

# Annual Report 2016-2017



**PolicyWise**  
for Children & Families

# Contents

Board Chair and President & CEO Message.....	3
Board of Directors.....	4
Committees.....	5
Our 2016-2017 Team.....	6
About PolicyWise .....	7
Partnerships.....	11
Our Performance at a Glance .....	12
Measuring our Impact.....	13
Outcomes.....	14
Management Discussion and Analysis .....	16
Financial Statements.....	18
Independent Auditor's Report .....	18
Statement of Financial Position.....	20
Statement of Revenues and Expenses.....	21
Statement of Changes in Net Assets.....	22
Statement of Cash Flows.....	23
Notes to Financial Statements.....	24
Schedule 1: Schedule of Deferred Contributions .....	31



## Board Chair and President and CEO Message



Significant changes impacted our organization in 2016/17. Following a strategic communications review, our Board of Directors approved the name “PolicyWise for Children & Families” – a name that reflects the work we do in providing evidence to Government of Alberta ministries, enabling informed and wise decisions.

Our Board of Directors thanked outgoing Chair, Dr. Roger Palmer, for his five years of strong leadership, oversight and guidance. We welcomed incoming Chair, Dr. James (Jim) Talbot, along with three new Directors, Brian Callaghan, an Education Consultant with the Alberta School Boards Association, Denise Lightning, Senior Partner with Lightning Law, and Tanya McLeod, President of the Sinneave Family Foundation.

The Child and Youth Data Laboratory released initial findings from its longitudinal study, Experiences of Albertan Children over Time (2005/06 to 2010/11). The first deliverables of the project were an innovative and interactive Program Overlap Matrix that visually demonstrates the proportion of individuals in one program using services of another and an in-depth profile of young Albertans with Fetal Alcohol Spectrum Disorder. Since then, 12 additional population profiles have been released and a library of presentations that explain the findings. CYDL team members are meeting with ministry groups to discuss findings and implications for policy and program development.

Early in 2017, our Premier announced the replacement of Alberta Human Services with the creation of two new departments: Children’s Services and Community and Social Services. We are committed to supporting the needs of our member Ministry, Children’s Services, to deliver the best possible outcomes for children and families. In the months ahead, we will be planning the renewal of our five-year agreement to align and support the Ministry’s strategic priorities and need for evidence.

Like many Alberta organizations and individuals, PolicyWise was impacted by the economic downturn. The year ahead looks very good for our ongoing efforts to fund new research and build research capacity. Our priority is to establish a more predictable and stable funding model for the linkage and analysis of administrative data. Continued and dependable support from partnering ministries will enable the ultimate return on investment in terms of better policies and better outcomes for children, youth and families in Alberta.

Dr. Jim Talbot CHAIR

Robyn Blackadar PRESIDENT & CEO

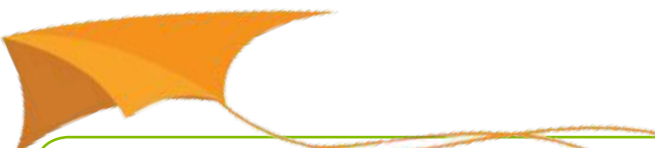
# Board of Directors



Board of Directors (Front Row, Left to Right): Dr. Gayla Rogers, Ms. Denise Lightning, Ms. Tanya McLeod, Dr. Sandra Davidge. (Back Row, Left to Right): Mr. Brian Callaghan, Ms. Robyn Blackadar, Mr. Martin Coutts, Dr. James Talbot. (Absent from photograph): Dr. Dawne Clark, Dr. Dwayne Donald, Dr. David Elton, Ms. Brenda Rebman, Dr. Brent Scott

## The Role of the Board of Directors

The Board promotes the work of PolicyWise through the development of strategies and establishing partnerships with key stakeholders.

- 
- Dr. James Talbot, Chair
  - Robyn Blackadar, President and CEO
  - Mr. Brian Callaghan
  - Dr. Dawne Clark
  - Mr. Martin Coutts
  - Dr. Sandra Davidge
  - Dr. Dwayne Donald
  - Dr. David Elton
  - Ms. Denise Lightning
  - Ms. Tanya McLeod
  - Ms. Brenda Rebman
  - Dr. Gayla Rogers
  - Dr. Brent Scott



# Committees

The following individuals were members of PolicyWise Board of Directors, committees and team during the 2016/17 fiscal year.

## Governance Committee

- Ms. Brenda Rebman, Chair
- Dr. Dawne Clark
- Dr. Gayla Rogers
- Dr. James Talbot

## SAGE Strategic Advisory Committee

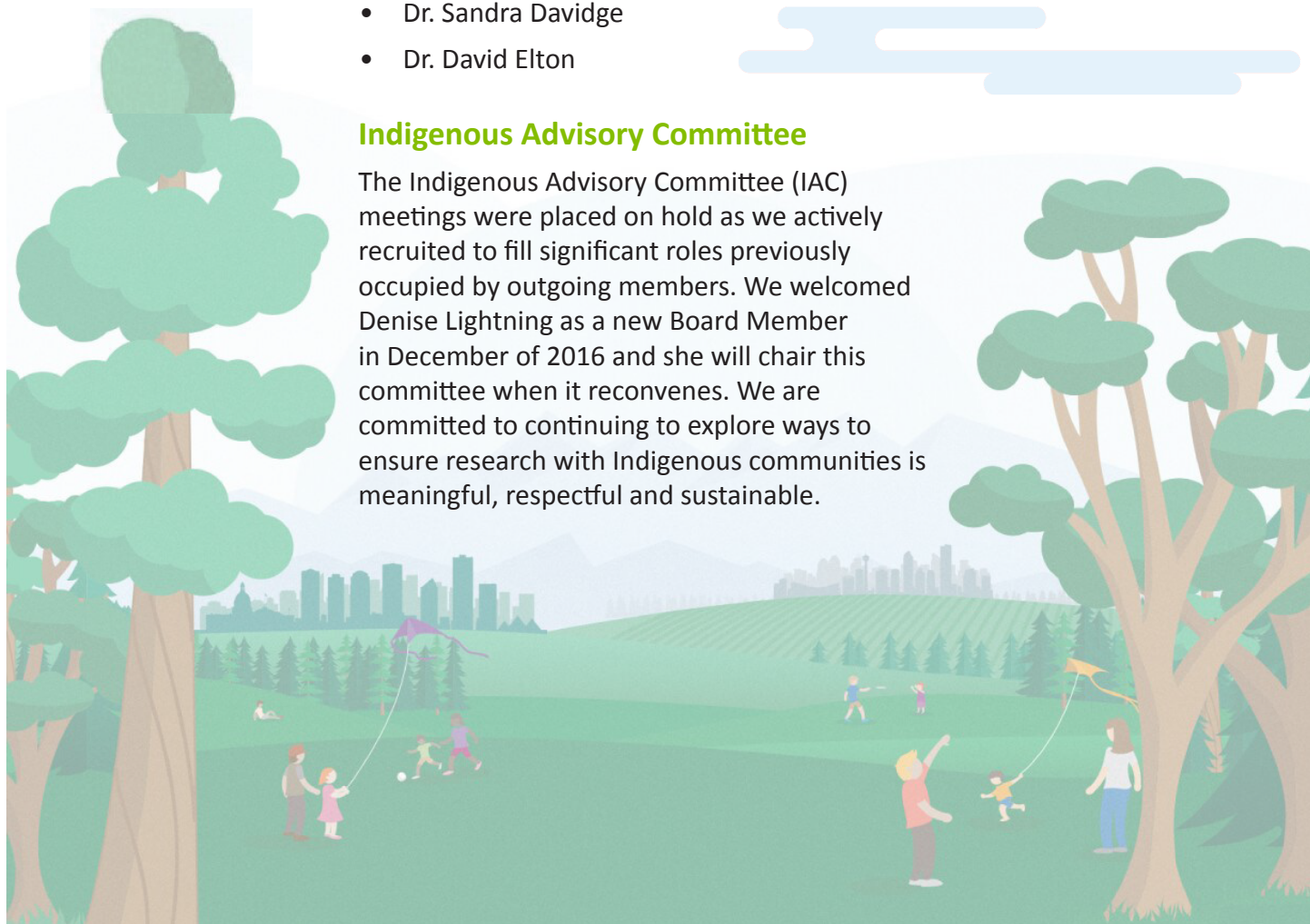
- Shannon Wilson, Chair
- Susan Babcock
- Marni Brownell
- Sandy Davidge
- Stafford Dean
- Chuck Humphrey
- Rachel Hayward
- David Johnson
- Brent Scott
- Pamela Valentine

## Finance, Investment and Audit Committee

- Mr. Martin Coutts, Chair
- Dr. Sandra Davidge
- Dr. David Elton

## Indigenous Advisory Committee

The Indigenous Advisory Committee (IAC) meetings were placed on hold as we actively recruited to fill significant roles previously occupied by outgoing members. We welcomed Denise Lightning as a new Board Member in December of 2016 and she will chair this committee when it reconvenes. We are committed to continuing to explore ways to ensure research with Indigenous communities is meaningful, respectful and sustainable.





# Our 2016-2017 Team



**PolicyWise Staff:** (Front Row, Left to Right): Hesam Izakian, Christine Werk, Xinjie Cui, Courtney Lundy, Tara Preston, Naomi Parker, Laurie Vermeylen, Robert Jagodzinski, Lucie Richard. (Centre Middle Row, Left to Right): Amanda Lau, Navjot (Jo) Lamba, Julie Tremblay. (Back Row, Left to Right): Adam Easterbrook, Hitesh Bhatt, Aimee Caster, Stephanie Perrin, Tony Ho, Brenda McGaw, Robyn Blackadar, Leslie Twilley, Cathie Scott, Lisa Campbell, Jason Lau, Dana Foote, Roxanne Felix-Mah.

**Robyn Blackadar**, President and CEO  
**Hitesh Bhatt**, Senior Data Analyst  
**Ozlem Cankaya**, Research Scientist  
**Lisa Campbell**, Chief Financial Officer  
**Aimee Caster**, Communications Director  
**Xinjie Cui**, Chief Analytics Officer  
**Adam Easterbrook**, Research Scientist  
**Roxanne Felix-Mah**, Project Manager  
**Dana Foote**, Administrative Coordinator  
**Tony Ho**, IT Administrator  
**Hesam Izakian**, Data Scientist  
**Robert Jagodzinski**, Data Analyst  
**Ruiting Jia**, Research Scientist  
**Navjot (Jo) Lamba**, Research Scientist  
**Amanda Lau**, Project Coordinator, SAGE  
**Jason Lau**, Associate Director, Child and Youth Data Laboratory

**Kendra Leavitt**, Research and Evaluation Associate  
**Courtney Lundy**, Grants Manager  
**Brenda McGaw**, Executive Assistant  
**Naomi Parker**, Project Manager  
**Stephanie Perrin**, Research and Evaluation Associate  
**Tara Preston**, Executive Director, Business and Partnership Strategies  
**Lucie Richard**, Data Coordinator, SAGE  
**Cathie Scott**, Chief Operating Officer, Lead, Policy Research  
**Suzanne Tough**, Scientific Advisor  
**Julie Tremblay**, Project Coordinator  
**Leslie Twilley**, Lead Scientist  
**Laurie Vermeylen**, Research and Evaluation Associate  
**Christine Werk**, Research Scientist

# About PolicyWise

## Our New Logo

Initiated by our new Board of Directors, our new logo design provides emphasis on the circle as a symbol of inclusiveness and child, youth and family well-being. This logo maintains and builds on the vision of the leaders who gave shape to our organization and incorporates the views of our new leadership. We believe the logo is a strong visual representation of our vision, mission and values.



**The Circle** - a symbol representing the work we do to improve well-being - the inclusive nature of our work, embracing the diverse groups of people we work with and work to support through the circle of life and our policy and knowledge cycles.

**The Kite** - a symbol representing child and family well being through health and happiness. Kite flying is a common family activity that resonates across cultures.

**Children and Families** - our mission is to improve the lives of children and families in Alberta communities by mobilizing evidence to inform policy.

# About PolicyWise

## Who We Are and Why We Exist

PolicyWise for Children & Families (PolicyWise) exists to improve well-being by leading, creating, enabling and mobilizing research and evaluation for evidence-informed policy and practice.

PolicyWise was established as a not-for-profit corporation in 2003 and is a partnership between Alberta's universities, the community and the Government of Alberta. We are a provincial organization, governed by a Board of Directors, managed by a President and CEO and supported by a team of individuals with expertise in applied research, data science, knowledge mobilization, communications and administration.

PolicyWise distinguishes itself through its focus on mobilizing evidence to inform social policy, collaborative approach and organizational structure: a formal bridge between government, academia, and the community. With the development of the Child and Youth Data Laboratory (CYDL), in 2007, we play a unique role in the analysis and interpretation of linked administrative data collected across all child and youth serving ministries.



### Our Vision

Alberta is a leader in creating and mobilizing evidence to ensure the well-being of children, families and communities.

### Our Mission

To develop and integrate evidence to inform, identify and promote effective public policy and service delivery to improve the well-being of children, families and communities.

### Our Values

- Impactful
- Innovative
- Transparent
- Ethical
- Quality Focused

### Our Foundation

- Trusted relationships
- Trusted approaches
- Trusted evidence



# About PolicyWise

## What We Do and How We Do It

PolicyWise has developed an approach that is built on collaboration with multiple partners and stakeholders across sectors and disciplines to develop capacity, knowledge, and skill in researchers, policy makers, service providers, and families.

To achieve this, PolicyWise's five core functions are:

1. Engage in research, evaluation, communication and knowledge mobilization
2. Conduct, fund, and build capacity in policy-relevant research
3. Link, analyze and manage data
4. Manage resources and strategic relationships
5. Measure and communicate our impact and value

We have focused our efforts on five research themes that help address the most significant challenges in Alberta's social system. These are:

1. Early childhood development;
2. Middle childhood and youth well-being;
3. Family capacity building;
4. Community capacity building; and
5. Tracking long-term outcomes

## Strategic Directions

PolicyWise's three strategic directions reinforce our core functions and will focus our efforts over the coming years:

- Lead in the management, linkage, and analysis of administrative data and research to identify opportunities for improvement.
- Build and mobilize capacity for the generation and use of policy relevant, interdisciplinary research in the domains of child, family and community well-being.
- Mobilize knowledge built on evidence to support cross-sectoral policy and service delivery.



# About PolicyWise

## Theory of Change

At PolicyWise, our intended impact lies in developing and integrating evidence that informs, identifies and promotes effective public policy and service delivery. Comprehensive understanding, collaborative action and our drive to advance knowledge, informs the work we do to achieve the impact.

We lead to inspire a shared vision and action for change. We help create new evidence. We mobilize by connecting evidence, people and practice.

Finally, our model is based on a foundation of trust: Trust in the wisdom of the children, families, communities and others we work with; trust in our funders; and trust in the knowledge that our work will improve the well-being of children, families and communities.

Evidence-informed policy and practice aimed at improving child and community well-being is at the heart of our model. It is embedded in the theory of change, a concept that challenges organizations to look closely at how their actions produce the intended impact.



# Partnerships

## Who We Work With

There are many dimensions and sectors that influence child well-being spanning across family, community and government. This landscape helps to shape the nature and type of partnerships that PolicyWise relies on to accomplish our work. Our stakeholders and partners span the community, academic and government sectors.

PolicyWise' primary relationship is with the Children's Services Ministry of the Alberta Government and we are in a five-year agreement to support research, analysis and knowledge mobilization related to the following strategic issues:

- addressing issues with respect to Indigenous and recent immigrant populations,
- alleviating broader socio-economic conditions including poverty and homelessness, and
- meeting challenges related to disabilities and mental health.

PolicyWise collaborates with all child-serving Ministries and government-funded agencies such as Alberta Health Services. The community is one of PolicyWise' founding members and we are viewed by numerous community agencies as a bridge builder and mobilizer of knowledge. We work closely with ALIGN and their numerous affiliated organizations. Our stakeholder list is comprised of agencies, organizations and associations that focus on children, youth and families.

Our more formal partnerships are developed and maintained to help with our major strategic initiatives. Examples of these partnerships are the Alberta Children's Hospital Research Institute (ACHRI), Women's and Children's Health Research Institute (WCHRI), Palix Foundation, Muttart Foundation, Alberta's Promise, Institute of Health Economics (IHE), Office of the Child and Youth Advocate (OCYA), Alberta Mentoring Partnership and Alberta Innovates: Health Solutions.

We link with organizations and institutes across Canada, including the Child Welfare League of Canada, the Centre for Research on Children and Families (McGill University), and Canadian Institutes for Health Research.

We also connect with many international organizations through our research and data linkage initiatives.

We would like to acknowledge and thank our many partners for their continued commitment and confidence in our work. Working together toward a common goal makes it possible for us to make a difference in the lives of children, families and community.



# Our Performance at a Glance

## Funding

**24** grants completed in 2016-17

**13** grants initiated in 2016-17

## Knowledge Mobilization

**453** recorded presentations online and available on both YouTube & Vimeo

**5** knowledge mobilization opportunities in 2016/17

**18K+** participants at PolicyWise PolicyWise-managed events since 2003

**180** knowledge mobilization opportunities organized for stakeholders since 2003

**2,200** knowledge mobilization participants via webcast in 2016/17 and

**102K+** since 2003

## Website Usage

**398** PolicyWise-funded or managed evidence-based resources

**55,855** page views\*

**14,836** unique visitors\*

\*These numbers are from September 2016, when PolicyWise launched its new website.

## Capacity Building

**169** Primary Investigators and **80** Co-PIs funded since 2003

**917** Research community members supported through PolicyWise grants since 2003.

**14** Primary Investigators and **6** Co-PIs funded in 2016/17



# Measuring our Impact

We at PolicyWise hold ourselves to the highest standards for delivering quality services and products, which in turn drives our passion for the pursuit of organizational excellence. We demonstrate this commitment through leadership and team development, technical training, and internal capacity building in our core functions.

PolicyWise is optimistic about the future with a strong emphasis on improving Alberta's social system through evidence and innovation. PolicyWise' approach to research and evaluation helps us achieve our overall objective to influence evidence-informed policy and practices to improve child, family and community well-being. We can be assured of success through a commitment to continuous improvement that supports the use of data, information, evidence, and knowledge in partnership with government, academia, and the community.

## Evaluation Quality Assurance Framework

**The Evaluation Quality Assurance Framework was developed to guide assessment of all evaluation projects submitted to and managed by PolicyWise. It is a living document that we use to organize a full range of quality concepts, policies, tools and practice. It assists us to ensure clarity, transparency, consistency, learning and engagement are experienced and demonstrated in our evaluation processes and products.**

## Impact Measurement

Measuring impact goes beyond looking at goals and objectives to provide a deeper understanding of how and why we are doing what we do. The question that guides impact assessment isn't "Did we achieve what we set out to do"; rather, "What happened or changed as a result of our actions?" Impact measurement looks beyond outcomes to study the cumulative effects on the environment as a whole. This understanding will inform business decisions and align core business strategies allowing PolicyWise to demonstrate long-term value, transparency and accountability. Ongoing evaluation and measurement will in turn validate and inform PolicyWise's Theory of Change and ensure we achieve our intended impact.




# Outcomes

A comprehensive summary of PolicyWise's projects and funded research can be found in the *Project and Funded Research 2016-2017* report. Highlights of the outcomes we achieved this fiscal year are:



## **PolicyWise facilitated interaction and collaboration between and among researchers, policy advisors and practitioners to generate evidence relevant to policy.**

-  Home visitation and Parent Link Centre Projects. Current state assessments of policy and practice within Alberta was combined with a comprehensive review of leading practices as documented in the literature and the knowledge of international thought leaders. Synthesis of these results generated evidence which is being used to inform policy and practice changes provincially.
-  Launch of Findings of Longitudinal study. Several major research themes were developed through extensive consultations and ongoing collaboration with participating ministries. These include transitions, resilience, early childhood experiences, and experiences in the context of disadvantage or advantage. These themes are now being studied to understand the characteristics of the population and to reveal deep and complex relationships of determinants, influencing factors, and outcomes for children, youth and families. **Website:** <https://policywise.com/initiatives/cydl/p2>

## **By March 2017 we consistently assembled interdisciplinary teams across all projects undertaken on behalf of our sponsors to ensure diverse perspectives and expertise contributed to outcomes.**

-  IMPACT is a CIHR funded program of research in Primary Health Care with six sites (3 in Canada and 3 in Australia). In 2016-17 the Alberta research team, led by PolicyWise, continued to facilitate this 5 year participatory research project in southern Alberta. During the time, the team worked with community to hold 3 integrated service delivery pop-up events. At each of these events 22-25 service providers came together to provide a diverse array of health and social services to the population of north Lethbridge.

## **Projects generated policy relevant findings to provide stakeholders with evidence-informed research to guide decision making in areas of child, family and community interest.**

-  Aboriginal Women Fleeing Domestic Violence. In support of the 10-year Plan to End Homelessness, PolicyWise contracted a scoping review to examine policy recommendations made to address Aboriginal women fleeing domestic violence. Findings have resulted in ministries looking to approach the issue through the lens of colonization and intergenerational trauma while being culturally sensitive and consulting with Aboriginal women in policy development.
-  Housing Scoping Review and Forums. In Partnership with the Alberta Inter-Agency Council on Homelessness, PolicyWise sponsored research on housing and homelessness which has generated findings shared through Integration Learning Series events. Seven cities are currently working together on housing and homelessness using findings from the scoping review and forums.  
**Website:** <https://policywise.com/initiatives/housing-homelessness>

# Outcomes

**Knowledge gained from research and evaluation was shared across multiple platforms to support the integrated application of contextually relevant policy, practice and research knowledge.**

- Research and Practice Showcase. PolicyWise hosted a showcase event which brought together researchers, practitioners, policy advisors and community members to see how research knowledge was being applied to policy. The entire event was webcasted live and is available for viewing on the PolicyWise website to allow for continued mobilization of knowledge.
- Panel presentation at Transform the Sector – Increasing Social Impact Through Use of Data. This opportunity has led to increased exposure and interest in the Child and Youth Data Lab due to the communications expertise of Powered by Data. Transform the Sector is now a nation-wide movement of individuals, nonprofit organizations, funders, and governments all working together to use digital data to increase the social sector's impact.

**Alberta policy advisors, researchers, and practitioners have a contextual, credible and comprehensive understanding of child, family and community well-being.**

- Longitudinal Study Program Overlap Matrix. The first deliverable, the Program Overlap Matrix between government programs was released in late 2016 and includes a comprehensive report and an interactive data visualization that provides information on service patterns at the program level. PolicyWise staff are currently working with people across the ministries to facilitate use of the of matrix.  
**Website:** <https://visualization.policywise.com/P2matrix>
- The FASD Year 7 Evaluation of the 10-year Strategic Plan provided a fulsome and in-depth analysis of FASD clients, supports and services, as well as, how FASD initiatives contribute to the outcomes of the Strategic and Operational Plan. The findings and recommendations of the Year 7 Evaluation Report were used by the FASD Cross Ministry Committee and the Government of Alberta to set the direction of and make evidence-informed decisions about FASD in the province.



# Management Discussion and Analysis

As a not-for-profit organization that exists to improve the well-being of children, families and communities, we strive to make a positive impact by conducting, funding and mobilizing research for the purpose of generating evidence-based knowledge to inform policy and practice. We have a long-term agreement with Alberta Children's Services, multi-year affiliation agreements with all major universities in Alberta, and work collaboratively with government ministries, foundations, the community and service delivery organizations in pursuing our mandate.

PolicyWise accounts for its mission by managing and operating three separate funds, each of which is reported separately in the financial statements: Research, Child and Youth Data Laboratory (CYDL) and Operations.

This year, PolicyWise's total revenues were \$6,915,000, up 11% over 2015/16 (\$6,216,000). The increase was due primarily to increased investment income (\$774,000 for the current year compared to \$282,000 in 2015/16) and to increased grant revenue (\$5,814,000 for the current year compared to \$5,659,000 in 2015/16). When eligible expenses are incurred on projects and activities, the revenue is recognized.





# Management Discussion and Analysis

## Research

Through the Research Fund, PolicyWise supports innovative research and mobilizes the knowledge derived from evidence to inform the policies and programs that support Alberta's children, youth and families.

This fund had an excess of revenues over expenditures of \$710,000. In 2015/16 the excess was \$282,000 (after the prior period adjustment). In both years the excess was due to substantial investment returns. The investment return was \$710,000 in the current year and \$282,000 in 2015/16. Without the investment return, both years would have resulted in a break-even situation where the revenue would have equaled the expenditures.

Grant revenue for the year in this fund was \$3,747,000, up from \$3,646,000 in 2015/16, due primarily to increased research activity. Expenditures in this fund were \$4,018,000 as compared to \$3,536,000 in 2015/16.

The combination of direct costs for research grants and awards and research contracts was similar in 2016/17 at \$2,227,000 from \$2,210,000 in 2015/16. PolicyWise had funded more research grants this year, but research contract activity on behalf of PolicyWise partners has decreased. The latter is funded from outside sources so revenue is recognized as the activity is undertaken. Research grants are made with funding assistance from Human Services and therefore revenue is recognized when they are paid out to the recipients. This year PolicyWise augmented the funding by \$239,000 for research grants and awards from investment income earned.



# Financial Statements

## Independent Auditors' Report

To the Board of Directors of PolicyWise for Children & Families:

### Report on the Financial Statements

We have audited the financial position of PolicyWise for Children & Families as at March 31, 2017 and the statements of revenue and expenses and cash flows for the year then ended, as well as the 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 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 auditing standards. These 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 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.

# Financial Statements

## Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of PolicyWise for Children & Families as at March 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.

## Emphasis of Matter

The comparative audited financial statements, dated June 24, 2016, were audited by KBH Chartered Accountants of Edmonton, Alberta, with a standard audit opinion issued in accordance with Canadian Auditing Standards.

As part of our audit of the March 31, 2017 financial statements, we also audited the adjustments described in Note 2 that were applied to amend the March 31, 2016 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures in the March 31, 2016 financial statements of the Entity other than with respect to the adjustments, and accordingly, we do not express an opinion or any other form of assurance on the March 31, 2016 financial statements taken as a whole.

Rocky Mountain House, Alberta  
June 15, 2017

*Wade Noble & Partners LLP*  
Chartered Accountants



\*DENOTES PROFESSIONAL CORPORATION

# Statement of Financial Position

March 31, 2017

## ASSETS

### Current

	Operations Fund	Research Fund	CYDL Fund	2017 Total	2016 Total
Cash and cash equivalents	\$4,665,705	\$98,405	\$ -	\$4,764,110	\$5,799,670
Short term investments (Note 5)	2,026,276	-	-	2,026,276	1,881,761
Amounts receivable (Note 4)	32,613	958,465	-	991,078	467,390
Prepaid expenses	68,464	-	-	68,464	52,691
Interfund transfers (Note 7)	(5,992,025)	4,861,416	1,130,609	-	-
	<b>\$801,033</b>	<b>\$5,918,286</b>	<b>\$1,130,609</b>	<b>\$7,849,928</b>	<b>\$8,201,512</b>

### Long-term investments (Note 5)

1,300,000	1,862,652	-	3,162,652	2,686,086
-----------	-----------	---	-----------	-----------

### Property, plant and equipment (Note 6)

114,152	96,776	257,156	468,084	553,266
---------	--------	---------	---------	---------

### Restricted investments (Note 5)

-	5,819,700	-	5,819,700	5,700,000
---	-----------	---	-----------	-----------

<b>\$2,215,185</b>	<b>\$13,697,414</b>	<b>\$1,387,765</b>	<b>\$17,300,364</b>	<b>\$17,140,864</b>
--------------------	---------------------	--------------------	---------------------	---------------------

## LIABILITIES

### Current

Amounts payable	\$62,799	\$294,477	\$65,108	\$422,384	\$614,590
Deferred contributions (Schedule 1)	1,262,288	6,989,504	626,648	8,878,440	9,286,617
	<b>\$1,325,087</b>	<b>\$7,283,981</b>	<b>\$691,756</b>	<b>\$9,300,824</b>	<b>\$9,901,207</b>

### Deferred contributions (Schedule 1)

-	712,828	-	712,828	601,166
---	---------	---	---------	---------

### Deferred lease inducement

3,725	-	83,510	87,235	108,598
-------	---	--------	--------	---------

### Deferred capital contributions (Note 8)

-	-	173,645	173,645	280,457
---	---	---------	---------	---------

<b>\$1,328,812</b>	<b>\$7,996,809</b>	<b>\$948,911</b>	<b>\$10,274,532</b>	<b>\$10,891,428</b>
--------------------	--------------------	------------------	---------------------	---------------------

Commitments (Note 10)

Contingencies (Note 12)

## NET ASSETS

### Net assets invested in property, plant and equipment

\$110,428	\$96,777	\$ -	\$207,205	\$164,211
-----------	----------	------	-----------	-----------

### Internally restricted net assets (Note 9)

-	5,819,700	-	5,819,700	5,700,000
---	-----------	---	-----------	-----------

### Unrestricted net assets (deficit)

775,945	(215,872)	438,854	998,927	385,225
---------	-----------	---------	---------	---------

<b>\$886,373</b>	<b>\$5,700,605</b>	<b>\$438,854</b>	<b>\$7,025,832</b>	<b>\$6,249,436</b>
------------------	--------------------	------------------	--------------------	--------------------

<b>\$2,215,185</b>	<b>\$13,697,414</b>	<b>\$1,387,765</b>	<b>\$17,300,364</b>	<b>\$17,140,864</b>
--------------------	---------------------	--------------------	---------------------	---------------------

Approved by the board:

*James Talbot*

Director

*Martin Coult*

Director

See accompanying notes to the financial statements



# Statement of Revenues and Expenses

Year Ended March 31, 2017

## REVENUES

	Operations Fund	Research Fund	CYDL Fund	2017 Total	2016 Total
Grants (Schedule 1)	\$739,292	\$3,747,261	\$1,327,383	\$5,813,936	\$5,659,823
Recovered expenses	18,591	164,483	12,500	195,574	144,293
Investment income (Note 5)	40,891	709,117	24,890	774,898	282,020
Donations	1,500	107,740	-	109,240	108,242
Amortization of deferred lease inducement	912	-	20,451	21,363	22,134
	<b>\$801,186</b>	<b>\$4,728,601</b>	<b>\$1,385,224</b>	<b>\$6,915,011</b>	<b>\$6,216,512</b>

## EXPENDITURES

Salaries and subcontractors	\$485,000	\$1,456,832	\$946,397	\$2,888,229	\$2,598,089
Research grants and awards	-	689,255	-	689,255	532,414
Communications and knowledge transfer	26,736	144,517	28,101	199,354	45,460
Research contracts	-	1,538,310	4,475	1,542,785	1,758,217
Consulting	-	13,415	-	13,415	130,384
Office and equipment rental	83,630	88,929	102,428	274,987	270,206
Travel	23,930	32,657	17,036	73,623	100,061
Amortization	28,189	24,194	63,860	116,243	128,201
Information technology and office expense	54,673	28,161	127,142	209,976	309,220
Legal and audit fees	20,973	2,224	5,639	28,836	34,875
Board expenses	13,810	-	-	13,810	18,826
Committee expenses	-	-	-	-	3,711
	<b>\$736,941</b>	<b>\$4,018,494</b>	<b>\$1,295,078</b>	<b>\$6,050,513</b>	<b>\$5,929,664</b>

## EXCESS OF REVENUES OVER

## EXPENSES FROM OPERATIONS

Loss on disposal of property, plant and equipment	\$ 64,245	\$ 710,107	\$ 90,146	\$ 864,498	\$ 286,848
	(21,854)	(991)	(65,256)	(88,101)	-

## EXCESS OF REVENUES OVER EXPENSES

	<b>\$42,391</b>	<b>\$709,116</b>	<b>\$24,890</b>	<b>\$776,397</b>	<b>\$286,848</b>
--	-----------------	------------------	-----------------	------------------	------------------

See accompanying notes to the financial statements

# Statement of Changes in Net Assets

Year Ended March 31, 2017

## 2017

	Unrestricted Net Assets	Internally Restricted Net Assets	Invested in Equipment	Total
Balance, beginning of year	\$385,225	\$5,700,000	\$164,211	\$6,249,436
Excess of revenues over expenses	776,397	-	-	776,397
Amortization of deferred lease inducements	(21,363)	-	21,363	-
Amortization of capital contributions	(106,812)	-	106,812	-
Amortization of property, plant and equipment	116,243	-	(116,243)	-
Purchase of property, plant and equipment	(119,162)	-	119,162	-
Loss on disposal of property, plant and equipment	88,101	-	(88,101)	-
Allocation to reserve	(119,700)	119,700	-	-
	<b>\$998,927</b>	<b>\$5,819,700</b>	<b>\$207,205</b>	<b>\$7,025,832</b>

## 2016

	Unrestricted Net Assets	Internally Restricted Net Assets	Invested in Equipment	Total
Balance, beginning of year	\$235,373	\$5,536,292	\$190,923	\$5,962,588
Excess of revenues over expenses	286,848	-	-	286,848
Amortization of deferred lease inducements	(22,134)	-	22,134	-
Amortization of capital contributions	(45,221)	-	45,221	-
Amortization of property, plant and equipment	128,201	-	(128,201)	-
Purchase of property, plant and equipment	(34,134)	-	34,134	-
Allocation to reserve	(163,708)	163,708	-	-
	<b>\$385,225</b>	<b>\$5,700,000</b>	<b>\$164,211</b>	<b>\$6,249,436</b>

See accompanying notes to the financial statements

# Statement of Cash Flows

Year Ended March 31, 2017

<b>OPERATING</b>	<b>Operations Fund</b>	<b>Research Fund</b>	<b>CYDL Fund</b>	<b>2017 Total</b>	<b>2016 Total</b>
<b>Excess of revenues over expenses</b>	\$42,391	\$709,116	\$24,890	\$776,397	\$286,848
<b>Items not affecting cash flows:</b>					
Amortization of property, plant and equipment	28,189	24,194	63,860	116,243	128,201
Amortization of deferred lease inducement	(912)	-	(20,451)	(21,363)	(22,134)
Amortization of capital contributions	-	-	(106,812)	(106,812)	(45,221)
Loss on disposal of property, plant and equipment	21,854	991	65,256	88,101	-
Unrealized gain on investments	(33,272)	(687,261)	(20,253)	(740,786)	(422,822)
	<b>\$58,250</b>	<b>\$47,040</b>	<b>\$6,490</b>	<b>\$111,780</b>	<b>\$(75,128)</b>
<b>Net changes in non-cash working capital</b>	(92,545)	(877,692)	(57,941)	(1,028,178)	(202,667)
<b>Cash used for operating activities</b>	<b>\$(34,295)</b>	<b>\$(830,652)</b>	<b>\$(51,451)</b>	<b>\$(916,398)</b>	<b>\$(277,795)</b>
<b>FINANCING</b>					
Interfund transfers	(956,936)	903,634	53,302	-	-
Cash (used for) from financing activities	<b>\$ (956,936)</b>	<b>\$ 903,634</b>	<b>\$ 53,302</b>	<b>\$ -</b>	<b>\$ -</b>
<b>INVESTING</b>					
Proceeds on sale of investments	\$ -	\$ -	\$ -	\$ -	\$210,712
Purchase of property, plant and equipment	(4,856)	(112,455)	(1,851)	(119,162)	(34,134)
Cash (used for) from investment activities	(4,856)	(112,455)	(1,851)	(119,162)	176,578
<b>Decrease in Cash &amp; Cash Equivalents</b>	(996,087)	(39,473)	-	(1,035,560)	(101,217)
<b>Cash and Cash Equivalents, Beginning of Year</b>	5,661,792	137,878	-	5,799,670	5,900,887
<b>Cash &amp; Cash Equivalents, End of Year</b>	<b>\$4,665,705</b>	<b>\$98,405</b>	<b>\$ -</b>	<b>\$4,764,110</b>	<b>\$5,799,670</b>

See accompanying notes to the financial statements

# Notes to Financial Statements

March 31, 2017

## 1. Nature of Operations

PolicyWise for Children & Families was incorporated as a not-for-profit corporation under the Alberta Business Corporations Act on March 21, 2003 and is exempt from taxation. Effective April 1, 2004 PolicyWise was registered as a registered charity under the Income Tax Act. The Entity's mission is to develop, support and integrate research across sectors and disciplines to provide a strong, evidence based foundation for identifying and promoting effective public policy and service delivery to improve the well-being of Alberta's children, families and communities.

## 2. Prior Period Error

During the current year audit, it was discovered that the entity had not recognized restricted grant contributions in accordance with their revenue recognition policy. As a result, previously reported operating surplus and net assets had been overstated. The correction has been applied retrospectively and has had the following effects on the comparative information:

	Deferred Contributions	Net Assets	Revenue/Surplus
April 1, 2015 as originally stated	\$6,228,188	\$ 9,679,906	\$1,120,657
Adjustment	3,717,318	(3,717,318)	-
April 1, 2015 adjusted balance	\$9,945,506	\$5,962,588	\$1,120,657

	Deferred Contributions	Net Assets	Revenue/Surplus
March 31, 2016 as originally stated	\$5,845,669	\$10,291,550	\$ 611,644
Opening balance adjustment	3,717,318	(3,717,318)	-
Revenue recognition adjustment	324,796	(324,796)	(324,796)
March 31, 2016 adjusted balance	\$9,887,783	\$6,249,436	\$286,848

## 3. Summary of Significant Accounting Policies

The financial statements were prepared in accordance with Canadian accounting standards for not for profit organizations as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

### (a) Cash

Cash includes cash on deposit with a Canadian financial institution.



# Notes to Financial Statements

March 31, 2017

## 3. Summary of Significant Accounting Policies (continued)

### (b) Fund accounting

The Operations Fund accounts for the Entity's administration and governance activities. The Research Fund is maintained to finance direct research, research support and dissemination activities. The Child and Youth Data Lab Fund (CYDL) accounts are maintained to account for restricted grant contributions provided to link data across government ministries and programs with an intent to provide policy makers and service providers with better information for research, analysis and decision making.

### (c) Property, Plant and Equipment

Property, plant and equipment are recorded at cost less accumulated amortization. PolicyWise provides for amortization using the reducing balance method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. Amortization rates are as follows:

Office Furniture	-	20%
Office Equipment	-	20%
Research Equipment	-	20%
Leasehold Improvements	-	Straight-line over lease term

In the year of acquisition amortization is calculated at one-half of the normal rates and no amortization is recorded in the year of disposition.

### (d) Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not for profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from those estimated. Estimates are used when accounting for items and matters such as deferred contributions, deferred lease inducements, unamortized external capital contributions, internally restricted net assets, unrestricted net assets, amortization of deferred lease inducements, and amortization of property, plant and equipment.

### e) Donated Services and In Kind Contributions

The value of donated services and in kind contributions are not recognized in these financial statements.

# Notes to Financial Statements

March 31, 2017

## 3. Summary of Significant Accounting Policies (continued)

### (f) Cash Flow Reporting

PolicyWise follows the indirect method in reporting its cash flows from operating activities.

### (g) Revenue

PolicyWise follows the deferral method in accounting for contributions. Restricted grant and donation contributions are recognized as revenue in the year which the related expenses are incurred. Unrestricted grant and donation contributions are recognized as revenue when they are received or receivable if the amount receivable can be reasonably estimated and its collection is reasonably assured. Restricted investment income is recognized when the related expenses are incurred. Unrestricted investment income and recovered expenses are recognized as revenue when earned.

### (h) Financial Instruments

#### i) Measurement of financial instruments

When a financial asset is acquired or a financial liability is issued it is recorded at its fair value except for certain related party transactions. The entity subsequently measures all its financial assets and financial liabilities at amortized cost less any impairments except for financial instruments that are quoted in an active market. Financial instruments that are quoted in an active market are measured at fair value. Financial assets measured at amortized cost include cash and cash equivalents and amounts receivable. Financial assets measured at fair value included short and long term investments. Financial liabilities measured at amortized cost include amounts payable.

#### ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income in the year incurred.

#### iii) Transaction costs

The Entity recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

# Notes to Financial Statements

March 31, 2017

## 4. Amounts Receivable

The amounts receivable consist of:

	2017	2016
Grants receivable	\$972,622	\$369,420
GST rebate receivable	18,456	97,970
	<b>\$991,078</b>	<b>\$467,390</b>

## 5. Investments

Investments consist of:

	2017	2016
Short term investments	\$2,026,276	\$1,881,761
Long term investments	3,162,652	2,686,086
Restricted investments	5,819,700	5,700,000
	<b>\$11,008,628</b>	<b>\$10,267,847</b>

The Entity's investments are held in mutual funds managed by an external investment management company and are measured at fair market value.

Investment income consist of:

	2017	2016
Interest, dividends and other income	\$84,086	\$743,282
Unrealized gain (loss) on investments	740,786	(422,822)
Investment management fees	(49,974)	(38,440)
	<b>\$774,898</b>	<b>\$282,020</b>

## 6. Property, Plant and Equipment

	Cost	Accumulated Amortization	Net 2017	Net 2016
Office Furniture	\$194,340	\$138,203	\$56,137	\$68,944
Office Equipment	178,353	57,331	121,022	69,033
Research Equipment	420,258	290,639	129,619	225,428
Leasehold improvements	281,234	119,928	161,306	189,861
	<b>\$1,074,185</b>	<b>\$606,101</b>	<b>\$468,084</b>	<b>\$553,266</b>

# Notes to Financial Statements

March 31, 2017

## 7. Interfund Transfers

Transfers between the Operations Fund, Research Fund and Child and Youth Data Lab Fund are made to maximize investment income on cash and cash equivalents and investments.

## 8. Deferred Capital Contributions

Capital assets acquired for Child and Youth Data Lab are funded from external capital contributions. External capital contributions are recognized as revenue in the year in which the amortization of the related property, plant and equipment is incurred.

	2017	2016
Opening deferred capital contributions	\$280,457	\$324,605
Property, plant and equipment additions	1,851	25,242
Amortization of deferred capital contributions	(108,663)	(69,390)
	<b>\$173,645</b>	<b>\$280,457</b>

## 9. Internally Restricted Net Assets

Effective January 1, 2009, the Board of Directors placed a restriction on the long-term research fund investments. The capital of the long-term research fund investments is to be maintained at a minimum of \$5,000,000, as indexed using the consumer price index. As of January 1, 2017, the minimum capital required was \$5,819,700.

Annually, the Board of Directors will determine if any capital can be withdrawn to fund upcoming research projects.

## 10. Commitments

PolicyWise is committed to research grant payments for approved research amounting to \$457,823 (2016 - \$590,338).

PolicyWise has an office lease that is effective until April 30, 2021. The minimum lease payments are as follows:

2018	\$228,079
2019	228,079
2020	228,079
2021	228,079
<b>Total</b>	<b>\$912,316</b>

# Notes to Financial Statements

March 31, 2017

## 11. Related Party Transactions

During the year, PolicyWise procured communications services in the amount of \$90,555 (2016 - \$45,461) from a company controlled by an employee's spouse. The transactions were in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

## 12. Contingent Liabilities

Under the terms of the PolicyWise for Children & Families grant agreements signed with Alberta Human Services and Alberta Health, use of the funds are restricted for various purposes. Per the agreements, the Ministers may request repayment of all or part of the grant proceeds, should PolicyWise for Children & Families fail to fulfil any of the terms and conditions agreed to. Further, provided the agreements have not been terminated, a request may be made for the retention of any unexpended grant proceeds remaining upon the expiry of the term of the agreements.

As at the date of the audit report, management is not aware of the Ministers or any other grant providers requesting repayment of the grant proceeds previously received.

## 13. Comparative Figures

Certain comparative figures have been reclassified to conform with the current method of presentation.

The prior year's figures have been reported on by another firm of Chartered Professional Accountants.

## 14. Financial Instruments

Transacting in financial instruments exposes the Entity to certain financial risks and uncertainties. These risks include:

### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. The Entity provides credit to its clients in the normal course of operations. Amounts receivable are generally unsecured with established terms of repayment. The Entity is exposed to some possible credit risks due to the concentration of amounts receivable from certain customers. One customer comprises 51% of the total amounts receivable balance.



# Notes to Financial Statements

March 31, 2017

## 14. Financial Instruments (continued)

### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Entity manages liquidity risk by continuously monitoring cash flows.

### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Entity is not exposed to currency risk as it does not deal in foreign currencies.

### Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Entity is not exposed to significant interest rate risk.

### Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Entity is exposed to price risk to the extent that changes to the fair market value of its investments consisting of mutual funds could significantly effect future cash flows.

## 15. Economic Dependence

PolicyWise for Children & Families is economically dependent on the Province of Alberta, as a significant amount of the grant funding received is from Alberta Human Services and Alberta Health.

# Schedule 1: Schedule of Deferred Contributions

Year Ended March 31, 2017

	Beginning of Period	Unamortized External Capital Contributions	Contributions Received	Revenue Recognized	Total	Current	Long Term
<b>OPERATIONS FUND</b>							
Alberta Human Services	\$1,262,289	\$ -	\$739,292	\$739,293	\$1,262,288	\$1,262,288	\$ -
<b>RESEARCH FUND</b>							
Alberta Early Years	59,323	-	-	59,323	-	-	-
Alberta Education - Roman Catholic	189,030	-	-	117,438	71,592	71,592	-
Alberta Health	965,040	-	1,100,000	893,551	1,171,489	871,489	300,000
Alberta Home Visitation	108,583	-	-	108,583	-	-	-
Alberta Human Services	5,803,563	-	1,465,708	2,093,217	5,176,054	5,110,240	65,814
Alberta Mentoring Partnership	24,937	-	4,000	24,937	4,000	4,000	-
Bell Canada	438,053	-	150,000	107,740	480,313	240,158	240,155
Calgary Thrives	-	-	50,000	3,893	46,107	46,107	-
Community and Social Services	-	-	120,000	-	120,000	60,000	60,000
Libraries	-	-	50,000	5,725	44,275	44,275	-
MyChild	-	-	400,000	8	399,992	399,992	-
Palix Foundation	15,263	-	-	15,263	-	-	-
SAGE	279,487	-	274,349	394,515	159,321	112,462	46,859
Sheldon Kennedy Centre	30,000	-	30,000	30,811	29,189	29,189	-
<b>TOTAL</b>	<b>\$7,913,279</b>	<b>\$ -</b>	<b>\$3,644,057</b>	<b>\$3,855,004</b>	<b>\$7,702,332</b>	<b>\$6,989,504</b>	<b>\$712,828</b>
<b>CHILD &amp; YOUTH DATA LAB</b>							
Government of Alberta	\$ 712,217	\$ -	\$ 985,000	\$ 1,218,718	\$ 478,499	\$ 478,499	\$ -
School Based Analysis	-	-	150,000	-	150,000	150,000	-
Capital assets purchased	-	(1,851)	-	-	(1,851)	(1,851)	-
<b>TOTAL</b>	<b>\$712,217</b>	<b>\$ (1,851)</b>	<b>\$1,135,000</b>	<b>\$1,218,718</b>	<b>\$626,648</b>	<b>\$626,648</b>	<b>\$ -</b>
<b>GRAND TOTAL</b>	<b>\$9,887,785</b>	<b>\$ (1,851)</b>	<b>\$5,518,349</b>	<b>\$5,813,015</b>	<b>\$9,591,268</b>	<b>\$8,878,440</b>	<b>\$712,828</b>

Grant revenue of \$5,813,936 (2016 - \$5,659,823) consists of revenue recognized from deferred contributions of \$5,813,015 (2016 - \$5,487,050) and revenue recognized from unamortized external capital contributions of \$108,661 (2016 - \$69,389) and less donation revenue of \$107,740 (2016 - \$103,384).



# **Policy Wise**

## **for Children & Families**

### **Edmonton Office**

601, 9925 - 109 Street  
Edmonton, AB T5K 2J8  
T: 780.944.8630  
F: 780.944.8637

### **Calgary Office**

402, 609-14th Street NW  
Calgary, AB T2N 2A1  
T: 587.354.4802  
F: 587.354.0558

W: [www.policywise.com](http://www.policywise.com)  
E: [info@policywise.com](mailto:info@policywise.com)  
Twitter: [@Policywise](https://twitter.com/Policywise)