463,000	-
	<b>3,825,458</b>	<b>2,002,663</b>

# Health Employers Association of British Columbia

## Notes to the financial statements

March 31, 2013

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### 3. Deferred contributions (continued)

The deferred contributions are restricted and allocated as follows:

	2013	2012
	\$	\$
Strategic negotiations	833,930	896,508
Recruitment services - Health Match BC	692,426	721,469
Physician services (including physician negotiations)	4,298,238	4,845,958
Health cross jurisdictional labour relations database	331,859	275,134
Care aide registry	38,740	16,679
Pandemic preparedness	-	204,134
Nursing initiatives	-	963,040
Leadership development	-	88,100
	<b>6,195,193</b>	<b>8,011,022</b>

### 4. Line of credit

HEABC has an operating line of credit of \$250,000, bearing interest at Royal Bank prime rate, which is unsecured and repayable on demand. This line is unused at March 31, 2013 (2012 - \$Nil).

### 5. Related party transactions

The Board of Directors of HEABC is responsible for appointing the trustees to the Healthcare Benefit Trust ("HBT").

HEABC has a service contract with the HBT to provide consulting and administrative services to HBT related to its maintenance, operation and administration. Fees earned for the year were \$27,147 (2012 - \$186,012).

### 6. Commitments

HEABC has annual operating lease payments, exclusive of operating costs. Minimum future lease payments as at March 31, 2013 are as follows:

	\$
2014	727,581
2015	712,687
2016	707,740
2017	698,744
2018 and thereafter	694,803
	<b>3,541,555</b>

# Health Employers Association of British Columbia

## Notes to the financial statements

March 31, 2013

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### 7. Pension plan

HEABC and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The Board of Trustees, representing the Plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit plan. The Plan has approximately 176,000 active members and 67,000 retired members.

Every three years, an actuarial valuation is performed to assess the financial position of the Plan. The most recent valuation as at December 31, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. Defined contribution plan accounting is applied to the Plan as the Plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, Plan assets and cost to individual entities participating in the Plan. HEABC paid \$626,153 for employer contributions to the Plan in fiscal 2013 (2012 - \$609,033).

### 8. Expenses by object

	2013	2012
	\$	\$
Compensation and benefits	8,945,944	9,020,138
Travel and meetings	1,591,484	903,651
Legal and professional	1,416,652	1,361,679
Rental - office and equipment	1,279,326	1,263,274
Office and information technology	1,048,510	1,140,544
Amortization	222,677	204,478
HST - unrecoverable	138,056	166,633
Staff training, research and memberships	119,298	132,217
Arbitration and hearing costs	108,255	27,337
Recruiting and relocation	103,262	50,312
	<b>14,973,464</b>	<b>14,270,263</b>

### 9. Financial instruments

#### *Fair values*

HEABC's financial instruments include cash, short-term investments, accounts receivable and accounts payable. These financial instruments are carried at cost, except for short-term investments per Note 2 (c). The fair values of these financial instruments approximate their carrying values due to their short-term nature.

#### *Risks*

##### *(a) Credit risk*

HEABC has limited exposure to credit risk associated with its cash, short-term investments, and accounts receivable. HEABC is not exposed to significant credit risk as the receivables are due from governments. Cash is held with a Canadian chartered bank and the short-term investments are held in Canadian money market funds. HEABC's maximum exposure to credit risk is \$11,841,658 (2012 - \$12,915,223).

# Health Employers Association of British Columbia

Notes to the financial statements

March 31, 2013

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## 9. Financial instruments (continued)

### (b) Interest rate risk

HEABC is not exposed to significant interest rate risk due to the short-term maturity of its financial assets and liabilities, except in its short-term investments which are subject to fluctuations in changes in interest rates.

### (c) Liquidity risk

HEABC does not have significant liquidity risk as it has sufficient cash to meet its liabilities as they come due. Short-term investments per Note 2 (c) are held in highly liquid investments with no specific terms to maturity, that can be disposed of when required. Accounts payable and accrued liabilities are all due within one year.

## 10. Trusts under administration

Trusts under administration are not reflected in the financial statements and are comprised of monies held for the following purposes:

	2013	2012
	\$	\$
Nurse policy commitments	2,458,651	2,415,636
Health Safety in Action initiative	2,056,970	6,141,786
	<b>4,515,621</b>	<b>8,557,422</b>

# Health Employers Association of British Columbia

Schedule 1

## Schedule of tangible capital assets as at March 31, 2013 and 2012

					2013
	Furniture and fixtures	Equipment	Computer equipment	Leasehold improvements	Total
	\$	\$	\$	\$	\$
<b>Cost</b>					
As at April 1, 2012	545,280	253,510	650,943	694,016	<b>2,143,749</b>
Additions	6,755	25,095	170,454	18,620	<b>220,924</b>
Disposals	-	(3,539)	-	-	<b>(3,539)</b>
	<b>552,035</b>	<b>275,066</b>	<b>821,397</b>	<b>712,636</b>	<b>2,361,134</b>
<b>Accumulated amortization</b>					
As at April 1, 2012	443,800	141,326	517,470	323,338	<b>1,425,934</b>
Additions	19,413	23,376	102,028	77,860	<b>222,677</b>
Disposals	-	(2,182)	-	-	<b>(2,182)</b>
	<b>463,213</b>	<b>162,520</b>	<b>619,498</b>	<b>401,198</b>	<b>1,646,429</b>
<b>Net book value, March 31, 2013</b>	<b>88,822</b>	<b>112,546</b>	<b>201,899</b>	<b>311,438</b>	<b>714,705</b>
					2012
	Furniture and fixtures	Equipment	Computer equipment	Leasehold improvements	Total
	\$	\$	\$	\$	\$
<b>Cost</b>					
As at April 1, 2011	541,819	249,582	565,698	687,274	2,044,373
Additions	3,461	3,928	85,244	6,743	99,376
	<b>545,280</b>	<b>253,510</b>	<b>650,942</b>	<b>694,017</b>	<b>2,143,749</b>
<b>Accumulated amortization</b>					
As at April 1, 2011	421,756	116,422	421,718	261,560	1,221,456
Additions	22,044	24,904	95,751	61,779	204,478
	<b>443,800</b>	<b>141,326</b>	<b>517,469</b>	<b>323,339</b>	<b>1,425,934</b>
<b>Net book value, March 31, 2012</b>	<b>101,480</b>	<b>112,184</b>	<b>133,473</b>	<b>370,678</b>	<b>717,815</b>

See accompanying notes to the financial statements.

# Health Employers Association of British Columbia

Schedule of segment disclosure  
year ended March 31, 2013

Schedule 2

	Operating Fund	Tangible Capital Assets Fund	Health Match BC Fund	2013
	\$	\$	\$	\$
<b>Revenues</b>				
Government funding	9,068,215	-	-	<b>9,068,215</b>
Benefits and administration fees	33,678	-	-	<b>33,678</b>
Member assessment	224,259	-	-	<b>224,259</b>
Interest and other revenue	250,767	-	-	<b>250,767</b>
Fee for service	313	-	-	<b>313</b>
	<b>9,577,232</b>	-	-	<b>9,577,232</b>
Funding from deferred contributions - operations	3,697,187	-	1,975,722	<b>5,672,909</b>
	<b>13,274,419</b>	-	<b>1,975,722</b>	<b>15,250,141</b>
<b>Expenses</b>				
Strategic negotiations and contract administration	5,087,822	-	-	<b>5,087,822</b>
Knowledge management and information technology	2,423,043	76,279	-	<b>2,499,322</b>
Legal services	1,142,275	-	-	<b>1,142,275</b>
Executive services and board governance	657,533	-	-	<b>657,533</b>
Finance and administration	812,390	-	-	<b>812,390</b>
Communications	367,134	-	-	<b>367,134</b>
General	164,486	222,677	-	<b>387,163</b>
Expenses from ongoing operations	<b>10,654,683</b>	<b>298,956</b>	-	<b>10,953,639</b>
Contracted operations				
Recruitment services - Health Match BC	-	-	2,002,649	<b>2,002,649</b>
Physician services	1,047,020	-	-	<b>1,047,020</b>
Health cross jurisdictional labour relations database	545,733	-	-	<b>545,733</b>
Care aide registry	424,260	-	-	<b>424,260</b>
Pandemic preparedness	163	-	-	<b>163</b>
Total expenses from contracted operations	<b>2,017,176</b>	-	<b>2,002,649</b>	<b>4,019,825</b>
Total expenses from operations	<b>12,671,859</b>	<b>298,956</b>	<b>2,002,649</b>	<b>14,973,464</b>
<b>Surplus (deficiency) of revenues over expenses</b>	<b>602,560</b>	<b>(298,956)</b>	<b>(26,927)</b>	<b>276,677</b>
Acquisition of tangible capital assets	(220,925)	220,925	-	-
Disposal of tangible capital assets	1,357	(1,357)	-	-
Transfer between funds	160,684	(160,684)	-	-
Accumulated surplus, beginning of year	1,889,790	1,217,815	79,309	<b>3,186,914</b>
<b>Accumulated surplus, end of year</b>	<b>2,433,466</b>	<b>977,743</b>	<b>52,382</b>	<b>3,463,591</b>

See accompanying notes to the financial statements.



# Health Employers Association of British Columbia

Schedule 3

Schedule of segment disclosure  
year ended March 31, 2012

	Operating Fund	Tangible Capital Assets Fund	Health Match BC Fund	2012
	\$	\$	\$	\$
<b>Revenues</b>				
Government funding	9,068,215	-	1,435,000	10,503,215
Benefits and administration fees	190,214	-	-	190,214
Member assessment	235,292	-	-	235,292
Interest and other revenue	222,209	-	-	222,209
Fee for service	51,837	-	-	51,837
	9,767,767	-	1,435,000	11,202,767
Funding from deferred contributions - operations	2,573,660	-	823,767	3,397,427
	12,341,427	-	2,258,767	14,600,194
<b>Expenses</b>				
Strategic negotiations and contract administration	4,031,312	-	-	4,031,312
Knowledge management and information technology	2,648,521	-	-	2,648,521
Legal services	872,183	-	-	872,183
Executive services and board governance	647,664	-	-	647,664
Finance and administration	762,000	-	-	762,000
Communications	589,964	-	-	589,964
General	212,075	204,478	-	416,553
Expenses from ongoing operations	9,763,719	204,478	-	9,968,197
<b>Contracted operations</b>				
Recruitment services - Health Match BC	-	-	2,338,597	2,338,597
Physician services	1,028,500	-	-	1,028,500
Health cross jurisdictional labour relations database	608,789	-	-	608,789
Pandemic preparedness	183,321	-	-	183,321
Care aide registry	142,859	-	-	142,859
Total expenses from contracted operations	1,963,469	-	2,338,597	4,302,066
Total expenses from operations	11,727,188	204,478	2,338,597	14,270,263
<b>Surplus (deficiency) of revenues over expenses</b>	614,239	(204,478)	(79,830)	329,931
Transfer between funds	(500,000)	500,000	-	-
Acquisition of tangible capital assets	(99,376)	99,376	-	-
Accumulated surplus, beginning of year	1,874,927	822,917	159,139	2,856,983
<b>Accumulated surplus, end of year</b>	1,889,790	1,217,815	79,309	3,186,914

See accompanying notes to the financial statements.