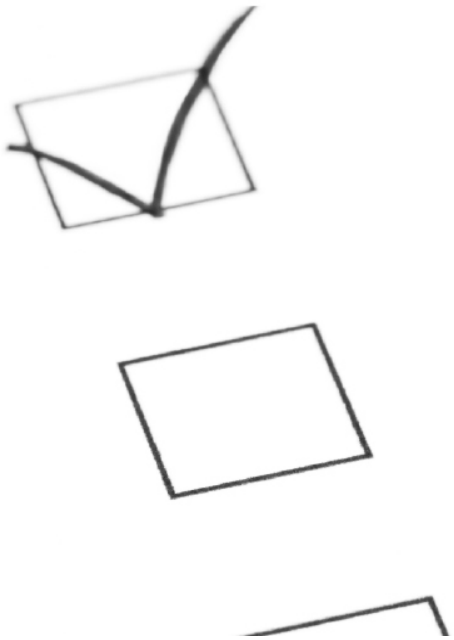


TREASURER'S REPORT 2018

Shane Harnish



Building Laboratory
Excellence

Vers l'excellence
dans les laboratoires



Outline



- Finance & Audit Committee
- Financial Highlights
- Auditor's Report & 2017 Financial Statements
- 2018 Budget
- Financial Risk Management

Finance & Audit Committee



- Primary function is to assist the Board in fulfilling their oversight responsibilities by reviewing the financial information, systems, financial reporting processes and assessing financial risks.
- Committee is comprised of four Directors and Senior Management:
 - Shane Harnish, Treasurer, Committee Chair
 - Dalibor Ambrus
 - Glenna Pike
 - Jeff Zimmer
 - Brenda Dashney, CFO
 - Andrew Adams, CEO

Finance & Audit Committee



- A significant portion of the mandate is provided by the external auditors, Welch LLP, appointed at the last AGM.
- The Committee has the primary responsibility to evaluate and recommend the appointment of the external auditors.
- At the end of this presentation, we will be asking the membership to approve the re-appointment of Welch LLP for the 2018 fiscal year.

Balance Sheet

as at December 31, 2017

	2017	2016
ASSETS		
Current Assets		
Cash	\$ 739,528	\$ 556,238
Short-term investments	604,632	602,219
Accounts receivable	49,215	102,845
Prepaid Expenses	84,803	66,687
	<u>1,478,178</u>	<u>1,327,989</u>
Long-term investments	880,928	1,028,971
Tangible capital assets	56,949	79,909
Intangible capital assets	1,011,936	839,497
	<u>\$ 3,427,991</u>	<u>\$ 3,276,366</u>
LIABILITIES		
Current Liabilities		
Accounts Payable and accrued liabilities	\$ 430,984	\$ 549,946
Deferred Revenue	443,029	447,334
	<u>874,013</u>	<u>997,280</u>
NET ASSETS		
Unrestricted	2,553,978	2,279,086
	<u>\$ 3,427,991</u>	<u>\$ 3,276,366</u>

Income Statement

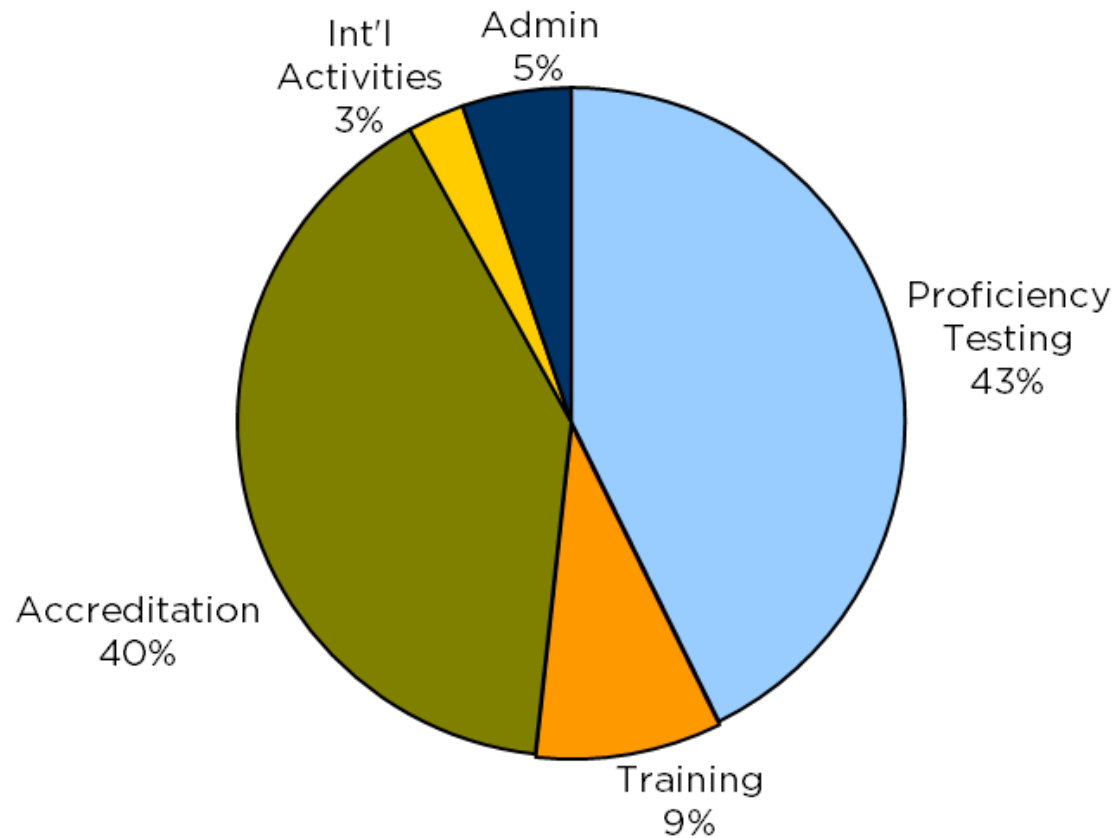
for year ended December 31, 2017

	2017	2016
Revenue		
Proficiency Testing (Evaluations)	\$ 1,554,490	\$ 1,559,765
Accreditation (Evaluations)	1,464,547	1,411,849
Training Program	328,319	264,873
International MRA activities (Evaluations)	100,225	94,500
Memberships	146,250	147,200
Interest and Other Income	46,115	31,053
Total Revenue	3,639,946	3,509,240
Expenses		
Program Expenses		
Proficiency Testing (Evaluations)	846,872	850,838
Accreditations (Evaluations)	294,078	353,144
Training Program	109,094	78,792
International MRA activities	40,799	46,082
Total Program & Project Expenses	1,290,843	1,328,856
Salaries and Benefits	1,506,505	1,467,622
General & Administrative Expenses	567,706	601,696
Total Expenses	3,365,054	3,398,174
Excess of revenue over expenses	\$ 274,892	\$ 111,066

2017 Revenue

Total Revenue: \$3,639,946

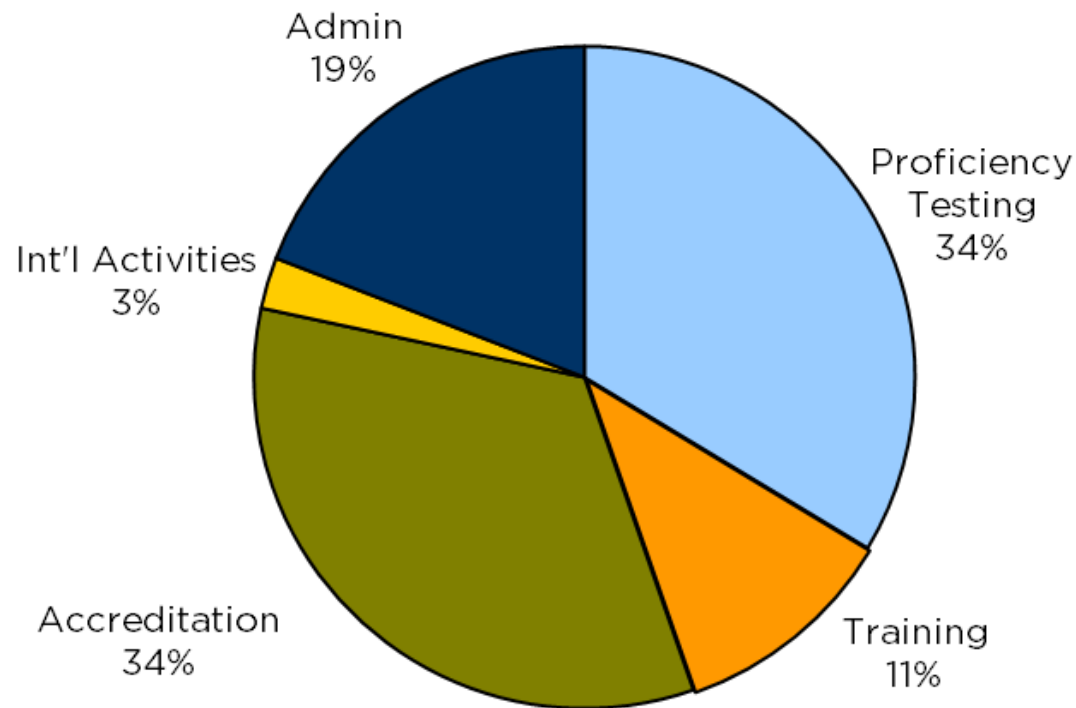
3.8% below budget, 3.7% growth over 2016



2017 Expenditures

Total Expenses: \$3,365,054

12.5% below budget, 1.0% less than 2016



Auditor's Report



- Excerpts from Welch LLP's Auditor's Report:
 - "We conducted our audit in accordance with Canadian generally accepted auditing standards."
 - "In our opinion, **the financial statements present fairly, in all material respects**, the financial position of Canadian Association for Laboratory Accreditation Inc. as at December 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations."

Appointment of Auditors

Motion: to re-appoint the firm of Welch, LLP as auditors of CALA for the year ending December 31, 2018

2018 Budget

	2018 BUDGET	2017 RESULTS
Revenue		
Proficiency Testing	\$ 1,619,075	\$ 1,554,490
Accreditations	1,510,115	1,464,547
Training	495,170	328,319
International Activities	101,175	100,225
Memberships	150,000	146,250
Interest and other income	10,000	46,115
TOTAL REVENUE	<u>3,885,535</u>	<u>3,639,946</u>
Program Expenses		
Proficiency Testing	830,584	846,872
Accreditations	570,000	294,078
Training	204,724	109,094
International Activities	51,405	40,799
<i>Total Program & Project Expenses</i>	<u>1,656,713</u>	<u>1,290,843</u>
Salaries and Benefits	1,552,977	1,506,505
General, Overhead & Administrative Expenses	<u>732,146</u>	<u>567,706</u>
TOTAL EXPENSES	<u>3,941,836</u>	<u>3,365,054</u>
Excess (Deficiency) revenue over expenses	\$ <u>(56,301)</u>	\$ <u>274,892</u>

Financial Risk Management

- Financial Risk Management Strategies
 - Increased vigilance over expenses to try to minimize deficit
 - Mitigation strategies for emergency cash flow
 - Reserve/investment fund
 - Successfully negotiated an operating line of credit with bank

TREASURER'S REPORT 2018

Thank You