

**PEOPLE FOR A HEALTHY COMMUNITY ON
GABRIOLA SOCIETY**

FINANCIAL STATEMENTS
(Unaudited)

JUNE 30, 2010

PEOPLE FOR A HEALTHY COMMUNITY ON GABRIOLA SOCIETY

JUNE 30, 2010

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**PEOPLE FOR A HEALTHY COMMUNITY ON
GABRIOLA SOCIETY**

REVIEW ENGAGEMENT REPORT

To the Directors of
People For A Healthy Community on Gabriola Society

I have reviewed the statement of financial position of People For A Healthy Community on Gabriola Society as at June 30, 2010 and the statements of operations, changes in net assets and cash flows for the year then ended. My review was made in accordance with generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the company.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with generally accepted accounting principles.

Gabriola, B C
October 21, 2010

CERTIFIED GENERAL ACCOUNTANT

PEOPLE FOR A HEALTHY COMMUNITY ON GABRIOLA SOCIETY

STATEMENT OF FINANCIAL POSITION (Unaudited)

AS AT JUNE 30, 2010

	2010	2009
ASSETS		
CURRENT		
Cash	\$ 27,275	\$ 37,840
Accounts receivable	236	-
Prepaid expenses	2,194	277
GST receivable	371	388
	30,076	38,505
CAPITAL ASSETS (Note 3)	2,413	3,360
	\$ 32,489	\$ 41,865

APPROVED ON BEHALF OF THE BOARD:

_____ Chair

_____ Treasurer

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

PEOPLE FOR A HEALTHY COMMUNITY ON GABRIOLA SOCIETY

STATEMENT OF FINANCIAL POSITION (Unaudited)

AS AT JUNE 30, 2010

LIABILITIES	2010	2009
CURRENT		
Accounts payable and accrued liabilities	\$ 8,221	\$ 803
Payroll liabilities	4,561	2,665
	12,782	3,468
DEFERRED CONTRIBUTIONS	23,000	27,980
	23,000	27,980
	35,782	31,448
NET ASSETS		
INVESTMENT IN CAPITAL ASSETS (Note 4)	2,413	3,360
RESTRICTED FUNDS (Note 5)	301	1,311
(DEFICIT) UNRESTRICTED FUNDS	(6,007)	5,746
	(3,293)	10,417
	\$ 32,489	\$ 41,865

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

PEOPLE FOR A HEALTHY COMMUNITY ON GABRIOLA SOCIETY

STATEMENT OF OPERATIONS (Unaudited)

FOR THE YEAR ENDED JUNE 30, 2010

	2010	%	2009	%
REVENUE (Schedule 1)	\$ 125,855	100.00	\$ 130,662	100.00
FOOD DONATIONS (Note 8)				
Food donations received	45,984	36.54	23,570	18.04
Food donations distributed	(45,984)	(36.54)	(23,570)	(18.04)
	125,855	100.00	130,662	100.00
EXPENSES				
Advertising and promotion	1,466	1.16	1,537	1.18
Amortization	1,685	1.34	3,471	2.66
Contracts & Honorariums	2,191	1.74	6,190	4.74
Dues & licences	-	-	385	0.29
Client support	4,287	3.41	-	-
Freight	121	0.10	-	-
Fundraising expenses	3,782	3.01	6,430	4.92
Insurance	1,675	1.33	1,862	1.43
Interest and bank charges	490	0.39	241	0.18
Materials & resources	16,235	12.90	23,900	18.29
Office expenses	4,644	3.69	2,105	1.61
Professional development	230	0.18	989	0.76
Professional fees	2,733	2.17	900	0.69
Rent	16,125	12.81	16,200	12.40
Repairs & maintenance	3,289	2.61	2,545	1.95
Salaries and benefits	76,536	60.81	66,151	50.63
Telephone and utilities	3,887	3.09	2,987	2.29
Travel	189	0.15	160	0.12
	139,565	110.89	136,053	104.13
DEFICIT OF REVENUE OVER EXPENSES	\$ (13,710)		\$ (5,391)	

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

PEOPLE FOR A HEALTHY COMMUNITY ON GABRIOLA SOCIETY

STATEMENT OF CHANGES IN NET ASSETS (Unaudited)

FOR THE YEAR ENDED JUNE 30, 2010

	2010	2009
UNRESTRICTED FUNDS (DEFICIT), beginning of year	\$ 5,747	\$ (13,658)
EXCESS OF REVENUE OVER EXPENDITURES	(13,710)	(5,391)
	(7,963)	(19,049)
INTERFUND TRANSFER	1,956	24,795
(DEFICIT) UNRESTRICTED FUNDS, end of year	(6,007)	5,746
CAPITAL ASSETS (Note 4)	2,413	3,360
RESTRICTED FUNDS (Note 5)	301	1,311
NET ASSETS	\$ (3,293)	\$ 10,417

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

PEOPLE FOR A HEALTHY COMMUNITY ON GABRIOLA SOCIETY

STATEMENT OF CASH FLOWS (Unaudited)

FOR THE YEAR ENDED JUNE 30, 2010

	2010	2009
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Cash receipts from grants, donations & fundraising	\$ 125,636	\$ 139,165
Cash paid to suppliers and employees	(134,971)	(158,133)
Interest paid	(490)	(241)
CASH FLOW FROM OPERATIONS	(9,825)	(19,209)
INVESTING ACTIVITIES		
Additions to capital assets	(740)	(2,980)
CASH FLOW FROM INVESTING	(740)	(2,980)
DECREASE IN CASH	(10,565)	(22,189)
CASH, beginning of year	37,840	60,029
CASH, end of year	\$ 27,275	\$ 37,840
CASH is defined as		
Cash (bank indebtedness)	\$ 26,775	\$ 37,340
Term deposits	500	500
	\$ 27,275	\$ 37,840

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

PEOPLE FOR A HEALTHY COMMUNITY ON GABRIOLA SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

JUNE 30, 2010

1. NATURE OF BUSINESS

People For a Healthy Community is a non-profit society which works to support the health and well-being of their community: children, families and individuals. The mandate is to actively pursue the vision of a community where the basic needs of safety, health, shelter, food security and connection are addressed for all community members.

2. SUMMARY OF ACCOUNTING POLICIES

(a) The society reports its activities on the fund accounting basis and follows the deferred method of recognition of externally designated contributions which matches the revenue to the related expenditure.

(b) Other Accounting Policies

Contributed capital assets are recorded at fair value and the donated portion shown as a deferred contribution. The latter is taken into revenue at the same rate as the asset is amortized.

Contributed material and services are not recorded in the financial statements.

Pledges receivable are recorded when received.

(c) Capital Assets

Capital assets are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Computer equipment	- 30% diminishing balance
Equipment & furnishings	- 20% diminishing balance
Leasehold improvements	- 50% straight line

Additions during the year are amortized at one-half their normal rate and no amortization is taken in the year of disposition.

(d) Other Revenue Recognition Points

The cut-off date for donations is the same as the cut-off date for receipts issued in a year, and is based on the postage date on the envelope for mail, or the date the donation is received.

Legacies, or bequests are recorded when received.

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

PEOPLE FOR A HEALTHY COMMUNITY ON GABRIOLA SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

JUNE 30, 2010

3. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2010	Net 2009
Computer equipment	\$ 1,980	\$ 802	\$ 1,178	\$ 1,683
Equipment & furnishings	748	317	431	539
Leasehold improvements	30,157	29,353	804	1,138
	\$ 32,885	\$ 30,472	\$ 2,413	\$ 3,360

4. NET ASSETS INVESTED IN CAPITAL ASSETS

	2010	2009
Net capital assets, beginning of the year	\$ 3,360	\$ 3,850
Transfer amortization from operating fund	(1,685)	(3,471)
Transfer capital assets purchased from operating fund	738	2,981
	\$ 2,413	\$ 3,360

5. RESTRICTED FUNDS

	2010	2009
Internally restricted for programs	\$ 301	\$ 1,311
	\$ 301	\$ 1,311

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

PEOPLE FOR A HEALTHY COMMUNITY ON GABRIOLA SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

JUNE 30, 2010

6. FINANCIAL INSTRUMENTS

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

7. COMMITMENTS

The Society has entered into a lease agreement with the Gabriola Commons Foundation (formerly Amazing Grace Ecological Society) for the premises at 675 North Rd, Gabriola, BC. The lease commenced on January 1, 2007 and will end on December 31, 2011. The amount of the lease is \$1350 per month plus \$104 per month for hydro. Effective June 1, 2010, hydro was increased to \$135.50 and effective July 1, 2010, rent will decrease to \$1,000 per month.

8. FOOD DONATIONS

In-kind food donations are valued according to guidelines from Food Banks Canada and are considered to be charitable donations. All donated food is distributed in the Gabriola community.

9. PRIOR YEAR FIGURES

Prior year figures have not been audited or reviewed and are presented for comparative purposes only. Readers are cautioned that the prior year figures may not be appropriate for their purposes.

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

PEOPLE FOR A HEALTHY COMMUNITY ON GABRIOLA SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

JUNE 30, 2010

SCHEDULE 1

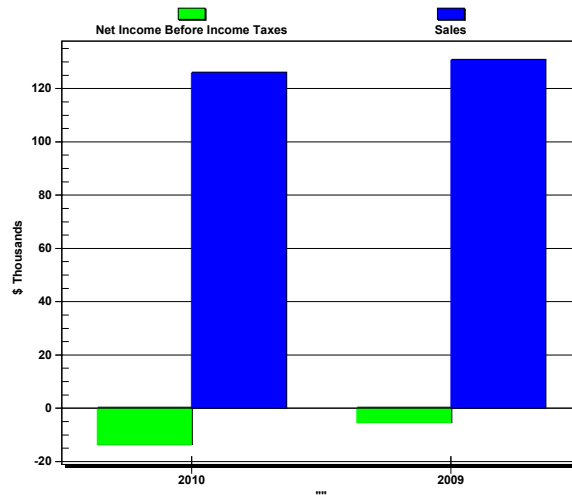
REVENUES

	2010	2009
Gaming revenue	\$ 38,257	\$ 45,000
Grants - Government	876	35,415
Grants	14,500	9,999
Donations	63,104	25,989
Christmas Bureau	-	4,651
Fundraising	9,118	8,579
Memberships	-	30
Interest income	-	58
Other income	-	941
	\$ 125,855	\$ 130,662

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

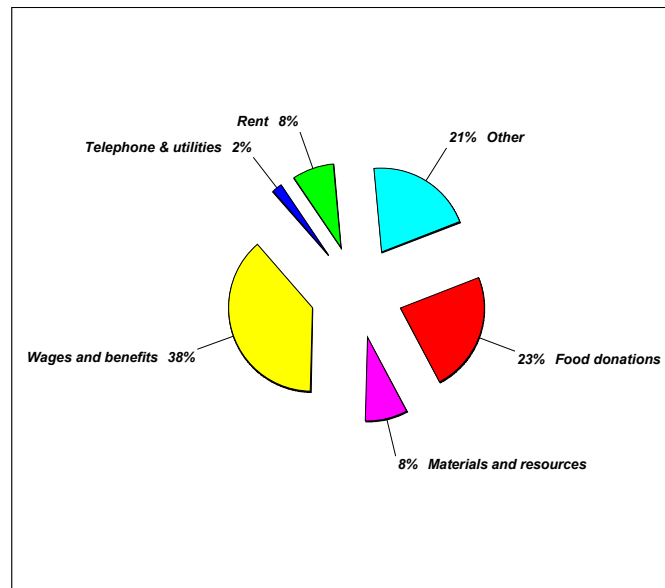
PEOPLE FOR A HEALTHY COMMUNITY ON GABRIOLA SOCIETY

Financial Highlights



Expenses

Current Year



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