

TURTLE VALLEY DONKEY REFUGE SOCIETY

FINANCIAL STATEMENTS

December 31, 2014

(Unaudited - See Notice to Reader)

NOTICE TO READER

We have compiled the balance sheet of the Turtle Valley Donkey Refuge Society as at December 31, 2014 and the statement of income and members' equity for the year then ended from information provided by management. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

Blind Bay, BC
March 5, 2015

Wolfe Books

I, _____ have examined the financial statements and believe these statements fairly reflect the activities and financial status of the Turtle Valley Donkey Refuge Society for the year ended December 31, 2014.

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TURTLE VALLEY DONKEY REFUGE SOCIETY

INDEX TO THE FINANCIAL STATEMENTS

December 31, 2014

(Unaudited - See Notice to Reader)

	Page
Statement of Net Receipts and Members' Equity	1
Balance Sheet	2
Statement of Cash Flows	3
Notes to the Financial Statements	4-5
Schedule 1 – Details of Receipts	6

TURTLE VALLEY DONKEY REFUGE SOCIETY
STATEMENT OF NET RECEIPTS AND MEMBERS' EQUITY
Year ended December 31, 2014
(Unaudited - See Notice to Reader)

	2014	2013
RECEIPTS		
Donations – received (<i>Schedule 1</i>)	220,094	148,922
Donations – unreceipted (<i>Schedule 1</i>)	58,207	28,632
Grants – government (<i>Note 3</i>)	79,172	23,328
Merchandise sales (net of cost)	13,791	3,397
Employee rebate program	2,800	-
	374,064	204,279
EXPENDITURES		
ANIMAL CARE		
Hay, feed, supplements, straw and bedding	37,916	26,789
Veterinarian/dental care	15,183	17,018
Farrier costs	11,495	13,740
Transport costs	900	7,899
	65,494	65,446
FACILITY COSTS		
Building and fence maintenance	17,510	17,930
Property lease, tax and utilities	34,318	24,000
Farm worker wages and benefits	66,677	46,442
Equipment operation and maintenance	12,692	9,200
	131,197	97,572
FUNDRAISING EVENTS	2,294	1,866
ADMINISTRATION AND PROMOTIONAL		
Advertising and promotional supplies	14,746	9,287
Insurance	5,022	1,659
Non-refundable portion of HST	5,478	3,000
Office supplies and postage	6,785	4,015
Professional fees	3,765	-
Service and finance contract charges	4,454	2,420
Mortgage interest	13,478	-
Telephone and internet	1,925	1,135
	55,653	21,516
DEPRECIATION	7,833	6,867
	262,471	193,267
Receipts Over Expenditures before other items	111,593	11,012
Investment and interest earned	329	-
Loss on short-term investment	(566)	-
	(237)	-
NET RECEIPTS for the year	111,356	11,012
Members' equity, beginning of year	44,972	33,960
MEMBERS' EQUITY, end of year	156,328	44,972

TURTLE VALLEY DONKEY REFUGE SOCIETY

BALANCE SHEET

December 31, 2014

(Unaudited - See Notice to Reader)

	2014	2013
ASSETS		
CURRENT		
Cash and bank	21,598	39,765
Short-term investments <i>(Note 2)</i>	19,713	-
HST Rebate Refundable	3,678	945
Shoppe inventory	2,416	2,213
	<u>47,405</u>	<u>42,923</u>
CAPITAL ASSETS <i>(Note 1)</i>		
Property	627,290	-
Barns	173,543	42,937
Equipment	45,851	34,336
	<u>846,684</u>	<u>77,273</u>
Less: depreciation on equipment	14,700	6,867
	<u>831,984</u>	<u>70,406</u>
	879,389	113,329
<hr/>		
LIABILITIES		
CURRENT		
Accounts payable	27,821	7,058
BC Gaming Grant for 2014 <i>(Note 3)</i>	-	21,672
	<u>27,821</u>	<u>28,730</u>
LONG-TERM		
Mortgage payable <i>(Note 4)</i>	660,021	-
Member advance <i>(Note 5)</i>	24,411	24,371
Finance contract – John Deere	10,808	15,256
	<u>695,240</u>	<u>39,627</u>
	723,061	68,357
<hr/>		
MEMBERS' EQUITY		
Members' equity, restricted <i>(Note 6)</i>	10,000	10,000
Members' equity, unrestricted	146,328	34,972
	<u>156,328</u>	<u>44,972</u>
<hr/>		

TURTLE VALLEY DONKEY REFUGE SOCIETY

STATEMENT OF CASH FLOWS

December 31, 2014

(Unaudited - See Notice to Reader)

	2014	2013
OPERATING ACTIVITIES		
Net revenues for the year	111,356	11,012
Add back: Non-cash item	7,833	6,867
Net change in non-cash working capital balances		
Inventory	(203)	293
HST Rebate Refundable	(2,733)	1,907
Accounts payable and accrued liabilities	20,763	(469)
BC Gaming Grant (<i>Note 3</i>)	(21,672)	(828)
	<hr/>	<hr/>
Cash flow from operating activities	115,344	18,782
FINANCING ACTIVITIES		
Advances from members	40	8,921
Finance contract payment	(4,448)	95
Mortgage proceeds (net)	660,021	-
	<hr/>	<hr/>
Cash flow from financing activities	655,613	9,876
INVESTING ACTIVITIES		
Short-term securities	(19,713)	-
Purchase of land and residence	(627,290)	-
Barn construction	(130,606)	-
Equipment purchase	(11,515)	(14,241)
	<hr/>	<hr/>
Cash flow from investing activities	(789,124)	(14,241)
INCREASE IN CASH	(18,167)	14,417
CASH, beginning of year	39,765	25,348
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CASH, end of year	21,598	39,765

TURTLE VALLEY DONKEY REFUGE SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

(Unaudited - See Notice to Reader)

1. FIXED ASSETS AND DEPRECIATION

LAND AND RESIDENCE

In 2014, the Refuge purchased property at 7877 Skimikin Road. This property is mortgaged by the Salmon Arm Savings and Credit Union.

BARN CONSTRUCTION COSTS

At this time, the Refuge has chosen not to depreciate the barn construction costs.

Barn complex at 7877 Skimikin - constructed in 2014

Construction of Phase One of the barn complex at the new location for the Refuge began on May 2nd and is complete. Phase Two and the Infirmary will occur when funding has been secured and received. Funding for Phase One was obtained through a small building loan (included in the mortgage) and through the generosity of our supporters.

Max Barn – constructed in 2011

The capitalized portion of the cost of the barn includes only the building itself and the footings. The costs to excavate the land and portable materials such as gates and railings have been expensed.

Sady/Maria Barn Overhang– constructed in 2012

All costs associated with the construction of the overhang for the main barn have been capitalized.

The majority of the funding for this construction was from a grant from the Vancouver Foundation.

EQUIPMENT

In 2013, the Refuge purchased a small commercial grade tractor. Depreciation on all equipment has been calculated and expensed at 20% of the undepreciated amount.

2. SHORT-TERM INVESTMENT

In 2014, the charity received its first planned giving donation of close to \$40,000 thousand. Of this, the donors requested that \$20,000 be invested and the balance be used toward the construction of the barn.

3. GAMING GRANTS

In 2014, the Refuge asked for a reconsideration of the grant monies received from BC Gaming in November 2013. In March 2014 we received an additional \$17,500. In the summer of 2014 we applied for another gaming grant and received \$40,000 in November. The BC Gaming Grant, funds are to be used toward the costs of caring for the donkeys. These costs include animal care, farm and property care including the lease, and wages for farm staff.

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NOTES TO THE FINANCIAL STATEMENTS

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4. MORTGAGE PAYABLE

Mortgage is due to the Salmon Arm Savings and Credit Union and is secured by the property and residence at 7877 Skimikin Road and by the property at 1125 Ptarmigan Road (the personal property of Robert Miller and Shirley Mainprize) Payments are \$3,351 per month.

5. MEMBER ADVANCE

In 2012 and 2013, the founding members advanced the unpaid portion of the lease to the Society as well as expenses from 2014 that have not been reimbursed.. This advance has no interest component and no set terms of repayment.

6. RESTRICTED MEMBERS' EQUITY

A donation for the construction of the "George Barn" has been set aside as restricted members' equity.

7. MAJOR CAMPAIGNS

In 2014, the charity embarked on a major campaign to raise the funds necessary to build the barn complex on the new property. It was hoped that the barn complex and the infirmary could be completed but funding only enabled the completion of Phase One.

TURTLE VALLEY DONKEY REFUGE SOCIETY

SCHEDULE 1 – DETAILS OF RECEIPTS

For the Year Ended December 31, 2014

(Unaudited - See Notice to Reader)

	2014	2013
RECEIPTS		
Donations – received		
General	71,258	59,496
Sponsorship/fostership of donkeys	28,558	27,660
Planned giving	20,000	-
In-Kind	13,099	1,733
	<u>132,915</u>	<u>88,889</u>
Major Campaigns		
- Island Donkey Rescue	-	60,033
- George's Barn Building Fund	10,100	-
- Barn Raiser Campaign (Note 7)	77,079	-
	<u>87,179</u>	<u>60,033</u>
	<u>220,094</u>	<u>148,922</u>
Donations – unreceipted		
Admissions	15,799	10,995
Donation boxes/Canada Helps	31,417	8,526
Memberships	3,245	7,240
Fundraising events	7,746	1,871
	<u>58,207</u>	<u>28,632</u>
Grants (Note 3)		
BC Gaming	57,500	45,000
Add/(deduct) restricted funds	21,672	(21,672)
	<u>79,172</u>	<u>23,328</u>
	357,473	200,882
Merchandise sales (net of cost)	13,791	3,397
Employee Rebate Program	<u>2,800</u>	-
	374,064	204,279
