

**HME HOME MEDICAL EQUIPMENT  
DEALERS ASSOCIATION OF B.C.  
FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

**(Unaudited)**

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Review Engagement Report

Operating Fund - Statement of Operations and Changes in Unrestricted Net Assets      Statement 1

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Notes to Financial Statements

**McLean Bartok Edwards**

Professional Accountants & Tax Advisors

## **REVIEW ENGAGEMENT REPORT**

To the Directors of  
HME Home Medical Equipment Dealers Association of B.C.

We have reviewed the balance sheet of HME Home Medical Equipment Dealers Association of B.C. as at December 31, 2013 and the Operating Fund - statement of operations and changes in unrestricted net assets, and the statement of cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the Association.

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

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNFP").

*McLean Bartok Edwards*  
Vancouver, BC  
February 26, 2014

**HME HOME MEDICAL EQUIPMENT DEALERS**

Statement 1

**ASSOCIATION OF B.C.****OPERATING FUND - STATEMENT OF OPERATIONS AND CHANGES****IN UNRESTRICTED NET ASSETS****FOR THE YEAR ENDED DECEMBER 31, 2013****(Unaudited)**

	2013	2012
<b>REVENUE</b>		
Membership fees	\$25,840	\$22,420
Advertising fees	1,200	550
	<u>27,040</u>	<u>22,970</u>
<b>EXPENSES</b>		
Advertising		698
Dealer meeting costs	1,667	2,207
Insurance	335	
Legal and professional fees	2,636	2,110
Management fees	16,800	14,000
Office	822	744
Salary survey		1,300
Telephone	550	410
Travel	107	491
Website	362	2,940
	<u>23,279</u>	<u>24,900</u>
<b>EXCESS (SHORTFALL) OF OPERATING FUND REVENUE OVER EXPENSES</b>	<b>3,761</b>	<b>(1,930)</b>
<b>BALANCE, BEGINNING OF YEAR</b>	<b>6,806</b>	<b>8,736</b>
<b>BALANCE, END OF YEAR</b>	<b><u>\$10,567</u></b>	<b><u>\$6,806</u></b>

(See accompanying notes)

**McLean Bartok Edwards**

Professional Accountants &amp; Tax Advisors

**HME HOME MEDICAL EQUIPMENT DEALERS  
ASSOCIATION OF B.C.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2013  
(Unaudited)**

Statement 2

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	2013	2012
CASH PROVIDED BY (USED IN) FUND OPERATIONS		
Excess (shortfall) of operating fund revenue over expenses		
Operating Fund - unrestricted	\$3,761	(\$1,930)
Decrease (increase) in current assets		
Prepaid expense	(471)	99
Increase (decrease) in current liabilities		
Accounts payable	35	(226)
Goods and Services Tax / Harmonized Sales Tax payable	1,614	(1,401)
<b>INCREASE (DECREASE) IN CASH</b>	<b>4,939</b>	<b>(3,458)</b>
<b>CASH, BALANCE BEGINNING OF YEAR</b>	<b>7,906</b>	<b>11,364</b>
<b>CASH, BALANCE END OF YEAR</b>	<b><u>\$12,845</u></b>	<b><u>\$7,906</u></b>

(See accompanying notes)

**McLean Bartok Edwards**  
Professional Accountants & Tax Advisors

**HME HOME MEDICAL EQUIPMENT DEALERS**

Statement 3

**ASSOCIATION OF B.C.****BALANCE SHEET****DECEMBER 31, 2013****(Unaudited)**

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	2013	2012
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash (Note 3)	\$12,845	\$7,906
Prepaid expense	755	284
	<u>\$13,600</u>	<u>\$8,190</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable (Note 3)	\$1,353	\$1,318
Goods and Services Tax / Harmonized Sales Tax payable	1,680	66
	<u>3,033</u>	<u>1,384</u>
<b>NET ASSETS</b>		
Operating Fund - unrestricted	10,567	6,806
	<u>\$13,600</u>	<u>\$8,190</u>

APPROVED ON BEHALF OF THE BOARD:

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(See accompanying notes)

**McLean Bartok Edwards**

Professional Accountants &amp; Tax Advisors

**HME HOME MEDICAL EQUIPMENT DEALERS  
ASSOCIATION OF B.C.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2013**

**(Unaudited)**

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**1. GENERAL**

The Association's mission is to benefit clients and health care providers by developing a spirit of co-operation and increased professionalism among Home Medical Equipment Dealers in British Columbia.

The Association is incorporated under the British Columbia Society Act and is operated as a not-for-profit. The Association is registered for Goods and Services Tax / Harmonized Sales Tax under BN# 86989 0640 RT 0001.

**2. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations ("ASNFP") and are in accordance with Canadian generally accepted accounting principles ("GAAP").

**(a) Use of Estimates**

The preparation of financial statements in accordance with ASNFP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses for the periods covered.

**(b) Revenue Recognition**

Membership, advertising, donations, meeting and other receipts are recorded in the accounts as current revenue when received except where billings are rendered for meetings or training which are recorded when billed.

Revenue is recognized using the restricted fund method whereby the externally restricted contributions are recognized in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable.

**McLean Bartok Edwards**

Professional Accountants & Tax Advisors

**HME HOME MEDICAL EQUIPMENT DEALERS**

**ASSOCIATION OF B.C.**

**NOTES TO FINANCIAL STATEMENTS**

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**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(c) Donated Services**

The Association and its members benefit from donated services of time from volunteers for the various activities conducted on its behalf. For example, most of the executive committee donates their time to the administration of the Association. These donated services and the services of others are not recognized in the financial statements.

**(d) Cash**

Cash consists of the bank balance related to the Operating Fund.

**(e) Financial Instruments**

The Company initially measures its financial assets and financial liabilities at fair value.

The Company subsequently measures all of its financial assets and financial liabilities at cost or amortized cost.

Financial assets measured at amortized cost include cash.

Financial liabilities measured at amortized cost include accounts payable.

**3. FINANCIAL INSTRUMENTS**

The significant financial risk to which the Association is exposed to is liquidity risk.

**(a) Liquidity Risk**

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with its financial liabilities. The Association is exposed to this risk mainly in respect of its accounts payable.

The Association mitigates this risk by closely monitoring cash balances to ensure it has the necessary funds to fulfill its obligations.

**McLean Bartok Edwards**

Professional Accountants & Tax Advisors