

Saskatchewan Baptist Association Inc.

Audited Financial Statements

For the Year Ended December 31, 2014

Saskatchewan Baptist Association Inc.

For the Year Ended December 31, 2014

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Independent Auditors' Report

To all Members of
Saskatchewan Baptist Association Inc.

We have audited the accompanying financial statement of Saskatchewan Baptist Association Inc. which comprises the Statement of Financial Position as at December 31, 2014 and the Statements of Operations, Statement of Members surplus and Cash Flows for the year then ended and the summary of significant accounting policies and other explanatory information.

Managements Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations and for such internal control as management determines necessary to enable preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian Generally Accepted Auditing Standards. Those standards required that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2014 and the results of its operations and cash flows for the year then ended December 31, 2014 in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

May 12, 2015
Regina, Saskatchewan


Frank E. Garrett MBA, CPA, CMA
Chartered Professional Accountant

Saskatchewan Baptist Association Inc.

Statement of Financial Position

As At December 31, 2014

(with comparative figures at December 31, 2013)

	2014	2013
ASSETS:		
Current Assets		
Cash	\$ 19,555	\$ 39,103
Accrued interest receivable	2,242	2,207
GST receivable	398	426
Investments	3.	285,452
Accounts receivable	494	288,693
Total Current Assets	308,141	330,429
Good Spirit Camp	4.	102,000
Total Assets	\$ 410,141	\$ 432,429
LIABILITIES AND NET ASSETS:		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 5,597	\$ 1,047
Net Assets	404,544	431,382
Total Liabilities and Net Assets	\$ 410,141	\$ 432,429

Approved on Behalf of the Board:

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

Saskatchewan Baptist Association Inc.

Statement of Operations

For the Year Ended December 31, 2014

(with comparative figures at December 31, 2013)

	2014	2013
REVENUES:		
Association Giving	\$ 65,070	\$ 76,993
Interest	9,298	9,339
Sundry revenue	398	425
Group benefits overpayment	901	-
Total revenue	75,667	86,757
Expenditures		
SBA Association:		
Area minister (schedule 1)	51,961	51,998
Group benefits plan	-	821
Memberships	210	200
Good Spirit Camp - insurance	11,539	11,252
General council	-	424
Hosting association	564	862
Office expenses	2,512	2,336
Travel/meals/accomodations	2,825	5,841
Audit	1,650	1,045
Legal fees	-	599
Total SBA Association	71,261	75,378
SBA Ministries and Reserve Funds:		
Good Spirit Camp	12,000	12,000
SBA Missionary	4,244	19,200
Youth	15,000	500
Total SBA Ministries and Reserve Funds	31,244	31,700
Total expenditures	102,505	107,078
EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE)	\$ (26,838)	\$ (20,321)

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

Saskatchewan Baptist Association Inc.

Statement of Members Surplus

For the Year Ended December 31, 2014

(with comparative figures at December 31, 2013)

	2014	2013
Member Surplus, beginning of the year	\$ 431,382	\$ 451,703
Excess of revenue over expense	(26,838)	(20,321)
Member's Surplus, end of the year	\$ 404,544	\$ 431,382

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

Saskatchewan Baptist Association Inc.

Statement of Cash Flows

For the Year Ended December 31, 2014

(with comparative figures at December 31, 2012)

	2014	2013
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:		
Excess of revenue over expenses (loss) for the period	\$ (26,838)	\$ (20,321)
(Increase) decrease in GST receivable	28	(157)
(Increase) decrease in accrued interest receivable	(35)	(6)
(Increase) decrease in prepaid expenses	(494)	-
Increase (decrease) in accounts payable	4,550	332
TOTAL OPERATING ACTIVITIES	(22,789)	(20,152)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:		
NET (DECREASE) INCREASE IN CASH	(22,789)	(20,152)
Cash and cash equivalents at beginning of period	327,796	347,950
Cash and cash equivalents at end of period	\$ 305,007	\$ 327,798
Cash and cash equivalents consist of the following:		
Cash	\$ 19,555	\$ 39,103
Investments	285,452	288,693
	\$ 305,007	\$ 327,796

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

Saskatchewan Baptist Association Inc.

Notes to the Financial Statements

For the Year Ended December 31, 2014

1. Nature of Business

The Saskatchewan Baptist Association Inc. is a group of baptist churches that associate voluntarily to provide leadership support to the Baptist churches in Saskatchewan which are part of the North American Baptist Conference, provide local representation and input to the North American Baptist Conference, support the Bible Camp at Good Spirit Lake, provide support to missionary work in Saskatchewan

2. Significant Accounting Policies

These financial statements have been prepared in accordance with the Canadian CPA Accounting Standards for Not-for-Profit organizations (Part III):

a. Revenue Recognition

Revenue from donations are recognized in the year when received. Revenue from interest is recognized in the year it is earned.

b. Financial Instruments

The organization's financial instruments consist of cash, investments, accounts receivable, accounts payable and accruals. Unless otherwise noted it is the board's opinion that the organization is not exposed to significant interest or credit risk arising from these financial instruments. The fair value of these financial instruments approximates the carrying value unless otherwise noted.

c. Investments

All investments are classed as short and long term investments and interest accrued at year end is reported as income on the statement of operations.

Short term investments consist of term investments all maturing within the next year. Accrued interest has been calculated at the interest rates specified for each investment.

Long term investments consist of three and five year bonds. Accrued interest has been calculated at the interest rates specified for each investment. Interest is paid annually.

d. Capital assets

Capital assets are stated at the market value. No amortization has been calculated on the assets at this time.

Purchases of office and computer equipment are expensed in the year purchased.

e. GST Rebate

The non profit GST rebate is recorded as revenue in the year earned rather than being netted against the applicable expense.

Saskatchewan Baptist Association Inc.

Notes to the Financial Statements

For the Year Ended December 31, 2014

2. Significant Accounting Policies continued

The financial statements have been prepared in accordance with the Canadian Generally Accepted Accounting Principles using the following significant accounting policies:

e. GST Rebate continued

f. Voluntary Services

The operation of the Association is fully dependent on voluntary services. Since these services would not normally be purchased, and because of the difficulty of determining the fair market value of donated services, these donated services are not recognized in these financial statements.

g. Impairment of long lived assets

In the event that facts and circumstances indicate that the association's long-lived assets may be impaired, an evaluation of recoverability would be performed. Such an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write down to market value or discounted cash flow value is required. The association considers that no circumstances exist that would require such an evaluation.

3. Investments

	2014	2013
Church Investors Fund, Feb 1, 2016 2.75%	\$ 24,528	\$ 23,872
Church Investors Fund- Foundation Bond	59,781	12,952
Church Investors Fund May 14, 2015 4.25%	36,387	34,904
Church Investors Fund Nov 27, 2015 3.5%	114,756	110,875
Church Investors Fund Nov, 2017 2.75%	50,000	-
Church Investors Fund Nov, 2014 2.75%	-	106,090
Total	\$ 285,452	\$ 288,693

4. Capital Assets

The asset of Good Spirit Camp consists of a quarter section of land near Good Spirit Provincial Park. Buildings on the land include a kitchen, dining hall, dormitories, washrooms and showers. The value of the buildings are not segregated from the value of the land. No amortization has been claimed on the asset.

5. Measurement Uncertainty and Use of Estimates

The preparation of financial statements with Canadian Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of

Saskatchewan Baptist Association Inc.

Notes to the Financial Statements

For the Year Ended December 31, 2014

5. **Measurement Uncertainty and Use of Estimates continued**
revenue and expenses during the reporting period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known

Saskatchewan Baptist Association Inc.

For the Year Ended December 31, 2014

Schedule of Reginal Minister expenses

	2014	Budget
Regional Minister:Conference Registration/Fees	\$ 600	\$ -
Regional Minister:Medical	290	2,800
Regional Minister:Regional Minister CPP and EI	1,770	2,100
Regional Minister:Regional Minister Salary	38,875	38,875
Regional Minister:Travel & Expenses	9,784	12,000
Association Expenses:Payroll Services	642	-
Total Reginal Minister Expenses	\$ 51,961	\$ 55,775

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