

SATURNA RECREATION CENTRE SOCIETY

Saturna Island, British Columbia

UNAUDITED FINANCIAL STATEMENTS

Year Ended June 30, 2014

SATURNA RECREATION CENTRE SOCIETY

(Incorporated Under The Society Act of British Columbia)

UNAUDITED FINANCIAL STATEMENTS

Year Ended June 30, 2014

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Chris Cowland, CPA, CA

Cowland & Associates
#7 - 9764 Fifth St. Sidney V8L 2X2

phone: 778-351-3737
email: admin@sidneycpa.com
website: www.sidneycpa.com

NOTICE TO READER

On the basis of information provided by management, we have compiled the statement of financial position of Saturna Recreation Centre Society as at June 30, 2014 and the statements of operations and changes in net assets 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.

Cowland + Associates.

Sidney, British Columbia
November 13, 2014

PROFESSIONAL ACCOUNTANT

SATURNA RECREATION CENTRE SOCIETY

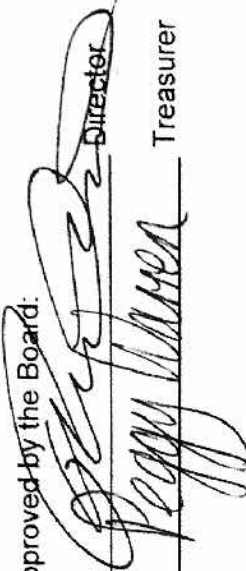
Statement of Financial Position

Unaudited - See Notice to Reader

June 30, 2014

	Operating Fund	Capital Fund	Gaming Fund	2014 Total	2013 Total
ASSETS					
Current					
Cash and cash equivalents	\$ 172,958	\$ -	\$ 2	\$ 172,960	\$ 159,749
Accounts receivable	-	-	-	-	1,167
Prepaid expenses	<u>3,891</u>	-	-	<u>3,891</u>	<u>3,759</u>
Total current	<u>176,849</u>	-	<u>2</u>	<u>176,851</u>	<u>164,675</u>
Capital Assets (Note 3)					
	-	<u>1,746,069</u>	-	<u>1,746,069</u>	<u>1,802,174</u>
	\$ <u>176,849</u>	\$ <u>1,746,069</u>	\$ <u>2</u>	\$ <u>1,922,920</u>	\$ <u>1,966,849</u>
LIABILITIES					
Current					
Accounts payable	\$ 11,006	\$ -	\$ -	\$ 11,006	\$ 2,751
GST payable	<u>405</u>	-	-	<u>405</u>	<u>271</u>
Deferred revenue (Note 4)	-	<u>374,181</u>	-	<u>374,181</u>	<u>379,471</u>
Net assets					
Non-Restricted funds	48,331	-	-	48,331	45,895
Restricted funds (Note 2b)	<u>117,107</u>	<u>1,371,888</u>	<u>2</u>	<u>1,488,997</u>	<u>1,538,461</u>
	<u>165,438</u>	<u>1,371,888</u>	<u>2</u>	<u>1,537,328</u>	<u>1,584,356</u>
	\$ <u>176,849</u>	\$ <u>1,746,069</u>	\$ <u>2</u>	\$ <u>1,922,920</u>	\$ <u>1,966,849</u>

Approved by the Board:


 Peggy Warren Director
 Treasurer

SATURNA RECREATION CENTRE SOCIETY
 Statement of Operations and Changes in Net Assets
 Unaudited - See Notice to Reader
 Year Ended June 30, 2014

	Operating Fund	Capital Fund	Gaming Fund	2014 Total	2013 Total
Revenue					
Donations	\$ 11,750	\$ -	\$ -	\$ 11,750	\$ 7,454
Fund raising	11,055	-	-	11,055	12,679
Medical clinic income	5,000	-	-	5,000	5,000
Membership fees	6,109	-	-	6,109	5,085
Rental revenue (Note 4)	27,760	-	-	27,760	27,992
Interest income	<u>1,939</u>	-	-	<u>1,939</u>	<u>1,570</u>
Total Revenue	<u>63,613</u>	<u>-</u>	<u>-</u>	<u>63,613</u>	<u>59,780</u>
Expenses					
Accounting and legal fees	2,000	-	-	2,000	2,750
Bank charges	25	-	-	25	-
Contract labour and WCB	8,649	-	-	8,649	6,340
Fundraising costs	7,703	-	-	7,703	7,212
Insurance	9,122	-	-	9,122	9,159
Office and miscellaneous	2,024	-	-	2,024	4,278
Repairs and maintenance	2,909	-	-	2,909	9,545
Sports equipment	2,674	-	-	2,674	1,361
Telephone	1,180	-	-	1,180	812
Utilities	11,720	-	-	11,720	8,266
Amortization of capital assets	<u>-</u>	<u>62,635</u>	<u>-</u>	<u>62,635</u>	<u>65,495</u>
	<u>48,006</u>	<u>62,635</u>	<u>-</u>	<u>110,641</u>	<u>115,218</u>
Excess (deficiency) of revenue over expenses	15,607	(62,635)	-	(47,028)	(55,438)
Net assets, beginning of year	161,652	1,422,702	2	1,584,356	1,639,794
Transfer between funds	<u>(11,821)</u>	<u>11,821</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<u>\$ 165,438</u>	<u>\$ 1,371,888</u>	<u>\$ 2</u>	<u>\$ 1,537,328</u>	<u>\$ 1,584,356</u>

SATURNA RECREATION CENTRE SOCIETY
Notes to Financial Statements
Unaudited - See Notice to Reader
Year Ended June 30, 2014

1. PURPOSE OF THE SOCIETY

Saturna Recreation Centre Society (The "Society") is incorporated under the Society Act of British Columbia as a not-for-profit organization. As a non-profit organization, the Society is exempt from income tax under paragraph 149(1)(l) of the Income Tax Act.

The purposes of the Society are:

- a) To identify the recreational, cultural and health needs and interests of the community;
- b) To organize, administer and coordinate appropriate recreation opportunities for all ages in the community on a year-round basis;
- c) To assist already established recreation groups and programs; and
- d) To obtain and manage the necessary finances, personnel and equipment to operate community recreation programs and facilities.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Capital Assets

Amortization is provided for on a declining balance basis over the estimated life of the asset as indicated in Note 3. In the year of acquisition or completion, one half of the regular amortization is charged.

b) Fund Accounting

The Society follows the restricted fund method of accounting for contributions.

The Operating Fund reports revenue, expenses and monetary resources related to the Society's program delivery and administrative activities. Within the Operating Fund, \$117,107 has been internally restricted by the Board of Directors, for the purpose of maintaining a contingency fund. The Cash and cash equivalents account includes an amount of \$25,000 that was previously invested with the Vancouver Foundation.

The Capital Fund reports all land and building costs incurred to date.

The Gaming Fund reported the revenue, expenses and monetary resources whose use was restricted to those permitted by the British Columbia Gaming Commission. This fund was inactive during the fiscal period.

SATURNA RECREATION CENTRE SOCIETY

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2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Revenue Recognition

Unrestricted contributions are recorded as revenue of the Operating Fund in the year received or receivable if the amount can be estimated and collection is reasonably assured.

Restricted contributions are recorded as revenue in the year receivable.

d) Donated Materials, Services and Property

Donated materials, services and property are recognized only when their fair value can be reasonably estimated and the materials and services would be paid for by the Society if not donated.

During the year ended June 30, 2014 the value of donated materials, services and property recorded in the accounts was \$ NIL (2013 - \$NIL).

3. CAPITAL ASSETS

	Rate	Cost	Accumulated Amortization	2014 Net	2013 Net
Land		\$ 271,651	\$ -	\$ 271,651	\$ 271,651
Buildings	4%	2,102,158	641,352	1,460,806	1,521,673
Outbuilding	10%	2,965	2,175	790	878
Equipment	20%	35,231	28,939	6,292	7,972
Art Collection		<u>6,530</u>	<u>-</u>	<u>6,530</u>	<u>-</u>
		<u>\$ 2,418,535</u>	<u>\$ 672,466</u>	<u>\$ 1,746,069</u>	<u>\$ 1,802,174</u>

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3. CAPITAL ASSETS (CONTINUED)

The building costs were allocated into three areas:

a) Recreation Centre

The recreation centre consists of a banquet hall, gymnasium, performance stage, bar/lounge and a medical clinic. The Society retains ownership of the land and building. Funding for the construction of the recreation centre was from donations and government grants, primarily a Canada/British Columbia Infrastructure Program (CBCIP) grant in 2006.

b) Medical Clinic

The medical clinic portion of the building was funded by donations, and is leased to another group.

c) Parks Canada Office

An office building for Parks Canada is located on the same property as the recreation centre. The Society retains ownership of this building and the land. The lease amount consists of the approximate cost of the associated land and the actual costs associated with constructing the building. (See Note 4)

The costs were historically allocated as follows:

	Land	Building
Recreation Centre	\$ 161,661	\$ 1,813,223
Medical Clinic	-	99,750
Parks Canada Office	<u>110,000</u>	<u>189,185</u>
	<u>\$ 271,661</u>	<u>\$ 2,102,158</u>