

BENNETT AND ALBERT COUNTY HEALTH CARE FOUNDATION, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2011

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Bennett and Albert County Health Care Foundation, Inc.

We have audited the accompanying financial statements of **Bennett and Albert County Health Care Foundation, Inc.**, which comprise the statement of financial position as at **December 31, 2011**, and the statements of operations, changes in net assets 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 generally accepted accounting principles, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our qualified audit opinion.

INDEPENDENT AUDITOR'S REPORT (cont'd)

Basis for Qualified Opinion

Bennett and Albert County Health Care Foundation, Inc. derives a material amount of revenue from donations and fundraising activities. We were not able to obtain sufficient appropriate audit evidence about the completeness of the reported amounts for accounts receivable, donation and fundraising revenue, revenue in excess of expenditure and changes to net assets because there is no direct relationship between assets or services given up in exchange for amounts received or receivable. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Qualified Opinion

Except as noted in the above paragraph, in our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Riverview, NB
February 23, 2012

STEVENS & PARTNERS

Chartered Accountants

BENNETT AND ALBERT COUNTY HEALTH CARE FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2011

	2011	2010
ASSETS		
Current:		
Cash	\$ 10,414	\$ 104,331
Investments (market value \$814,499)	<u>796,276</u>	<u>687,912</u>
	<u>\$ 806,690</u>	<u>\$ 792,243</u>
LIABILITY		
Current:		
Accounts payable and accrued liabilities	\$ 5,550	\$ 9,119
Net assets	<u>801,140</u>	<u>783,124</u>
	<u>\$ 806,690</u>	<u>\$ 792,243</u>

APPROVED ON BEHALF OF THE BOARD

_____ Member
 _____ Member

BENNETT AND ALBERT COUNTY HEALTH CARE FOUNDATION, INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2011

	2011	2010
Net assets, beginning of year	\$ 783,124	\$ 740,427
Excess of revenues over expenditures for the year - Statement 3	<u>18,016</u>	<u>42,697</u>
Net assets, end of year - Statement 1	<u>\$ 801,140</u>	<u>\$ 783,124</u>

BENNETT AND ALBERT COUNTY HEALTH CARE FOUNDATION, INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011

	2011	2010
Revenues:		
Investment income	\$ 27,808	\$ 46,698
Donations and memorials	<u>36,624</u>	<u>42,321</u>
	<u>64,432</u>	<u>89,019</u>
Expenditures:		
Bank, visa and interest charges	782	972
Conference	318	2,163
General supplies	394	834
Printing, postage and logo	179	762
Insurance	1,000	1,000
Professional fees	1,200	1,200
Donations -		
Friends of the Moncton Hospital	10,000	10,000
Foods of Fundy Valley	13,312	7,000
Other equipment and programs	12,146	13,235
Albert County Action Team	3,645	2,000
Staff education	<u>3,440</u>	<u>7,156</u>
	<u>46,416</u>	<u>46,322</u>
Excess of revenues over expenditures for the year - Statement 2	<u>\$ 18,016</u>	<u>\$ 42,697</u>

BENNETT AND ALBERT COUNTY HEALTH CARE FOUNDATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2011

	2011	2010
Cash flows from operating activities:		
Excess of revenues over expenditures	\$ 18,016	\$ 42,697
Change in non-cash working capital balances:		
Investments	(108,364)	28,309
Accounts payable and accrued liabilities	<u>(3,569)</u>	<u>2,000</u>
Net increase (decrease) in cash	(93,917)	73,006
Cash, beginning of year	<u>104,331</u>	<u>31,325</u>
Cash, end of year - Statement 1	<u>\$ 10,414</u>	<u>\$ 104,331</u>

BENNETT AND ALBERT COUNTY HEALTH CARE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011

Description of major business activity::

Bennett and Albert County Health Care Foundation, Inc. is a charitable organization exempt from income taxes organized for the purpose of collecting gifts, donations and memoriums used to assist health care providers in the area.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The significant policies are detailed as follows:

(a) Accounting estimates -

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically and are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

(b) Revenue recognition -

The organization recognizes donation revenue when received.

(c) Cash -

Cash in bank deposit accounts, at times, exceeds federally insured limits. The organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

(d) Investments -

The organization follows the cost method of accounting for its investments, written down for any permanent impairment in value.

(e) Financial instruments -

The organization's financial instruments consist of cash, investments, and accounts payable and accrued liabilities. Unless otherwise noted it is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

The organization has elected not to follow the recommendations of The Canadian Institute of Chartered Accountants in the reporting and disclosure of financial instruments in these financial statements. The organization is of the opinion that to follow the recommendations relating to financial instruments will not improve the communication of its operating results or statement of financial position to the average reader of these financial statements. Also the costs of producing the information and amending its financial statements will be significantly more than any possible benefit.

BENNETT AND ALBERT COUNTY HEALTH CARE FOUNDATION, INC.
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2. Future changes to significant accounting policies:

Not-for-Profit GAAP

In December 2010, the Accounting Standards Board issued a comprehensive set of new Canadian accounting standards for not-for-profit organizations (ASNPO) effective for fiscal periods beginning on or after January 1, 2012. When the end of a not-for-profit organization's annual reporting period does not coincide with the end of the calendar year, the mandatory date for first-time adoption of ASNPO is effective for fiscal periods beginning on or after December 31, 2011. Early adoption is permitted. The organization is currently analyzing the effects of these changes on its financial statements.