

QUARTERLY FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED September 30, 2011
Unaudited

Consolidated Statement of Operations
Consolidated Statement of Financial Position
Consolidated Statement of Changes in Net Assets
Consolidated Statement of Cash Flows
Significant Accounting and Reporting Practices

CONSOLIDATED STATEMENT OF OPERATIONS

	6 Months ended Sept 30, 2011		12 Months ended March 31, 2012	
	Actual	Budget	Forecast*	Budget
Revenue:				
Alberta Health and Wellness contributions				
Unrestricted ongoing	\$ 4,657	\$ 4,657	\$ 9,634	\$ 9,634
Restricted	345	353	818	766
Other government contributions	41	49	106	105
Fees and charges	311	312	621	645
Ancillary operations	59	62	118	117
Donations	14	15	29	30
Investment and other income	111	121	237	307
Amortized external capital contributions	164	184	349	370
TOTAL REVENUE	<u>5,702</u>	<u>5,753</u>	<u>11,912</u>	<u>11,974</u>
Expenses:				
Inpatient acute nursing services	1,361	1,371	2,810	2,823
Emergency and outpatient services	608	623	1,319	1,350
Facility-based continuing care services	430	439	929	935
Ambulance services	178	181	374	372
Community-based care	398	417	836	881
Home care	214	214	444	445
Diagnostic and therapeutic services	928	958	1,970	2,025
Promotion, prevention and protection services	135	148	295	312
Research and education	95	105	220	230
Administration	156	182	314	324
Information technology	190	184	429	424
Support services	796	798	1,659	1,675
Amortization of facilities and improvements	99	112	200	198
TOTAL EXPENSES	<u>5,588</u>	<u>5,732</u>	<u>11,799</u>	<u>11,994</u>
Operating surplus (deficiency) of revenue over expenses	\$ <u>114</u>	\$ <u>21</u>	\$ <u>113</u>	\$ <u>(20)</u>

* Forecasted as of October 25, 2011.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at Sept 30, 2011 Actual	As at March 31, 2012 Budget
<u>ASSETS</u>		
Current:		
Cash and cash equivalents	\$ 1,545	\$ 2,215
Accounts receivable	195	131
Contributions receivable from Alberta Health and Wellness	19	212
Inventories	98	95
Prepaid expenses	75	60
	<u>1,932</u>	<u>2,713</u>
Non-current cash and investments	558	82
Capital contributions receivable from Alberta Health and Wellness	11	100
Capital assets	6,895	7,955
Other assets	179	210
	<u>179</u>	<u>210</u>
TOTAL ASSETS	\$ 9,575	\$ 11,060
<u>LIABILITIES AND NET ASSETS</u>		
Current:		
Accounts payable and accrued liabilities	\$ 762	\$ 1,349
Accrued vacation pay	365	395
Deferred contributions	545	631
Current portion of long-term debt	23	61
	<u>1,695</u>	<u>2,436</u>
Deferred contributions	163	174
Deferred capital contributions	465	386
Long-term debt	342	307
Unamortized external capital contributions	5,740	6,713
Other liabilities	92	108
	<u>8,497</u>	<u>10,124</u>
Net assets:		
Accumulated surplus	194	36
Accumulated net unrealized gains/(losses) on investments	(7)	(14)
Other internally restricted net assets	67	33
Internally restricted net assets invested in capital assets	814	871
Operating net assets	<u>1,068</u>	<u>926</u>
Endowments	10	10
	<u>1,078</u>	<u>936</u>
TOTAL LIABILITIES AND NET ASSETS	\$ 9,575	\$ 11,060

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

	Actual for the 6 Months ended September 30, 2011						
	Accumulated surplus/ (deficit)	Accumulated net unrealized gains/(losses) on investments	Other internally restricted net assets	Internally restricted net assets invested in capital assets	Operating net assets	Endowments	Total
Balance at beginning of year	\$ 116	\$ (9)	\$ 67	\$ 777	\$ 951	\$ 10	\$ 961
Operating surplus of revenue over expenses	114	-	-	-	114	-	114
Capital assets purchased with internal funds	(85)	-	-	85	-	-	-
Amortization of internally funded capital assets	53	-	-	(53)	-	-	-
Repayment of long-term debt used to fund capital assets	(4)	-	-	4	-	-	-
Purchase of land	-	-	-	1	1	-	1
Transfer of other internally restricted net assets	-	-	-	-	-	-	-
Net unrealized gains/(losses) arising during the period on investments	-	2	-	-	2	-	2
Transfer of net realized losses/(gains) on investments to revenue	-	-	-	-	-	-	-
Balance at end of period	<u>\$ 194</u>	<u>\$ (7)</u>	<u>\$ 67</u>	<u>\$ 814</u>	<u>\$ 1,068</u>	<u>\$ 10</u>	<u>\$ 1,078</u>

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

	Budget for the 12 Months ended March 31, 2012						
	Accumulated surplus/ (deficit)	Accumulated net unrealized gains/ (losses) on investments	Other internally restricted net assets	Internally restricted net assets invested in capital assets	Operating net assets	Endowments	Total
Balance at beginning of year	\$ 116	\$ (9)	\$ 67	\$ 777	\$ 951	\$ 10	\$ 961
Operating surplus (deficiency) of revenue over expenses	(20)	-	-	-	(20)	-	(20)
Capital assets purchased with internal funds	(200)	-	-	200	-	-	-
Amortization of internally funded capital assets	125	-	-	(125)	-	-	-
Repayment of long-term debt used to fund capital assets	(19)	-	-	19	-	-	-
Purchase of land	-	-	-	-	-	-	-
Transfer of other internally restricted net assets	34	-	(34)	-	-	-	-
Net unrealized gains/ (losses) arising during the period on investments	-	(1)	-	-	(1)	-	(1)
Transfer of net realized losses/(gains) on investments to revenue	-	(4)	-	-	(4)	-	(4)
Balance at end of year	<u>\$ 36</u>	<u>\$ (14)</u>	<u>\$ 33</u>	<u>\$ 871</u>	<u>\$ 926</u>	<u>\$ 10</u>	<u>\$ 936</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

	6 Months ended Sept 30, 2011 Actual	12 Months ended March 31, 2012 Budget
Operating activities:		
Operating surplus (deficiency) of revenue over expenses	\$ 114	\$ (20)
Net amortization of capital	53	125
Other	(3)	16
Changes in non-cash working capital	(82)	(53)
Cash generated from (used by) operating activities	<u>82</u>	<u>68</u>
Investing activities:		
Capital asset additions	(190)	(612)
Net change in investments	39	522
Changes in non-cash working capital	(187)	378
Cash generated from (used by) investing activities	<u>(338)</u>	<u>288</u>
Financing activities:		
Capital contributions received	51	107
Proceeds from long-term debt	179	240
Principal payments on long-term debt	(150)	(209)
Cash generated from financing activities	<u>80</u>	<u>138</u>
Increase (decrease) in current cash and cash equivalents	(176)	494
Current cash and cash equivalents, beginning of period	1,721	1,721
Current cash and cash equivalents, end of period	1,545	2,215
Non-current cash and investments	558	82
Total cash, cash equivalents and investments, end of period	<u>\$ 2,103</u>	<u>\$ 2,297</u>
Restricted cash, cash equivalents and investments	\$ 1,101	\$ 858
Unrestricted cash, cash equivalents and investments	1,002	1,439
Total cash, cash equivalents and investments, end of period	<u>\$ 2,103</u>	<u>\$ 2,297</u>

SIGNIFICANT ACCOUNTING AND REPORTING PRACTICES

The Quarterly Financial Statements for Alberta Health Services have been prepared using the deferral method of accounting. Accounting policies are consistent with those used to prepare the annual audited consolidated financial statements of AHS for the year ended March 31, 2011. These interim unaudited financial statements should be read in conjunction with the annual audited consolidated financial statements and notes thereto for the year ended March 31, 2011.