

**VANCOUVER NATIVE HEALTH SOCIETY**  
**FINANCIAL STATEMENTS**  
**MARCH 31, 2009**

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<b>CONTENTS</b>	<b>Page</b>
Auditors' Report	1
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Operations	4 - 5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 12

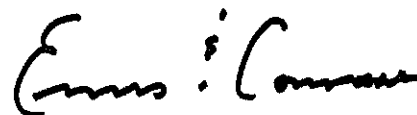
## AUDITORS' REPORT

To the Directors of:  
Vancouver Native Health Society

We have audited the financial position of Vancouver Native Health Society as at March 31, 2009 and the statements of changes in net assets, operations and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2009 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the British Columbia Society Act, we report that in our opinion, these principles have been applied on a basis consistent with that of the previous year.



Burnaby, B.C. Canada  
June 23, 2009

ENNS & COMPANY  
Certified General Accountants

**VANCOUVER NATIVE HEALTH SOCIETY  
STATEMENT OF FINANCIAL POSITION  
MARCH 31, 2009**

	General Fund	Capital Fund	Building Fund	2009 Total	2008 Total
<b>ASSETS</b>					
<b>CURRENT</b>					
Cash	\$ 390,443	\$ 69,059	\$ 66,239	\$ 525,741	\$ 150,609
Temporary investments (Note 3)	1,754,560	-	-	1,754,560	1,667,279
Accounts receivable (Note 4)	105,789	-	-	105,789	101,419
Prepaid expenses	63,917	-	-	63,917	78,281
	2,314,709	69,059	66,239	2,450,007	1,997,588
<b>CAPITAL ASSETS (Note 5)</b>	-	285,279	-	285,279	312,098
	\$2,314,709	\$ 354,338	\$ 66,239	\$2,735,286	\$2,309,686
<b>LIABILITIES</b>					
<b>CURRENT</b>					
Accounts payable and accrued liabilities (Note 6)	\$ 318,776	\$ -	\$ -	\$ 318,776	\$ 281,662
Deferred revenues (Note 7)	1,543,505	-	35,496	1,579,001	1,232,853
	1,862,281	-	35,496	1,897,777	1,514,515
Deferred revenue related to capital assets (Note 7)	-	121,643	-	121,643	148,679
<b>FUNDS HELD IN TRUST (Note 10)</b>					
<b>NET ASSETS</b>					
Invested in capital assets (Note 5)	-	163,636	-	163,636	163,419
Externally restricted (Note 8)	294,921	-	-	294,921	259,378
Internally restricted (Note 9)	-	69,059	30,743	99,802	99,802
Unrestricted	157,507	-	-	157,507	123,893
	452,428	232,695	30,743	715,866	646,492
	\$2,314,709	\$ 354,338	\$ 66,239	\$2,735,286	\$2,309,686

APPROVED ON BEHALF OF THE BOARD

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

VANCOUVER NATIVE HEALTH SOCIETY  
STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED MARCH 31, 2009

	General Fund	Capital Fund	Building Fund	2009 Total	2008 Total
BALANCE, beginning of year	\$ 383,272	\$ 232,477	\$ 30,743	\$ 646,492	\$ 660,708
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	112,038	(42,664)	-	69,374	(14,216)
	495,310	189,813	30,743	715,866	646,492
INTERFUND TRANSFERS	(42,882)	42,882	-	-	-
BALANCE, end of year	\$ 452,428	\$ 232,695	\$ 30,743	\$ 715,866	646,492

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

**VANCOUVER NATIVE HEALTH SOCIETY  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED MARCH 31, 2009**

	General Fund	Capital Fund	Building Fund	2009 Total	2008 Total
<b>REVENUES</b>					
Province of British Columbia	\$2,519,956	\$ -	\$ -	\$2,519,956	\$2,104,666
Vancouver Coastal Health Authority	1,929,182	-	-	1,929,182	1,839,587
Other funding	555,795	-	508	556,303	501,043
Public Health Agency of Canada	140,333	-	-	140,333	121,758
Health Canada	100,000	-	-	100,000	100,000
Children's Hospital	51,896	-	-	51,896	51,896
Other federal funds	33,248	-	-	33,248	-
Gaming revenue	21,424	-	-	21,424	29,998
Amortization of deferred contributions	-	27,036	-	27,036	13,516
	<b>5,351,834</b>	<b>27,036</b>	<b>508</b>	<b>5,379,378</b>	<b>4,762,464</b>
<b>EXPENSES</b>					
Advertising and promotion	4,443	-	-	4,443	2,893
Amortization	-	69,700	-	69,700	59,495
Automobile	30,553	-	-	30,553	27,255
Bank charges and interest	5,168	-	-	5,168	5,402
Donations	3,227	-	-	3,227	1,670
Insurance	23,026	-	-	23,026	21,613
Meals and travel	46,632	-	-	46,632	46,791
Medical supplies	34,988	-	-	34,988	32,043
Office and general	132,471	-	308	132,779	99,071
Professional fees	17,663	-	-	17,663	27,017
Property taxes	16,296	-	-	16,296	15,903
Rent	216,716	-	-	216,716	229,000
Rent subsidies	178,024	-	-	178,024	178,357
Repairs and maintenance	12,311	-	-	12,311	13,336
Salaries and benefits	3,274,704	-	-	3,274,704	3,164,924
Subcontract	764,200	-	-	764,200	395,277
Supplies	454,508	-	200	454,708	454,057
Telephone	66,243	-	-	66,243	66,541
Training	18,822	-	-	18,822	21,293
Utilities	40,622	-	-	40,622	19,555
	<b>5,340,617</b>	<b>69,700</b>	<b>508</b>	<b>5,410,825</b>	<b>4,881,493</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE OTHER ITEMS</b>					
	<b>\$ 11,217</b>	<b>\$ (42,664)</b>	<b>\$ -</b>	<b>(31,447)</b>	<b>\$ (119,029)</b>

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

**VANCOUVER NATIVE HEALTH SOCIETY  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED MARCH 31, 2009**

	General Fund	Capital Fund	Building Fund	2009 Total	2008 Total
<b>BALANCE FORWARD</b>	\$ 11,217	\$ (42,664)	\$ -	\$ (31,447)	\$ (119,029)
<b>OTHER ITEMS</b>					
Donations	66,955	-	-	66,955	38,588
Interest income	33,614	-	-	33,614	61,915
Rental income	252	-	-	252	2,929
Gain on disposal of capital assets	-	-	-	-	1,381
	100,821	-	-	100,821	104,813
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	\$ 112,038	\$ (42,664)	\$ -	\$ 69,374	\$ (14,216)

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

**VANCOUVER NATIVE HEALTH SOCIETY  
STATEMENT OF CASH FLOWS  
MARCH 31, 2009**

	General Fund	Capital Fund	Building Fund	2009 Total	2008 Total
<b>OPERATING ACTIVITIES</b>					
Excess (deficiency) of revenues over expenses	\$ 112,038	\$ (42,664)	\$ -	\$ 69,374	\$ (14,216)
<b>Items not requiring an outlay of cash:</b>					
Amortization	-	69,700	-	69,700	59,495
Gain on disposal of capital assets	-	-	-	-	(1,381)
	112,038	27,036	-	139,074	43,898
<b>CHANGES IN NON-CASH WORKING CAPITAL ITEMS</b>					
Account receivable	(33,196)	-	28,825	(4,371)	69,514
Prepaid expenses	14,364	-	-	14,364	(4,213)
Accounts payable and accrued liabilities	37,114	-	-	37,114	(66,916)
Deferred revenues	346,656	-	(508)	346,148	(250,367)
	476,976	27,036	28,317	532,329	(208,084)
<b>CASH FROM INVESTING ACTIVITIES</b>					
Acquisition of capital assets		(42,880)		(42,880)	(217,409)
Deferred revenues relating to capital assets		(27,036)		(27,036)	148,679
Proceeds from disposal of capital assets	-	-	-	-	13,000
Acquisition of temporary investments	(1,754,560)			(1,754,560)	(1,667,279)
Proceeds from redemption of temporary investments	1,667,279			1,667,279	1,561,672
	(87,281)	(69,916)	-	(157,197)	(161,337)
<b>NET INCREASE (DECREASE) IN CASH</b>	389,695	(42,880)	28,317	375,132	(369,421)
<b>CASH, beginning of year</b>	43,630	69,057	37,922	150,609	520,030
<b>INTERFUND TRANSFERS</b>	(42,882)	42,882	-	-	-
<b>CASH, end of year</b>	\$ 390,443	\$ 69,059	\$ 66,239	\$ 525,741	\$ 150,609

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



**VANCOUVER NATIVE HEALTH SOCIETY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2009**

**1. GENERAL**

Vancouver Native Health Society (the "Society") was incorporated under the British Columbia Society Act as a not-for-profit organization on April 12, 1990 and is a registered charity under the Income Tax Act. Its principal purpose is to improve the health status of Native people, to assist, support, and undertake programs or activities designed to promote health care of Native people, and to secure or acquire funds, real property or other assistance necessary to meet their objectives.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(a) Fund accounting

The Society follows the deferral method of accounting for contributions.

The General Fund accounts for the Society's program delivery and administrative activities.

The Capital Fund reports the assets, liabilities, revenues and expenses related to the Society's capital assets.

The Building Fund reports the assets, liabilities, revenues and expenses related to the Society's facility needs study.

(b) Revenue Recognition

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(c) Financial instruments

The Society's financial instruments consist of cash, redeemable short term investments, accounts receivable, accounts payable and accrued liabilities.

In accordance with section 3855 (Financial instruments - Recognition and Measurement) of the CICA handbook, the Society has designated all financial instruments as available-for-sale and reports them at fair value. The carrying amounts of these financial instruments are reasonable estimates of their fair values due to the relatively short term to maturity.

(d) Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at the fair value at the date of contribution. Amortization is provided annually using the declining balance method at the following rates:

Furniture and equipment	20%
Computer hardware	30%
Automotive	30%
Leasehold improvements	Straight line over 6 years

In the year of acquisition, amortization is recorded at one-half the normal rate.

**VANCOUVER NATIVE HEALTH SOCIETY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2009**

(e) Contributed Services

Volunteers contribute numerous hours per year to assist the Society in carrying out its services. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

(f) Income Taxes

Income taxes are not reflected in these financial statements as the Society is a not-for-profit organization.

(g) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires the Society's management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

**3. TEMPORARY INVESTMENTS**

	<u>2009</u>	<u>2008</u>
Guaranteed Investment Certificate at cost plus accrued interest at rates varying from 0.5% to 2.75% per annum, maturing on various dates from May 2009 to March 2010.	\$ 1,754,560	\$ -
Guaranteed Investment Certificates at cost plus accrued interest at rates varying from 2.30% to 4.0% per annum, due on various dates from May 2008 to March 2009.	-	1,667,279
	\$ 1,754,560	\$ 1,667,279

**4. ACCOUNTS RECEIVABLE**

	General Fund	Capital Fund	Building Fund	2009	2008
Grants receivable	\$ 70,316	\$ -	\$ -	\$ 70,316	\$ 66,761
Goods and services tax recoverable	17,471	-	-	17,471	26,818
Sundry receivable	18,002	-	-	18,002	7,840
	\$ 105,789	\$ -	\$ -	\$ 105,789	\$ 101,419

VANCOUVER NATIVE HEALTH SOCIETY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2009

5. CAPITAL ASSETS

	Cost	Amortization	Net 2009	Net 2008
Leasehold improvements	\$ 557,962	\$ 407,574	\$ 150,388	\$ 157,335
Furniture and equipment	395,410	297,336	98,074	111,505
Computer hardware	243,123	208,721	34,402	39,808
Automotive	50,893	48,478	2,415	3,450
	<u>\$ 1,247,388</u>	<u>\$ 962,109</u>	<u>\$ 285,279</u>	<u>\$ 312,098</u>

Reconciliation

Net book value of capital assets \$ 285,279 \$ 312,098

Capital assets acquired with restricted funds

Deferred revenues related to capital assets (121,643) (148,679)

Invested in capital assets - non-restricted funds \$ 163,636 \$ 163,419

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	General Fund	Capital Fund	Building Fund	2009	2008
Accounts payable	\$ 134,238	\$ -	\$ -	\$ 134,238	\$ 112,817
Accrued liabilities	184,538	-	-	184,538	168,845
	<u>\$ 318,776</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 318,776</u>	<u>\$ 281,662</u>

**VANCOUVER NATIVE HEALTH SOCIETY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2009**

**7. DEFERRED REVENUES**

	2009	2008
Gaming Revenue	\$ 56,843	\$ -
HRSD	13,895	-
Justice Canada	4,601	6,985
Ministry of Health	193,579	76,502
Ministry of Housing and Social Development	80,023	226,170
Ministry of Children and Family Development	223,063	209,056
Other deferred revenues	578,319	482,348
Public Safety of Canada	915	17,243
Rent subsidies	13,187	13,187
United Way	22,500	12,000
University of British Columbia	31,159	17,119
Vancouver Coastal Health Authority	171,650	92,160
Vancouver Foundation	99,742	-
YWCA	89,525	80,083
	<b>\$ 1,579,001</b>	<b>\$ 1,232,853</b>

Deferred revenues represent externally restricted contributions that are related to expenses of a future period.

Deferred revenues related to capital assets represent the unamortized portion of leasehold improvements funded with restricted contributions as follows:

Contributed leasehold improvements from Vancouver Coastal Health	\$ 162,195	\$ 162,195
Amount amortized to revenue	(40,552)	(13,516)
Balance, end of year	<b>\$ 121,643</b>	<b>\$ 148,679</b>

**VANCOUVER NATIVE HEALTH SOCIETY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2009**

**8. EXTERNALLY RESTRICTED NET ASSETS**

	2009	2008
Clinic program	\$ (92,546)	\$ (38,327)
Other programs	257,092	193,528
* Positive Outlook program	68,226	40,197
Safehouse program	24,058	24,058
Sheway programs	38,091	39,922
	<b>\$ 294,921</b>	<b>\$ 259,378</b>

**9. INTERNALLY RESTRICTED NET ASSETS AND INTERFUND TRANSFERS**

The Board of Directors internally restricted funds to be used for future capital assets acquisition. These internally restricted amounts are not available for other purposes without approval of the Board of Directors.

During the year, \$42,882 (2008 - \$41,548) was transferred from the General Fund to the Capital Fund in order to fund the cash outlays for capital asset acquisitions.

**10. FUNDS HELD IN TRUST**

The Society maintains a trust fund on behalf of a client. As at March 31, 2009, the funds held in trust totalled \$1,362 (2008 - \$1,333).

**VANCOUVER NATIVE HEALTH SOCIETY  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2009**

**11. LEASE COMMITMENTS**

The Society occupies premises at 717 Princess Avenue under an operating lease.

The leases for other premises have expired and the Society is continuing to lease them on a month to month basis. There is an option to renew them for a further period of five years at an amount to be mutually agreed upon.

The Society is also under obligation for various equipment and auto leases.

Future minimum lease payments for the next five years are as follows:

	<b>Total</b>	<b>Premises</b>	<b>Equipment and auto</b>
2010	80,003	49,200	30,803
2011	77,726	49,200	28,526
2012	74,154	49,200	24,954
2013	29,772	20,500	9,272
2014	8,009	-	8,009
	<u>\$ 269,664</u>	<u>\$ 168,100</u>	<u>\$ 101,564</u>

**12. COMPARATIVE FIGURES**

Certain comparative figures for 2008 have been reclassified where applicable to conform with the current presentation.