

Financial Statements of

**LUMBY & DISTRICT HEALTH  
SERVICES SOCIETY**

Year ended March 31, 2022



**Kimberley K. Hutton**  
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\*operating through an incorporated company

## COMPILATION ENGAGEMENT REPORT

To the Directors of the Lumby & District Health Services Society

On the basis of information provided by management, we have compiled the Statement of Financial Position of the Lumby & District Health Services Society as at March 31, 2022, the Statement of Operations, Statement of Changes in Net Assets for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information.

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

The prior year financial statements, which are presented for comparative purposes, were prepared under a Notice to Reader engagement.

Kimberley K. Hutton, CPA, CA

Chartered Professional Accountant

May 25, 2022  
Lumby, Canada

# LUMBY & DISTRICT HEALTH SERVICES SOCIETY

## Statement of Financial Position

March 31, 2022, with comparative figures for 2021

	2022	2021
<b>Assets</b>		
Current assets:		
Cash (Note 2)	\$ 73,928	\$ 69,186
Externally restricted cash (Note 3)	14,161	22,182
Investments and marketable securities	53,559	29,554
Accounts receivable	6,259	5,044
	147,907	125,966
Capital assets (Note 4)	32,527	30,686
	\$ 180,434	\$ 156,652
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 5,611	\$ 13,383
Deferred revenue - grants (Note 5)	14,161	20,362
	19,772	33,745
Canada Emergency Business Account	30,000	30,000
Net assets:		
Investment in capital assets	28,428	30,686
Internally restricted (Note 6)	33,137	20,160
Unrestricted	69,097	42,061
	130,662	92,907
	\$ 180,434	\$ 156,652

APPROVED ON BEHALF OF THE BOARD:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

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

# LUMBY & DISTRICT HEALTH SERVICES SOCIETY

## Statement of Operations

March 31, 2022, with comparative figures for 2021

	2022	2021
		Reclassified
Revenue:		
X-ray revenue	69,009	37,677
Contract revenue	\$ 50,856	\$ 49,818
Grants, sponsorships and donations	34,200	29,607
Donations	31,925	7,779
Fundraising	10,306	-
Government grants and subsidies	1,696	25,620
Other income	404	937
Locum fees	-	11,912
	198,396	163,350
Expenses:		
Advertising	1,902	2,643
Courier	214	126
Doctor recruitment and retention expenses	5,481	5,000
Facility rental	554	405
Fundraising	326	-
Insurance	4,595	4,079
Interest and bank charges	44	16
Locum expenses	-	570
Materials and supplies	1,438	1,756
Office and general	5,639	5,633
Professional fees	2,366	2,870
Radiology	30,025	14,626
Repairs and maintenance	4,250	6,254
Salaries and benefits	95,332	86,813
Telephone and internet	1,921	2,365
Training	230	458
	154,317	133,614
Excess of revenue over expenditures before the following	44,079	29,736
Amortization	6,324	6,344
Excess of revenue over expenditures	\$ 37,755	\$ 23,392

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

# LUMBY & DISTRICT HEALTH SERVICES SOCIETY

## Statement of Changes in Net Assets

March 31, 2022, with comparative figures for 2021

	Investment in capital assets		Internally restricted		Unrestricted		Total 2022	Total 2021
Balance, beginning of year	\$	30,686	\$	20,160	\$	42,061	\$ 92,907	\$ 69,515
Excess (deficiency) of revenue over expenditures		(6,324)		(3,423)		47,502	37,755	23,392
Capital asset purchases		8,166		-		(8,166)	-	-
Disposal of assets		(4,100)		-		4,100	-	-
Transfer to internally restricted funds		-		16,400		(16,400)	-	-
	\$	28,428	\$	33,137	\$	69,097	\$ 130,662	\$ 92,907

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

# LUMBY & DISTRICT HEALTH SERVICES SOCIETY

## Notes to the Financial Statements

March 31, 2022

### 1. Basis of Accounting

The basis of accounting applied in the preparation of the Statement of Financial Position of the Lumby & District Health Services Society as at March 31, 2022, and the Statement of Operations, and Statement of Changes in Net Assets for the year then ended is the historical cost basis and reflects cash transactions with the addition of:

- Transactions are recorded using the deferral method of accounting for contributions.
- Accounts receivable less an allowance for doubtful accounts.
- Capital assets are recorded at cost and amortized over the expected useful life of the asset. The annual amortization rates are as follows:

	Method	Rate
X-ray equipment	Declining balance	15%
Furniture and equipment	Declining balance	20%
Computer equipment	Declining balance	55%

- Accounts payable and accrued liabilities.
- Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.
- Grants received for specific purposes are deferred and recognized as revenue as the amounts are used.
- Donations, fundraising, sales of good and services and unrestricted contributions are recognized as revenue when received or receivable.

### 2. Cash

A portion of cash is internally restricted by the Board of Directors in the amount of \$33,137 (2021 - \$20,160) for repair and replacement of x-ray equipment.

### 3. Externally Restricted Cash

A portion of cash is externally restricted as follows:

	2022	2021
Community Gaming Grant	\$ 10,282	\$ 11,001
Village of Lumby	3,879	9,361
	<u>\$ 14,161</u>	<u>\$ 20,362</u>

# LUMBY & DISTRICT HEALTH SERVICES SOCIETY

## Notes to the Financial Statements

March 31, 2022

### 4. Capital Assets

	2022		2021	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
X-ray equipment	\$ 118,427	\$ 104,390	\$ 118,427	\$ 101,913
Furniture & fixtures	46,201	27,963	42,135	28,524
Computer equipment	4,758	4,506	4,758	4,197
	<u>\$ 169,386</u>	<u>\$ 136,859</u>	<u>\$ 165,320</u>	<u>\$ 134,634</u>
		<u>\$ 32,527</u>		<u>\$ 30,686</u>

### 5. Deferred revenue - grants

Deferred revenue consists of a grant from BC Gaming in respect of wages for community workshops for the period of one year. Deferred revenue also consists of a grant from the Village of Lumby to support doctor recruitment and retention initiatives. A portion of the BC Gaming grant is recognized into revenue monthly. The Village of Lumby grant is recognized into revenue when there are offsetting expenses.

	2022	2021
Community Gaming Grant	\$ 10,282	\$ 11,001
Village of Lumby	3,879	9,361
	<u>\$ 14,161</u>	<u>\$ 20,362</u>

### 6. Internally restricted net assets

The Society's board of directors passed a motion on April 26, 2021 to internally restrict an additional \$16,400 for future repairs and replacement of x-ray equipment. These internally restricted amounts are not available for other purposes without the prior approval of the board of directors.

During the year, the organization used \$3,423 (2021 - \$4,722) of the internally restricted funds for repairs and maintenance of the x-ray equipment.

### 7. British Columbia Societies Act

On November 28, 2016 the new British Columbia Societies Act came into effect. Included in the new Act is a requirement to disclose the remuneration paid to all directors, the ten highest paid employees, and all contractors who were paid at least \$75,000 annually. The Society had no individuals who met this criteria for the year ended March 31, 2022.