
Gabriola Health Care Foundation

Financial Statements

December 31, 2014

(Unaudited)

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Review Engagement Report

To the Directors of
Gabriola Health Care Foundation

I have reviewed the statement of financial position of Gabriola Health Care Foundation as at December 31, 2014, and the statements of operations, changes in fund balances and cash flows for the year then ended. My review was made in accordance with generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the company.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Nanaimo BC
March 25, 2015



K.D. Beausoleil & Company Inc.
Certified General Accountant

Gabriola Health Care Foundation
Statement of Financial Position
For the Year Ended December 31, 2014
(Unaudited)

	2014					2013				
	Operating Fund	Health Centre Fund	Medical Equipment Fund	Health Care Programmes Fund	Total	Operating Fund	Health Centre Fund	Medical Equipment Fund	Health Care Programmes Fund	Total
Assets										
Current										
Cash	\$ 23,367	\$ 251,293	\$ 15,046	\$ 93,500	\$ 383,206	\$ 8,592	\$ 267,267	\$ 15,796	\$ 100,000	\$ 391,655
Accounts receivable	4,295	468	152	-	4,915	4,794	1,385	1,014	-	7,193
Pledges receivable (Note 2)	-	1,000	-	-	1,000	-	6,000	-	-	6,000
Prepaid expenses	3,669	-	-	-	3,669	4,395	-	-	-	4,395
	31,331	252,761	15,198	93,500	392,790	17,781	274,652	16,810	100,000	409,243
Capital Assets (Note 5)	-	1,698,711	40,841	-	1,739,552	-	1,715,600	48,486	-	1,764,086
	\$ 31,331	\$ 1,951,472	\$ 56,039	\$ 93,500	\$ 2,132,342	\$ 17,781	\$ 1,990,252	\$ 65,296	\$ 100,000	\$ 2,173,329
Liabilities and Fund Balances										
Current										
Accounts payable and accrued liabilities	\$ 6,202	\$ 475	\$ -	\$ -	\$ 6,677	\$ 8,018	\$ 368	\$ 1,289	\$ -	\$ 9,675
Prepaid rent	1,536	-	-	-	1,536	1,536	-	-	-	1,536
	7,738	475	-	-	8,213	9,554	368	1,289	-	11,211
Deferred Contributions (Note 6)	-	1,480,997	56,039	93,500	1,630,536	-	1,519,884	64,007	100,000	1,683,891
	7,738	1,481,472	56,039	93,500	1,638,749	9,554	1,520,252	65,296	100,000	1,695,102
Fund Balances										
Unrestricted	23,593	-	-	-	23,593	8,227	-	-	-	8,227
Invested in Land	-	470,000	-	-	470,000	-	470,000	-	-	470,000
	\$ 31,331	\$ 1,951,472	\$ 56,039	\$ 93,500	\$ 2,132,342	\$ 17,781	\$ 1,990,252	\$ 65,296	\$ 100,000	\$ 2,173,329

Approved on Behalf of the Board of Directors



Director

Director

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

Gabriola Health Care Foundation

Statement of Operations

For the Year Ended December 31, 2014

(Unaudited)

	2014					2013				
	Operating Fund	Health Centre Fund	Medical Equipment Fund	Health Care Programmes Fund	Total	Operating Fund	Health Centre Fund	Medical Equipment Fund	Health Care Programmes Fund	Total
Revenue										
Rent income	\$ 64,936	\$ -	\$ -	\$ -	\$ 64,936	\$ 42,492	\$ -	\$ -	\$ -	\$ 42,492
Fundraising	10,543	-	-	-	10,543	14,373	-	-	-	14,373
Amortization of deferred contributions (Note 6)	-	38,887	15,414	6,500	60,801	-	38,064	15,411	-	53,475
Investment income	3,967	-	-	-	3,967	4,677	-	-	-	4,677
Operating revenue	79,446	38,887	15,414	6,500	140,247	61,542	38,064	15,411	-	115,017
Expenses										
Building operating costs										
Amortization of assets (Notes 2 & 5)	\$ -	\$ 38,887	\$ 15,414	\$ -	\$ 54,301	\$ -	\$ 38,064	\$ 15,411	\$ -	\$ 53,475
Building insurance	6,130	-	-	-	6,130	7,259	-	-	-	7,259
Building systems maintenance	4,663	-	-	-	4,663	4,620	-	-	-	4,620
Cleaning services and supplies	18,587	-	-	-	18,587	17,133	-	-	-	17,133
GST/HST net of refundable	817	-	-	-	817	1,574	-	-	-	1,574
General maintenance	-	-	-	-	-	94	-	-	-	94
Groundskeeping	1,328	-	-	-	1,328	-	-	-	-	-
Miscellaneous	726	-	-	-	726	523	-	-	-	523
Real property tax	10,600	-	-	-	10,600	10,554	-	-	-	10,554
Utilities & services	13,277	-	-	-	13,277	11,658	-	-	-	-
Total building operating costs	56,128	38,887	15,414	-	110,429	53,415	38,064	15,411	-	106,890
Foundation operating costs										
Advertising	150	-	-	-	150	-	-	-	-	-
Bank and credit card charges	198	-	-	-	198	308	-	-	-	308
Board & other meetings	731	-	-	-	731	850	-	-	-	850
Building opening	-	-	-	-	-	774	-	-	-	774
Compliance costs	498	-	-	-	498	348	-	-	-	348
Director and officer Insurance	1,060	-	-	-	1,060	1,058	-	-	-	1,058
Miscellaneous	431	-	-	-	431	522	-	-	-	522
Office supplies & expenses	324	-	-	-	324	663	-	-	-	663
Professional fees	2,756	-	-	-	2,756	2,750	-	-	-	2,750
Recruiting	1,600	-	-	-	1,600	12,296	-	-	-	12,296
Travel	-	-	-	-	-	316	-	-	-	316
WEB site	204	-	-	-	204	137	-	-	-	137
Total foundation operating expenses	7,952	-	-	-	7,952	20,022	-	-	-	20,022
Donations to other charities	-	-	-	6,500	6,500	-	-	-	-	-
Total expenses	64,080	38,887	15,414	6,500	124,881	73,437	38,064	15,411	-	126,912
Excess of Revenue Over Expenses	\$ 15,366	\$ -	\$ -	\$ -	\$ 15,366	\$ (11,895)	\$ -	\$ -	\$ -	\$ (11,895)

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

Gabriola Health Care Foundation

Statement of Changes in Fund Balances

For the Year Ended December 31, 2014

(Unaudited)

	2014					2013				
	Operating Fund	Health Centre Fund	Medical Equipment Fund	Health Care Programmes Fund	Total	Operating Fund	Health Centre Fund	Medical Equipment Fund	Health Care Programmes Fund	Total
Balances, beginning of the year	8,227	470,000	-	-	478,227	20,122	470,000	-	-	490,122
Excess/(Deficit) of										
Revenue Over Expenses	\$ 15,366	\$ -	\$ -	\$ -	\$ 15,366	\$ (11,895)	\$ -	\$ -	\$ -	\$ (11,895)
Fund Balances, end of year	\$ 23,593	\$ 470,000	\$ -	\$ -	\$ 493,593	\$ 8,227	\$ 470,000	\$ -	\$ -	\$ 478,227

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

Gabriola Health Care Foundation

Statement of Cash Flows
For the Year Ended December 31, 2014
(Unaudited)

	2014					2013				
	Operating Fund	Health Centre Fund	Medical Equipment Fund	Health Care Programmes Fund	Total	Operating Fund	Health Centre Fund	Medical Equipment Fund	Health Care Programmes Fund	Total
Cash Provided By (Used for)										
Operations										
Cash receipts from members and other income										
Grants, donations and other income	\$ 75,477	\$ -	\$ -	\$ -	\$ 75,477	\$ 56,865	\$ -	\$ -	\$ -	\$ 56,865
Net change in accounts receivable	499	-	-	-	499	(3,361)	-	-	-	(3,361)
Net change in prepaid expenses	726	-	-	-	726	(3,460)	-	-	-	(3,460)
	76,702	-	-	-	76,702	50,044	-	-	-	50,044
Cash paid to suppliers										
Purchases	(64,081)	-	-	-	(64,081)	(73,435)	-	-	-	(73,435)
Net change in accounts payable	(1,813)	-	-	-	(1,813)	(17,639)	-	-	-	(17,639)
	(65,894)	-	-	-	(65,894)	(91,074)	-	-	-	(91,074)
Interest income	3,967	-	-	-	3,967	4,677	-	-	-	4,677
	3,967	-	-	-	3,967	4,677	-	-	-	4,677
Cash from Operations	14,775	-	-	-	14,775	(36,353)	-	-	-	(36,353)
Investments										
Additions to capital assets	-	(21,998)	(7,769)	-	(29,767)	-	(125,615)	(38,579)	-	(164,194)
Cash from Investing	-	(21,998)	(7,769)	-	(29,767)	-	(125,615)	(38,579)	-	(164,194)
Financing										
Donations to charities	-	-	-	(6,500)	(6,500)	-	-	-	-	-
Net change in accounts receivable	-	918	861	-	1,779	-	11,039	(1,014)	-	10,025
Net change in pledges receivable	-	5,000	-	-	5,000	-	6,440	-	-	6,440
Net change in prepaid expenses	-	-	-	-	-	-	2,960	-	-	2,960
Net change in accounts payable	-	106	(1,288)	-	(1,182)	-	(19,609)	1,288	-	(18,321)
Net change in deferred contributions	-	-	7,446	-	7,446	-	25,785	41,000	50,000	116,785
Cash from Financing	-	6,024	7,019	(6,500)	6,543	-	26,615	41,274	50,000	117,889
Increase/(Decrease) in Cash During the Year	14,775	(15,974)	(750)	(6,500)	(8,449)	(36,353)	(99,000)	2,695	50,000	(82,658)
Cash, beginning of year	8,592	267,267	15,796	100,000	391,655	44,945	366,267	13,101	50,000	474,313
Cash, end of year	\$ 23,367	\$ 251,293	\$ 15,046	93,500	\$ 383,206	\$ 8,592	\$ 267,267	\$ 15,796	100,000	\$ 391,655
Cash is defined as										
Cash					\$ 383,206					\$ 391,655
					\$ 383,206					\$ 391,655

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

Gabriola Health Care Foundation
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014
(Unaudited)

1. Nature of the Entity

The Gabriola Health Care Foundation is a British Columbia not-for-profit society incorporated under the British Columbia Societies Act on March 28, 2007 and is a registered charity for Canadian Income Tax purposes. Its registration number is 85193 0586 RR0001.

2. Summary of Accounting Policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(a) Fund Accounting

The Foundation reports its activities using the deferral method of accounting for contributions. In addition, the Foundation has established separate funds for amounts donated for specific purposes such as constructing the Health Centre, the purchase of medical equipment, and for the offering of health care programmes to Gabriolans.

(b) Revenue Recognition

Unrestricted contributions are recognized as revenue of the operating fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are deferred and recognized as revenue of the year in which the related expenditures are incurred. Restricted contributions used to acquire capital assets are recognized as revenue in amounts equal to the amortization charged to the particular assets accounts in the year.

Restricted contributions for the purchase of capital assets that will not be amortized, such as land, are recognized as revenue in the appropriate fund.

Grants received for a particular purpose which are refundable to the donor if the funds are not used for that purpose by a particular date are deferred and recorded as a liability until the funds are used for the specified purpose.

To be included in income in a year, contributions must have been received or, if mailed, must bear a post mark date in the particular year.

Pledges of the contribution of cash and in-kind contributions of assets are recognized at their estimated value at the time of the contribution.

Investment income including income realized on restricted funds is recognized as income in the operating fund when earned.

(c) Contributed Securities

Contributed securities are recorded at their receipted value, which is the closing market value of the securities the day the donation is received. They are sold at the first opportunity. Any gain or loss on the disposition, and the cost of the disposition, is recorded as income or expense at the time of the disposition.

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

Gabriola Health Care Foundation

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(d) **Capital Assets**

Property and equipment is recorded at cost (or receipted value in the case of contributed items) and is amortized over the estimated useful life of the assets on a straight line basis using the following useful lives:

Electronic office equipment	- 3 years
Medical equipment	- 5 years
Furniture and fixtures	- 10 years
Telephone system	- 10 years
Electricity generator	- 20 years
Fire pump	- 20 years
Land improvements	- 20 years
Building	- 50 years
Laundry equipment	- 10 years

Full amortization is claimed in the year that the asset is acquired and no amortization is taken in the year of disposition.

(e) **Use of Estimates**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates. These estimates are reviewed annually and as adjustments become necessary they are recorded in the financial statements in the period they become known.

3. Tax Status

The Foundation is tax-exempt under paragraph 149(1)(f) of the Income Tax Act (Canada).

4. Donated Services

The Foundation is managed and administered by many valued and dedicated volunteers. The value of their services is not recognized in the financial statements due to the difficulty in determining its fair value.

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

Gabriola Health Care Foundation
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014
(Unaudited)

5. Capital Assets

	2014			2013		
	Cost	Amortization	Value	Cost	Amortization	Value
Health Centre Fund						
Land	\$ 470,000	\$ -	\$ 470,000	\$ 470,000	\$ -	\$ 470,000
Land improvements	205,979	29,528	176,451	205,979	19,229	186,750
Building	1,028,346	59,216	969,130	1,008,687	38,649	970,038
Machinery & equipment	65,406	9,811	55,595	65,406	6,541	58,865
Electronic office equipment	4,231	3,589	642	3,392	2,452	940
Telephone system	5,526	1,650	3,876	5,526	1,098	4,428
Furniture & fixtures	16,151	4,527	11,624	14,652	2,912	11,740
Benches	12,502	2,668	9,834	12,502	1,417	11,085
Laundry & other equipment	1,949	390	1,559	1,949	195	1,754
	1,810,090	111,379	1,698,711	1,788,093	72,493	1,715,600
Medical Equipment Fund						
Medical equipment	84,216	47,333	36,883	79,746	33,319	46,427
Electronic office equipment	3,435	1,665	1,770	1,560	520	1,040
Furniture & fixtures	2,557	369	2,188	1,132	113	1,019
	90,208	49,367	40,841	82,438	33,952	48,486
	\$ 1,900,298	\$ 160,746	\$ 1,739,552	\$ 1,870,531	\$ 106,445	\$ 1,764,086

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

Gabriola Health Care Foundation

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

(Unaudited)

6. Deferred Contributions for Capital Assets

The deferred contributions for capital assets fund represents contributions set aside to be used, or that have been used to acquire capital assets, less the accumulated amortization of those assets, or other funds that have been donated for specific purposes, less amounts spent in that regard.

	2014				2013			
	Health Centre Fund	Medical Equipment Fund	Health Care Programmes Fund	Total	Health Centre Fund	Medical Equipment Fund	Health Care Programmes Fund	Total
Deferred Restricted Contributions								
Donations, grants & pledges	\$ -	\$ 7,446	\$ -	\$ 7,446	\$ 25,785	\$ 41,000	\$ 50,000	\$ 116,785
Total restricted contributions	-	7,446	-	7,446	25,785	41,000	50,000	116,785
Balance brought forward	1,519,884	64,007	100,000	1,683,891	1,532,163	38,418	50,000	1,620,581
Total	1,519,884	71,453	100,000	1,691,337	1,557,948	79,418	100,000	1,737,366
Less amounts taken into income	(38,887)	(15,414)	(6,500)	(60,801)	(38,064)	(15,411)	-	(53,475)
Closing balance	\$ 1,480,997	\$ 56,039	\$ 93,500	\$ 1,630,536	\$ 1,519,884	\$ 64,007	\$ 100,000	\$ 1,683,891

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

Gabriola Health Care Foundation

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

(Unaudited)

7. Donations by Source

	2014	2013
Corporations	\$ 4,660	\$ 7,002
Foundations	3,563	2,000
Charities	400	3,101
Government	-	24,900
Individuals and other	9,367	94,155
	<hr/>	<hr/>
	\$ 17,990	\$ 131,158

8. Financial Instruments

The Association's financial instruments consist of cash, accounts receivables and accounts payable. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency, or credit risk arising from these financial instruments. The fair value of the instruments approximates their carrying values, unless otherwise noted.

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