

**ROTARY CLUB OF TRURO
FINANCIAL STATEMENTS
(Unaudited)
YEAR ENDED JUNE 30, 2017**

JOHNSON SAUNDERS INC.

CHARTERED PROFESSIONAL ACCOUNTANTS

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REVIEW ENGAGEMENT REPORT

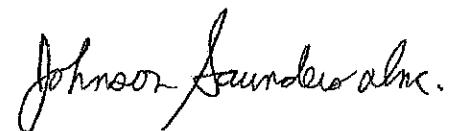
To the Members of the
Rotary Club of Truro

We have reviewed the combined statement of financial position of Rotary Club of Truro as at June 30, 2017, and the combined statements of revenue, expenses and net assets and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Organization.

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

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNFPO).

Truro, Nova Scotia
October 31, 2017



Chartered Professional Accountants
Licensed Public Accountants

ROTARY CLUB OF TRURO

COMBINED STATEMENT OF REVENUE, EXPENSES AND NET ASSETS

(Unaudited)

Year Ended June 30, 2017

	<u>Club</u>	<u>Community</u>	<u>Charitable Trust</u>	<u>2017</u>	<u>2016</u>
Revenue					
Yearbook	\$ -	\$ 64,154	\$ -	\$ 64,154	\$ 58,849
Bollywood night	-	13,663	-	13,663	11,224
Swim for polio	-	1,440	-	1,440	912
Auction	-	-	-	-	465
Coldest Night of the Year	-	390	-	390	-
Club	14,988	-	-	14,988	36,996
Bequest, donations and contributions	-	-	7,112	7,112	8,243
Bethel Trust bequest	-	-	-	-	401,583
Investment income	-	11	2,468	2,479	2,609
Sundry	-	560	-	560	-
	<u>14,988</u>	<u>80,218</u>	<u>9,580</u>	<u>104,786</u>	<u>520,881</u>
Expenses					
Community	-	74,543	-	74,543	108,944
Club	16,593	-	-	16,593	22,296
Charitable trust	-	-	(15,700)	(15,700)	229,343
	<u>16,593</u>	<u>74,543</u>	<u>(15,700)</u>	<u>75,436</u>	<u>360,583</u>
Excess (deficiency) of revenue over expenses	(1,605)	5,675	25,280	29,350	160,298
Transfers (Note 5)	(9,400)	9,400	-	-	-
Net assets, beginning	<u>21,621</u>	<u>19,151</u>	<u>204,622</u>	<u>245,394</u>	<u>85,096</u>
Net Assets, Ending	<u>\$ 10,616</u>	<u>\$ 34,226</u>	<u>\$ 229,902</u>	<u>\$ 274,744</u>	<u>\$ 245,394</u>

ROTARY CLUB OF TRURO
COMBINED STATEMENT OF FINANCIAL POSITION

(Unaudited)

As at June 30

2017

2016

ASSETS

Current Assets

Cash	\$	80,193	\$	62,417
Investments		207,385		205,426
Receivables		<u>662</u>		<u>22,874</u>
	\$	<u>288,240</u>	\$	<u>290,717</u>

LIABILITIES

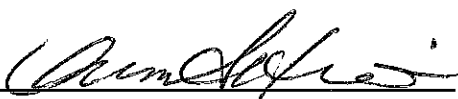
Current Liabilities

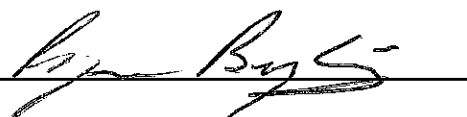
Payables and accruals	\$	13,496	\$	45,323
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NET ASSETS

Net assets		<u>274,744</u>		<u>245,394</u>
	\$	<u>288,240</u>	\$	<u>290,717</u>

Approved by the Board of Directors

 Director

 Director

ROTARY CLUB OF TRURO
COMBINED STATEMENT OF CASH FLOWS
(Unaudited)

Year Ended June 30	2017	2016
Cash Flows from Operating Activities		
Excess of revenue over expenses	\$ 29,350	\$ 160,298
Net changes in non-cash working capital items		
Receivables	22,212	(17,058)
Payables and accruals	<u>(31,827)</u>	<u>43,323</u>
	<u>19,735</u>	<u>186,563</u>
Cash Flows applied to Investing Activities		
Purchases of investments, net	<u>(1,959)</u>	<u>(183,609)</u>
Increase in Cash	17,776	2,954
Cash, beginning	<u>62,417</u>	<u>59,463</u>
Cash, Ending	\$ <u>80,193</u>	\$ <u>62,417</u>

ROTARY CLUB OF TRURO
CLUB ACCOUNT
STATEMENT OF REVENUE, EXPENSES AND NET ASSETS
(Unaudited)

Year Ended June 30	2017	2016
Revenue		
Members' dues	\$ 7,901	\$ 15,156
Social functions	3,494	4,114
Website advertising	1,856	1,575
District conference surplus	-	14,100
Sundry	1,056	751
Fifty-fifty draws and Happy Mug	681	1,300
	<u>14,988</u>	<u>36,996</u>
Expenses		
Directors' meetings	446	-
Social functions	4,858	6,825
International dues	5,513	5,501
District dues	3,390	3,390
Rotary Leadership Institute	-	661
Supplies, printing and postage	1,178	(1,388)
Website	752	647
Annual conference	-	6,240
Sundry	456	420
	<u>16,593</u>	<u>22,296</u>
Excess (Deficiency) of revenue over expenses	(1,605)	14,700
Transfer to Community Account (Note 5)	(9,400)	-
Net assets, beginning	<u>21,621</u>	<u>6,921</u>
Net Assets, Ending	\$ <u>10,616</u>	\$ <u>21,621</u>

**ROTARY CLUB OF TRURO
CLUB ACCOUNT
STATEMENT OF FINANCIAL POSITION**

(Unaudited)

As at June 30

2017

2016

ASSETS

Current Assets

Cash	\$	10,880	\$	7,264
Receivables		<u>662</u>		<u>14,357</u>
	\$	<u>11,542</u>	\$	<u>21,621</u>

LIABILITIES

Current Liabilities

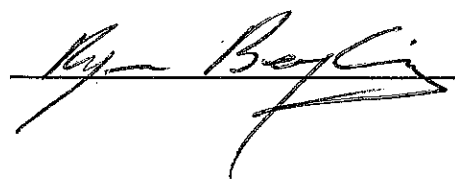
Payables and accruals	\$	926	\$	-
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NET ASSETS

Net assets		<u>10,616</u>		<u>21,621</u>
	\$	<u>11,542</u>	\$	<u>21,621</u>

Approved by the Board of Directors

 Director

 Director

ROTARY CLUB OF TRURO
COMMUNITY ACCOUNT
STATEMENT OF REVENUE, EXPENSES AND NET ASSETS
(Unaudited)

Year Ended June 30	2017	2016
Revenue		
Yearbook	\$ 64,154	\$ 58,849
Bollywood night	13,663	11,224
Swim for polio	1,440	912
Auction	-	465
Coldest Night of the Year	390	-
Investment income	11	66
Sundry	560	-
	<u>80,218</u>	<u>71,516</u>
Expenses		
Yearbook expense	27,161	24,953
Bollywood night	13,257	13,729
Swim for polio	1,440	825
Auction	-	413
Coldest Night of the Year	390	-
Community support – persons/programs	8,713	17,661
Colchester Community Workshops Foundation	5,000	6,500
International programs	3,800	6,700
Plan Canada International	468	468
Adventure in citizenship	1,136	1,030
Bursaries	5,500	6,500
Student exchange	-	370
Youth and student projects	500	3,010
Youth leadership	931	2,236
Kumbo Cameroon Project	-	14,000
Skate Board Park	-	5,000
Annual conference	975	650
Insurance	1,283	1,148
Sundry	3,989	3,751
	<u>74,543</u>	<u>108,944</u>
Excess (Deficiency) of revenue over expenses	5,675	(37,428)
Transfer from Club Account (Note 5)	9,400	-
Net assets, beginning	<u>19,151</u>	<u>56,579</u>
Net Assets, Ending	\$ <u>34,226</u>	\$ <u>19,151</u>

**ROTARY CLUB OF TRURO
COMMUNITY ACCOUNT
STATEMENT OF FINANCIAL POSITION**

(Unaudited)

As at June 30

2017

2016

ASSETS

Current Assets

Cash	\$ 24,902	\$ 15,176
Investments	21,894	21,883
Receivables	<u>-</u>	<u>6,915</u>
	\$ <u>46,796</u>	\$ <u>43,974</u>

LIABILITIES

Current Liabilities

Payables and accruals	\$ 12,570	\$ 9,323
Payable to Charitable Trust	<u>-</u>	<u>15,500</u>
	12,570	24,823

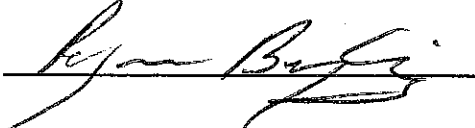
NET ASSETS

Net assets	<u>34,226</u>	<u>19,151</u>
	\$ <u>46,796</u>	\$ <u>43,974</u>

Approved by the Board of Directors



Director



Director

ROTARY CLUB OF TRURO CHARITABLE TRUST
STATEMENT OF REVENUE, EXPENSES AND NET ASSETS
(Unaudited)

Year Ended June 30	2017	2016
Revenue		
Bequests and donations	\$ 7,112	\$ 8,243
Investment income	2,468	2,543
Bethel Trust bequest	-	401,583
	<u>9,580</u>	<u>412,369</u>
Expenses		
Dalhousie Medical Research Foundation	1,000	-
Camp Tidnish (Easter Seals Nova Scotia)	11,300	11,494
Bethel Trust disbursements (Note 4)	<u>(28,000)</u>	<u>217,849</u>
	<u>(15,700)</u>	<u>229,343</u>
Excess of revenue over expenses	25,280	183,026
Net assets, beginning	<u>204,622</u>	<u>21,596</u>
Net Assets, Ending	\$ <u>229,902</u>	\$ <u>204,622</u>

ROTARY CLUB OF TRURO CHARITABLE TRUST
STATEMENT OF FINANCIAL POSITION

(Unaudited)

As at June 30

2017

2016

ASSETS

Current Assets

Cash	\$	44,411	\$	39,977
Investments		185,491		183,543
Receivables		-		1,602
Receivable from Community Account		-		15,500
	\$	<u>229,902</u>	\$	<u>240,622</u>

LIABILITIES

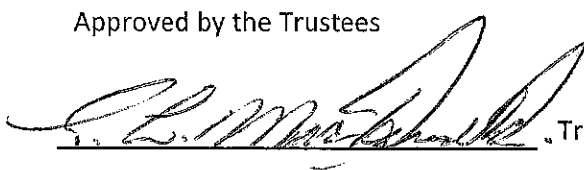
Current Liabilities

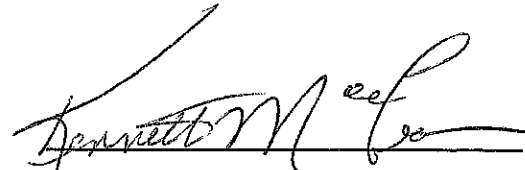
Accounts payable	\$	-	\$	36,000
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NET ASSETS

Net assets		<u>229,902</u>		<u>204,622</u>
	\$	<u>229,902</u>	\$	<u>240,622</u>

Approved by the Trustees

 Trustee

 Trustee

ROTARY CLUB OF TRURO
NOTES TO THE FINANCIAL STATEMENTS
(Unaudited)
Year Ended June 30, 2017

1. Status and Nature of Activities

The Rotary Club of Truro (the "Organization") is a member of Rotary International, established to encourage and foster the ideal of service as a basis of worthy enterprises. The Organization is a not-for-profit organization which operates the Community and Club Accounts.

The Rotary Club of Truro Charitable Trust (the "Trust") is a registered charity under the *Income Tax Act (Canada)* and is exempt from income taxes under section 149(1)(d) of the *Canadian Income Tax Act*.

2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, and include the following significant accounting policies:

Fund Accounting

The Organization uses fund accounting and accordingly, separate statements of revenue and expenses and separate statements of financial position are prepared for the Club Account and the Community Account.

The Club Account accounts for the Organization's administrative and social activities.

The Community Account accounts for the Organization's fundraising activities. This fund reports the monies which are available to provide support to the community.

Revenue Recognition

The Organization and the Trust follow the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection reasonably assured.

Contributed Goods and Services

Goods and services are contributed to the Organization and the Trust each year. Due to the difficulty of determining the fair value, contributed goods and services are not recognized in the financial statements.

Cash and Cash Equivalents

Cash includes cash on hand and balances with banks.

Investments

Investments consist of guaranteed investment certificates which are carried at cost plus accrued interest, which approximates fair value.

ROTARY CLUB OF TRURO
NOTES TO THE FINANCIAL STATEMENTS
(Unaudited)
Year Ended June 30, 2017

2. Significant Accounting Policies (Continued)

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenditures during the reporting year. By their nature, these estimates are subject to measurement uncertainty. The effect on the financial statements of changes in such estimates in future periods could be material and would be accounted for in the period the change occurs.

Financial Instruments

The Organization and the Trust initially measures its financial assets and liabilities at fair value, then subsequently measures its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, receivables and investments.

Financial liabilities measured at amortized cost include payables and accruals.

3. Financial Risks

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation. The Organization's main credit risks relate to its receivables. The Organization provided credit to its customers in the normal course of its operations.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market interest rates. The Organization holds guaranteed investment certificates that are subject to fluctuations in interest rates.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect to its payables.

ROTARY CLUB OF TRURO
NOTES TO THE FINANCIAL STATEMENTS
(Unaudited)
Year Ended June 30, 2017

4. Bethel Trust Distributions	<u>2017</u>	<u>2016</u>
IWK Foundation	\$ -	\$ 50,000
Parents Helping Parents	(36,000)	36,000
Easter Seals – Camp Tidnish	-	25,000
Colchester East Hants Hospice Society	-	14,356
Colchester Food Bank	-	14,268
JDRF – Juvenile Diabetes	-	10,000
Colchester East Hants Health Centre Foundation	-	10,000
The Arthritis Society	-	10,000
Victims of Family Violence Association	-	10,000
Chignecto Central Regional School Board	-	9,000
Scotia Pool Society	-	8,500
Maggie’s Place	-	7,000
St. Vincent de Paul	-	2,000
Northern AIDS Connection Society	-	1,000
Professional fees	-	10,725
Knox United Church	2,500	-
Immaculate Conception Church	3,000	-
Truro Alliance Church	2,500	-
	<u>\$ (28,000)</u>	<u>\$ 217,849</u>

5. Transfers

During the year, the directors approved a transfer of \$9,400 from the Club account to the Community account. This represents 66.67% of \$14,100, the district conference surplus realized by the Club in the 2016 fiscal year.