



Gabriola Health Care Foundation

Financial Statements

(Unaudited)

Year ended December 31, 2021

Gabriola Health Care Foundation
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Year Ended December 31, 2021

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Gabriola Health Care Foundation

We have reviewed the accompanying financial statements of Gabriola Health Care Foundation (the organization) that comprise the statement of financial position as at December 31, 2021, and the statements of statement of operations and changes in fund balances and cash flows for the year then ended, and a 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 (ASNPO), and for 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Gabriola Health Care Foundation as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Nanaimo, BC
June 29, 2022



K.D. Beausoleil & Company Inc.
Chartered Professional Accountants



Gabriola Health Care Foundation
Statement of Financial Position
(unaudited)
As at December 31, 2021

	2021					2020
	Operating Fund	Internally Restricted Funds (Note 7)	Externally Restricted Funds			Total
			Health Centre Fund	Medical Equipment Fund	Kitty Heller Fund (Note 9)	
Assets						
Current Assets						
Cash	17,036				17,036	55,765
Guaranteed Investment Certificates	49,351				49,351	1,469
Accounts receivable and accrued income	47,380				47,380	17,379
Prepaid expenses	9,777				9,777	11,975
Total current assets	123,544	-	-	-	123,544	86,588
Restricted assets						
Cash			231,704	-	17,075	248,779
Accounts receivable			49		49	-
Guaranteed Investment Certificates	400,000	123,133			20,000	543,133
Total restricted assets	-	400,000	354,886	-	37,075	686,455
Tangible capital assets (Note 5)			1,603,046	4,428		1,607,474
Total Assets	123,544	400,000	1,957,932	4,428	37,075	2,522,979
Liabilities						
Current liabilities						
Accounts payable and accrued liabilities	12,899				12,899	14,701
Deferred grant					-	71
Total current liabilities	12,899	-	-	-	12,899	14,772
Interfund transfer	(2,685)			2,685		
Deferred contributions (Note 6)			1,487,932	1,743	37,075	1,526,750
Total liabilities and deferred contributions	10,214	-	1,487,932	4,428	37,075	1,539,649
Fund balances						
Invested in land			470,000			470,000
Internally restricted funds (Note 7)		400,000				400,000
Unrestricted funds	113,330					113,330
Total fund balances	113,330	400,000	470,000	-	-	983,330
Total	123,544	400,000	1,957,932	4,428	37,075	2,522,979



Gabriola Health Care Foundation
Statement of Operations and Changes in Fund Balances
(unaudited)
For the year ended December 31, 2021

	2021					2020
	Internally Restricted Funds (Note 7)	Externally Restricted Funds			Total	Total
		Health Centre Fund	Medical Equipment Fund	Kitty Heller Fund (Note 9)		
Operating Fund						
Revenue						
Rent	182,175				182,175	129,791
Grant re COVID 19 rent subsidy	-				-	13,716
Donations and grants (Note 8)	11,890	-	-		11,890	29,233
Investment income	18,682				18,682	17,062
Deferred contributions taken into income	-	47,626	2,845	7,861	58,332	51,270
Operating revenue	212,747	47,626	2,845	7,861	271,079	241,072
Expenses						
Building operating costs						
Amortization of assets	-	47,626	2,845		50,471	44,270
Building maintenance administration	8,880				8,880	8,880
Building systems maintenance	9,145				9,145	9,959
Cleaning services & supplies	19,297				19,297	16,046
Groundskeeping	17,334				17,334	9,147
GST Expense net of refund	2,177				2,177	1,920
Insurance	10,410				10,410	10,424
Real Property Tax	10,326				10,326	8,115
Utilities and services	23,463				23,463	22,744
WorksafeBC	209				209	206
Total Building operating costs	101,241	-	47,626	2,845	-	151,712
Community services						
Clinic equipment	320				320	2,769
Maintain HeliPad	3,201				3,201	4,575
Maintaining urgent care room	11,307				11,307	11,363
Grant re urgent care room costs	-				-	(4,213)
Recruiting	10,665				10,665	11,375
Telemedicine unit	4,567				4,567	4,295
Video project	-			7,861	7,861	-
Total community services	30,060	-	-	-	7,861	30,164
Donations						
	-	-	-	-	-	7,000
Foundation operating costs						
Bank and credit card charges	433				433	328
Compliance costs	55				55	90
Director and officer Insurance	1,155				1,155	1,120
Memberships	500				500	500
Other expenses	804				804	1,181
Professional fees	5,001				5,001	4,505
Software	299				299	445
Strategic plan	1,431				1,431	6,482
WEB site	254				254	219
Total Foundation operating expenses	9,932	-	-	-	-	14,870
Total expenses	141,233	-	47,626	2,845	7,861	199,565
Excess of revenue over expenses for the year	71,514	-	-	-	-	71,514
Transfer to internally restricted funds	(30,000)	30,000				-
Fund balance, beginning of year	71,816	370,000	470,000	-	-	911,816
Fund balance, end of year	113,330	400,000	470,000	-	-	983,330



Gabriola Health Care Foundation
Statement of Cash Flows
(unaudited)
For the year ended December 31, 2021

	2021					Total	2020 Total
	Operating Fund	Internally Restricted Funds (Note 7)	Externally Restricted Funds				
			Health Centre Fund	Medical Equipment Fund	Kitty Heller Fund (Note 9)		
Operations							
Revenue							
Rent	182,175					182,175	129,791
Donations and grants (Note 8)	11,890					11,890	47,212
Unused portion of Grant						-	(71)
Decrease / (Increase) in accounts receivable	(30,001)		(49)			(30,050)	(4,707)
	164,064	-	(49)	-	-	164,015	172,225
Cash paid to suppliers							
Purchases	(141,233)					(141,233)	(132,453)
Grant re urgent care room costs	(71)					(71)	(4,213)
Decrease / (Increase) in prepaid expenses	2,198					2,198	(2,777)
(Decrease) / Increase in accounts payable	(1,802)					(1,802)	3,898
	(140,908)	-	-	-	-	(140,908)	(135,545)
Interest income	18,682					18,682	17,062
Amortization of fixed assets			47,626	2,845		50,471	44,270
Amortization of deferred contributions			(47,626)	(2,845)		(50,471)	(44,270)
Total cash from operations	41,838	-	(49)	-	-	41,789	53,742
Investing activities							
Change in Guaranteed Investment Certificates	(47,882)	(30,000)	176,867		(20,000)	78,985	(54,484)
Video project					(7,861)	(7,861)	-
Additions to capital assets			(145,723)			(145,723)	(17,275)
Net investing activities	(47,882)	(30,000)	31,144	-	(27,861)	(74,599)	(71,759)
Financing activities							
Donations and grants (Note 8)			226,246	159		226,405	22,132
Donations to charities						-	(7,000)
Interfund transfer	(32,685)	30,000		2,685		-	-
(Decrease) / Increase in accounts payable	-					-	(4,000)
Net financing activities	(32,685)	30,000	226,246	2,844	-	229,090	11,132
Net increase (decrease) for the year	(38,729)	-	257,341	2,844	(27,861)	196,280	(6,885)
Total cash at the beginning of the year	55,765	-	(25,637)	(2,844)	44,936	72,220	79,105
Total cash at the end of the year	17,036	-	231,704	-	17,075	265,815	72,220



Gabriola Health Care Foundation

Notes to financial statements

(unaudited)

For the year ended December 31, 2021

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

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

(a) Fund accounting

The society reports its activities using the deferral method of accounting. The Foundation has established separate funds for amounts donated for the specific purpose of constructing the Health Centre, for the purchase of medical equipment, and for the offering of health care programmes to Gabriolans. These funds are shown under the heading "Externally Restricted Funds".

(b) Revenue recognition

Unrestricted contributions are recognized as revenue in 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 asset accounts in the year.

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

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. The amounts are taken into income as the funds are spent 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. If collection of a pledge becomes doubtful the doubtful amount is recognized as an expense at that time.

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.

(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:

- (i) Electronic office equipment - 3 years
- (ii) Generator and Fire pump Batteries - 4 years
- (iii) Medical equipment - 5 years
- (v) Furniture and fixtures - 10 years
- (vi) Telephone system - 10 years
- (vii) Electricity generator - 20 years
- (viii) Fire pump - 20 years
- (ix) Kitchen and laundry equipment - 10 years
- (x) Land improvements - 20 years
- (xi) Building - 50 years

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



Gabriola Health Care Foundation

Notes to financial statements

(unaudited)

For the year ended December 31, 2021

3. Tax status

The Foundation is exempt from income tax 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.

5. Tangible capital assets

	2021			2020
	Cost	Accumulated amortization	Net book value	Net book value
Health Construction fund				
Benches	12,502	11,419	1,083	2,333
Buildings	1,048,088	205,160	842,929	861,224
Electronic office equipment	3,537	3,537	-	-
Furniture & fixtures	24,280	18,753	5,527	7,906
Kitchen and laundry equipment	2,732	1,911	822	1,095
Land	470,000	-	470,000	470,000
Land improvements	359,075	112,786	246,290	121,508
Machinery and equipment	65,521	32,774	32,747	36,216
Telephone system	10,172	6,524	3,649	4,666
	<u>1,995,908</u>	<u>392,862</u>	<u>1,603,046</u>	<u>1,504,948</u>
Medical equipment fund				
Electronic office equipment	7,894	5,756	2,138	2,927
Furniture & fixtures	87,294	86,921	373	497
Medical equipment	34,949	33,031	1,918	3,849
	<u>130,137</u>	<u>125,708</u>	<u>4,428</u>	<u>7,274</u>
Total	<u>2,126,045</u>	<u>518,571</u>	<u>1,607,474</u>	<u>1,512,222</u>

6. Deferred contributions

The deferred contributions fund represents contributions set aside to be used or that have been used to acquire capital assets, less

	2021			2020
	Health Centre Fund	Medical Equipment fund	Kitty Heller Fund (Note 10)	Total
Deferred contributions				
Donations, grants & other	226,246	159	-	226,405
Balance brought forward	1,309,312	4,429	44,936	1,358,677
Total	<u>1,535,558</u>	<u>4,588</u>	<u>44,936</u>	<u>1,409,968</u>
Less amounts taken into income	(47,626)	(2,845)	(7,861)	(51,291)
Closing balance	<u>1,487,932</u>	<u>1,743</u>	<u>37,075</u>	<u>1,358,677</u>

7. Internally restricted funds

The internally restricted funds are funds set aside by the Board of Directors of the Foundation for specific purposes. These funds may not be used for any other purpose without specific permission from the Foundation Board of Directors. The funds established by the Foundation directors are:

	2021	2020
Gabriola Community Health Centre capital maintenance fund	300,000	270,000
Physician recruitment and retention fund	50,000	50,000
Long term operations fund	50,000	50,000
	<u>400,000</u>	<u>370,000</u>



Gabriola Health Care Foundation

Notes to financial statements

(unaudited)

For the year ended December 31, 2021

8. Donations by source

	2021				2020	
	Operations	Health Centre Fund	Medical Equipment fund	Kitty Heller Fund (Note 6)		Total
Charities	6,091	480	159		6,730	10,410
Individuals and other	5,799	225,766			231,565	29,514
Grants					-	29,441
Total donations and grants received	11,890	226,246	159	-	238,295	69,365
Less restricted donations transferred to Deferred Contributions		(226,246)	(159)		(226,405)	(40,132)
Net donations taken into income	11,890	-	-	-	11,890	29,233

9. Kitty Heller Fund

In 2012 and 2013 GHCF received two donations totaling \$100,000 from the estate of the late Katherine ("Kitty") J. Heller. The donor required that the "donation must be used for funding your [GHCF's] health programs" Since 2013, a net of \$62,926 has been used to support a number of health programs on Gabriola. As at December 31, 2021 a balance of \$37,074 remains in the fund.

10. Financial Instruments

The Foundation's financial instruments consist of cash, accounts receivable, guaranteed investment certificates and accounts payable. It is management's opinion that the Foundation is not exposed to significant interest, currency, or credit risk from these financial instruments. The fair value of the instruments approximates their carrying values unless otherwise noted.

11. Comparative Figures

Certain of the prior year's figures in the Statement of Operations have been reclassified to conform to the current year's presentation. The reclassification had no effect on the total operating costs.