

SATURNA ISLAND FIRE PROTECTION SOCIETY

Financial Statements

Year Ended December 31, 2018

(Unaudited - See Notice To Reader)



SATURNA ISLAND FIRE PROTECTION SOCIETY

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Year Ended December 31, 2018

(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, 2018 and the statements of changes in net assets, revenues and expenditures 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.

Field & Company LLP

Victoria, British Columbia
May 6, 2019

CHARTERED PROFESSIONAL ACCOUNTANTS

SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Financial Position

December 31, 2018

(Unaudited - See Notice To Reader)

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 139,962	\$ 135,462
Term deposits	81,659	120,850
Goods and services tax recoverable	3,364	2,008
Inventory	1,182	-
Prepaid expenses	14,759	14,930
	240,926	273,250
PROPERTY, PLANT AND EQUIPMENT <i>(Note 3)</i>	930,064	947,869
	\$ 1,170,990	\$ 1,221,119
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 3,132	\$ 3,280
Deferred income <i>(Note 4)</i>	105,505	110,148
Current portion of long term debt <i>(Note 5)</i>	2,893	-
	111,530	113,428
LONG TERM DEBT <i>(Note 5)</i>	14,464	-
	125,994	113,428
NET ASSETS		
Internally restricted capital reserve	100,000	-
Net assets invested in property, plant and equipment	930,064	947,869
Unrestricted	14,932	159,822
	1,044,996	1,107,691
	\$ 1,170,990	\$ 1,221,119

APPROVED BY THE BOARD

_____ *President*

_____ *Treasurer*



SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Changes in Net Assets

Year Ended December 31, 2018

(Unaudited - See Notice To Reader)

	Net assets invested in property, plant and equipment	Unrestricted	Internally restricted capital reserve	2018	2017
NET ASSETS - BEGINNING OF YEAR	\$ 947,869	\$ 159,822	\$ -	\$ 1,107,691	\$ 1,123,885
Deficiency of revenue over expenditures	-	(62,695)	-	(62,695)	(16,194)
Purchase of property, plant and equipment	44,846	(44,846)	-	-	-
Transfer to capital reserve	-	(100,000)	100,000	-	-
Amortization on property, plant and equipment	(62,651)	62,651	-	-	-
NET ASSETS - END OF YEAR	\$ 930,064	\$ 14,932	\$ 100,000	\$ 1,044,996	\$ 1,107,691

SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Revenues and Expenditures

Year Ended December 31, 2018

(Unaudited - See Notice To Reader)

	2018	2017
REVENUE		
Property tax assessments	\$ 145,110	\$ 145,740
Donations - VFD	375	-
Donations - SIR	3,087	2,847
FireSmart	4,542	-
Grant - VIHA	10,500	10,500
Grant - PILT	7,010	6,631
Lease	4,643	4,643
Interest and miscellaneous	3,488	1,475
	<u>178,755</u>	<u>171,836</u>
EXPENDITURES		
Amortization	62,651	58,167
Communications and signage	20,250	341
Facility service fee and rental	5,000	5,000
FireSmart	4,528	-
Honorarium and benefits	38,802	27,606
Insurance	14,679	14,676
Office	3,705	1,132
Professional fees	2,730	5,401
Protective gear and uniforms	18,214	7,369
Repairs and maintenance	23,470	9,945
Supplies	4,893	5,901
Tax collection	2,580	2,430
Training	15,252	19,121
Travel	120	234
Utilities	8,978	8,154
Vehicles	14,635	21,640
Worksafe BC	963	913
	<u>241,450</u>	<u>188,030</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES	<u>\$ (62,695)</u>	<u>\$ (16,194)</u>

SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Cash Flows

Year Ended December 31, 2018

(Unaudited - See Notice To Reader)

	2018	2017
OPERATING ACTIVITIES		
Deficiency of revenue over expenditures	\$ (62,695)	\$ (16,194)
Item not affecting cash:		
Amortization of property, plant and equipment	<u>62,651</u>	<u>58,167</u>
	<u>(44)</u>	<u>41,973</u>
Changes in non-cash working capital:		
Goods and services tax recoverable	(1,356)	1,614
Inventory	(1,182)	-
Accounts payable and accrued liabilities	(148)	180
Deferred income	(4,643)	(4,643)
Prepaid expenses	<u>171</u>	<u>404</u>
	<u>(7,158)</u>	<u>(2,445)</u>
	<u>(7,202)</u>	<u>39,528</u>
INVESTING ACTIVITY		
Purchase of fire fighting equipment and support vehicles	<u>(44,846)</u>	-
	<u>(44,846)</u>	-
FINANCING ACTIVITY		
Increase in loan payable	<u>17,357</u>	-
	<u>17,357</u>	-
INCREASE (DECREASE) IN CASH	(34,691)	39,528
Cash and term deposits - beginning of year	<u>256,312</u>	<u>216,784</u>
CASH AND TERM DEPOSITS - END OF YEAR	\$ 221,621	\$ 256,312
CASH CONSISTS OF:		
Cash	\$ 139,962	\$ 135,462
Term deposits	<u>81,659</u>	<u>120,850</u>
	\$ 221,621	\$ 256,312

SATURNA ISLAND FIRE PROTECTION SOCIETY

Notes to Financial Statements

Year Ended December 31, 2018

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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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Property, plant and equipment

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	2018 Net book value	2017 Net book value
Land	\$ 115,651	\$ -	\$ 115,651	\$ 115,651
Buildings	1,110,706	353,177	757,529	801,957
Fire and support vehicles	310,759	253,875	56,884	30,261
Emergency transportation vehicle	4,000	4,000	-	-
Equipment	42,427	42,427	-	-
Equipment and radios	14,257	14,257	-	-
	\$ 1,597,800	\$ 667,736	\$ 930,064	\$ 947,869

SATURNA ISLAND FIRE PROTECTION SOCIETY

Notes to Financial Statements

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4. DEFERRED INCOME

	<u>2018</u>	<u>2017</u>
Grant - VIHA	\$ 2,500	\$ 2,500
Deferred lease - CRD	17,625	19,125
Deferred lease - Parks Canada	<u>85,380</u>	<u>88,523</u>
	<u>\$ 105,505</u>	<u>\$ 110,148</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.

5. LONG TERM DEBT

	<u>2018</u>	<u>2017</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.	\$ 17,357	\$ -
Amounts payable within one year	<u>(2,893)</u>	-
	<u>\$ 14,464</u>	<u>\$ -</u>

6. COMPARATIVE FIGURES

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