

SOCIETY OF GENERAL PRACTITIONERS OF BC
Statement of Financial Position
December 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 1,163,161	\$ 808,117
Term deposit (Note 2)	700,000	700,000
Prepaid expenses	3,569	3,569
	1,866,730	1,511,686
EQUIPMENT (Note 3)	12,989	11,313
	\$ 1,879,719	\$ 1,522,999
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	\$ 39,064	\$ 30,837
NET ASSETS		
General fund	1,033,251	736,849
Internally restricted fund (Note 4)	800,000	744,000
Invested in capital assets	7,404	11,313
	1,840,655	1,492,162
	\$ 1,879,719	\$ 1,522,999

LEASE COMMITMENTS (Note 7)

ON BEHALF OF THE BOARD

_____ Director

_____ Director

See notes to financial statements

SOCIETY OF GENERAL PRACTITIONERS OF BC
Statement of Revenues and Expenditures
Year Ended December 31, 2023

	2023	2022
REVENUES		
Membership dues	\$ 1,286,758	\$ 1,042,289
Doctors of BC LFP funding	197,500	-
Doctors of BC grant	100,000	44,546
Interest income	55,349	14,625
Honoraria reimbursements (Note 2)	25,396	-
Division subscriptions	12,933	8,800
	<u>1,677,936</u>	<u>1,110,260</u>
EXPENDITURES		
Wages and benefits (Note 5)	748,917	629,240
Honoraria (Note 6)	181,316	214,107
Consulting fees	146,221	141,129
Payroll benefits	86,089	77,741
Office	42,803	43,422
Rental	32,160	29,800
Meeting expenses (Note 6)	26,019	25,420
Professional fees	23,649	23,088
Website	13,609	5,127
Conference costs	11,679	13,833
Catering costs	10,094	6,703
Amortization	3,909	3,786
Gifts and donations	2,136	740
Interest and bank charges	842	845
	<u>1,329,443</u>	<u>1,214,981</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 348,493</u>	<u>\$ (104,721)</u>

See notes to financial statements

SOCIETY OF GENERAL PRACTITIONERS OF BC
Statement of Changes in Net Assets
Year Ended December 31, 2023

	General Fund	Internally Restricted Fund	Investment in Capital Assets	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 736,849	\$ 744,000	\$ 11,313	\$ 1,492,162	\$ 1,596,883
Excess (Deficiency) of revenues over expenditures	352,402	-	(3,909)	348,493	(104,721)
Interfund transfer <i>(Note 4)</i>	(56,000)	56,000	-	-	-
NET ASSETS - END OF YEAR	\$ 1,033,251	\$ 800,000	\$ 7,404	\$ 1,840,655	\$ 1,492,162

Draft for discussion purposes only

SOCIETY OF GENERAL PRACTITIONERS OF BC**Statement of Cash Flows****Year Ended December 31, 2023**

	2023	2022
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenditures	\$ 348,493	\$ (104,721)
Item not affecting cash:		
Amortization of equipment	3,909	3,786
	<u>352,402</u>	<u>(100,935)</u>
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	8,206	11,199
Prepaid expenses	-	(5)
	<u>8,206</u>	<u>11,194</u>
Cash flow from (used by) operating activities	<u>360,608</u>	<u>(89,741)</u>
INVESTING ACTIVITIES		
Purchase of equipment	(5,584)	-
Purchase of term deposits	(700,000)	(700,000)
Redemption of term deposits	700,000	621,500
Cash flow used by investing activities	<u>(5,584)</u>	<u>(78,500)</u>
INCREASE (DECREASE) IN CASH FLOW	355,024	(168,241)
Cash and cash equivalents - beginning of year	<u>808,117</u>	<u>976,358</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,163,141	\$ 808,117
CASH CONSISTS OF:		
Cash in bank	\$ 289,981	\$ 290,286
BMO money market fund	873,160	517,831
	<u>\$ 1,163,141</u>	<u>\$ 808,117</u>

See notes to financial statements

SOCIETY OF GENERAL PRACTITIONERS OF BC

Notes to Financial Statements

Year Ended December 31, 2023

1. PURPOSE OF THE SOCIETY

The Society of General Practitioners of BC is incorporated under the Societies Act of British Columbia as a not-for-profit organization and is exempt from income taxation under Section 149 of the Income Tax Act.

The objective of the Society is to represent family practice and to act on behalf of family physicians to advance scientific, educational, professional and economic welfare of all family physicians in British Columbia.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Cash and cash equivalents

Cash and cash equivalents consists of cash on deposit with the bank and money market funds and term deposits which are readily convertible into cash with maturity dates less than 90 days.

Term deposits

Term deposits have maturity dates in excess of 90 days. The currently held Guaranteed Investment Certificates have annual interest rates of 4.97% and 4.85%. They mature on March 6, 2024 and May 21, 2024 respectively.

Equipment

Equipment is stated at cost or deemed cost less accumulated amortization. Equipment is amortized over their estimated useful lives at the following rates and methods:

Computer equipment	30%	declining balance method
Furniture and fixtures	20%	declining balance method
Leasehold improvements	5 years	straight-line method

The Society regularly reviews amortization rates and methods, and the estimated useful life of its equipment.

Revenue recognition

The Society follows the deferral method of accounting for contributions and substantially all of the membership fees are billed and collected by Doctors of BC. The membership revenue, grants from Doctors of BC and division subscriptions are recognized as revenue when the amounts can be reasonably estimated and collection is reasonably assured. Interest income from short term investments is recorded when earned. Honoraria reimbursements were recorded when received and are regarding LFP costs which were incurred during 2022.

(continues)

SOCIETY OF GENERAL PRACTITIONERS OF BC

Notes to Financial Statements

Year Ended December 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Impairment of Long Lived Assets

The Society reviews long-lived assets, including equipment for impairment whenever events or changes in circumstances indicated that the assets no longer have long-service potential to the Society. If such conditions exist, an impairment loss is measured at the amount by which the carrying amount of the asset exceeds its fair value.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued except for related party transactions which are recorded at either the exchange or carrying amount, depending on the circumstances. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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.

3. EQUIPMENT

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Computer equipment	\$ 53,426	\$ 53,049	\$ 377	\$ 539
Furniture and fixtures	23,446	12,555	10,891	7,331
Leasehold improvements	8,608	6,887	1,721	3,443
	\$ 85,480	\$ 72,491	\$ 12,989	\$ 11,313

4. INTERNALLY RESTRICTED FUND

The Internally Restricted Fund was set up during the 2021 fiscal year to provide for the ongoing financial stability of the Society. It sets aside funds to be used to maintain operations during difficult financial circumstances or to cover unexpected costs. It is the objective of the Board of Directors to maintain this reserve fund consisting of approximately six-months of the annual operating budget. Any expenditures out of these funds require Board approval.

During the current fiscal year, \$56,000 was internally transferred to the restricted fund from the general fund.

5. MANAGEMENT REMUNERATION

During the year the Society remunerated four employees of the Society in excess of \$75,000. The combined total amount paid to these employees for the year was \$679,347 (2022: three employees totalling \$501,032).

SOCIETY OF GENERAL PRACTITIONERS OF BC

Notes to Financial Statements

Year Ended December 31, 2023

6. RELATED PARTY TRANSACTIONS

During the year the Society made honoraria payments and meeting/travel reimbursements to Director's of the Society totalling \$128,659 (2022: \$113,181).

As at the fiscal year end, included in accounts payable and accrued liabilities is \$4,719 payable to directors (2022: \$6,764).

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount established and agreed to by the parties.

7. LEASE COMMITMENTS

The Society leases premises under a long term lease that expires on March 31, 2026. Under the lease, the Society is required to pay a base rent of \$13,272 for the first and second year, \$14,536 for the third and fourth year, and \$15,800 for the fifth year (plus GST). In addition to the above base rent, the Society must pay for its proportionate share of utilities, property taxes, maintenance and other related costs for the leased premises.

The Society entered into a five year operating lease for use of a photocopier. The lease expires on June 30, 2024 and it consists of a monthly lease rate of \$279 plus GST and PST.

The combined 5-year lease commitments are as follows:

2024	\$	16,411
2025		15,484
2026		3,950
		<u>35,845</u>
	\$	<u>35,845</u>

8. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash and cash equivalents, term deposits, and accounts payable and accrued liabilities. The carrying amounts of all financial instruments approximate their respective fair values.

The following analysis provides information about the Society's risk exposure and concentration as of the year end date. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant liquidity or other price risks arising from these financial instruments.

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 Society's main credit risks relate to its cash and cash equivalents and term deposits. Risks of financial loss are mitigated by dealing with creditworthy counterparties, and holding cash in high credit quality financial institutions.

Interest rate risk

The Society is exposed to interest rate risk with respect to its investment in term deposits which bear interest subject to change by the bank. Fluctuation in the rate of interest will impact the company's interest income in future years.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest rate risk arising from these financial instruments.
