

SATURNA ISLAND FIRE PROTECTION SOCIETY

Financial Statements

Year Ended December 31, 2014

(Unaudited - See Notice To Reader)



Chartered Accountants
Est. 1930

SATURNA ISLAND FIRE PROTECTION SOCIETY

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Year Ended December 31, 2014

(Unaudited - See Notice To Reader)

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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, 2014 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.

Victoria, British Columbia
June 22, 2015

A handwritten signature in black ink that reads "Field & Company LLP". The signature is written in a cursive, flowing style.

CHARTERED ACCOUNTANTS

SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Financial Position

December 31, 2014

(Unaudited - See Notice To Reader)

	2014	2013
ASSETS		
CURRENT		
Cash	\$ 34,014	\$ 51,481
Term deposits	140,368	90,370
GST receivable	492	898
Prepaid expenses	14,493	14,697
	<u>189,367</u>	157,446
PROPERTY, PLANT AND EQUIPMENT <i>(Note 3)</i>	<u>1,125,144</u>	1,142,723
	<u>\$ 1,314,511</u>	\$ 1,300,169
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 21,601	\$ 5,004
Deferred income	124,077	128,720
Current portion of long term debt <i>(Note 5)</i>	29,602	26,800
	<u>175,280</u>	160,524
LONG TERM DEBT <i>(Note 5)</i>	<u>31,721</u>	87,279
	<u>207,001</u>	247,803
NET ASSETS		
Net assets invested in capital assets	1,063,817	1,028,642
Unrestricted	43,693	23,724
	<u>1,107,510</u>	1,052,366
	<u>\$ 1,314,511</u>	\$ 1,300,169

APPROVED BY THE BOARD

_____ *President*

_____ *Treasurer*



SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Changes in Net Assets

Year Ended December 31, 2014

(Unaudited - See Notice To Reader)

	Net assets invested in capital assets	Unrestricted	2014	2013
NET ASSETS - BEGINNING OF YEAR	\$ 1,028,642	\$ 23,724	\$ 1,052,366	\$ 1,002,452
Surplus for the year	-	55,144	55,144	49,914
Net purchase of capital assets	55,066	(55,066)	-	-
Amortization on capital assets	(72,646)	72,646	-	-
Debt principal repayment	52,755	(52,755)	-	-
NET ASSETS - END OF YEAR	\$ 1,063,817	\$ 43,693	\$ 1,107,510	\$ 1,052,366



SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Revenues and Expenditures

Year Ended December 31, 2014

(Unaudited - See Notice To Reader)

	2014	2013
REVENUE		
Property tax assessments	\$ 195,548	\$ 203,520
Donations - cash	200	1,500
Donations - SIR	3,102	3,660
Grant - VIHA	10,000	10,000
Grant - PILT	7,233	9,357
Sign rentals	934	934
Lease	4,643	4,643
Service fees	-	673
Interest	1,198	918
Gains on disposal of assets	-	3,500
	222,858	238,705
EXPENDITURES		
Amortization	72,646	80,303
Communications and signage	2,475	3,917
CRD fire withholding	170	9,427
Facility service fee and rental	5,000	5,000
Honorarium	11,400	10,800
Insurance	14,252	14,542
Interest on long term debt	4,307	8,225
Office	3,495	5,935
Professional fees	5,773	2,831
Protective gear	4,755	4,510
Repairs and maintenance	7,243	6,942
Supplies	5,587	3,176
Tax collection	3,460	3,450
Training	3,970	7,591
Travel	40	104
Utilities	5,513	3,670
Vehicles	17,067	17,880
Worksafe BC	561	488
	167,714	188,791
EXCESS OF REVENUE OVER EXPENDITURES	\$ 55,144	\$ 49,914

SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Cash Flows

Year Ended December 31, 2014

(Unaudited - See Notice To Reader)

	2014	2013
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 55,144	\$ 49,914
Items not affecting cash:		
Amortization of property, plant and equipment	72,646	80,303
Gain on disposal of assets	-	(3,500)
	<u>127,790</u>	<u>126,717</u>
Changes in non-cash working capital:		
GST receivable	406	4,845
Accounts payable	16,595	793
Deferred income	(4,643)	(4,643)
Prepaid expenses	204	176
	<u>12,562</u>	<u>1,171</u>
	<u>140,352</u>	<u>127,888</u>
INVESTING ACTIVITIES		
Emergency services building #2	(1,113)	(16,103)
Purchase of fire fighting equipment and trucks	(53,953)	(2,845)
Sale of pumper truck	-	3,500
Repayment of term debt	(52,755)	(75,767)
	<u>(107,821)</u>	<u>(91,215)</u>
	32,531	36,673
INCREASE IN CASH	32,531	36,673
Cash and term deposits - beginning of year	<u>141,851</u>	<u>105,178</u>
CASH AND TERM DEPOSITS - END OF YEAR	\$ 174,382	\$ 141,851
CASH CONSISTS OF:		
Cash	\$ 34,014	\$ 51,481
Term deposits	<u>140,368</u>	<u>90,370</u>
	<u>\$ 174,382</u>	<u>\$ 141,851</u>

SATURNA ISLAND FIRE PROTECTION SOCIETY

Notes to Financial Statements

Year Ended December 31, 2014

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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	2014 Net book value	2013 Net book value
Land	\$ 115,651	\$ -	\$ 115,651	\$ 115,651
Buildings	1,110,706	175,464	935,242	978,557
Fire and support vehicles	251,173	176,922	74,251	43,592
Emergency transportation vehicle	4,000	4,000	-	800
Equipment	42,427	42,427	-	3,839
Radios	14,257	14,257	-	284
	<u>\$ 1,538,214</u>	<u>\$ 413,070</u>	<u>\$ 1,125,144</u>	<u>\$ 1,142,723</u>

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Notes to Financial Statements

Year Ended December 31, 2014

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4. DEFERRED INCOME

	<u>2014</u>	<u>2013</u>
Grant - VIHA	\$ 2,500	\$ 2,500
Deferred lease - CRD	23,624	25,125
Deferred lease - Parks Canada	<u>97,953</u>	<u>101,095</u>
	<u>\$ 124,077</u>	<u>\$ 128,720</u>

The Society received a \$10,000 grant from the Vancouver Island Health Authority (VIHA) in support of Saturna Island Rescue of which \$7,500 was earned in the year.

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.

5. LONG TERM DEBT

	<u>2014</u>	<u>2013</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	\$ 61,323	\$ 114,079
Amounts payable within one year	<u>(29,602)</u>	<u>(26,800)</u>
	<u>\$ 31,721</u>	<u>\$ 87,279</u>

Principal repayment terms are approximately:

2016	\$ 31,167
2017	<u>554</u>
	<u>\$ 31,721</u>

The term loans are secured by a first charge over real property, a general security agreement, assignment of lease revenues, and fire insurance