
Gabriola Health Care Foundation

Financial Statements
December 31, 2018
(Unaudited)

Gabriola Health Care Foundation

Financial Statements December 31, 2018 (Unaudited)

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K.D. BEAUSOLEIL & COMPANY INC.

CHARTERED PROFESSIONAL ACCOUNTANTS



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Independent Practitioner's Review Engagement Report

To the Directors of
Gabriola Health Care Foundation

We have reviewed the accompanying financial statements of Gabriola Health Care Foundation that comprise the statement of financial position as at December 31, 2018 and the statements of operations, 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 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, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Nanaimo BC
April 16, 2019

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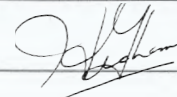
Gabriola Health Care Foundation

Statement of Financial Position For the Year Ended December 31, 2018 (Unaudited)

	2018					2017				
	Operating Fund	Health Centre Fund	Medical Equipment Fund	Kitty Heller Fund (Note 9)	Total	Operating Fund	Construction Fund	Medical Equipment Fund	Kitty Heller Fund (Note 9)	Total
Assets										
Current										
Cash and investment certificates	\$ 114,292	\$ 260,717	\$ 2,542	\$ 52,908	\$ 430,459	\$ 105,909	\$ 242,209	\$ 3,042	\$ 63,248	\$ 414,408
Accounts receivable and accrued income	31,196	65	-	-	31,261	6,701	58	24	-	6,783
Prepaid expenses	9,043	-	-	-	9,043	8,095	-	-	-	8,095
	154,531	260,782	2,542	52,908	470,763	120,705	242,267	3,066	63,248	429,286
Capital Assets (Note 5)	-	1,575,465	8,455	-	1,583,920	-	1,609,188	16,415	-	1,625,603
	\$ 154,531	\$ 1,836,247	\$ 10,997	\$ 52,908	\$ 2,054,683	\$ 120,705	\$ 1,851,455	\$ 19,481	\$ 63,248	\$ 2,054,889
Liabilities and Fund Balances										
Current										
Accounts payable and accrued liabilities	\$ 9,234	\$ -	\$ -	\$ -	\$ 9,234	\$ 7,323	\$ -	\$ -	\$ -	\$ 7,323
Deferred grant	2,500	-	-	-	2,500	-	-	-	-	-
Prepaid rent	-	-	-	-	-	1,541	-	-	-	1,541
	11,734	-	-	-	11,734	8,864	-	-	-	8,864
Deferred Contributions (Note 6)	-	1,366,247	10,997	52,908	1,430,152	-	1,381,455	19,481	63,248	1,464,184
	11,734	1,366,247	10,997	52,908	1,441,886	8,864	1,381,455	19,481	63,248	1,473,048
Fund Balances										
Unrestricted	142,797	-	-	-	142,797	111,841	-	-	-	111,841
Invested in Land	-	470,000	-	-	470,000	-	470,000	-	-	470,000
	\$ 154,531	\$ 1,836,247	\$ 10,997	\$ 52,908	\$ 2,054,683	\$ 120,705	\$ 1,851,455	\$ 19,481	\$ 63,248	\$ 2,054,889

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, 2018

(Unaudited)

	2018					2017				
	Operating Fund	Health Centre Fund	Medical Equipment Fund	Kitty Heller Fund (Note 9)	Total	Operating Fund	Construction Fund	Medical Equipment Fund	Kitty Heller Fund (Note 9)	Total
Revenue										
Rent income	\$ 108,461	\$ -	\$ -	\$ -	\$ 108,461	\$ 80,246	\$ -	\$ -	\$ -	\$ 80,246
Fundraising (Note 7)	7,231	-	-	-	7,231	32,096	-	-	-	32,096
Deferred contributions (Note 6)	-	40,241	8,653	10,340	59,234	-	39,097	18,319	10,000	67,416
Investment income	7,521	-	-	-	7,521	4,446	-	-	-	4,446
Operating revenue	123,213	40,241	8,653	10,340	182,447	116,788	39,097	18,319	10,000	184,204
Expenses										
Building operating costs										
Amortization of assets (Notes 2 & 5)	\$ -	\$ 40,241	\$ 8,653	\$ -	\$ 48,894	\$ -	\$ 39,097	\$ 18,319	\$ -	\$ 57,416
Building insurance	6,932	-	-	-	6,932	5,592	-	-	-	5,592
Building systems maintenance	4,663	-	-	-	4,663	4,079	-	-	-	4,079
Cleaning services and supplies	15,537	-	-	-	15,537	15,656	-	-	-	15,656
General maintenance and supplies	3,531	-	-	-	3,531	3,303	-	-	-	3,303
Groundskeeping	1,889	-	-	-	1,889	3,879	-	-	-	3,879
GST/HST net of refundable	1,383	-	-	-	1,383	1,194	-	-	-	1,194
Miscellaneous	-	-	-	-	-	461	-	-	-	461
Real property tax	10,222	-	-	-	10,222	10,516	-	-	-	10,516
Utilities & services	19,708	-	-	-	19,708	18,963	-	-	-	18,963
Total building operating costs	63,865	40,241	8,653	-	112,759	63,643	39,097	18,319	-	121,059
Community services										
Clinic equipment	1,013	-	-	-	1,013	-	-	-	-	-
Maintain helipad	414	-	-	-	414	-	-	-	-	-
Maintaining urgent care room	8,807	-	-	-	8,807	9,779	-	-	-	9,779
Telemedicine unit	4,797	-	-	-	4,797	1,306	-	-	-	1,306
Total community services	15,031	-	-	-	15,031	11,085	-	-	-	11,085
Foundation operating costs										
Bank and credit card charges	246	-	-	-	246	220	-	-	-	220
Communications	3,710	-	-	-	3,710	1,550	-	-	-	1,550
Compliance costs	264	-	-	-	264	70	-	-	-	70
Director and officer insurance	1,060	-	-	-	1,060	1,060	-	-	-	1,060
Membership	500	-	-	-	500	-	-	-	-	-
Miscellaneous expenses	940	-	-	340	940	1,071	-	-	-	1,071
Office	-	-	-	-	-	237	-	-	-	237
Post office box rental	166	-	-	-	166	162	-	-	-	162
Professional fees	5,841	-	-	-	5,841	2,996	-	-	-	2,996
WEB site	408	-	-	-	408	198	-	-	-	198
Total foundation operating expenses	13,135	-	-	340	13,475	7,564	-	-	-	7,564
Donations to charities and others	226	-	-	10,000	10,226	-	-	-	10,000	10,000
Total expenses	92,257	40,241	8,653	10,340	151,491	82,292	39,097	18,319	10,000	149,708
Excess of Revenue Over Expenses	\$ 30,956	\$ -	\$ -	\$ -	\$ 30,956	\$ 34,496	\$ -	\$ -	\$ -	\$ 34,496

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, 2018

(Unaudited)

	2018					2017				
	Operating Fund	Health Centre Fund	Medical Equipment Fund	Kitty Heller Fund (Note 9)	Total	Operating Fund	Construction Fund	Medical Equipment Fund	Kitty Heller Fund (Note 9)	Total
Balances, beginning of the year	111,841	470,000	-	-	581,841	77,345	470,000	-	-	547,345
Excess of Revenue Over Expenses	\$ 30,956	\$ -	\$ -	\$ -	\$ 30,956	\$ 34,496	\$ -	\$ -	\$ -	\$ 34,496
Fund Balances, end of year	\$ 142,797	\$ 470,000	\$ -	\$ -	\$ 612,797	\$ 111,841	\$ 470,000	\$ -	\$ -	\$ 581,841

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, 2018
(Unaudited)

	2018					2017				
	Operating Fund	Health Centre Fund	Medical Equipment Fund	Kitty Heller Fund (Note 9)	Total	Operating Fund	Construction Fund	Medical Equipment Fund	Kitty Heller Fund (Note 9)	Total
Cash Provided By (Used for)										
Operations										
Cash receipts from members and other income										
Grants, donations and other income	\$ 7,231	\$ -	\$ -	\$ -	\$ 7,231	\$ 32,096	\$ -	\$ -	\$ -	\$ 32,096
Rent	108,461	-	-	-	108,461	80,246	-	-	-	80,246
Net change in accounts receivable	(24,495)	-	-	-	(24,495)	2,148	-	-	-	2,148
Net change in prepaid expenses	(947)	-	-	-	(947)	(3,253)	-	-	-	(3,253)
	90,250	-	-	-	90,250	111,237	-	-	-	111,237
Cash paid to suppliers										
Purchases	(92,259)	-	-	(340)	(92,599)	(82,292)	-	-	-	(82,292)
Net change in accounts payable	2,871	-	-	-	2,871	735	-	-	-	735
	(89,388)	-	-	(340)	(89,728)	(81,557)	-	-	-	(81,557)
Interest income	7,521	-	-	-	7,521	4,446	-	-	-	4,446
Cash from Operations	8,383	-	-	(340)	8,043	34,126	-	-	-	34,126
Investments										
Additions to capital assets	-	(6,519)	(693)	-	(7,212)	-	(8,070)	(8,985)	-	(17,055)
Cash from Investing	-	(6,519)	(693)	-	(7,212)	-	(8,070)	(8,985)	-	(17,055)
Financing										
Donations to charities and others	-	-	-	(10,000)	(10,000)	-	-	-	(10,000)	(10,000)
Net change in accounts receivable	-	(7)	24	-	17	-	(54)	3	-	(51)
Net change in accounts payable	-	-	-	-	-	-	-	(315)	-	(315)
Net change in deferred contributions	-	25,034	169	-	25,203	-	-	2,669	-	2,669
Cash from Financing	-	25,027	193	(10,000)	15,220	-	(54)	2,357	(10,000)	(7,697)
Increase/(Decrease) in Cash During the Year	8,383	18,508	(500)	(10,340)	16,051	34,126	(8,124)	(6,628)	(10,000)	9,374
Cash, beginning of year	105,909	242,209	3,042	63,248	414,408	71,783	250,333	9,670	73,248	405,034
Cash, end of year	\$ 114,292	\$ 260,717	\$ 2,542	52,908	\$ 430,459	\$ 105,909	\$ 242,209	\$ 3,042	63,248	\$ 414,408
Cash is defined as										
Cash					\$ 41,282					\$ 54,731
Investment certificates					389,177					359,677
					\$ 430,459					\$ 414,408

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

Gabriola Health Care Foundation

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

(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. The mission of the Gabriola Health Care Foundation ("GHCF") is to help improve the primary health care services provided to the residents of and the visitors to Gabriola. As a landlord, GHCF is responsible to ensure that the Gabriola Community Health Centre is managed in a way that facilitates efficient and appropriate use of the facilities by health care professionals to meet those health care needs.

2. Summary of Significant 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

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

(Unaudited)

(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
Generator and fire pump batteries	- 4 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, 2018

(Unaudited)

5. Capital Assets

	2018			2017		
	Cost	Amortization	Value	Cost	Amortization	Value
Health Centre Fund						
Land	\$ 470,000	\$ -	\$ 470,000	\$ 470,000	\$ -	\$ 470,000
Land improvements	216,340	73,198	143,142	216,340	62,381	153,959
Building	1,044,752	142,079	902,673	1,041,313	121,184	920,129
Machinery & equipment	65,406	23,245	42,161	65,406	19,805	45,601
Electronic office equipment	3,537	1,484	2,053	5,716	3,346	2,370
Telephone system	5,716	3,918	1,798	4,231	4,231	-
Furniture & fixtures	19,973	11,949	8,024	19,973	9,903	10,070
Benches	12,502	7,668	4,834	12,502	6,418	6,084
Laundry & other equipment	1,949	1,169	780	1,949	974	975
	1,840,175	264,710	1,575,465	1,837,430	228,242	1,609,188
Medical Equipment Fund						
Medical equipment	86,673	86,176	497	86,673	84,779	1,894
Electronic office equipment	29,153	25,710	3,443	30,353	21,127	9,226
Furniture & fixtures	7,894	3,379	4,515	7,894	2,599	5,295
	123,720	115,265	8,455	124,920	108,505	16,415
	\$1,963,895	\$ 379,975	\$1,583,920	\$1,962,350	\$ 336,747	\$1,625,603

6. Deferred Contributions

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.

	2018				2017			
	Health Centre Fund	Medical Equipment Fund	Kitty Heller Fund (Note 9)	Total	Health Centre Fund	Medical Equipment Fund	Kitty Heller Fund (Note 9)	Total
Deferred Restricted Contributions								
Donations, grants & pledges	\$ 25,033	\$ 169	\$ -	\$ 25,202	\$ -	\$ 2,669	\$ -	\$ 2,669
Total contributions	25,033	169	-	25,202	-	2,669	-	2,669
Balance brought forward	1,381,455	19,481	63,248	1,464,184	1,420,552	35,131	73,248	1,528,931
Total	1,406,488	19,650	63,248	1,489,386	1,420,552	37,800	73,248	1,531,600
Less amounts taken into income	(40,241)	(8,653)	(10,340)	(59,234)	(39,097)	(18,319)	(10,000)	(67,416)
Closing balance	\$ 1,366,247	\$ 10,997	\$ 52,908	\$ 1,430,152	\$ 1,381,455	\$ 19,481	\$ 63,248	\$ 1,464,184

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

Gabriola Health Care Foundation

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

(Unaudited)

7. Donations by Source

	2018	2017
Foundations	20	5,749
Charities	315	1,046
Individuals and other	28,531	27,970
Total donations received	32,433	34,765
Less restricted donations	(25,202)	(2,669)
Net donations taken into income	7,231	\$ 32,096

8. Financial Instruments

The Foundation's financial instruments consist of cash, accounts receivables, guaranteed investment certificates and accounts payable. Unless otherwise noted, it is management's opinion that the Foundation 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.

9. Donations

In 2012 and 2013 GHCF received two donations from the estate of the late Katherine ("Kitty") J. Heller totalling \$100,000. The donor required that the "donation must be used for funding your [GHFC's] health programs...." Since 2013, \$47,082 has been used to support a number of health programs on Gabriola. As at December 31, 2018 a balance of \$52,908 remains in the fund. In prior years the Kitty Heller Fund was called the Health Care Programmes Fund.

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