

**SKEENA-QUEEN CHARLOTTE REGIONAL
HOSPITAL DISTRICT**

FINANCIAL STATEMENTS

DECEMBER 31, 2012

**SKEENA-QUEEN CHARLOTTE REGIONAL
HOSPITAL DISTRICT**

INDEX TO FINANCIAL STATEMENTS

DECEMBER 31, 2012

INDEPENDENT AUDITOR'S REPORT

STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL ACTIVITIES

NOTES

INDEPENDENT AUDITOR'S REPORT

**To the Directors
Skeena-Queen Charlotte Regional Hospital District**

Report on the Financial Statements

We have audited the accompanying statement of financial position of Skeena-Queen Charlotte Regional Hospital District as at December 31, 2012 and the statement of financial activities for the year then ended and a summary of significant accounting policies.

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 controls as management determines are necessary to enable the preparation of financial statements that are free of 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 the audit in accordance with Canadian generally accepted auditing standards. These standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

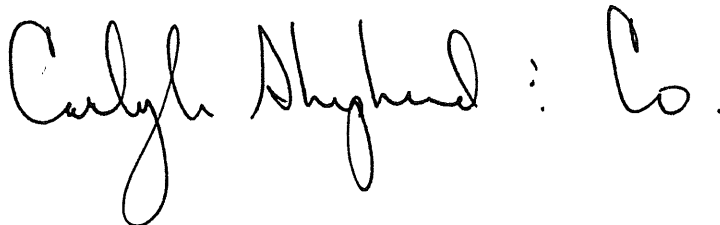
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Regional Hospital District as at December 31, 2012 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Prince Rupert, BC
May 24, 2013



SKEENA-QUEEN CHARLOTTE REGIONAL HOSPITAL DISTRICT

STATEMENT OF FINANCIAL POSITION

DECEMBER 31

	2012	2011
	\$	\$
FINANCIAL ASSETS		
Cash	120 325	60 708
Accounts receivable	22 170	22 857
MFA deposit	<u>16 774</u>	<u>20 766</u>
	<u>159 269</u>	<u>104 331</u>
 FINANCIAL LIABILITIES		
Accounts payable and accruals	12 468	22 825
MFA Debt Reserve Fund	16 774	20 766
Long-term debt (note 2)	<u>233 164</u>	<u>322 109</u>
	<u>262 406</u>	<u>365 700</u>
 NET FINANCIAL ASSETS/LIABILITIES	 -103 137	 -261 369
 FUTURE REVENUE REQUIREMENT FROM TAXPAYERS	 <u>233 164</u>	 <u>322 109</u>
 REGIONAL HOSPITAL DISTRICT POSITION	 <u>130 027</u>	 <u>60 740</u>

APPROVED BY THE BOARD

_____Chairperson

_____Treasurer

SKEENA-QUEEN CHARLOTTE REGIONAL HOSPITAL DISTRICT

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED DECEMBER 31

	Unaudited Budget 2012	Audited Actual 2012	Audited Actual 2011
	\$	\$	\$
REVENUE			
Tax requisition	138 222	138 222	151 928
Grants in lieu of taxes	3 000	11 604	2 582
Interest and other	<u>151</u>	<u>58 976</u>	<u>7 465</u>
	<u>141 373</u>	<u>208 802</u>	<u>161 975</u>
 EXPENDITURE			
Debenture debt			
Interest	95 686	95 393	109 625
Principal	43 087	43 087	44 233
Short term interest	1 000	139	166
Administration	<u>1 600</u>	<u>896</u>	<u>1 073</u>
	<u>141 373</u>	<u>139 515</u>	<u>155 097</u>
 NET CHANGE IN FINANCIAL ACTIVITIES	 -	 69 287	 6 878
 OPENING POSITION	 <u>60 740</u>	 <u>60 740</u>	 <u>53 862</u>
 CLOSING POSITION	 <u>60 740</u>	 <u>130 027</u>	 <u>60 740</u>

SKEENA-QUEEN CHARLOTTE REGIONAL HOSPITAL DISTRICT

NOTES

DECEMBER 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES

The Regional Hospital District has adopted the reporting format from the recommendations by the Public Sector Accounting Board.

A statement of cash flows has not been prepared as management has deemed it does not provide additional information.

Revenue and expenditures are reported on an accrual basis.

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported. Actual results could differ from those estimates.

It is management's opinion that the Regional Hospital District's financial instruments are not exposed to significant interest rate, liquidity, market or other price risks.

2. LONG-TERM DEBT

Debenture debt is with Municipal Finance Authority and is being repaid in accordance with approved bylaws.

3. OPERATIONS

The Ministry of Health stipulated that effective December 31, 1995, the Regional Hospital District will not undertake new projects and will cease once long-term debt is repaid.