

SATURNA ISLAND FIRE PROTECTION SOCIETY

Financial Statements

Year Ended December 31, 2019

(Unaudited - See Notice To Reader)



SATURNA ISLAND FIRE PROTECTION SOCIETY

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Year Ended December 31, 2019

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Antonio Moniz, CPA,CA*
Steve Haines, BComm, CPA,CA*
Richard Pearson, BSc, CPA,CA*
Judd Nichols, BA, CPA,CA*
Thomas Hawker, BA, CPA,CA* Associate
Robert Thomson, BComm, CPA,CA* Associate

* Incorporated Professional



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, 2019 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.

Victoria, British Columbia
March 27, 2020

CHARTERED PROFESSIONAL ACCOUNTANTS

509 - 612 View Street, Victoria, British Columbia, V8W 1J5

Phone: 250-384-9301 Fax: 250-384-0987 Web: www.fieldandcompany.ca



SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Financial Position

December 31, 2019

(Unaudited - See Notice To Reader)

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 114,332	\$ 139,962
Term deposits	150,755	81,659
Goods and services tax recoverable	2,157	3,364
Inventory	132	1,182
Prepaid expenses	29,020	14,759
	296,396	240,926
PROPERTY, PLANT AND EQUIPMENT <i>(Note 3)</i>	877,780	930,064
	\$ 1,174,176	\$ 1,170,990
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 3,130	\$ 3,132
Deferred income <i>(Note 4)</i>	121,237	105,505
Current portion of long term debt <i>(Note 5)</i>	2,893	2,893
	127,260	111,530
LONG TERM DEBT <i>(Note 5)</i>	11,571	14,464
	138,831	125,994
NET ASSETS		
Internally restricted capital reserve	100,000	100,000
Net assets invested in property, plant and equipment	877,780	930,064
Unrestricted	57,565	14,932
	1,035,345	1,044,996
	\$ 1,174,176	\$ 1,170,990

APPROVED BY THE BOARD

_____ *President*

_____ *Treasurer*



SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Changes in Net Assets

Year Ended December 31, 2019

(Unaudited - See Notice To Reader)

	Net assets invested in property, plant and equipment	Unrestricted	Internally restricted capital reserve	2019	2018
NET ASSETS - BEGINNING OF YEAR	\$ 930,064	\$ 14,932	\$ 100,000	\$ 1,044,996	\$ 1,107,691
Excess (deficiency) of revenue over expenditures	-	(9,651)	-	(9,651)	(62,695)
Purchase of property, plant and equipment	16,502	(16,502)	-	-	-
Amortization on property, plant and equipment	(68,786)	68,786	-	-	-
NET ASSETS - END OF YEAR	\$ 877,780	\$ 57,565	\$ 100,000	\$ 1,035,345	\$ 1,044,996



SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Revenues and Expenditures

Year Ended December 31, 2019

(Unaudited - See Notice To Reader)

	2019	2018
REVENUE		
Property tax assessments	\$ 155,600	\$ 145,110
Donations - VFD	450	375
Donations - SIR	2,500	3,087
Donations in kind	3,000	-
FireSmart	6,199	4,542
Grant - VIHA	11,125	10,500
Grant - PILT	6,753	7,010
Lease	6,713	4,643
Interest and miscellaneous	3,230	3,488
Gain on sale of property, plant and equipment	3,217	-
	198,787	178,755
EXPENDITURES		
Amortization	68,786	62,651
Communications and signage	-	20,250
Facility service fee and rental	5,000	5,000
FireSmart	5,411	4,528
Honorarium and benefits	35,925	38,802
Insurance	13,201	14,679
Office	4,557	3,705
Professional fees	2,730	2,730
Protective gear and uniforms	10,587	18,214
Repairs and maintenance	16,234	23,470
Supplies	7,406	4,893
Tax collection	2,698	2,580
Training	7,440	15,252
Travel	24	120
Utilities	8,349	8,978
Vehicles	19,183	14,635
Worksafe BC	907	963
	208,438	241,450
DEFICIENCY OF REVENUE OVER EXPENDITURES	\$ (9,651)	\$ (62,695)

SATURNA ISLAND FIRE PROTECTION SOCIETY

Statement of Cash Flows

Year Ended December 31, 2019

(Unaudited - See Notice To Reader)

	2019	2018
OPERATING ACTIVITIES		
Deficiency of revenue over expenditures	\$ (9,651)	\$ (62,695)
Items not affecting cash:		
Amortization of property, plant and equipment	68,786	62,651
Gain on disposal of assets	(3,217)	-
	<u>55,918</u>	<u>(44)</u>
Changes in non-cash working capital:		
Goods and services tax recoverable	1,207	(1,356)
Inventory	1,050	(1,182)
Accounts payable and accrued liabilities	(2)	(148)
Deferred income	15,732	(4,643)
Prepaid expenses	(14,261)	171
	<u>3,726</u>	<u>(7,158)</u>
	<u>59,644</u>	<u>(7,202)</u>
INVESTING ACTIVITIES		
Purchase of fire fighting equipment and support vehicles	(16,502)	(44,846)
Proceeds from sale of vehicles and equipment	3,217	-
	<u>(13,285)</u>	<u>(44,846)</u>
FINANCING ACTIVITY		
Increase (decrease) in loan payable	(2,893)	17,357
	<u>43,466</u>	<u>(34,691)</u>
INCREASE (DECREASE) IN CASH		
Cash and term deposits - beginning of year	221,621	256,312
CASH AND TERM DEPOSITS - END OF YEAR	<u>\$ 265,087</u>	<u>\$ 221,621</u>
CASH CONSISTS OF:		
Cash	\$ 114,332	\$ 139,962
Term deposits	150,755	81,659
	<u>\$ 265,087</u>	<u>\$ 221,621</u>

SATURNA ISLAND FIRE PROTECTION SOCIETY

Notes to Financial Statements

Year Ended December 31, 2019

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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
Radios	20%	straight-line method

3. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Land	\$ 115,651	\$ -	\$ 115,651	\$ 115,651
Buildings	1,110,706	397,606	713,100	757,529
Fire and support vehicles	303,307	262,469	40,838	56,884
Emergency transportation vehicle	9,324	4,532	4,792	-
Equipment	46,203	42,804	3,399	-
Radios	14,257	14,257	-	-
	<u>\$ 1,599,448</u>	<u>\$ 721,668</u>	<u>\$ 877,780</u>	<u>\$ 930,064</u>

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Notes to Financial Statements

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4. DEFERRED INCOME

	<u>2019</u>	<u>2018</u>
Grant - VIHA	\$ 2,875	\$ 2,500
Deferred lease - CRD	16,125	17,625
Deferred lease - Parks Canada	82,237	85,380
CRD Grant	20,000	-
	<u>\$ 121,237</u>	<u>\$ 105,505</u>

The Society received a grant during the year 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.

The Society received a grant from the Capital Regional District during the year with the specified purpose of installing solar panels on one of the buildings. The purchase and installation will take place in 2020.

5. LONG TERM DEBT

	<u>2019</u>	<u>2018</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.	\$ 14,464	\$ 17,357
Amounts payable within one year	<u>(2,893)</u>	<u>(2,893)</u>
	<u>\$ 11,571</u>	<u>\$ 14,464</u>