

**EMERGENCY MEDICAL SERVICES CHIEFS OF
CANADA**

FINANCIAL STATEMENTS

DECEMBER 31, 2012

EMERGENCY MEDICAL SERVICES CHIEFS OF CANADA

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CONTENTS

	<u>Page</u>
AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Operations and Unrestricted Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6



Scase & Partners

Professional Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of:
Emergency Medical Services Chiefs of Canada
Directeurs des Services Medicaux d'Urgence du Canada

We have audited the accompanying financial statements of Emergency Medical Services Chiefs of Canada, /Directeurs des Services Medicaux d'Urgence du Canada which comprise the statement of financial position as at December 31, 2012, and the statement of operations and changes in net assets and statement of 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 accounting standards for not-for-profit organizations, 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.

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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 Emergency Medical Services Chiefs of Canada/Directeurs des Services Medicaux d'Urgence du Canada as at December 31, 2012, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Calgary, Alberta

June 6, 2013



Professional Accountants

EMERGENCY MEDICAL SERVICES CHIEFS OF CANADA

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u>
ASSETS		
CURRENT		
Cash	\$ 10,432	\$ 20,904
Restricted funds (Note 4)	5,669	22,410
Accounts receivable (Note 5)	70,333	61,076
Goods and service tax receivable	12,766	8,839
Prepaid expenses	12,495	15,678
	111,695	128,907
INVESTMENTS (Note 6)	5,060	5,060
	\$ 116,755	\$ 133,967
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 56,768	\$ 10,795
DEFERRED INCOME		18,148
	56,768	28,943
NET ASSETS		
UNRESTRICTED NET ASSETS	54,318	82,614
NET ASSETS INTERNALLY RESTRICTED (Note 4)	5,669	22,410
	59,987	105,024
	\$ 116,755	\$ 133,967

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director

The accompanying notes are an integral part of the financial statements.

EMERGENCY MEDICAL SERVICES CHIEFS OF CANADA

STATEMENT OF OPERATIONS AND UNRESTRICTED NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2012

	2012	2011
REVENUE		
Meetings and conferences	\$ 256,258	\$ 25,281
Sponsorship	228,148	242,127
Membership dues	73,750	67,881
Research and grants	69,821	20,000
Interest income	163	
Recovery of expenses	100	5,939
	628,240	361,228
EXPENSES		
Meetings and conferences	303,759	115,889
Administration consultant fees	125,587	120,531
Professional fees	73,280	87,683
Website development and maintenance	42,375	32,151
Travel and accommodation	41,657	63,766
Research and grants funded expenditures	37,616	14,493
Office expenses	30,600	7,943
Bank charges and credit card fees	10,878	2,639
Promotional	2,688	2,110
Telephone	2,604	2,664
Insurance	2,233	2,412
	673,277	452,281
NET LOSS FROM OPERATIONS FOR THE YEAR	(45,037)	(91,053)
UNRESTRICTED NET ASSETS, beginning of year	82,614	196,077
TRANSFER FROM RESTRICTED ASSETS	22,410	
TRANSFER TO RESTRICTED ASSETS	(5,669)	(22,410)
UNRESTRICTED NET ASSETS, end of year	\$ 54,318	\$ 82,614

The accompanying notes are an integral part of the financial statements.

EMERGENCY MEDICAL SERVICES CHIEFS OF CANADA

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>2012</u>	<u>2011</u>
CASH USED IN OPERATING ACTIVITIES		
Net loss from operations for the year	\$ (45,037)	\$ (91,053)
CHANGES IN NON-CASH WORKING CAPITAL BALANCES		
(Increase) in accounts receivable	(13,184)	(65,734)
Decrease in prepaid expenses	3,183	26,879
Increase (decrease) in accounts payable and accrued liabilities	45,972	(28,350)
(Decrease) increase in deferred revenue	(18,148)	18,148
	17,823	(49,057)
DECREASE IN CASH FOR THE YEAR	(27,214)	(140,110)
CASH AND CASH EQUIVALENTS, beginning of year	48,374	188,484
CASH AND CASH EQUIVALENTS, end of year	\$ 21,160	\$ 48,374
CASH IS REPRESENTED BY:		
Cash in bank	\$ 10,432	\$ 20,904
Conference account	5,669	22,410
Term deposits	5,060	5,060
	\$ 21,161	\$ 48,374

The accompanying notes are an integral part of the financial statements.

EMERGENCY MEDICAL SERVICES CHIEFS OF CANADA

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2012

1. INCORPORATION AND NATURE OF OPERATIONS

The Emergency Medical Services Chiefs of Canada/Directeurs des Services Medicaux d'Urgence du Canada (EMSCC) was established for the purpose of sharing resources and providing services that support EMS leaders in developing a national direction for sustainable, progressive emergency medical services.

The EMSCC was incorporated on January 16, 2002 under the Canada Corporation Act as a not-for-profit organization. As such it is exempt from income taxes under the Income Tax Act.

2. CHANGE IN ACCOUNTING POLICIES

Effective January 1, 2010 the The Emergency Medical Services Chiefs of Canada/Directeurs des Services Medicaux d'Urgence du Canada (EMSCC) adopted the amended CICA Handbook Part III, Section 4400 - Financial Statement Presentation by Not-For-Profit Organizations. The mandatory date for adoption of this Part III of the Handbook is for years beginning on or after January 1, 2012, however earlier adoption was permitted.

3. SUMMARY OF ACCOUNTING POLICIES

(a) Canadian generally accepted accounting principles

It is the EMSCC's policy to follow Canadian generally accepted accounting principles for not-for-profit organizations and to apply those principles on a consistent basis..

(b) Revenue recognition

The EMSCC 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 such as non-refundable membership dues and sponsorship funding are recognized as revenue when received or receivable. Registration fees for conferences and meetings are recognized as unrestricted revenue when the conference or meeting is held. Government grants are recognized as revenue when received or receivable.

(c) Use of estimates

These financial statements are prepared in accordance with Canadian generally accepted accounting principles which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Significant estimates include valuation of accounts receivable, accounts payable and accrued liabilities. Actual results could differ from these estimates.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

EMERGENCY MEDICAL SERVICES CHIEFS OF CANADA

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2012

3. SUMMARY OF ACCOUNTING POLICIES, continued

(d) Contributed services

The EMSCC benefits greatly from donated services in the form of volunteer work from EMS leaders. Due to the difficulty in determining their fair value, donated services are not recorded in these financial statements.

4. NET ASSETS INTERNALLY RESTRICTED

The board of directors of the organization has certain funds that are held solely for the conference expenditures. These funds are not available for used to pay normal and ongoing operating expenses and are maintained in a separate bank account.

5. ACCOUNTS RECEIVABLE

Accounts receivable are comprised of the following:

	<u>2012</u>	<u>2011</u>
Due from regular business accounts	\$ 51,089	\$ 61,076
Due from related parties and members	<u>19,244</u>	<u> </u>
	<u>\$ 70,333</u>	<u>\$ 61,076</u>

6. INVESTMENTS

Temporary investments are short term deposits with original maturities of three months or less.

Non-current investments are term deposits with maturities greater than three months.

7. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized on the statement of financial position at the time the EMSCC becomes a party to the contractual provisions. Upon initial recognition, financial instruments are measured at fair value. Measurement in subsequent periods is dependent on the classification of the financial instrument. These instruments consist of cash, short-term investments, accounts receivables, accounts payables and accrued liabilities. The EMSCC has classified its financial instruments as follows:

<u>Category</u>	<u>Financial Instrument</u>
Held for trading	Cash and short term investments
Loans and receivables	Accounts receivable

EMERGENCY MEDICAL SERVICES CHIEFS OF CANADA

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2012

7. FINANCIAL INSTRUMENTS, continued

Financial liabilities

Accounts payable and accrued liabilities

Subsequent measurement of the financial instruments is based on their classification. Held for trading investments are measured at fair value with unrealized gains or losses reported directly in the statement of operations.

Risk Management

The carrying value of cash, short-term investments, accounts receivable, and accounts payable and accrued liabilities approximate their fair value because of the short-term maturity of these items. It is managements' opinion that the EMSCC is not exposed to significant interest rate, currency, credit, or market risks arising from these financial instruments.

8. COMMITMENTS

The EMSCC has contractual commitments for management, accounting and other support services. The annual commitment costs for the services provided approximate \$133,000.

- Executive management services. The contractual commitment is for a period of four years that commenced August 1, 2011 and ends July 31, 2015 unless terminated earlier by either party.
- Internal accounting and bookkeeping services for the maintenance and reconciling of all of the EMSCC's financial information. The agreement commenced July 2010 and is renewed on an annual basis unless terminated earlier by either party.
- Executive assistance agreement of services commencing March 2012. The duties are determined by the executive management with a commitment period based on ongoing needs.

9. CAPITAL MANAGEMENT

The EMSCC defines available capital as its net assets. The EMSCC's objective is to ensure that capital resources are readily available to meet its approved and planned operating and capital expenditure programs and liabilities as they become due.

The EMSCC monitors its capital through the use of budgets that are approved by the Board of Directors. Changes to the activity of the EMSCC expenditures would be approved by the Board of Directors as needed.