

# **GABRIOLA COMMONS FOUNDATION**

## **FINANCIAL STATEMENTS**

(Unaudited)

**MARCH 31, 2011**

# GABRIOLA COMMONS FOUNDATION

MARCH 31, 2011

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## **GABRIOLA COMMONS FOUNDATION**

### **REVIEW ENGAGEMENT REPORT**

To the Directors of  
Gabriola Commons Foundation

I have reviewed the statement of financial position of Gabriola Commons Foundation as at March 31, 2011 and the statements of operations, changes in net assets and cash flows for the year then ended. My review was made in accordance with generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the company.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with generally accepted accounting principles.

Gabriola B C  
August 4, 2011

CERTIFIED GENERAL ACCOUNTANT

# GABRIOLA COMMONS FOUNDATION

## STATEMENT OF FINANCIAL POSITION (Unaudited)

AS AT MARCH 31, 2011

### ASSETS

	2011	2010
<b>CURRENT</b>		
Cash	\$ 32,098	\$ 67,612
Accounts receivable	8,703	5,907
Prepaid expenses	1,161	780
Interest receivable	120	-
Deposit on purchase of land and buildings	-	90,000
	42,082	164,299
<b>CAPITAL ASSETS (Note 3)</b>	746,894	87,863
	\$ 788,976	\$ 252,162

### APPROVED ON BEHALF OF THE BOARD:

\_\_\_\_\_ Chairman

\_\_\_\_\_ Treasurer

The accompanying notes are an integral part of these financial statements.

# GABRIOLA COMMONS FOUNDATION

## STATEMENT OF FINANCIAL POSITION (Unaudited)

AS AT MARCH 31, 2011

### LIABILITIES

	2011	2010
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 4,618	\$ 9,015
Deferred revenue	12,832	24,156
Current portion long term debt	9,827	-
	27,277	33,171
<b>LONG TERM DEBT (Note 4)</b>	458,032	90,000
	458,032	90,000
	485,309	123,171
<b>NET ASSETS</b>		
<b>INVESTMENT IN CAPITAL ASSETS (Note 5)</b>	34,434	12,262
<b>RESTRICTED FUNDS (Note 6)</b>	15,337	11,082
<b>UNRESTRICTED FUNDS</b>	253,896	105,647
	303,667	128,991
	\$ 788,976	\$ 252,162

The accompanying notes are an integral part of these financial statements.

# GABRIOLA COMMONS FOUNDATION

## STATEMENT OF OPERATIONS (Unaudited)

**FOR THE YEAR ENDED MARCH 31, 2011**

	2011	%	2010	%
<b>REVENUE</b> (Schedule 1)	\$ 245,544	100.00	\$ 172,504	100.00
<b>EXPENSES</b>				
Advertising and promotion	25	0.01	438	0.25
Amortization	18,390	7.49	14,648	8.49
Community Kitchen project	999	0.41	-	-
Farm management expenses	1,359	0.55	989	0.57
Fees and licences	335	0.14	250	0.14
Fundraising expenses	2,365	0.96	135	0.08
Green Bike Project	1,400	0.57	-	-
Insurance	4,347	1.77	4,406	2.55
Interest and bank charges	870	0.35	250	0.14
Interest on long term debt	15,806	6.44	2,000	1.16
Invasive Plants - TAGS	391	0.16	-	-
Office supplies	295	0.12	772	0.45
Professional fees	8,543	3.48	2,275	1.32
Property taxes	-	-	3,278	1.90
Rent	7,239	2.95	39,120	22.68
Repairs & maintenance	2,810	1.14	3,758	2.18
Supplies	876	0.36	1,401	0.81
Telephone and utilities	3,526	1.44	2,157	1.25
Non refundable portion HST	1,295	-	-	-
	70,871	28.86	75,877	43.99
<b>EXCESS (DEFICIT) OF REVENUE OVER EXPENSES</b>	<b>\$ 174,673</b>		<b>\$ 96,627</b>	

The accompanying notes are an integral part of these financial statements.

# GABRIOLA COMMONS FOUNDATION

## STATEMENT OF CHANGES IN NET ASSETS (Unaudited)

FOR THE YEAR ENDED MARCH 31, 2011

	2011	2010
<b>UNRESTRICTED FUNDS</b> , beginning of year	\$ 105,649	\$ 32,364
<b>EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES</b>	174,673	96,627
	280,322	128,991
<b>INTERFUND TRANSFERS</b>	(26,426)	(23,344)
<b>UNRESTRICTED FUNDS</b> , end of year	253,896	105,647
<b>INVESTMENT IN CAPITAL ASSETS</b> (Note 5)	34,434	12,262
<b>RESTRICTED FUNDS</b> (Note 6)	15,337	11,082
<b>NET ASSETS</b>	\$ 303,667	\$ 128,991

The accompanying notes are an integral part of these financial statements.

# GABRIOLA COMMONS FOUNDATION

## STATEMENT OF CASH FLOWS (Unaudited)

FOR THE YEAR ENDED MARCH 31, 2011

	<b>2011</b>	<b>2010</b>
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Cash receipts from grants, donations & fundraising	\$ 242,621	\$ 91,044
Cash paid to suppliers	51,972	(32,359)
Interest received	7	5
Interest paid	(19,293)	(250)
<b>CASH FLOW FROM OPERATIONS</b>	<b>275,307</b>	<b>58,440</b>
<b>INVESTING ACTIVITIES</b>		
Additions to capital assets	(688,680)	(26,910)
<b>CASH FLOW FROM INVESTING</b>	<b>(688,680)</b>	<b>(26,910)</b>
<b>FINANCING ACTIVITIES</b>		
Increase in long-term debt	377,859	-
<b>CASH FLOW FROM FINANCING</b>	<b>377,859</b>	<b>-</b>
<b>(DECREASE) INCREASE IN CASH</b>	<b>(35,514)</b>	<b>31,530</b>
<b>CASH, beginning of year</b>	<b>67,612</b>	<b>36,082</b>
<b>CASH, end of year</b>	<b>\$ 32,098</b>	<b>\$ 67,612</b>
<b>CASH is defined as</b>		
Cash (bank indebtedness)	\$ 24,098	\$ 67,612
Term deposits	8,000	-
	<b>\$ 32,098</b>	<b>\$ 67,612</b>

The accompanying notes are an integral part of these financial statements.



# GABRIOLA COMMONS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

MARCH 31, 2011

### 1. NATURE OF BUSINESS

The Gabriola Commons Foundation is a not-for-profit organization incorporated under the Societies Act of British Columbia and a Registered Charity for income tax purposes.

### 2. SUMMARY OF ACCOUNTING POLICIES

(a) The association reports its activities using the deferral method of accounting for contributions, which matches the revenue to the related expenditure.

#### (b) Other Accounting Policies

Contributed capital assets are recorded at fair value.

Contributed material and services are not recorded in the financial statements.

Pledges receivable are recorded when received.

#### (c) Capital Assets

Capital assets are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Buildings	- 4% diminishing balance
Equipment & furnishings	- 20% diminishing balance

Additions during the year are amortized at one-half their normal rate and no amortization is taken in the year of disposition.

#### (d) Other Revenue Recognition Points

The cut-off date for donations is the same as the cut-off date for receipts issued in a year, and is based on the postage date on the envelope for mail, or the date the donation is received.

Legacies, or bequests are recorded when received.

The accompanying notes are an integral part of these financial statements.

# GABRIOLA COMMONS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

**MARCH 31, 2011**

### 3. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2011	Net 2010
Land	\$ 384,000	\$ -	\$ 384,000	\$ -
Buildings	325,605	7,746	317,859	30,144
Equipment & furnishings	70,326	25,291	45,035	56,294
Leasehold improvements	-	-	-	1,425
	<b>\$ 779,931</b>	<b>\$ 33,037</b>	<b>\$ 746,894</b>	<b>\$ 87,863</b>

### 4. LONG TERM DEBT

	2011	2010
Vancity Variable rate Business Mortgage on land and buildings with payments of \$2493 per month including principal and interest at prime +1.15%.	\$ 467,859	\$ -
Amazing Grace Ecological Society loan with interest only payments due once yearly on November 2, interest at 5% per annum. Due November 2, 2011.	-	90,000
	467,859	90,000
Less portion included in current liabilities	(9,827)	-
	<b>\$ 458,032</b>	<b>\$ 90,000</b>

Principal payments due in the next five years are approximately as follows:

2012	\$ 9,827
2013	11,155
2014	11,626
2015	12,118
2016	12,631

The accompanying notes are an integral part of these financial statements.

# GABRIOLA COMMONS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

MARCH 31, 2011

### 5. NET ASSETS INVESTED IN CAPITAL ASSETS

	2011	2010
Net investment, beginning of the year	\$ 12,262	\$ 70,000
Transfer amortization to operating fund	(18,390)	(14,648)
Transfer mortgage principle repaid from operating fund	22,141	-
Transfer capital assets purchased from operating fund	18,421	(43,090)
	\$ 34,434	\$ 12,262

The accompanying notes are an integral part of these financial statements.

# GABRIOLA COMMONS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

**MARCH 31, 2011**

### 6. INTERNALLY RESTRICTED FUNDS

	<b>2011</b>	<b>2010</b>
Farm Management Team fund, opening balance	\$ 2,281	\$ -
Donations and transfers in	126	14,850
Expenses and transfers out	(1,359)	(12,569)
	1,048	2,281
Community Kitchen Project fund, opening balance	3,408	-
Donations and transfers in	13,000	3,408
Expenses and transfers out	(13,925)	-
	2,483	3,408
Mortgage fund, opening balance	5,393	-
Donations and transfers in	-	5,393
Expenses and transfers out	(5,393)	-
	-	5,393
Invasive Plant - Green Spaces TAGS fund, opening balance	-	-
Donations and transfers in	5,000	-
Expenses and transfers out	(391)	-
	4,609	-
Green Bike Project fund, opening balance	-	-
Donations and transfers in	2,936	-
Expenses and transfers out	(1,400)	-
	1,536	-
Sustainability Centre fund, opening balance	-	-
Donations and transfers in	15,000	-
Expenses and transfers out	(9,339)	-
	5,661	-
	\$ 15,337	\$ 11,082

The accompanying notes are an integral part of these financial statements.

# GABRIOLA COMMONS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

**MARCH 31, 2011**

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### **7. FINANCIAL INSTRUMENTS**

The Society's financial instruments consist of cash, accounts receivables, accounts payable and long term debt. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency, or credit risk arising from these financial instruments. The fair value of the instruments approximates their carrying values, unless otherwise noted.

### **8. CHANGE IN ACCOUNTING POLICY**

The accounting treatment for donated capital assets has been changed to comply with new Canadian standards of accounting for not-for-profit organizations. Contributions of capital assets are being recognized as income from donations in the year received. This resulted in an increase to prior year donations income of \$75,600 and a corresponding decrease in deferred contributions.

The accompanying notes are an integral part of these financial statements.

# GABRIOLA COMMONS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

MARCH 31, 2011

### SCHEDULE 1

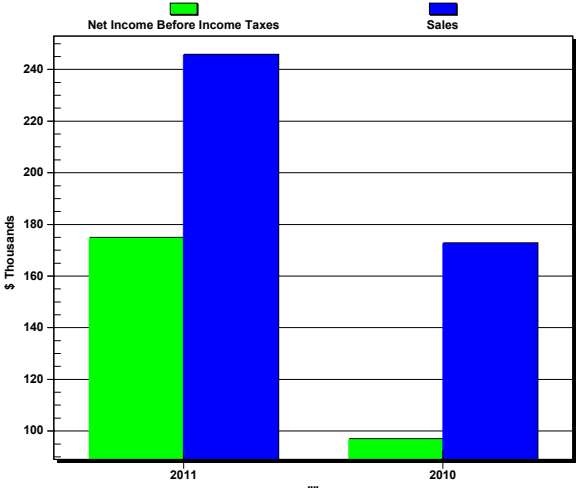
#### REVENUES

	2011	2010
Donations	\$ 197,376	\$ 51,884
Rental income	14,425	19,096
Donations in-kind	124	90,000
Fundraising	16,740	4,857
Grants	16,603	4,844
Other income	23	1,289
Farm management team income	126	299
Sales	-	230
Interest income	127	5
	\$ 245,544	\$ 172,504

The accompanying notes are an integral part of these financial statements.

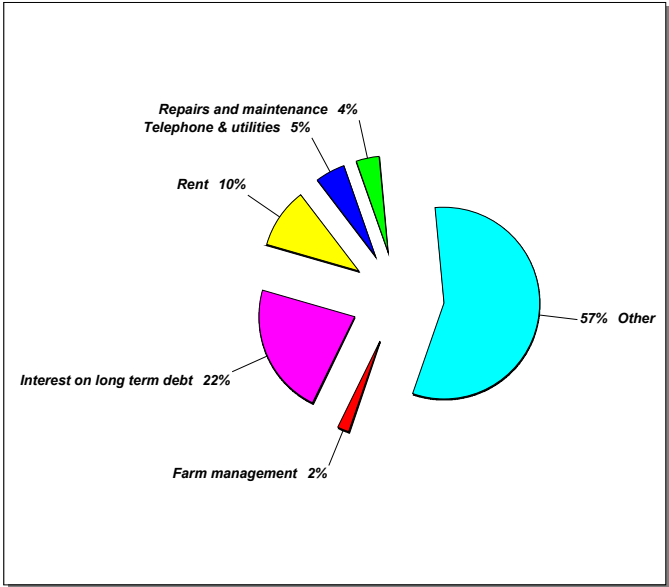
# GABRIOLA COMMONS FOUNDATION

## Financial Highlights



## Expenses

Current Year



The accompanying notes are an integral part of these financial statements.