



**Gabriola Health Care Foundation**

Financial Statements

Year ended December 31, 2020

**Gabriola Health Care Foundation  
Index to Financial Statements  
Year Ended December 31, 2020**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Members of Gabriola Health Care Foundation

We have reviewed the accompanying financial statements of Gabriola Health Care Foundation (the foundation) that comprise the statement of financial position as at December 31, 2020, and the statements 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, 2020, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Nanaimo, BC  
June 17, 2021

A handwritten signature in black ink, appearing to be the name of a representative of K.D. Beausoleil & Company Inc.

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



**Gabriola Health Care Foundation**  
 Statement of Financial Position  
 As at December 31, 2020

	2020						2019
	Operating Fund	Internally Restricted Funds (Note 7)	Externally Restricted Funds			Total	Total
			Health Centre Fund	Medical Equipment Fund	Kitty Heller Fund (Note 10)		
<b>Assets</b>							
<b>Current Assets</b>							
Cash	55,765	-	-	-	-	55,765	38,492
Guaranteed Investment Certificates	1,469	-	-	-	-	1,469	-
Accounts receivable and accrued income	17,379	-	-	-	-	17,379	12,672
Prepaid expenses	11,975	-	-	-	-	11,975	9,198
Total current assets	86,588	-	-	-	-	86,588	60,362
<b>Restricted assets</b>							
Cash	-	-	(25,636)	(2,845)	44,936	16,455	40,613
Guaranteed Investment Certificates	-	370,000	300,000	-	-	670,000	616,985
Total restricted assets	-	370,000	274,364	(2,845)	44,936	686,455	657,598
<b>Tangible capital assets (Note 5)</b>							
	-	-	1,504,948	7,274	-	1,512,222	1,539,217
<b>Total Assets</b>	<b>86,588</b>	<b>370,000</b>	<b>1,779,312</b>	<b>4,429</b>	<b>44,936</b>	<b>2,285,265</b>	<b>2,257,177</b>
<b>Liabilities</b>							
<b>Current liabilities</b>							
Accounts payable and accrued liabilities	14,701	-	-	-	-	14,701	14,873
Deferred grant	71	-	-	-	-	71	-
Total current liabilities	14,772	-	-	-	-	14,772	14,873
<b>Deferred contributions (Note 6)</b>							
	-	-	1,309,312	4,429	44,936	1,358,677	1,387,815
Total liabilities and deferred contributions	14,772	-	1,309,312	4,429	44,936	1,373,449	1,402,688
<b>Fund balances</b>							
Invested in land	-	-	470,000	-	-	470,000	470,000
Internally restricted funds (Note 7)	-	370,000	-	-	-	370,000	335,000
Unrestricted funds	71,816	-	-	-	-	71,816	49,489
Total fund balances	71,816	370,000	470,000	-	-	911,816	854,489
<b>Total</b>	<b>86,588</b>	<b>370,000</b>	<b>1,779,312</b>	<b>4,429</b>	<b>44,936</b>	<b>2,285,265</b>	<b>2,257,177</b>

Approved on behalf of the Board of Directors

Director



**Gabriola Health Care Foundation**  
**Statement of Operations and Changes in Fund Balances**  
**For the year ended December 31, 2020**

	2020					2019
	Operating Fund	Internally Restricted Funds (Note 7)	Externally Restricted Funds			Total
			Health Centre Fund	Medical Equipment Fund	Kitty Heller Fund (Note 10)	
<b>Revenue</b>						<b>Total</b>
Rent	129,791	-	-	-	-	129,791
Grant re COVID 19 rent subsidy	13,716	-	-	-	-	13,716
Bequest	-	-	-	-	-	182,276
Donations and grants (Note 8)	29,212	-	-	21	-	29,233
Investment income	17,062	-	-	-	-	17,062
Deferred contributions taken into income	-	-	41,183	3,087	7,000	51,270
Operating revenue	189,781	-	41,183	3,108	7,000	241,072
<b>Expenses</b>						
<b>Building operating costs</b>						
Amortization of assets	-	-	41,183	3,087	-	44,270
Building maintenance administration	8,880	-	-	-	-	8,880
Building systems maintenance	9,959	-	-	-	-	9,959
Cleaning services & supplies	16,046	-	-	-	-	16,046
Groundskeeping	9,147	-	-	-	-	9,147
GST Expense net of refund	1,920	-	-	-	-	1,920
Insurance	10,424	-	-	-	-	10,424
Real Property Tax	8,115	-	-	-	-	8,115
Utilities and services	22,744	-	-	-	-	22,744
WorksafeBC	206	-	-	-	-	206
Total Building operating costs	87,441	-	41,183	3,087	-	131,711
<b>Community services</b>						
Clinic equipment	2,263	-	-	-	-	2,263
Health programs	-	-	-	-	-	6,140
Insurance	2,085	-	-	-	-	2,085
Maintain Helipad	4,575	-	-	-	-	4,575
Maintaining urgent care room	9,277	-	-	-	-	9,277
Grant re urgent care room costs	(4,213)	-	-	-	-	(4,213)
Recruiting	11,375	-	-	-	-	11,375
Telemedicine unit	4,802	-	-	-	-	4,802
Total community services	30,164	-	-	-	-	30,164
<b>Donations</b>					7,000	7,000
<b>Foundation operating costs</b>						
Bank and credit card charges	307	-	-	21	-	328
Communications	-	-	-	-	-	-
Compliance costs	90	-	-	-	-	90
Director and officer Insurance	1,120	-	-	-	-	1,120
Memberships	500	-	-	-	-	500
Other expenses	1,181	-	-	-	-	1,181
Professional fees	4,505	-	-	-	-	4,505
Software	445	-	-	-	-	445
UTR Funding report	6,482	-	-	-	-	6,482
WEB site	219	-	-	-	-	219
Total Foundation operating expenses	14,849	-	-	21	-	14,870
<b>Total expenses</b>	132,454	-	41,183	3,108	7,000	183,745
Excess of revenue over expenses for the year	57,327	-	-	-	-	57,327
Transfer to internally restricted funds	(35,000)	35,000	-	-	-	-
Balance, beginning of year	49,489	335,000	470,000	-	-	854,489
Balance, end of year	71,816	370,000	470,000	-	-	911,816



**Gabriola Health Care Foundation**  
Statement of Cash Flows  
For the year ended December 31, 2020

	2020					Total	2019 Total
	Operating Fund	Internally Restricted Funds (Note 7)	Externally Restricted Funds				
			Health Centre Fund	Medical Equipment Fund	Kitty Heller Fund (Note 10)		
<b>Operations</b>							
Revenue							
Rent	129,791	-	-	-	-	129,791	129,226
Bequests	-	-	-	-	-	-	182,276
Donations and grants (Note 8)	47,212	-	-	-	-	47,212	21,441
Unused portion of Grant	(71)	-	-	-	-	(71)	-
Decrease / (Increase) in accounts receivable	(4,707)	-	-	-	-	(4,707)	18,525
	172,225	-	-	-	-	172,225	351,468
Cash paid to suppliers							
Purchases	(132,453)	-	-	-	-	(132,453)	(104,659)
Grant re urgent care room costs	(4,213)	-	-	-	-	(4,213)	-
Decrease / (Increase) in prepaid expenses	(2,777)	-	-	-	-	(2,777)	(155)
(Decrease) / Increase in accounts payable	3,898	-	-	-	-	3,898	(861)
	(135,545)	-	-	-	-	(135,545)	(105,675)
Interest income	17,062	-	-	-	-	17,062	13,409
Amortization of fixed assets	-	-	41,183	3,087	-	44,270	44,704
Amortization of deferred contributions	-	-	(41,183)	(3,087)	-	(44,270)	(44,704)
<b>Total cash from operations</b>	<b>53,742</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53,742</b>	<b>259,202</b>
<b>Investing activities</b>							
Purchase of Guaranteed Investment Certificates	(54,484)	-	-	-	-	(54,484)	(227,808)
Additions to capital assets	-	-	(10,858)	(6,417)	-	(17,275)	-
<b>Net investing activities</b>	<b>(54,484)</b>	<b>-</b>	<b>(10,858)</b>	<b>(6,417)</b>	<b>-</b>	<b>(71,759)</b>	<b>(227,808)</b>
<b>Financing activities</b>							
Donations and grants (Note 8)	-	-	14,441	712	7,000	22,153	10,411
Donations to charities	-	-	-	-	(7,000)	(7,000)	(6,645)
Community presentations	-	-	-	-	-	-	(1,400)
Bank and credit card charges	-	-	-	(21)	-	(21)	-
Decrease / (Increase) in accounts receivable	-	-	-	-	-	-	64
(Decrease) / Increase in accounts payable	-	-	-	-	(4,000)	(4,000)	4,000
<b>Net financing activities</b>	<b>-</b>	<b>-</b>	<b>14,441</b>	<b>691</b>	<b>(4,000)</b>	<b>11,132</b>	<b>6,430</b>
<b>Net increase (decrease) for the year</b>	<b>(742)</b>	<b>-</b>	<b>3,583</b>	<b>(5,726)</b>	<b>(4,000)</b>	<b>(6,885)</b>	<b>37,824</b>
<b>Total cash at the beginning of the year</b>	<b>56,507</b>	<b>-</b>	<b>(29,219)</b>	<b>2,881</b>	<b>48,936</b>	<b>79,105</b>	<b>41,281</b>
<b>Total cash at the end of the year</b>	<b>55,765</b>	<b>-</b>	<b>(25,636)</b>	<b>(2,845)</b>	<b>44,936</b>	<b>72,220</b>	<b>79,105</b>



**Gabriola Health Care Foundation**  
Notes to financial statements  
Statement of Operations and Changes in Fund Balances  
For the year ended December 31, 2020

**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) Tangible 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  
For the year ended December 31, 2020

**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**

	2020			2019
	Cost	Accumulated amortization	Net book value	Net book value
<b>Health Construction fund</b>				
Benches	12,502	10,168	2,333	3,584
Buildings	1,045,100	183,876	861,224	881,778
Electronic office equipment	3,537	3,537	-	1,026
Furniture & fixtures	24,280	16,374	7,906	6,027
Kitchen and laundry equipment	2,732	1,637	1,095	585
Land	470,000	-	470,000	470,000
Land improvements	216,340	94,832	121,508	132,325
Machinery and equipment	65,521	29,305	36,216	38,721
Telephone system	10,172	5,506	4,666	1,227
	<u>1,850,185</u>	<u>345,236</u>	<u>1,504,948</u>	<u>1,535,273</u>
<b>Medical equipment fund</b>				
Electronic office equipment	7,894	4,967	2,927	213
Furniture & fixtures	87,294	86,797	497	3,725
Medical equipment	34,949	31,099	3,849	6
	<u>130,137</u>	<u>122,863</u>	<u>7,274</u>	<u>3,944</u>
<b>Total</b>	<u>1,980,321</u>	<u>468,099</u>	<u>1,512,222</u>	<u>1,539,217</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

	2020				2019
	Health Centre Fund	Medical Equipment fund	Kitty Heller Fund (Note 10)	Total	Total
<b>Deferred contributions</b>					
Donations, grants & other	14,442	712	7,000	22,154	10,411
Balance brought forward	1,336,054	6,825	44,936	1,387,815	1,430,153
Total	1,350,496	7,537	51,936	1,409,968	1,440,564
Less amounts taken into income	(41,183)	(3,108)	(7,000)	(51,291)	(52,749)
Closing balance	<u>1,309,312</u>	<u>4,429</u>	<u>44,936</u>	<u>1,358,677</u>	<u>1,387,815</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 are:

	2020	2019
Gabriola Community Health Centre capital maintenance fund	\$ 270,000	235,000
Physician recruitment and retention fund	50,000	50,000
Long term operations fund	50,000	50,000
	<u>\$ 370,000</u>	<u>335,000</u>





## Gabriola Health Care Foundation

Notes to financial statements

For the year ended December 31, 2020

### 8. Donations by source

	2020				Total	2019
	Operations	Health Centre Fund	Medical Equipment fund	Kitty Heller Fund (Note 10)		
Foundations	-	-	-	-	-	146
Charities	9,698	-	712	-	10,410	2,135
Individuals and other	19,514	10,000	-	-	29,514	29,582
Grants	18,000	4,441	-	7,000	29,441	-
Total donations and grants received	47,212	14,441	712	7,000	69,365	31,863
Less restricted donations transferred to Deferred Contributions	(18,000)	(14,441)	(691)	(7,000)	(40,132)	(10,412)
Net donations taken into income	29,212	-	21	-	29,233	21,451

### 9. 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.

### 10. 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 \$55,064 has been used to support a number of health programs on Gabriola. As at December 31, 2020 a balance of \$44,936 remains in the fund. In prior years the Kitty Heller Fund was called the Health Care Programmes Fund.

### 11. Statement of Operations presentation

Certain categories of expenditures formerly included in Foundation Operating cost have been transferred to Community Services. In addition, certain expenditures within Building Operating costs have been recharacterized. The presentation of these items in the 2019 statement have been changed accordingly.

### 12. 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.

### 13. Gabriola Health Care Foundation purpose and intended community of service

The Gabriola Health Care Foundation's role is to help improve the primary health care services provided to the residents of and the visitors to Gabriola by helping to identify their health care needs, and, to the extent of its ability, to help address those needs by: 1. working alone or in partnership with qualified donees (as defined in the Income Tax Act, Canada) or with any Canadian government body, to help develop and/or deliver health care programs that will help address those needs; 2. provide medical facilities and/or medical equipment to be used for the benefit of residents of and visitors to Gabriola Island; and/or 3. gifting funds to qualified donees that are working to help meet those needs.