



Gabriola Health Care Society

Financial Statements

(Unaudited)

Year ended December 31, 2009

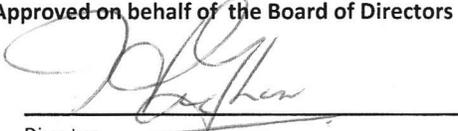
May 20, 2010



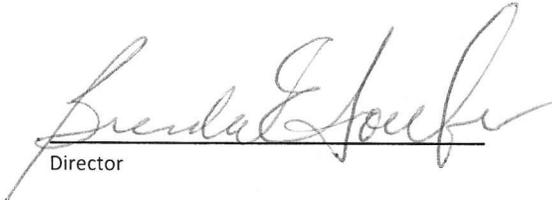
Gabriola Health Care Society
Statement of Financial Position
(unaudited)
as at December 31, 2009

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
		(as restated)	(as restated)	(as restated)
		(Note 5)	(Note 5)	(Note 5)
Assets				
Current Assets				
Cash	\$ 19,553	22,415	8,633	150
Accounts receivable - N&DHF			9,037	4,670
Accounts receivable - other	898		600	
Prepaid expenses	755	744	1,255	
Total current assets	<u>21,206</u>	<u>23,160</u>	<u>19,525</u>	<u>4,820</u>
Capital assets (note 6)	<u>35,489</u>	<u>55,427</u>	<u>75,149</u>	
Total Assets	<u>\$ 56,695</u>	<u>78,586</u>	<u>94,674</u>	<u>4,820</u>
Liabilities and fund balances				
Current liabilities				
Accounts payable	\$ 20	-	3,865	
Deferred grants		13,815		
	<u>20</u>	<u>13,815</u>	<u>3,865</u>	<u>-</u>
Fund balances				
Deferred contributions for capital assets (note 7)	35,489	55,437	83,581	4,820
Operating fund	21,186	9,334	7,227	
Total liabilities and fund balances	<u>\$ 56,695</u>	<u>78,586</u>	<u>94,674</u>	<u>4,820</u>

Approved on behalf of the Board of Directors



Director



Director



Gabriola Health Care Society

Statement of Operations and Changes in Fund Balances

(unaudited)

For the year ended December 31, 2009

	<u>2009</u>	<u>2008</u>	<u>2007</u>
		(as restated)	(as restated)
		(Note 5)	(Note 5)
Revenue			
Rental income	\$ 32,314	33,939	17,925
Amortization of deferred contributions	19,938	19,938	18,961
Contributions		503	4,572
Interest income	172	18	11
Total revenue	<u>52,424</u>	<u>54,397</u>	<u>41,470</u>
Expenses			
Rent	24,655	23,417	11,660
Amortization of the cost of fixed assets (Note 6)	18,849	19,938	18,961
BC Hydro	3,665	4,617	1,581
Insurance	1,081	1,599	413
GST	1,363	1,223	750
Net book value of redundant assets	1,041		
Price alarm monitoring services	368	377	205
Compliance costs	220	133	231
Office supplies - cheques	90		
Board and other meetings	83	210	73
Other	51	42	368
Locum expense	60		
PO Box rental	58	63	
WEB site	41		
Nanaimo & District Hospital Foundation fees		672	
Total expenses	<u>51,626</u>	<u>52,290</u>	<u>34,242</u>
Net operating income	<u>798</u>	<u>2,107</u>	<u>7,227</u>
Other revenue and expenses			
Grant Ministry of Health (net of related expenses)	13,054		
Research expenses	(2,000)		
Net other income	<u>11,054</u>	<u>-</u>	<u>-</u>
Excess of revenue over expenses for the year	11,852	2,107	7,227
Operating fund balance, beginning of year	<u>9,334</u>	<u>7,227</u>	
Operating fund balance, end of year	<u>\$ 21,186</u>	<u>9,334</u>	<u>7,227</u>



Gabriola Health Care Society
Statement of Cash Flows
(unaudited)
For the year ended December 31, 2009

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Excess of Revenue Over Expenses	\$ 11,852	2,107	7,227	
Adjust for non-cash items				
Accounts receivable	(743)	9,637	(9,637)	
Deferred contribution income	(19,938)	(28,965)	(23,533)	
Deferred contribution	(10)	820	102,295	4,820
Increase in prepaid expenses	(11)	511	(1,255)	
Deferred grant income	(155)	13,815		
Accounts payable	20	(3,865)	3,865	
	<u>(8,985)</u>	<u>(5,940)</u>	<u>78,962</u>	<u>4,820</u>
Investing activities				
Construction		(216)	(94,110)	
Amortization of deferred contributions	19,938	19,938	18,961	
	<u>10,953</u>	<u>13,782</u>	<u>3,813</u>	<u>4,820</u>
Net cash increase for the period				
	<u>10,953</u>	<u>13,782</u>	<u>3,813</u>	<u>4,820</u>
Cash balance at beginning of period	<u>8,600</u>	<u>8,633</u>	<u>4,820</u>	
Cash on hand at end of year	<u>\$ 19,553</u>	<u>22,415</u>	<u>8,633</u>	<u>4,820</u>



Gabriola Health Care Society

Notes to financial statements

(unaudited)

For the year ended December 31, 2009

1. Nature of entity

The Gabriola Health Care Society is a British Columbia not-for-profit society incorporated under the British Columbia Societies Act on March 28, 2007.

2. Summary of Accounting Policies

Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred. Restricted contributions for the purchase of capital assets that will be amortized are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets.

Contributions are recognized in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

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

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

Investment income is recognized as income when earned.

Capital assets

Property and equipment is recorded at cost (or receipted value in the case of donated 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) Leasehold improvements - 5 years, the life of the lease and the renewal options
- (iii) Fixtures - 5 years, the life of the lease and the renewal options
- (iv) Medical equipment - 5 years
- (v) 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 Society is exempt from income tax under paragraph 149(1)(f) of the Income Tax Act (Canada).

4. Donated services

The Society 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.



Gabriola Health Care Society

Notes to financial statements

(unaudited)

For the year ended December 31, 2009

5. Change in accounting policy

In 2009 the Society 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 comparisons.

6. Capital assets

	2009		2008	2007
	Cost	Accumulated amortization	Net book value	Net book value
Operating Fund				
Office furniture and equipment	\$ 5,728	1,719	4,010	5,156
Leasehold improvements	63,744	38,225	25,519	50,822
Fixtures	11,019	6,611	4,407	8,815
Electronic office equipment	2,074	2,074	-	3,560
Medical equipment	8,495	6,943	1,553	6,796
Total	\$ 91,060	55,571	35,489	75,149

7. Deferred contributions for capital assets

The deferred contributions for capital assets fund represents contributions used to acquire capital assets less the accumulated amortization of those assets.

	2009	2008	2007	2006
Opening balance	\$ 55,437	83,581	4,820	-
Contributions received in the year	(10)	820	102,295	4,820
Contributions reported as income			(4,572)	
Transfer of receivable from N&DHF to GHCF		(9,027)		
Amounts amortized to revenue	(19,938)	(19,938)	(18,961)	-
Closing balance	\$ 35,489	\$ 55,437	\$ 83,581	\$ 4,820