



Gabriola Health Care Society

Financial Statements

(Unaudited)

Year ended December 31, 2010

March 22, 2011



Gabriola Health Care Society
Statement of Financial Position
(unaudited)
Year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
Assets		
Current Assets		
Cash	\$ 19,657	19,553
Accounts receivable	3,794	898
Prepaid expenses	242	754
Total current assets	<u>23,692</u>	<u>21,206</u>
Capital assets (note 6)	<u>20,099</u>	<u>35,489</u>
Total Assets	<u>\$ 43,792</u>	<u>56,695</u>
Liabilities		
Current liabilities		
Accounts payable		20
Deferred VIHA IHN Revenue	\$ 1,820	
	<u>1,820</u>	<u>20</u>
Deferred contributions (note 7)	<u>20,099</u>	<u>35,489</u>
	21,919	35,509
Net assets		
Operating fund	<u>21,872</u>	<u>21,186</u>
Total liabilities and fund balances	<u>\$ 43,792</u>	<u>56,695</u>

Approved on behalf of the Board of Directors by:

Director

Director



Gabriola Health Care Society

Statement of Operations and Changes in Fund Balances

(unaudited)

For the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
Revenue		
Rental income	\$ 35,374	\$ 32,314
Amortization of deferred contributions	15,390	19,938
Contributions		
Interest income	168	172
Total revenue	<u>50,931</u>	<u>52,424</u>
Expenses		
Rent	25,757	24,655
Amortization of the cost of fixed assets (Note 6)	15,390	18,849
BC Hydro	4,865	3,665
Insurance	1,039	1,081
GST / HST	2,288	1,363
Net book value of retired assets		1,041
Price alarm monitoring services	551	368
Compliance costs	101	220
Office supplies - cheques		90
Board and other meetings	34	83
Other	160	51
Locum expense		60
PO Box rental	61	58
WEB site		41
Total expenses	<u>50,245</u>	<u>51,626</u>
Net operating income	<u>686</u>	<u>798</u>
Other revenue and expenses		
Grant Ministry of Health (net of related expenses)		13,054
Research expenses		<u>(2,000)</u>
Net other income	<u>-</u>	<u>11,054</u>
Excess of revenue over expenses for the year	686	11,852
Operating fund, beginning of year	<u>21,186</u>	<u>9,334</u>
Operating fund, end of year	<u>\$ 21,872</u>	<u>\$ 21,186</u>



Gabriola Health Care Society
Statement of Cash Flows
(unaudited)
For the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
Excess of Revenue Over Expenses	\$ 686	\$ 11,852
Adjust for non-cash items		
Increase in accounts receivable	(3,070)	(743)
Decrease (Increase) in prepaid expenses	513	(11)
Increase (decrease) in deferred VIHA IHN contract income	1,975	(155)
Increase (decrease) in accounts payable		10
Amortization of fixed assets	15,390	19,938
Amortization of deferred contributions	<u>(15,390)</u>	<u>(19,938)</u>
Net cash increase for the period	104	10,953
Cash balance at beginning of period	<u>19,553</u>	<u>8,600</u>
Cash on hand at end of year	<u>\$ 19,657</u>	<u>\$ 19,553</u>



Gabriola Health Care Society

Notes to financial statements

(unaudited)

For the year ended December 31, 2010

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, 2010

5. Capital assets

	2010			2009
	Cost	Accumulated amortization	Net book value	Net book value
Operating Fund				
Office furniture and equipment	\$ 5,728	2,291	3,437	4,010
Leasehold improvements	63,744	50,984	12,760	25,519
Fixtures	11,019	8,815	2,204	4,407
Electronic office equipment	2,074	2,074	-	-
Medical equipment	8,495	6,796	1,699	3,398
Total	\$ 91,060	70,961	20,099	37,334

6. 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.

	2010	2009
Opening balance	\$ 35,489	55,437
Contributions received in the year		(10)
Amounts amortized to revenue	(15,390)	(19,938)
Closing balance	\$ 20,099	\$ 35,489