

Community First Health Co-op

Financial Statements

March 31, 2017
(Unaudited)

Community First Health Co-op

March 31, 2017

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Notice to Reader

On the basis of information provided by company's management, we have compiled the statement of financial position of Community First Health Co-op as at March 31, 2017 and the statement of operations for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Nelson, BC
May 15, 2017

Wharfhouse Business Services Ltd.

Community First Health Co-op

Statement of Financial Position

March 31, 2017

(Unaudited)

| | Note | 2017 | 2016 |
|--|------|---------------------|---------------------|
| Assets | | | |
| Current Assets | | | |
| Cash | | \$ 94,469 | \$ 45,741 |
| Accounts receivable | | 1,065 | 3,198 |
| Prepaid expenses | | 11,298 | 10,726 |
| | | 106,832 | 59,665 |
| Property and equipment, net of accumulated amortization | 1. | 1,107,566 | 1,130,461 |
| Total Assets | | \$ 1,214,398 | \$ 1,190,126 |

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

Community First Health Co-op

Statement of Financial Position

March 31, 2017

(Unaudited)

| | Note | 2017 | 2016 |
|--|------|---------------------|---------------------|
| Liabilities and Net Assets | | | |
| Current Liabilities | | | |
| Accounts payable and accrued liabilities | | \$ 13,105 | \$ 15,041 |
| Taxes payable | | 917 | 269 |
| Deferred revenue | | 5,191 | 6,083 |
| Current portion of long term debt | | 38,465 | 37,350 |
| | | 57,678 | 58,743 |
| Long Term Debt | 2. | 678,551 | 716,395 |
| Total Liabilities | | 736,229 | 775,138 |
| Net Assets | | | |
| Members' shares | 3. | 49,910 | 49,810 |
| Invested in capital assets | 4. | 390,551 | 376,716 |
| Unrestricted | 4. | 36,741 | (11,538) |
| Total Equity | | 477,202 | 414,988 |
| Total Liabilities and Equity | | \$ 1,213,431 | \$ 1,190,126 |

Approved on Behalf of the Board:

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

Community First Health Co-op

Statement of Operations

For the Year Ended March 31, 2017

(Unaudited)

| | 2017 | 2016 |
|--|-------------------|-------------------|
| Rental income | \$ 245,464 | \$ 222,671 |
| Expenses | | |
| Telephone and utilities | 44,836 | 45,784 |
| Repairs and maintenance - buildings | 39,960 | 25,743 |
| Interest on long term debt | 33,471 | 36,243 |
| Property taxes | 25,498 | 24,362 |
| Amortization | 22,895 | 24,564 |
| Insurance - property | 7,315 | 7,329 |
| Security | 4,154 | 84 |
| Professional fees | 1,850 | 3,400 |
| Memberships and licenses | 1,149 | 664 |
| Advertising and promotion | 596 | 21 |
| Insurance - directors | 373 | 642 |
| Office expenses | 191 | 4 |
| Bank charges | 95 | 201 |
| Travel expenses | - | 1,522 |
| | 182,383 | 170,563 |
| Excess revenue over expenses | 63,081 | 52,108 |
| Non operating income and expenses | | |
| Net revenue | \$ 63,081 | \$ 52,108 |

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

Community First Health Co-op

Notes to the Financial Statements

For the Year Ended March 31, 2017

(Unaudited)

1. Property and equipment

a. Cost less accumulated depreciation/impairment - net book value by period

Property and equipment consist of the following:

| | | | 2017 | 2016 |
|-------------------------|---------------------|-----------------------------|---------------------|---------------------|
| | Cost | Accumulated Depreciation | Net Book Value | Net Book Value |
| Land | \$ 255,716 | \$ - | \$ 255,716 | \$ 255,716 |
| Buildings | 978,313 | (131,153) | 847,160 | 868,882 |
| Furniture and equipment | 8,162 | (4,897) | 3,265 | 4,082 |
| Sign | 3,566 | (2,141) | 1,425 | 1,781 |
| Total | \$ 1,245,757 | \$ (138,191) | \$ 1,107,566 | \$ 1,130,461 |

Depreciation is provided for using the straight-line method over the estimated useful lives as follows for the major classes of assets:

| | |
|-------------------------|------|
| Buildings | 2.5% |
| Furniture and equipment | 10% |
| Signs | 10% |

2. Long-term debt

a. Accounts by period and repayment schedule

Long-term debt consists of the following:

| | 2017 | 2016 |
|--|-------------------|-------------------|
| Grand Forks Credit Union, repayable at \$5,850 per month, including interest at 4.5%, secured by a commercial mortgage on the land and building, maturing September 2018 | \$ 717,016 | \$ 753,745 |
| Less: current portion | (38,465) | (37,350) |
| Long-term portion of debt | \$ 678,551 | \$ 716,395 |

Community First Health Co-op

Notes to the Financial Statements

For the Year Ended March 31, 2017

(Unaudited)

2. Long-term debt continued

a. Accounts by period and repayment schedule continued

Principal repayments on long-term debt over the next five years are as follows:

| | | |
|--------------|-----------|----------------|
| Year 1 | \$ | 39,050 |
| Year 2 | | 40,800 |
| Year 3 | | 42,700 |
| Year 4 | | 44,650 |
| Year 5 | | 46,600 |
| Total | \$ | 213,800 |

3. Members' shares

a. Authorized and issued stock by period

Authorized:

- Unlimited number of membership shares with a par value of \$10 each.

Issued and outstanding shares

- 4,991 shares (2016 - 4,981 shares)

| | 2017 | 2016 |
|-------------------|-----------|-----------|
| Membership shares | \$ 49,910 | \$ 49,810 |

4. Net Capital Assets

Allocation of Net Assets between unrestricted funds and invested in capital assets

| | Unrestrict ed | Invested in Capital Assets | 2017 Total | 2016 Total |
|--|------------------|----------------------------------|-------------------|-------------------|
| Beginning of year | \$ (11,538) | \$ 376,716 | \$ 365,178 | \$ 313,070 |
| Excess (deficiency) of revenue over expenses | 85,009 | (22,895) | 62,114 | 52,108 |
| Long-term debt repayment | (36,730) | 36,730 | - | - |
| Total | \$ 36,741 | \$ 390,551 | \$ 427,292 | \$ 365,178 |

Community First Health Co-op

Notes to the Financial Statements

For the Year Ended March 31, 2017

(Unaudited)

4. Net Capital Assets continued

Allocation of Net Assets between unrestricted funds and invested in capital assets continued