

Financial Statements

of

MAHONE BAY CENTRE SOCIETY

December 31, 2018

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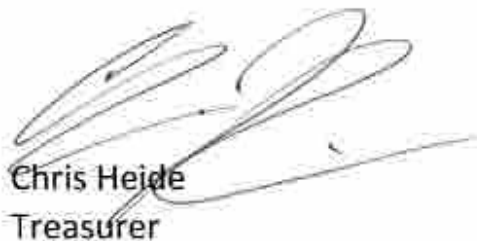
Management Report

This Financial Statement has been reviewed by the Finance Committee of the Board of Directors, followed by discussion and approval by the Board of Directors of the Society. The statement has not been subject to an audit by a professional accountant.

We believe this statement presents a fair and accurate position of the Society as of December 31, 2018. We recommend them to the Annual General Meeting of the Society Members for approval.



Lynn Hennigar
Chairman, Board of Directors



Chris Heide
Treasurer

Date
15-Apr-19

Statement of Operations Year Ended December 31

Revenue	2018	2017
Rental Income - Leases	105,428	99,981
Rental Income - Occasional	33,251	30,117
CentreFit (Net), see page 4	12,225	13,733
Seniors (Net), see page 4	3,939	2,640
Donations	6,285	5,417
Fundraising Events	22,099	17,083
Grants Used in Current Year	15,909	5,554
HST (Rebate)	893	722
Other	1,051	1,355
Sub Total	201,080	176,602
From Deferred Contributions - Capital, (Note 2.2)	31,237	30,204
Total Revenue	232,317	206,806
Expenditures		
Accounting	8,121	8,255
Business Development & Marketing	6,691	-
Repair & Maintenance	14,747	15,670
Fundraising and Marketing	4,574	2,990
Heat	25,605	20,528
Insurance	6,723	6,386
Interest and Bank Charges	9,941	10,876
Janitorial	26,342	25,488
Office Expenses	8,089	7,735
Project Expenses	2,238	2,806
Security	4,700	4,575
Utilities	13,510	13,375
Wages and Benefits	41,289	38,947
Sub Total	172,570	157,631
Amortization, Capital Assets, (Note 2.2)	41,817	42,416
Total Expenditures	214,387	200,047
Excess of Revenue over Expenditures	17,930	6,759

Balance Sheet as at December 31

	2018	2017
	\$	\$
Assets		
Current Assets		
Cash and cash equivalents	46,872	63,651
Accounts receivable	4,465	19,343
	<u>51,337</u>	<u>82,994</u>
Capital Assets (Note 3)	563,787	544,831
Total Assets	<u>615,124</u>	<u>627,825</u>
Liabilities		
Current Liabilities		
Accounts payable	17,031	22,142
HST payable	1,896	3,035
Deferred Revenue	50,323	74,865
Short term loans	-	1,040
	<u>69,250</u>	<u>101,082</u>
Long Term Liabilities		
Mortgage Payable (Note 4)	192,166	214,072
Deferred Contributions (Note 2.2)	354,718	331,613
	<u>546,884</u>	<u>545,685</u>
Total Liabilities	<u>616,134</u>	<u>646,767</u>
Fund Balance, end of year	-1,010	-18,942
Liabilities and Equity	<u>615,124</u>	<u>627,825</u>

Seniors Program and Centre Fit Calculation of Net Revenues

These 2018 Financial Statements continue the revised manner by which "Internal" program delivery is presented. This applies to Centre Fit and Seniors Program. Below, the net revenue is calculated for each program and entered in the Statement of Operations at page 2. This method is employed to more accurately represent the financial impact of these programs as compared to the overall MBC operations.

	2018 \$	2017 \$
<u>Seniors</u>		
Revenue	4,120	2,814
Expenses*	<u>181</u>	<u>174</u>
Seniors Net Revenue	3,939	2,640
<u>Centre Fit</u>		
Revenue	20,565	19,405
Expenses*	<u>8,340</u>	<u>5,672</u>
Centre Fit Net Revenue	12,225	13,733

Note: * As internal undertakings, Centre Fit and the Seniors Program are not charged rent.

Mahone Bay Centre Society

Notes to the Financial Statement

Year ended December 31, 2018

1. Nature of Operations

The Mahone Bay Centre Society is a registered charity operating under the Societies Act of Nova Scotia. It was incorporated on June 30, 2000 and was granted charitable status by Canada Revenue Agency in 2011. The Society owns and operates the community centre known as the Mahone Bay Centre located at 45 School Street, Mahone Bay, Nova Scotia.

2. Significant Accounting Policies

This financial statement has been prepared in accordance with Canadian generally accepted accounting principles (GAAP), and include the following significant accounting policies:

2.1 Fund Accounting

The Society follows the Restricted Fund method of accounting for contributions and grants. The financial statement reports all restricted and unrestricted capital and operating activities of the Society. The activities include revenue and expenditures related to the operations of the buildings, program activities, administration, and assets and liabilities of the Society.

2.2 Revenue Recognition

Contributions and other payments are recognized in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Pledged contributions and grants not received are not recorded.

Restricted contributions and grants are recorded as Deferred Revenue when received and transferred to Revenue when the related expense is incurred. If the related expense is used to acquire a capital asset, the value of the deferred revenue contribution at the time of purchase is transferred to Deferred Contributions. Then as amortization of the capital item occurs, a proportional amount of deferred contributions is released to help balance the amount of the amortization in that year.

2.3 Donated Services

The Society derives significant benefit from time and services donated by volunteers. These valuable contributions are not recorded in the Financial Statements.

2.4 Use of estimates

The preparation of financial statements, in conformity with Canadian GAAP, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statement, and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from these estimates.

3. Capital Assets

	Rate	Cost	Accumulated	Net 2018	Net 2017
			Amortization		
Office Equipment	20%	27,281	18,170	9,112	13,742
Other Equipment	12.5%	98,476	59,897	38,579	38,983
Buildings	4%	681,394	170,885	510,508	484,897
Exterior Renovations	20%	19,368	15,179	4,188	5,236
Websites & Computers	30%	3,058	2,839	220	384
Parking Lot	17%	2,408	1,228	1,180	1,589
Total Cost of Assets		813,985	268,198	563,787	544,831

4. Mortgage Payable

A mortgage from the Royal Bank of Canada for a 10 year term was issued in 2010, secured with a charge against the buildings. The first 5-year term expired 31 December 2014 when the mortgage was renewed for one year at a rate of 3.46%.

At the close of 2015 the Society was negotiating a new 10 year mortgage to enable some needed service improvements and to rehabilitate the tower, the last portion of the old school to be refurbished since the Society acquired the facility in 2001. A mortgage for \$250,000 at a rate of 4.61% over five years was secured mid March 2016. This new mortgage yielded \$153,351 in cash to enable the needed capital improvements.