



Compiled Financial Information

Saturna Island Fire Protection Society

December 31, 2022

Saturna Island Fire Protection Society

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Compilation Engagement Report

To the Board of Directors of
Saturna Island Fire Protection Society

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, 2022, the statements of operations, changes in net assets, and cash flows for the year then ended, and Note 2, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Victoria, Canada
March 14, 2023

Chartered Professional Accountants

Saturna Island Fire Protection Society

Statement of Operations

Year ended December 31	2022	2021
Revenues		
Property tax assessments	\$ 177,796	\$ 157,672
Donations - VFD	4,450	700
Donations - SIR	6,450	3,396
FireSmart	-	3,642
Grant - VIHA	11,500	11,500
Grant - PILT	10,509	10,560
Grant - CRD	1,289	667
Grant - CEPF Fire	14,374	-
Lease	7,576	6,943
Interest and miscellaneous	3,661	1,360
	237,605	196,440
Expenditures		
Amortization	69,808	58,576
Facility service fee and rental	5,000	5,000
FireSmart	-	2,878
Honorarium and benefits	45,554	39,516
Insurance	23,617	24,460
Office	12,397	9,582
Professional fees	5,354	3,995
Protective gear and uniforms	17,515	5,452
Repairs and maintenance	29,806	27,697
Supplies	8,183	7,340
Tax collection	3,365	3,267
Training	58,435	9,089
Travel	-	200
Utilities	6,062	5,416
Vehicle	12,607	17,043
Worksafe BC	1,468	1,109
	299,171	220,620
Deficiency of revenues over expenditures	\$ (61,566)	\$ (24,180)

Saturna Island Fire Protection Society

Statement of Changes in Net Assets

Year ended December 31

	Net assets invested in property, plant and equipment	Unrestricted	Internally restricted capital reserve	Total 2022	Total 2021
Balance, beginning of year	\$ 784,526	\$ 101,080	\$ 100,000	\$ 985,606	\$ 1,009,786
(Deficiency) excess of revenues over expenditures	1,289	(62,855)	-	(61,566)	(24,180)
Purchase of property, plant and equipment (net of capital contribution)	3,671	(3,671)	-	-	-
Amortization on property, plant and equipment	<u>(69,808)</u>	<u>69,808</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 719,678</u>	<u>\$ 104,362</u>	<u>\$ 100,000</u>	<u>\$ 924,040</u>	<u>\$ 985,606</u>

Saturna Island Fire Protection Society

Statement of Financial Position

December 31	2022	2021
Assets		
Current		
Cash	\$ 19,913	\$ 100,217
Term deposits	256,653	200,380
Prepaid expenses	20,471	18,519
Goods and services tax receivable	3,550	4,400
	300,587	323,516
Long-term		
Property, plant and equipment (Note 4)	755,732	803,193
	\$ 1,056,319	\$ 1,126,709
 Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 3,131	\$ 3,129
Deferred income (Note 5)	87,308	91,951
Current portion of long-term debt (Note 6)	2,893	2,893
	93,332	97,973
Long-term debt (Note 6)		
Deferred capital contribution	2,893	5,786
	36,054	37,344
	38,947	43,130
	132,279	141,103
 Net Assets		
Net assets invested in property, plant and equipment	719,678	784,526
Unrestricted	104,362	101,080
Internally restricted capital reserve	100,000	100,000
	924,040	985,606
	\$ 1,056,319	\$ 1,126,709

Saturna Island Fire Protection Society

Statement of Cash Flows

Year ended December 31	2022	2021
Increase (decrease) in cash		
Operating		
Deficiency of revenues over expenditures	\$ (61,566)	\$ (24,180)
Item not affecting cash		
Amortization	<u>69,808</u>	<u>58,576</u>
	8,242	34,396
Change in non-cash working capital items		
Accounts receivable	-	2,700
Prepaid expenses	(1,952)	(534)
Goods and services tax	850	(975)
Accounts payable and accrued liabilities	3	-
Deferred income	<u>(4,643)</u>	<u>(4,643)</u>
	<u>2,500</u>	<u>30,944</u>
Financing		
Repayment of long-term debt	(2,893)	(2,893)
Deferred capital contribution	<u>(1,290)</u>	<u>18,011</u>
	<u>(4,183)</u>	<u>15,118</u>
Investing		
Purchase of property, plant and equipment	<u>(22,348)</u>	<u>(19,960)</u>
(Decrease) increase in cash	(24,031)	26,102
Cash		
Beginning of year	<u>300,597</u>	<u>274,495</u>
End of year	<u>\$ 276,566</u>	<u>\$ 300,597</u>
Cash consists of:		
Cash	\$ 19,913	\$ 100,217
Term deposits	<u>256,653</u>	<u>200,380</u>
	<u>\$ 276,566</u>	<u>\$ 300,597</u>

Saturna Island Fire Protection Society

Notes to the Compiled Financial Information

December 31, 2022

1. General information

Saturna Island Fire Protection Society was incorporated under the Society Act of the Province of British Columbia on 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. Basis of accounting

The basis of accounting applied in the preparation of the statement of financial position of Saturna Island Fire Protection Society as at December 31, 2022, the statements of operations, changes in net assets, and cash flows for the year then ended is on the cash basis of accounting with the addition of the following:

- (a) Accounts receivable are accrued as at the reporting date.
 - (b) Prepaid expenses are recorded based on the terms of the invoice.
 - (c) Property, plant and equipment are recorded at historical cost and are amortized over their expected useful life.
 - (d) Accounts payable and accrued liabilities are accrued as at the reporting date.
 - (e) Unrestricted contributions are recognized as revenue when received.
 - (f) Contributions that are restricted by third parties are recognized as revenue when the related expenses have been incurred. When the related expenses have not yet been incurred, contributions that are restricted by third parties are recorded as deferred revenue.
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3. Significant accounting policy

Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated amortization and impairment losses. Amortization is calculated on a straight-line basis.

The amortization rates used for each class of property, plant and equipment are:

Buildings	4%
Equipment	20%
Emergency transportation vehicle	20%
Fire and support vehicles	20%
Radios	20%
Solar equipment	30 years

Saturna Island Fire Protection Society

Notes to the Compiled Financial Information

December 31, 2022

4. Property, plant and equipment			<u>2022</u>	<u>2021</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	\$ 115,651	\$ -	\$ 115,651	\$ 115,651
Buildings	1,116,410	531,233	585,177	629,834
Equipment	64,129	60,087	4,042	12,830
Emergency transportation vehicle	9,324	7,727	1,597	2,662
Fire and support vehicles	303,307	296,600	6,707	17,157
Radios	14,257	14,257	-	-
Solar equipment	45,055	2,497	42,558	25,059
	<u>\$ 1,668,133</u>	<u>\$ 912,401</u>	<u>\$ 755,732</u>	<u>\$ 803,193</u>

Saturna Island Fire Protection Society

Notes to the Compiled Financial Information

December 31, 2022

5. Deferred income	<u>2022</u>	<u>2021</u>
Grant - VIHA	\$ 2,875	\$ 2,875
Deferred lease - CRD	11,625	13,125
Deferred lease - Parks Canada	<u>72,808</u>	<u>75,951</u>
	<u>\$ 87,308</u>	<u>\$ 91,951</u>

The Society received a grant from the Vancouver Island Health Authority (VIHA) in support of Saturna Island Rescue of which \$2,875 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.

6. Long-term debt	<u>2022</u>	<u>2021</u>
Financing arrangement with Crest for the purchase of 25 pagers and chargers at a total cost of \$20,250. Amount is non-interest bearing and is payable in equal annual payments over a 7 year term.	\$ 5,786	\$ 8,679
Less current portion	<u>2,893</u>	<u>2,893</u>
Due beyond one year	<u>\$ 2,893</u>	<u>\$ 5,786</u>
