

**Gabriola Health Care Foundation**

**Financial Statements**

**(Unaudited)**

**Year ended December 31, 2009**

**May 20, 2010**



**Gabriola Health Care Foundation**


**Statement of Financial Position**

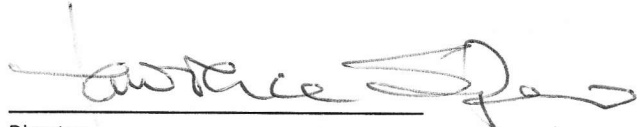
(unaudited)

as at December 31, 2009

	2009			2008			2007
	Operating	Urgent care equipment fund	Total	Operating	Urgent care equipment fund	Total	
<b>Assets</b>							
<b>Current Assets</b>							
Cash	\$ 83,106	19,359	102,465	23,298	16,034	39,332	6,649
Accounts receivable	1,194		1,194	3,150		3,150	
Pledges receivable (note 2)	10,000		10,000				
Prepaid expenses	1,443		1,443	1,085		1,085	
Donated securities (note 2)	24,259		24,259				
<b>Total current assets</b>	<b>120,002</b>	<b>19,359</b>	<b>139,361</b>	<b>27,532</b>	<b>16,034</b>	<b>43,566</b>	<b>6,649</b>
<b>Capital assets (note 6 )</b>	<b>4,305</b>	<b>14,520</b>	<b>18,825</b>	<b>7,212</b>	<b>3,173</b>	<b>10,385</b>	<b>-</b>
<b>Total Assets</b>	<b>\$ 124,307</b>	<b>33,879</b>	<b>158,185</b>	<b>34,744</b>	<b>19,207</b>	<b>53,951</b>	<b>6,649</b>
<b>Liabilities</b>							
<b>Current liabilities</b>							
Accounts payable	\$ 744		744				
<b>Fund balances</b>							
Deferred contributions (note 7)	93,540	33,879	127,418	12,921	19,207	32,128	
Operating fund	30,023	-	30,023	21,823	-	21,823	6,649
<b>Total</b>	<b>\$ 124,307</b>	<b>33,879</b>	<b>158,185</b>	<b>34,744</b>	<b>19,207</b>	<b>53,951</b>	<b>6,649</b>

Approved on behalf of the Board of Directors

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director



**Gabriola Health Care Foundation**  
Statement of Operations and Changes in Fund Balances  
(unaudited)  
For the year ended December 31, 2009

	2009			2008			2007
	Operating	Urgent care equipment fund	Total	Operating	Urgent care equipment fund	Total	
<b>Revenue</b>							
Fundraising events							
Proceeds	\$ 15,732		15,732	18,387		18,387	6,648
Costs	(6,016)		(6,016)	(2,166)		(2,166)	
Net fundraising events proceeds	9,716		9,716	16,221		16,221	
Donations received (note 7)	84,020	18,500	102,520	12,921	19,207	35,190	
Total	93,736	18,500	112,236	29,142	19,207	51,411	6,648
Less deferred donations (note 7)	(84,020)	(18,500)	(102,520)	(12,921)	(19,207)	(35,190)	
Amortization of deferred contributions (note 7)	3,401	3,828	7,230	2,269	793	3,062	
Investment income	519		519	266		266	1
Operating revenue	13,637	3,828	17,465	18,756	793	19,549	6,649
<b>Expenses</b>							
Advertising	291		291	150		150	
Amortization of the cost of fixed assets (note 2)	1,137	3,828	4,965	2,269	793	3,062	
Bank and credit card charges	42		42	129		129	
Board and other meetings	117		117	30		30	
Compliance costs	235		235	286		286	
GST (net of refundable portion)	449		449	405		405	
Insurance	637		637	72		72	
Memberships	96		96	42		42	
Net book value of retired assets	2,039		2,039				
Office	12		12				
PO Box rental	58		58	63		63	
Research database	325		325	136		136	
Total expenses	5,436	3,828	9,264	3,582	793	4,376	
<b>Excess of revenue over expenses for the year</b>	8,201	-	8,201	15,173	-	15,173	6,649
<b>Balance, beginning of year</b>	21,823	-	21,823	6,649	-	6,649	
<b>Balance, end of year</b>	\$ 30,023	-	30,023	21,823	-	21,823	6,649



**Gabriola Health Care Foundation**

**Statement of Cash Flows**

(unaudited)

For the year ended December 31, 2009

	2009			2008			2007
	Operating	Urgent care equipment fund	Total	Operating	Urgent care equipment fund	Total	
<b>Cash from operations</b>							
Excess of Revenue Over Expenses	\$ 8,201	-	8,201	15,173	-	15,173	6,649
Adjust for non-cash items							
Amortization of fixed assets	1,137	3,828	4,965	2,269	793	3,062	-
Amortization of deferred contributions	(3,401)	(3,828)	(7,230)	(2,269)	(793)	(3,062)	-
Decrease in accounts receivable	1,956		1,956	(3,150)		(3,150)	-
Donated securities	(24,259)		(24,259)				-
Increase in pledges receivable	(10,000)		(10,000)				-
Increase in prepaid expenses	(358)		(358)	(1,085)		(1,085)	-
Increase in accounts payable	743		743				-
Retire redundant assets	2,265		2,265				-
Net cash provided by operations	(23,717)	-	(23,717)	10,938	-	10,938	6,649
<b>Cash from restricted contributions</b>							
Gabriola Ambulance Society	\$ 20,000	5,000	25,000			-	-
Gabriola Lions Club		10,000	10,000		20,000	20,000	-
Other	39,761	3,500	43,261	15,190		15,190	-
Gifts of securities	24,259		24,259			-	-
Restricted contributions	84,020	18,500	102,520	15,190	20,000	35,190	-
<b>Investing activities</b>							
Purchase of ETR equipment		(8,288)	(8,288)		(3,966)	(3,966)	-
Purchase of generator		(6,888)	(6,888)				-
Planning for new clinic	(495)		(495)	(1,001)		(1,001)	-
Purchase of office equipment				(613)		(613)	-
Purchase of clinic medical equipment				(3,111)		(3,111)	-
Purchase of clinic electronic equipment				(4,757)		(4,757)	-
Net investing activities	(495)	(15,175)	(15,670)	(9,481)	(3,966)	(13,447)	-
<b>Net cash increase for the period</b>	59,808	3,325	63,133	16,648	16,034	32,682	6,649
<b>Cash balance at beginning of period</b>	23,298	16,034	39,332	6,649		6,649	
<b>Cash on hand at end of year</b>	\$ 83,106	19,359	102,465	23,298	16,034	39,332	6,649



## Gabriola Health Care Foundation

### Notes to financial statements

(unaudited)

For the year ended December 31, 2009

#### 1. Nature of 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

##### Fund accounting

The Foundation follows the deferral method of accounting for contributions. In addition, in 2008, in accordance with an agreement with the Gabriola Lions Club, the Ambulance Society and certain other donors, the Board established a separate fund for amounts donated for the specific purpose of acquiring equipment for, or related to, the operation of the urgent care room.

##### 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 at the same rate as the related assets are amortized or written off.

The main purpose of the Foundation's activities at this time is the raising of funds for the construction and equipping of a medical facility. It is the Board's view that contributions received by the Foundation are received on the understanding that they will be used for that purpose. It is therefore the Board's view that all contributions received by the Society are restricted for that purpose and are to be treated as *restricted contributions* as set out above.

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.

Unrestricted investment income as well as investment income realized on restricted funds is recognized as income in the operating fund when earned.

##### Contributed securities

Contributed securities are recorded at their receipted value, which is the market value of the securities at the time the donation is made. 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.

##### 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:

- (i) Office furniture and equipment - 10 years
- (ii) Backup electricity generator - 5 years
- (iii) Medical equipment - 5 years
- (iv) Electronic office equipment - 3 years

Full amortization is claimed in the year of an asset is acquired and no amortization is claimed in the year of its disposition.

##### Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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).

**Gabriola Health Care Foundation****Notes to financial statements**

(unaudited)

For the year ended December 31, 2009

**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.

**5. Change in accounting policy**

In 2009 the Foundation changed from the cash basis of accounting to the accrual basis. As a result revenues are recognized when they become receivable and expenses are recognized when they are incurred. Expenditures which will benefit more than one year will be deferred and the expense reflected in the periods to which it relates. All prior years financial results have been recomputed on the accrual basis and are included in this set of statements to provide a basis for year-to-year

**6. Capital assets**

	2009			2008		
	Cost	Accumulated amortization	Net book value	Cost	Accumulated amortization	Net book value
<b>Operating Fund</b>						
Office furniture and equipment	\$ 613	123	490	613	61	551
Electronic office equipment	1,360	906	453	4,757	1,586	3,171
Medical equipment	3,111	1,244	1,866	3,111	622	2,489
Planning new clinic	1,495		1,495	1,001		1,001
	<u>6,578</u>	<u>2,273</u>	<u>4,305</u>	<u>9,481</u>	<u>2,269</u>	<u>7,212</u>
<b>Urgent care equipment fund</b>						
Medical equipment	12,253	3,244	9,010	3,966	793	3,173
Generator	6,888	1,378	5,510			
	<u>19,141</u>	<u>4,621</u>	<u>14,520</u>	<u>3,966</u>	<u>793</u>	<u>3,173</u>
<b>Total</b>	<b>\$ 25,719</b>	<b>6,895</b>	<b>18,825</b>	<b>13,447</b>	<b>3,062</b>	<b>10,385</b>

**7. 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.

	2009			2008		
	Operating	Urgent care equipment fund	Total	Operating	Urgent care equipment fund	Total
Deferred restricted contributions						
Gabriola Ambulance Society	\$ 20,000	5,000	25,000	-	-	-
Gabriola Lions Club	-	10,000	10,000	-	20,000	20,000
Other	39,761	3,500	43,261	15,190	-	15,190
Gifts of securities	24,259	-	24,259	-	-	-
Total restricted contributions	<u>84,020</u>	<u>18,500</u>	<u>102,520</u>	<u>15,190</u>	<u>20,000</u>	<u>35,190</u>
Balance brought forward	12,921	19,207	32,128			
Less amounts taken into income	(3,401)	(3,828)	(7,230)	(2,269)	(793)	(3,062)
Closing balance	<u>\$ 93,540</u>	<u>33,879</u>	<u>127,418</u>	<u>12,921</u>	<u>19,207</u>	<u>32,128</u>