

**COMMUNITY AND HOSPITAL  
INFECTION CONTROL ASSOCIATION - CANADA**

FINANCIAL STATEMENTS

DECEMBER 31, 2010

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## INDEPENDENT AUDITORS' REPORT

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To the Members of Community and Hospital  
Infection Control Association - Canada

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Community and Hospital Infection Control Association - Canada, which comprise the balance sheet as at December 31, 2010, and the statements of operations and net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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 financial statements present fairly, in all material respects, the financial position of Community and Hospital Infection Control Association - Canada as at December 31, 2010 and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Manitoba  
May 30, 2011

  
Chartered Accountants

# COMMUNITY AND HOSPITAL INFECTION CONTROL ASSOCIATION - CANADA

Balance Sheet  
December 31, 2010

	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>		
Current		
Cash	\$ 274,648	436,837
Accounts receivable	10,237	24,104
GST receivable	2,667	26,762
Prepaid conference expenses	81,099	71,637
Prepaid expenses - other	1,099	1,275
	<u>\$ 369,750</u>	<u>560,615</u>
<b>LIABILITIES</b>		
Current		
Accounts payable	\$ 32,996	38,287
Prepaid memberships	47,490	48,421
Deferred revenue	25,000	-
	<u>105,486</u>	<u>86,708</u>
<b>FUND BALANCES</b>		
General Fund	216,373	362,776
Chapter Presidents Fund	2,724	2,724
Education Fund	17,667	29,952
Research Study Fund	27,500	20,000
Online Program Registration Fund	-	3,455
Novice Practitioner Fund	-	5,000
Research Fund - <i>Clostridium difficile</i>	-	50,000
	<u>264,264</u>	<u>473,907</u>
	<u>\$ 369,750</u>	<u>560,615</u>

APPROVED BY THE BOARD:

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**COMMUNITY AND HOSPITAL INFECTION  
CONTROL ASSOCIATION - CANADA**

Statement of Fund Balances  
for the year ended December 31, 2010

	<u>Research Study Fund</u>	<u>Research Fund - Clostridium difficile</u>	<u>Chapter President's Fund</u>	<u>Education Fund</u>	<u>On-line Program Registration Fund</u>	<u>Novice Practitioner Fund</u>	<u>General Fund</u>	<u>2010</u>	<u>2009</u>
<b>Balances, beginning of year</b>	\$ 20,000	50,000	2,724	29,952	3,455	5,000	362,776	473,907	560,983
Excess revenue over expenses for the year	-	(42,500)	-	(12,285)	-	-	(154,858)	(209,643)	(87,076)
Transfers	7,500	(7,500)	-	-	(3,455)	(5,000)	8,455	-	-
<b>Balance, end of year</b>	\$ 27,500	-	2,724	17,667	-	-	216,373	264,264	473,907

# COMMUNITY AND HOSPITAL INFECTION CONTROL ASSOCIATION - CANADA

Statement of Revenues and Expenditures  
for the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
<b>Revenue</b>		
Membership fees	\$ 134,294	129,643
Corporate membership fees	42,863	41,487
Donations	4,143	2,488
National conferences (note 3)	507,017	444,182
Education		
Roadshow / webinars	-	40,000
Distance Education	30,458	16,975
Journal	17,380	17,429
Infection Control Products	17,698	13,808
Other income and reimbursements	1,000	14,325
Interest	2,345	3,913
Award sponsorship	22,000	17,000
Website income	5,680	4,863
	<hr/> 784,878	<hr/> 746,113
<b>Expenditures</b>		
Audit, legal and bookkeeping	14,812	19,321
Awards	19,416	14,114
Bank, credit card charges and foreign exchange	21,064	16,228
Insurance	3,508	3,734
Office and administration	32,821	38,025
National Office Staff	75,470	60,030
Annual general meeting	15,236	9,963
Infection Control products	21,720	38,930
National Conferences (note 3)	522,170	408,189
Committees		
Board of Directors	56,632	66,196
Internal committees	18,998	9,728
External committees	38,207	34,612
Interest groups	14,330	4,180
Conference allocations	-	9,010
Website	19,696	6,722
Translation	4,179	3,923
Donation	6,318	1,874
Education		
Roadshow / webinars	62,024	33,254
Distance Education	-	43,972
On-line registration	5,420	10,693
Chapter President Fund	-	491
Research grant disbursed	42,500	-
	<hr/> 994,521	<hr/> 833,189
<b>Excess (deficiency of) revenues over expenditures for the year</b>	<hr/> <b>\$ (209,643)</b>	<hr/> <b>(87,076)</b>

## COMMUNITY AND HOSPITAL INFECTION CONTROL ASSOCIATION - CANADA

Cash Flow Statement  
for the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
<b>Operating activities</b>		
Excess revenues over expenses for the year		
General Fund	\$ (154,858)	(87,915)
Other Funds	(54,785)	839
	(209,643)	(87,076)
Change in non-cash working capital components		
Accounts receivable	13,867	(6,763)
GST receivable	24,095	(4,314)
Prepaid expenses	(9,286)	(23,656)
Accounts payable	(5,291)	3,749
QST payable	-	(4,470)
Prepaid memberships	(931)	43,996
Deferred revenue	25,000	-
	47,454	8,542
<b>Change in cash for the year</b>	(162,189)	(78,534)
Cash position, beginning of year	436,837	515,371
<b>Cash position, end of year</b>	<u>\$ 274,648</u>	<u>436,837</u>

# COMMUNITY AND HOSPITAL INFECTION CONTROL ASSOCIATION - CANADA

Notes to Financial Statements  
December 31, 2010

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## 1. Status and nature of activities:

Founded in 1976, the Community and Hospital Infection Control Association - Canada is a non-profit organization. The organization's mission is to be the authoritative body promoting excellence in the principles and practice of infection control in health care institutions and the community through education, communication, standards, research and public awareness.

## 2. Significant accounting policies:

### Recognition of revenue and expenditure

The Community and Hospital Infection Control Association - Canada records its revenue and expenditure on the accrual basis. Expenditures are recorded in the fiscal year in which the related goods were received or services rendered.

### Fair value

The carrying amount 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 Corporation does not use derivative instruments to reduce its exposure to interest risk.

### 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 or revenues and expenses during the period. Actual results could differ from these estimates.

### Income taxes

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

### Distribution of earnings

As a non-profit organization incorporated without share capital, the Letters Patent prohibits the distribution of any of the association's surplus to, or for the personal benefit of its directors or members.

## COMMUNITY AND HOSPITAL INFECTION CONTROL ASSOCIATION - CANADA

Notes to Financial Statements  
December 31, 2010

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### 2. Significant accounting policies: (continued)

#### Chapter Presidents Fund

A Fund was established to provide financial assistance to Chapter Presidents so they can attend Chapter Presidents meetings. In 1991, the Board of Directors approved an allocation of \$3,000 from the general surplus to the Fund. Thereafter, only donations specifically designated to the Fund will be allocated to the Chapter Presidents Fund.

#### Education Fund

A fund was established to provide 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 the fund.

#### On-line Registration Fund

A fund was established to develop an on-line program for membership and conference registration. In 2004, the Board of Directors approved an allocation of \$20,000 from the general surplus to the fund. In 2010, as this project has been completed, the Board approved transferring the balance in the fund to the general operating fund.

#### Novice Practitioner Fund

A fund was established to support a basic infection control course for entry-level Infection Control Professionals at the national education conference. In 2004, the Board of Directors approved an allocation of \$5,000 from the general surplus to the fund. In 2010, as this project has been completed, the Board approved transferring the balance in the fund to the general operating fund.

#### Research Study Fund

A fund was established to fund the costs relating to determining the staffing and education resources required to provide adequate infection prevention and control in Canadian health care settings. In 2004, the Board of Directors approved an allocation of \$60,000 from the general surplus fund which was expended. In 2008, \$20,000 was returned because the study could not be completed. In 2010, the Board approved combining the funds from the Research Fund - *Clostridium difficile* with the funds of the Research Study Fund into one Research Study Fund. The purpose of the fund is the same as the previous Research Study Fund.

#### Research Fund - *Clostridium difficile*

A fund was established for CHICA - Canada members dedicated to increasing our knowledge of the prevention, control and eradication of *Clostridium difficile*. In 2008, the Board of Directors approved an allocation of \$50,000 from the general surplus to the fund. In 2010, the Board approved combining the funds from the Research Fund - *Clostridium difficile* with the Research Study Fund.

## COMMUNITY AND HOSPITAL INFECTION CONTROL ASSOCIATION - CANADA

Notes to Financial Statements  
December 31, 2010

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### 3. Prior year's balances:

Certain balances from the prior year have been reclassified to conform to the current year's presentation.

### 4. National conferences:

	<u>2010</u>	<u>2009</u>
2010 Conference -		
Revenue	\$ 507,017	-
Expenses	<u>465,309</u>	<u>-</u>
Net -	<u>41,708</u>	<u>-</u>
2009 Conjoint Conference - St. John's		
Revenue	-	444,182
Expenses	<u>42,802</u>	<u>391,523</u>
Net - St. John's Conference	<u>(42,802)</u>	<u>52,659</u>
2008 Conference - Montreal		
Revenue	-	-
Expenses	<u>14,059</u>	<u>16,666</u>
Net - Montreal Conference	<u>(14,059)</u>	<u>(16,666)</u>
	 \$ <u>(15,153)</u>	 <u>35,993</u>