

SATURNA ISLAND FIRE PROTECTION SOCIETY

Financial Statements

Year Ended December 31, 2016

(Unaudited - See Notice To Reader)



SATURNA ISLAND FIRE PROTECTION SOCIETY

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Year Ended December 31, 2016

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NOTICE TO READER

On the basis of information provided by management, we have compiled the statement of financial position of Saturna Island Fire Protection Society as at December 31, 2016 and the statements of revenues and expenditures, changes in net assets and cash flows 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.

A handwritten signature in blue ink that reads "Field + Company LLP".

Victoria, British Columbia
June 8, 2017

CHARTERED PROFESSIONAL ACCOUNTANTS

SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Financial Position

December 31, 2016

(Unaudited - See Notice To Reader)

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 176,289	\$ 149,947
Term deposits	40,495	40,368
Goods and services tax recoverable	3,622	2,290
Prepaid expenses	15,334	13,732
	<u>235,740</u>	206,337
PROPERTY, PLANT AND EQUIPMENT <i>(Note 3)</i>	<u>1,006,036</u>	1,061,293
	<u>\$ 1,241,776</u>	<u>\$ 1,267,630</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 3,100	\$ 3,369
Deferred income	114,791	119,434
Current portion of long term debt <i>(Note 5)</i>	-	5,860
	<u>117,891</u>	128,663
NET ASSETS		
Net assets invested in capital assets	1,006,036	1,055,433
Unrestricted	117,849	83,534
	<u>1,123,885</u>	1,138,967
	<u>\$ 1,241,776</u>	<u>\$ 1,267,630</u>

APPROVED BY THE BOARD

_____ *President*

_____ *Treasurer*



SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Changes in Net Assets

Year Ended December 31, 2016

(Unaudited - See Notice To Reader)

	Net assets invested in capital assets		Unrestricted	2016	2015
NET ASSETS - BEGINNING OF YEAR	\$ 1,055,433	\$ 83,534	\$ 1,138,967	\$ 1,107,510	
Excess (deficiency) of revenue over expenditures	-	(15,082)	(15,082)	31,457	
Purchase of capital assets	12,840	(12,840)	-	-	
Amortization on capital assets	(68,097)	68,097	-	-	
Debt principal repayment	5,860	(5,860)	-	-	
NET ASSETS - END OF YEAR	\$ 1,006,036	\$ 117,849	\$ 1,123,885	\$ 1,138,967	

SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Revenues and Expenditures

Year Ended December 31, 2016

(Unaudited - See Notice To Reader)

	2016	2015
REVENUE		
Property tax assessments	\$ 145,300	\$ 170,280
Donations - cash	3,171	1,545
Donations - SIR	9,938	4,631
Grant - VIHA	10,500	10,500
Grant - PILT	7,419	7,720
Lease	5,843	4,643
Interest	292	934
Gains on disposal of assets	-	2,800
	182,463	203,053
EXPENDITURES		
Amortization	68,097	65,747
Communications and signage	582	1,304
CRD fire withholding	-	107
Facility service fee and rental	5,000	5,000
Honorarium, salaries and benefits	29,568	22,129
Insurance	12,036	10,757
Interest on long term debt	350	1,599
Office	5,987	5,955
Professional fees	3,376	2,520
Protective gear and uniforms	6,426	3,336
Repairs and maintenance	10,122	6,450
Supplies	7,881	7,073
Tax collection	2,777	2,022
Training	18,957	16,029
Travel	1,526	439
Utilities	6,785	6,741
Vehicles	17,375	13,833
Worksafe BC	700	555
	197,545	171,596
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	\$ (15,082)	\$ 31,457

SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Cash Flows

Year Ended December 31, 2016

(Unaudited - See Notice To Reader)

	2016	2015
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures	\$ (15,082)	\$ 31,457
Items not affecting cash:		
Amortization of property, plant and equipment	68,097	65,747
Gain on disposal of assets	-	(2,800)
	<u>53,015</u>	<u>94,404</u>
Changes in non-cash working capital:		
Goods and services tax recoverable	(1,332)	(1,798)
Accounts payable and accrued liabilities	(269)	(18,232)
Deferred income	(4,643)	(4,643)
Prepaid expenses	(1,602)	761
	<u>(7,846)</u>	<u>(23,912)</u>
	<u>45,169</u>	<u>70,492</u>
INVESTING ACTIVITIES		
Purchase of fire fighting equipment and support vehicles	(12,840)	(1,896)
Proceeds from sale of cargo van	-	2,800
Repayment of term debt	(5,860)	(55,463)
	<u>(18,700)</u>	<u>(54,559)</u>
INCREASE IN CASH	26,469	15,933
Cash and term deposits - beginning of year	<u>190,315</u>	<u>174,382</u>
CASH AND TERM DEPOSITS - END OF YEAR	\$ 216,784	\$ 190,315
CASH CONSISTS OF:		
Cash	\$ 176,289	\$ 149,947
Term deposits	<u>40,495</u>	<u>40,368</u>
	<u>\$ 216,784</u>	<u>\$ 190,315</u>

SATURNA ISLAND FIRE PROTECTION SOCIETY

Notes to Financial Statements

Year Ended December 31, 2016

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1. NATURE OF ORGANIZATION

The Saturna Island Fire Protection Society was incorporated under the Society Act of the Province of British Columbia, January 14, 1994. The purposes of the Society are to provide fire protection and emergency response services to the inhabitants of Saturna Island. The majority of the funds raised by the Society come from the taxation of real property on Saturna Island.

2. PROPERTY PLANT AND EQUIPMENT POLICY

Property, plant and equipment are stated at cost less accumulated amortization. Property, plant and equipment are amortized over their estimated useful lives at the following rates and methods:

Buildings	4%	straight-line method
Fire and support vehicles	20%	straight-line method
Emergency transportation vehicle	20%	straight-line method
Equipment and radios	20%	straight-line method
Storage container	10%	straight-line method

3. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Land	\$ 115,651	\$ -	\$ 115,651	\$ 115,651
Buildings	1,110,706	264,321	846,385	890,813
Fire and support vehicles	265,913	221,913	44,000	54,829
Emergency transportation vehicle	4,000	4,000	-	-
Equipment	42,427	42,427	-	-
Radios	14,257	14,257	-	-
	<u>\$ 1,552,954</u>	<u>\$ 546,918</u>	<u>\$ 1,006,036</u>	<u>\$ 1,061,293</u>

SATURNA ISLAND FIRE PROTECTION SOCIETY

Notes to Financial Statements

Year Ended December 31, 2016

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4. DEFERRED INCOME

	<u>2016</u>	<u>2015</u>
Grant - VIHA	\$ 2,500	\$ 2,500
Deferred lease - CRD	20,624	22,124
Deferred lease - Parks Canada	<u>91,667</u>	<u>94,810</u>
	<u>\$ 114,791</u>	<u>\$ 119,434</u>

The Society received a grant from the Vancouver Island Health Authority (VIHA) in support of Saturna Island Rescue of which \$2,500 is deferred.

The Society entered into a 20 year prepaid lease with the Southern Gulf Islands Emergency Management Commission (CRD) effective September 14, 2010 for the use of both Emergency Services Buildings. The prepaid deposit on the lease is amortized into income over the 20 year lease period.

The Society entered into a 35 year prepaid lease with Parks Canada effective February 29, 2011 for the use of a portion of Emergency Services Building #1. The prepaid deposit on the lease is amortized into income over the 35 year lease period.

SATURNA ISLAND FIRE PROTECTION SOCIETY

Notes to Financial Statements

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5. LONG TERM DEBT	<u>2016</u>	<u>2015</u>
TD Bank of Canada Term Loan #1		
- Bears interest at 5.163%		
- Monthly principal and interest payments of \$2,672		
- due March 2, 2016	\$ -	\$ 5,860
Amounts payable within one year	-	(5,860)
	<u>\$ -</u>	<u>\$ -</u>

The term loan was repaid in full on January 27, 2016.

6. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.
