

**HEALTHY FAMILIES HEALTHY FUTURES SOCIETY**  
**Financial Statements**  
**Year Ended March 31, 2017**

**HEALTHY FAMILIES HEALTHY FUTURES SOCIETY**  
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**Year Ended March 31, 2017**

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**HEALTHY FAMILIES HEALTHY FUTURES SOCIETY**  
**Statement of Financial Position**  
**March 31, 2017**

	2017	2016
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 141,584	\$ 684,459
Cash restricted for specific projects <i>(Note 4)</i>	16,026	23,527
Term deposits	352,871	257,710
Funds held in trust <i>(Note 5)</i>	48,335	32,852
Restricted reserve term deposit <i>(Note 6)</i>	12,679	12,516
Accounts receivable	26,183	23,401
Goods and services tax recoverable	3,334	5,279
Security deposit	1,500	1,500
	<b>\$ 602,512</b>	<b>\$ 1,041,244</b>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Funds held in trust <i>(Note 5)</i>	\$ 48,335	\$ 32,852
Accounts payable	18,806	7,052
Wages payable	80,169	67,271
Deferred contributions <i>(Note 7)</i>	199,841	714,043
	<b>347,151</b>	821,218
RESTRICTED RESERVE FUND PAYABLE <i>(Note 6)</i>	12,679	12,516
	<b>359,830</b>	833,734
 <b>NET ASSETS</b>		
Accumulated surplus	242,682	207,510
	<b>\$ 602,512</b>	<b>\$ 1,041,244</b>
 CONTINGENT LIABILITY <i>(Note 8)</i>		
LEASE COMMITMENTS <i>(Note 9)</i>		

**ON BEHALF OF THE BOARD**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**HEALTHY FAMILIES HEALTHY FUTURES SOCIETY**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2017**

	Budget (Unaudited) 2017	2017	2016
<b>REVENUE</b>			
Pembina Gateway funding	\$ 549,713	\$ 763,728	\$ 549,713
Operating - CFS	541,137	540,677	541,137
Family & Community Safety Program	249,926	244,057	114,244
NWC Alberta FASD Services Network	218,675	198,480	220,493
Health Canada funding	94,722	94,722	94,722
Alberta Seniors & Housing	40,000	53,333	13,333
Alberta Health Services	33,247	34,300	33,247
Donations	7,800	30,599	20,481
Membership and training grants	13,155	19,197	37,390
Contract Accounting Fees	14,000	15,000	14,000
Interest revenue	4,000	9,074	5,395
Casino Revenue	18,825	7,500	23,280
Workshops and fundraising	13,000	4,020	14,593
	1,798,200	2,014,687	1,682,028
<b>STAFFING EXPENDITURES</b>			
Total staffing	1,071,258	1,080,431	978,191
-			
<b>DIRECT CLIENT EXPENDITURES</b>			
Pembina Gateway (PLCs)	420,632	546,516	360,395
Travel and subsistence	111,367	115,480	109,997
Barrhead Family and Community Support Services	-	42,000	21,000
Materials and supplies	9,465	11,602	21,262
Staff training - program related	18,724	20,063	21,457
Evaluation and monitoring	25,400	19,783	14,338
Telephone and communications	14,700	16,056	13,166
Program awareness	4,996	11,094	10,759
Education and workshop	4,800	8,871	13,225
Nutritional supplements	12,310	8,468	9,533
Family subsidies	850	413	593
	623,244	800,346	595,725

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**HEALTHY FAMILIES HEALTHY FUTURES SOCIETY**  
**Statement of Revenues and Expenditures (continued)**  
**Year Ended March 31, 2017**

	Budget (Unaudited) 2017	2017	2016
<b>FACILITY EXPENDITURES</b>			
Rental of space	\$ 40,900	\$ 36,581	\$ 36,571
Building maintenance	7,150	6,067	5,785
Facility insurance	3,650	3,688	5,504
	<u>51,700</u>	<u>46,336</u>	<u>47,860</u>
<b>ADMINISTRATIVE EXPENDITURES AND TRANSFERS</b>			
Office materials, supplies and postage	8,550	11,472	10,071
Purchase/rental of office equipment	5,650	8,868	7,449
Audit fees	5,850	7,243	6,800
Telephone and communications	6,320	5,818	6,003
Board expenses	2,350	3,747	2,316
Staff recruitment	1,050	3,443	364
Liability insurance	3,100	3,075	1,100
Fundraising	3,000	2,666	7,128
Association dues	1,300	2,408	1,180
Annual General Meeting	1,315	1,902	1,420
Bank charges	1,000	1,381	1,314
IT Support	900	266	325
Equipment repairs and maintenance	600	113	77
Miscellaneous	350	-	27
Legal fees	1,000	-	-
	<u>42,335</u>	<u>52,402</u>	<u>45,574</u>
<b>TOTAL EXPENDITURES</b>	<u>1,580,105</u>	<u>1,979,515</u>	<u>1,667,350</u>
<b>TOTAL EXCESS OF INCOME OVER EXPENDITURES</b>	<u>\$ 9,663</u>	<u>\$ 35,172</u>	<u>\$ 14,678</u>

**HEALTHY FAMILIES HEALTHY FUTURES SOCIETY**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2017**

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	<b>2017</b>	<b>2016</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 207,510</b>	<b>\$ 192,832</b>
Excess of revenue over expenditures	<u>35,172</u>	<u>14,678</u>
<b>NET ASSETS - END OF YEAR</b>	<b><u>\$ 242,682</u></b>	<b><u>\$ 207,510</u></b>

**HEALTHY FAMILIES HEALTHY FUTURES SOCIETY**  
**Statement of Cash Flow**  
**Year Ended March 31, 2017**

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures	\$ 35,172	\$ 14,678
Changes in non-cash working capital:		
Accounts receivable	(2,782)	(16,738)
GST payable (recoverable)	1,945	(7)
Security deposit	-	100
Funds held in trust	15,483	711
Accounts payable	11,754	(49,154)
Wages payable	12,898	(29,334)
Deferred contributions	(514,202)	466,609
	<u>(474,904)</u>	<u>372,187</u>
Cash flow from (used by) operating activities	<u>(439,732)</u>	<u>386,865</u>
<b>INVESTING ACTIVITY</b>		
Increase in Restricted Reserve Fund payable	<u>163</u>	<u>112</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(439,569)</b>	<b>386,977</b>
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>1,011,064</u>	<u>624,087</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 571,495</b>	<b>\$ 1,011,064</b>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 141,584	\$ 684,459
Cash restricted for specific projects	16,026	23,527
Funds held in trust	48,335	32,852
Term deposits	352,871	257,710
Restricted reserve term deposit	12,679	12,516
	<u>\$ 571,495</u>	<u>\$ 1,011,064</u>

**HEALTHY FAMILIES HEALTHY FUTURES SOCIETY**  
**Notes to Financial Statements**  
**March 31, 2017**

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1. DESCRIPTION OF ACTIVITIES

Healthy Families Healthy Futures Society is a registered charity which is exempt from income tax. The Society provides multiple programs to support individuals and families including:

**Home Visitation**

A preventative early intervention program providing services to families prenatally and continuing up to five years after birth, who have economic and social factors which may increase risk factors for child abuse and neglect.

The program is provided in Whitecourt, Mayerthorpe, Barrhead, Westlock, Athabasca, Morinville, Swan Hills and surrounding areas.

**Early Childhood Development Initiatives**

Provides support for families with children under six who are not eligible for the Home Visitation Program.

The program is provided in Westlock and surrounding areas.

**Parent Link Centre**

Provides parent education for the general population, including Triple P Parenting Program, Seeds to Sunshine Early Child Development Workshop, drop in play programs and community programs in Westlock and area.

**Thrive**

Provides direct support for those impacted by abuse. The program works collaboratively within the community to enhance public awareness through workshops and other community activities.

**Parent Child Assistance Program (PCAP)**

A home visitation intervention program that works with women who abuse alcohol or drugs during pregnancy, with the aim of preventing future alcohol and drug exposed births among these mothers. PCAP supports mothers in achieving this goal by helping them complete substance abuse treatment and stay in recovery and/or by motivating them to choose effective family planning methods.

The program is available in Whitecourt.

**FASD Transitions Program**

Provides support for youth and young adults and their caregivers prenatally exposed to alcohol.

The program is available in Athabasca and Whitecourt.

**Community Action for Healthy Relationships (CAHR)**

A community collaboration project in Westlock, Barrhead, and Athabasca. It provides coordination for the relationship violence group program "Creating Change", supportive outreach services and community awareness and protocols regarding relationship abuse.

**Pembina Gateway Parent Link Network**

Healthy Families Healthy Futures is the lead agent for the Pembina Gateway PLC Network. The Network offers orientation, mentorship, and leadership to 8 Parent Link Centres including Barrhead, Lac Ste Anne, Mayerthorpe, Swan Hills, Thorhild, Westlock, Whitecourt, and Smoky Lake.



**HEALTHY FAMILIES HEALTHY FUTURES SOCIETY**  
**Notes to Financial Statements**  
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies observed in the preparation of the financial statements are summarized below. These policies are in accordance with Canadian accounting standards for not-for-profit organizations unless otherwise noted.

Measurement uncertainty

When preparing financial statements according to Canadian accounting standards for not-for-profit organizations, management makes estimates and assumptions relating to:

- reported amounts of revenues and expenses
- reported amounts of assets and liabilities
- disclosure of contingent assets and liabilities.

Estimates are based on a number of factors including historical experience, current events and actions that the Society may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ. In particular, estimates are used in accounting for certain items such as revenues and allowance for doubtful accounts.

Financial instruments policy

*Initial and subsequent measurement*

The Organization initially measures its financial assets and liabilities at fair value. Subsequent measurement of all financial assets and liabilities is at cost or amortized cost.

Financial assets measured at amortized cost on a straight-line basis include cash, cash restricted for specific projects, funds held in trust, term deposits, and the restricted reserve term deposit.

Financial liabilities measured at amortized cost on a straight-line basis include funds held in trust, accounts payable, and wages payable.

*Transaction costs*

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. Transactions costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the assets or liability and recognized in net income over the life of the instrument using the straight-line method.

*Impairment*

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be 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 net income.

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**HEALTHY FAMILIES HEALTHY FUTURES SOCIETY**  
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Cash and short term investments

Cash and funds held in trust consist of cash and bank accounts.

Short-term guaranteed investment certificates purchased with a maturity of one year or less are classified as cash equivalents, and are reported on the statement of financial position as term deposits and term deposits held for specific projects.

Cash restricted for specific projects and term deposits restricted for specific projects are funds that the Society has received from various sources and are required to spend the monies for specific programming.

The restricted reserve term deposit is a guaranteed investment certificate with a maturity of less than one year. The Society must have approval from Child and Family Services before utilizing these funds.

Property, plant and equipment

Property, plant and equipment costing less than \$5,000 are expensed in the year of acquisition. Items costing more than \$5,000 are capitalized but not amortized. This follows the accounting policy set out by the Alberta Ministry of Children's Services. This policy is not in agreement with Canadian accounting standards for not-for-profit organizations whereby property, plant, and equipment purchased would be capitalized and amortized over their estimated useful life.

Revenue recognition

Healthy Families Healthy Futures 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. 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.

Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

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**HEALTHY FAMILIES HEALTHY FUTURES SOCIETY**  
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3. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following provides information about the Society's risk exposure as of March 31, 2017.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from its grantors.

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4. CASH RESTRICTED FOR SPECIFIC PROJECTS

Cash restricted for specific projects relates to funds raised from a casino that are restricted as to its use.

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5. FUNDS HELD IN TRUST

Healthy Families Healthy Futures Society holds funds in trust for the following organizations.

	<b>2017</b>	2016
Prevention of Relationship Abuse Action Committee	<b>\$ 42,812</b>	\$ 31,829
Conex	<b>5,523</b>	1,023
	<b>\$ 48,335</b>	\$ 32,852

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6. RESTRICTED RESERVE FUND PAYABLE

The financial statements of the Society are reviewed annually by the Alberta Corporate Service Centre. On the completion of the statement analysis the actual surplus and amount that can be retained is determined. Since there is a delay between the end of the funding period and the determination of the annual surplus, the determined surplus transfer relates to the prior year's activity. Funds from the reserve may be applied for purposes approved by North Central Alberta Child & Family Services.

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**HEALTHY FAMILIES HEALTHY FUTURES SOCIETY**  
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7. DEFERRED CONTRIBUTIONS

	2017	2016
Family & Community Safety Program	\$ 116,699	\$ 360,756
NWC Alberta FASD Services Network	23,951	3,757
Casino funds	16,026	23,526
Alberta Seniors & Housing	13,334	26,667
Pembina Gateway Network funding	13,305	263,305
Westlock Parent Link Centre	11,157	11,157
Home Visitation grant	4,543	5,167
Donations and registration fees for specified programs	826	19,708
	<b>\$ 199,841</b>	<b>\$ 714,043</b>

8. CONTINGENT LIABILITY

The employees of the Healthy Families Healthy Futures Society can bank up to 60 days to utilize in the event of an extended absence from employment due to health related issues. Days are banked at 1.5 per month based on the employees full time equivalent rate. The amount accumulated for sick days has not been recorded in the financial statements given the benefit is not paid out upon termination of employment and typically the Society would not replace an employee that is away on sick leave.

At March 31, 2017, the employees of the Society had banked \$85,934 (2016 - \$84,506) of sick time.

9. LEASE COMMITMENTS

In the 2015 fiscal year the Society entered into a lease and maintenance agreement for a photocopier and fax machine. The lease term is for 66 months at \$1,008 per quarter plus a per copy cost.

The Society has a three year lease commencing September 1, 2014 for office space in Westlock. The rent terms are \$1,981 including GST per month to August 31, 2015, then \$2,022 per month to August 31, 2016, then \$2,083 per month to August 31, 2017.

The Society currently leases office space in Athabasca at a rate of \$1,000 per month. The lease does not have a predetermined term, as it is a month to month lease.