

Financial Statements

of

MAHONE BAY CENTRE SOCIETY

December 31, 2012

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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, 2012. We recommend them to the Annual General Meeting of the Society Members for approval.

Paul Seltzer,
Chairman of the Board

Annette St. Onge,
Treasurer

April 15, 2013

Statement of Operations Year Ended December 31

	2012	2011
	\$	\$
Revenue		
Rental Income - Leases	86,274	82,539
Rental Income - Occasional	29,451	33,013
CentreFit fees	18,689	
Membership Fees	4,455	1,761
Donations and Fundraising	40,785	31,479
Grants Used in Current Year	20,053	24,670
Other	593	367
Total Revenue	200,300	173,829
 Expenditures		
Accounting	6,613	4,773
Bad Debts	175	
Building Maintenance	26,618	15,011
Amortization, Capital Assets	21,727	19,551
CentreFit	14,559	
Fundraising and Marketing	1,398	3,231
Heat	27,210	26,602
Insurance	4,687	4,516
Interest and Bank Charges	9,816	10,716
Janitorial	20,620	17,735
Office Expenses	9,026	4,182
Property Taxes	4,620	5,360
Seniors Costs	4,787	15,235
Utilities	9,874	11,812
Wages and Benefits	28,679	27,955
Total Expenditures	190,409	166,679
 Excess of Revenue over Expenditures	 9,891	 7,150

Balance Sheet as at December 31

	2012	2011
	\$	\$
Assets		
Current Assets		
Cash and cash equivalents	57,455	58,924
HST Receivable		180
Accounts receivable	1,578	4,354
	59,033	63,458
Capital Assets (Note 3)	366,772	337,658
<hr/> Total Assets	<hr/> 425,805	<hr/> 401,116
Liabilities		
Current Liabilities		
Accounts payable	11,581	2,795
HST payable	3,219	1,553
Deferred Revenue	25,666	40,173
Current Portion of Mortgage	18,042	17,002
	<hr/> 58,508	<hr/> 61,523
Long Term Liabilities		
Mortgage Payable - long term	133,579	151,588
Deferred Contributions	277,789	241,967
	<hr/> 411,368	<hr/> 393,555
Total Liabilities	<hr/> 469,876	<hr/> 455,078
Fund Balance, end of year	-44,071	-53,962
	<hr/> 425,805	<hr/> 401,116

1. Nature of Operations

The Mahone Bay Centre Society is a registered not-for-profit society operating under the Societies Act of Nova Scotia and was incorporated on June 30, 2000.

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:

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.

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 at the time of purchase is transferred to deferred contributions. Then as amortization of the capital item occurs, an equal amount of deferred contributions is released to balance the amount of the amortization in that year.

Donated Services

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

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 2012	Net 2011
			Amortization		
Office Equipment	20%	4,128	2,272	1,855	2,320
Other Equipment	20%	35,520	14,055	21,465	14,284
Buildings	4%	389,253	52,948	336,306	312,024
Exterior Renovation	20%	14,132	7,531	6,601	8,251
Websites & Computers	30%	1,518	973	545	779
Total Cost of Assets		444,451	77,779	366,772	337,658

4. Mortgage Payable

A mortgage from Royal Bank for a 10 year term, issued in 2010, secured with a charge against the buildings. Interest is payable at a fixed rate of 5.95% until 2014, blended monthly payments of \$2,216. Rate then subject to revision.