

HEALTH TECHNOLOGY ASSESSMENT INTERNATIONAL

FINANCIAL STATEMENTS

MAY 31, 2009

HEALTH TECHNOLOGY ASSESSMENT INTERNATIONAL

MAY 31, 2009

CONTENTS

	Page
AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Notes to the Financial Statements	5 - 6
Schedule of Secretariat expense	7



AUDITORS REPORT

To the Members of the Health Technology Assessment International:

We have audited the statement of financial position of the Health Technology Assessment International as at May 31, 2009 and the statements of operations, changes in net assets for the year then ended. These financial statements are the responsibility of the Society's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Society, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at May 31, 2009 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

CERTIFIED GENERAL ACCOUNTANTS

Allan Welsh & Company

Edmonton, Alberta
December 2, 2009

#312 High Park Corner, 14925 -111 Avenue, Edmonton, Alberta T5M 2P6 • Tel: (780) 484-5618 Fax (780) 444-6355

WENDY HIEW, CGA*
wendy@allanwelsh.com

SUE FARMER, CGA*
sue@allanwelsh.com

*Denotes Prof. Corp.

HEALTH TECHNOLOGY ASSESSMENT INTERNATIONAL

STATEMENT OF FINANCIAL POSITION

AS AT MAY 31, 2009

	2009	2008
CURRENT ASSETS		
Cash and cash equivalents (Note 5)	\$ 667,388	\$ 445,203
Accounts receivable	71	14,655
Prepaid expenses (Note 6)	33,381	4,795
Goods and services taxes receivable	6,594	7,167
TOTAL ASSETS	\$ 707,434	\$ 471,820
CURRENT LIABILITIES		
Accounts payable to a related party (note 7)	\$ 15,268	\$ 14,414
Payables and accrued liabilities	16,430	8,673
Deferred revenue (Note 8)	269,695	96,242
TOTAL CURRENT LIABILITIES	301,393	119,329
NET ASSETS		
Unrestricted	306,041	252,491
Internally restricted-annual conference	50,000	50,000
Internally restricted-shut down	50,000	50,000
TOTAL NET ASSETS	406,041	352,491
TOTAL LIABILITIES AND NET ASSETS	\$ 707,434	\$ 471,820

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director

HEALTH TECHNOLOGY ASSESSMENT INTERNATIONAL

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MAY 31, 2009

	2009	2008
REVENUE		
Policy forum	\$ 266,565	\$ 212,078
Membership fees (Note 3, 8)	244,041	267,479
Unrealized foreign exchange income (loss)	73,981	(48,810)
Total annual meeting hosting fees	66,139	86,225
Realized foreign exchange income (loss)	13,235	(20,884)
Interest income	9,044	13,721
TOTAL REVENUE	673,005	509,809
EXPENDITURES		
Policy forum and winter board meeting	225,156	174,853
Secretariat (Schedule 1)	196,440	206,626
International Journal of Technology Assessment in Health Care	57,572	40,114
Professional fees and services	53,212	12,360
Awards and grants	48,073	28,085
Promotional and website	18,701	34,531
Annual meeting expenses	13,830	19,061
Strategic initiatives	6,471	5,380
TOTAL EXPENDITURES	619,455	547,493
EXCESS / (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ 53,550	\$ (11,201)

HEALTH TECHNOLOGY ASSESSMENT INTERNATIONAL

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MAY 31, 2009

	- Internally Restricted -				
	Shut Down	Annual Meeting	Unrestricted	2009	2008
BALANCE , beginning of year	\$ 50,000	\$ 50,000	\$ 252,491	\$ 352,491	\$ 263,692
Excess (Deficiency) of revenue over expenditures for the year	-	-	53,550	53,550	(11,201)
BALANCE , end of year	\$ 50,000	\$ 50,000	\$ 306,041	\$ 406,041	\$ 252,491

HEALTH TECHNOLOGY ASSESSMENT INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MAY 31, 2009

1. PURPOSE OF THE ORGANIZATION

Health Technology Assessment International (the Society) was incorporated under the Alberta Societies Act on February 27, 2004 and is a registered charity for Canadian income tax purposes. The purpose of the Society is to support and promote the development, communication, understanding and use of health technology assessment (HTA) globally as a scientifically based means of promoting the introduction of effective innovations and the effective use of resources in health care.

2. BASIS OF PRESENTATION

These financial statements are presented in Canadian dollars.

3. ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles and reflect the following significant accounting policies:

(a) Revenue recognition

Membership fees are recognized as revenues in the fiscal year they pertain to. Policy forum and total annual meeting fees are recognized as revenue in the fiscal year they occur. Donations are recognized as revenue in the fiscal year they are received.

(b) Foreign currency

Monetary assets and liabilities denominated in a foreign currency are translated at the rate of exchange in effect at the balance sheet date while non-monetary assets and liabilities are translated at historical rates of exchange. All translation gains and losses are reflected in income when incurred.

(c) Use of estimates

The preparation of financial statements, in conformity with Canadian generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

(d) Property and Equipment

As a qualifying not for profit organization, the Society is expensing capital purchases in the year of purchase. Included in the current year, \$NIL, previous year, \$NIL.

4. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, accounts receivable, accounts payable and amounts due to (from) related parties. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial statements. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

Foreign exchange - the Society conducts a significant portion of its operations in U.S. dollars and is therefore exposed to fluctuations in Canadian/U.S. exchange rate.

Fair values - the carrying value of the Society's monetary assets and liabilities approximated their fair values as at balance sheet date.

HEALTH TECHNOLOGY ASSESSMENT INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MAY 31, 2009

5. CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents are:

	2009	2008
Amounts internally restricted	\$ 100,000	\$ 100,000

6. PREPAID EXPENSES

Prepaid expenses are expenses incurred for the June 2009 annual meeting and prepaid insurance

7. RELATED PARTY TRANSACTIONS

The Institute of Health Economics (IHE) is a member of the Society and operates the Secretariat for the Society.

The Board of the Society entered into a new three year agreement dated December 2008 with IHE, whereby IHE provides the services of its employed staff for the purposes of fulfilling administrative needs of the Society. The agreement commits IHE to providing commercial rent free office space as well as in-kind resources and support for the Secretariat. These in-kind resources include specified staff support as well as office accommodations, furniture and facilities, including telephone, facsimile and IT services. The value of these services is specified in the agreement between IHE and the Society.

IHE has estimated that the value of the office space, utilities and reception services provided to the Society for IHE's fiscal year ending March 31, 2009, is \$26,483. This value is based on an estimate of the Society occupying and utilizing 10% of IHE's office space and reception services. The values used to derive this figure are available in IHE's audited Financial Statements for the fiscal year ending March 31, 2009.

The transactions included in revenue and expenses during the year were as follows:

	2009	2008
PAYABLE TO IHE, beginning of year	\$ (14,414)	\$ (26,831)
Expenses paid by IHE on behalf of the Society:		
Salaries and benefits	(169,530)	(152,720)
Office expenses	(9,682)	(15,701)
TOTAL EXPENSES PAID BY IHE	(179,212)	(168,421)
Payments to IHE	178,361	180,838
PAYABLE TO IHE, end of year	\$ (15,265)	\$ (14,414)

The above transactions are measured at the exchange amount, which is the amount of consideration agreed to by the related parties. Management is of the opinion that these amounts approximate fair value.

8. DEFERRED REVENUE

Deferred Revenue represents fees received in advance for the next fiscal year.

9. STATEMENT OF CASH FLOW

A statement of cash flow has not been provided as the information is readily available from the financial statements provided.

HEALTH TECHNOLOGY ASSESSMENT INTERNATIONAL

SCHEDULE OF SECRETARIAT EXPENSES

FOR THE YEAR ENDED MAY 31, 2009

	2009	2008
Wages and benefits	\$ 165,495	\$ 167,896
Telephone	7,036	12,125
Printing	7,612	9,255
Mailing and courier	2,612	8,884
Bank charges	9,592	6,445
Office supplies	3,870	1,492
Travel	223	529
	\$ 196,440	\$ 206,626
