



AGENDA
GRANTS ADVISORY COMMITTEE
TO BE HELD ON WEDNESDAY, 2012-SEP-19 AT 3:00 PM
BYLAW SERVICES MEETING ROOM, 238 FRANKLYN STREET

1. **CALL TO ORDER:**

2. **INTRODUCTION OF LATE ITEMS:**

3. **ADOPTION OF AGENDA:**

4. **ADOPTION OF MINUTES:**

- (a) Minutes of the Grants Advisory Committee Meeting held in the Bylaw Services Meeting Room, Nanaimo, BC, on Wednesday, 2012-AUG-15 at 3:00 p.m. *Pg. 3-5*

5. **INFORMATION ITEMS:**

- (a) Report to Council *Pg. 6-7*
- (b) 2012 Grants Committee Budget *Pg. 8*
- (c) 2012 Synopsis of Grants Awarded / Denied *Pg. 9*
- (d) Correspondence *Pg. 10*

6. **DELEGATIONS – NEW APPLICATIONS**

- (a) **PTE – 02 Nanaimo Region John Howard Society** *Pg. 11-61*
Request to be placed on the City's 2012 Permissive Tax Exemption Bylaw for property leased at 200 – 1585 Bowen Road and for any relief from 2012 taxes' deemed appropriate.
- (b) **PTE – 05 Island Corridor Foundation** *Pg. 62-87*
Request to be placed on the City's 2012 Permissive Tax Exemption Bylaw for a portion of the Wellcox Yard located at the Nanaimo Waterfront.
- (c) **PTE – 06 Nanaimo Community Hospice Society** *Pg. 88-119*
Request to be placed on the City's 2012 Permissive Tax Exemption Bylaw for property at 945 Waddington Road, and for cash-in-lieu of 2012 taxes in the amount of \$5,427.69.

- (d) SC – 01 Nanaimo Arts Alive Summer School of the Fine Arts Society Pg. 120-125

\$400.00 requested (original receipts were provided). [Note: Maximum \$500.00 per year per organization.]
Represents 14 security checks @ \$25.00/each
Represents 1 finger printing @ \$25.00/each
Represents 1 federal finger printing @ \$25.00/each

- (e) **OG – 03** **Nanaimo 7-10 Club Society** *Pg. 126-139*

Request to have rent reduced by 50% from 2013-JAN-01 to 2015-DEC-31 (50% rent reduction represents \$776.75 per month, or a total of \$9,321.00 for 12 months).

7. **NEXT MEETING:**

The next meeting is scheduled for 2012-OCT-17 at 3:00 p.m. in the Bylaw Services Meeting Room, City Hall Annex, 238 Franklyn Street.

8. **ADJOURNMENT:**



MINUTES
GRANTS ADVISORY COMMITTEE
MEETING HELD WEDNESDAY, 2012-AUG-15, 3:00 PM
IN THE BYLAW MEETING ROOM, 238 FRANKLYN STREET

MEMBERS PRESENT:

Councillor D. Johnstone, Chair
L. Avis
J. Neville
F. Tellier

D. Bonner
W. Anderson

MEMBERS ABSENT:

Councillor G. Anderson

M. Beaudoin-Lobb

STAFF PRESENT:

B. Clemens, Director of Finance
W. Fulla, Acting Manager, Revenue Services
S. Snelgrove, Recording Secretary

1. CALL TO ORDER

The meeting was called to order at 3:05 p.m.

2. ADOPTION OF MINUTES

MOVED and SECONDED that the Minutes from 2012-June-20 be adopted. CARRIED.

3. NEW APPLICATIONS:

(a) Nanaimo Region John Howard Society (PTE-02)

MOVED and SECONDED that all applicants must record their answers of the Grant Questionnaire on the application sheet provided, or provide them in an identical format that includes the questions. CARRIED.

France Tellier (employee) and Bill Anderson (director) vacated the Bylaw Meeting Room on a conflict of interest as they are associated with the Nanaimo Region John Howard Society.

Committee members noted:

- Society is subleasing space to other tenants.
- Square footage of sublease needs to be known.

MOVED and SECONDED that Nanaimo Region John Howard Society be placed on the City's 2012 Permissive Tax Exemption Bylaw for the area it occupies in the property it leases at 200 1585 Bowen Road, receiving exemption from taxation for the year 2013 until the next review. CARRIED.

It was noted that the Committee did not have a quorum for the vote. MOVED and SECONDED that the motion be tabled until the next meeting. CARRIED.

France Tellier and Bill Anderson returned to the Bylaw Meeting Room.

France Tellier will provide the Committee with information regarding the specific square footage that the John Howard Society uses.

4. DELEGATION

Mr. Simon Davidson, Mr. Tony Fitterer, Ms. Bobby Kurtz, and Mr. Jimmy Valliere of Nanaimo Squash Club were in attendance to explain the Nanaimo Squash Club is an accessible, not for profit organization, which is open to the public, and answer questions relating to their Permissive Tax Exemption application.

The Nanaimo Squash Club representatives left the Bylaw Meeting Room.

NEW APPLICATIONS: CONTINUED

(b) Nanaimo Squash Club (PTE-03)

Committee Members noted:

- Youth program popular with inner city children.
- Club will host Junior Championships this year with over 100 participants.
- Funds will be used to educate community about services available and perform maintenance on their facility.

MOVED and SECONDED that Nanaimo Squash Club be placed on the City's 2012 Permissive Tax Exemption Bylaw for property it leases at 256 Wallace Street, receiving exemption from taxation for the year 2013 until the next review. CARRIED.

(c) Habitat for Humanity Mid-Vancouver Island (PTE-04)

MOVED and SECONDED that Habitat for Humanity Mid-Vancouver Island be placed on the City's 2012 Permissive Tax Exemption Bylaw for property it leases at 1 4128 Mostar Road, receiving exemption from taxation for the year 2013 until the next review. CARRIED.

(d) Citizens on Patrol (OG-02)

Committee members noted:

- Application was refused last year by Council.
- RCMP offers indirect support (office space).
- Services differ from Auxiliary Police and Crime Stoppers.
- Organization serves The City of Nanaimo, District of Lantzville and Regional District of Nanaimo.

MOVED and SECONDED that Citizens on Patrol receives an Other Grant in the amount of \$2,500 to introduce a bike component and to purchase additional gas cards for their driver reimbursement program. CARRIED.

OPPOSED: John Neville

5. NEXT MEETING

The next meeting of the Grants Advisory Committee is scheduled for Wednesday, 2012-Sep-19 in the Bylaw Meeting Room, 238 Franklyn Street.

6. ADJOURNMENT

MOVED and SECONDED to adjourn the meeting at 4:02 p.m. CARRIED.

Chair

Date

REPORT TO COUNCIL

DATE OF MEETING: 2012-AUG-27

AUTHORED BY: COUNCILLOR DIANA JOHNSTONE, CHAIRPERSON, GRANTS
ADVISORY COMMITTEE

RE: 2012 GRANTS ADVISORY COMMITTEE RECOMMENDATIONS

COMMITTEE'S RECOMMENDATION: That Council:

Award Permissive Tax Exemptions to the following Applicants

| | |
|--------|-------------------------------------------|
| PTE-03 | Nanaimo Squash Club |
| PTE-04 | Habitat for Humanity Mid-Vancouver Island |

Award an Other Grant to the following Applicant

| | |
|-------|----------------------------------------------|
| OG-02 | Citizens on Patrol in the amount of \$2,500. |
|-------|----------------------------------------------|

PURPOSE:

The purpose of this report is to outline the Committee's recommendations regarding the Permissive Tax Exemption and Other Grant applications received.

BACKGROUND:

The Grants Advisory Committee met on 2012-AUG-15.

The Grants Advisory Committee has reviewed in detail the financial data and background information provided by the applicant. Recommendations are made in accordance with the Grants Policy and Guidelines adopted by Council.

The Committee recognizes both the limited funding that the City has available and the excellent community services provided by the various organizations. We are hopeful that the funds allocated by Council will allow the organizations in need of assistance to continue to provide their valuable services.

Council is permitted to (but not required to) exempt certain organizations from property taxation. Sections 224, 225, 226 of the *Community Charter* identify situations in which Council may exercise discretion in granting full or partial exemptions from taxation. These exemptions must be adopted by bylaw, by the 31st of October of the year preceding exemptions.

NEW APPLICATIONS

Permissive Tax Exemptions Category

Application PTE-03 Nanaimo Squash Club

The Committee recommends that Council place this organization on the City's 2012 Permissive Tax Exemption Bylaw for property it leases at 256 Wallace Street, receiving exemption from taxation for the year 2013 until the next review. The estimated value of this PTE is \$14,315.00 annually.

Application PTE-04 Habitat for Humanity Mid-Vancouver Island

The Committee recommends that Council place this organization on the City's 2012 Permissive Tax Exemption Bylaw for property it leases at 1 4128 Mostar Road, receiving exemption from taxation for the year 2013 until the next review. The estimated value of this PTE is \$19,493.28 annually.

Other Grants Category

Application OG-02 Citizens on Patrol

The Committee recommends that Council grant this organization an Other Grant in the amount of \$2,500 to introduce a bike component and to purchase additional gas cards for their driver reimbursement program.

Respectfully submitted



Councillor Diana Johnstone
Chair, Grants Advisory Committee (GAC)

Drafted: 2012-AUG-20
ss

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GRANTS ADVISORY COMMITTEE

2012 Grant Applications

Other Grants 275000 - 1334

2011-OG-07 Nanaimo 7-10 Club Society covered by Council contingency

2011-OG-09 Errington Therapeutic Riding Association - Prior year funds

OG-01 Nanaimo Volunteer & Information Centre Society

OG-02 Nanaimo Citizens on Patrol

| 2006 Grant | 2007 Grant | 2008 Grant | 2009 Grant | 2010 Grant | 2011 Grant | 2012 Request | 2012 Recommend | Remaining Budget |
|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|-------------------|---------------------|
| | | | | | | | | 19,321.00 |
| | | | | | | | 9,321.00 | 10,000.00 |
| | | | | | | | 3,000.00 | 7,000.00 |
| 754.00 | DNA | DNA | 1,521.26 | 1,293.80 | 1,408.06 | 1,397.42 | 1,397.42 | 5,602.58 |
| | | 2,000.00 | | | | 2,500.00 | 2,500.00 | 3,102.58 |
| 754.00 | 0.00 | 0.00 | 1,521.26 | 1,293.80 | 1,408.06 | 3,897.42 | 16,218.42 | 3,102.58 |

Subtotal: Other Grants 275000 - 1334

Permissive Tax Exemptions 275000 - 1332

| | | | | | | | | |
|------|------|------|------|------|------|------|------|----------|
| | | | | | | | | 5,000.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5,000.00 |

Subtotal: Permissive Tax Exemptions 27500 - 1332

Security Check Grants 275000 - 1329

2011-SC-02 Red Cross - Prior year funds

| | | | | | | | | |
|------|------|------|------|------|-------|------|-------|----------|
| | | | | | | | | 2,090.00 |
| | | | | | 90.00 | | 90.00 | 2,000.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 90.00 | 0.00 | 90.00 | 2,000.00 |

Subtotal: Security Check Grants 275000 - 1329

Totals

Nanaimo 7-10 Club Society - 50% rent reduction for 2012 only
was approved by Council. Funded from 2012 Council Contingency.

| | |
|---------------------------------|-------------|
| 2012 Budget | 14,000.00 |
| Add: Transfer from Council Cont | 9,321.00 |
| Add: Transfer from Prior Year | 3,000.00 |
| Add: Transfer from Prior Year | 90.00 |
| Less: Recommended Grants | (16,308.42) |
| Remaining Budget | 10,102.58 |

Synopsis of Grants Awarded/Denied 2012

| Organization | Grant Approved by Grants Committee & Council | | Letter Sent | | Cheque Sent | | Amount Granted \$ | Reason Grant Awarded/Denied |
|--------------|----------------------------------------------------------|---|----------------|---|----------------|---|-------------------------|--------------------------------|
| | Y | N | Y | N | Y | N | | |

OTHER GRANTS

| | | | | | | | | |
|--------------------------------------------------------|---|--|---|--|---|--|-------------------|------------------------------------------------------------------------------------------------|
| Nanaimo Volunteer & Information Centre Society (OG-01) | √ | | √ | | √ | | \$1,397.42 | 'In Kind' grant for Beban Park rental. Funds paid out from Grants cost centre. |
| Nanaimo Citizens on Patrol (OG-02) | √ | | √ | | √ | | \$2,500.00 | Grant for introducing bike component & to purchase gas cards for driver reimbursement program. |
| | | | | | | | | |

SECURITY CHECK GRANTS

| | | | | | | | | |
|--|--|--|--|--|--|--|--|--|
| | | | | | | | | |
| | | | | | | | | |

PERMISSIVE TAX EXEMPTION GRANTS

| | | | | | | | | |
|---------------------------------------------------------------------------|---|---|---|--|---|--|----------------|------------------------------------------------------------------------------|
| Pacific Child and Family Enrichment Society (dba Pacific Care) (PTE – 01) | √ | | √ | | √ | | \$ 0.00 | Recommended to be placed on 2012 PTE bylaw. |
| Nanaimo Squash Club (PTE-03) | | √ | √ | | √ | | \$ 0.00 | Recommended to be placed on 2012 PTE bylaw – Council rejected recommendation |
| Habitat for Humanity Mid-Vancouver Island (PTE-04) | √ | | √ | | √ | | \$ 0.00 | Recommended to be placed on 2012 PTE bylaw. |
| | | | | | | | | |
| | | | | | | | | |

Nanaimo Citizens on Patrol

58 Summit Drive | Nanaimo | British Columbia | Canada | V9T 4Y1

2012.09.10

Laura Mercer
Staff Liaison
Grants Advisory Committee

Dear Laura:

It is with great appreciation that I acknowledge your letter of 2012.08.30 re the application of Nanaimo Citizens on Patrol for Grant Funding.

The City supported us several years ago and it is very satisfying that the Grants Advisory Committee and City Council members have again recognised the contribution of the volunteers who serve the citizens of the City of Nanaimo each time they are out on patrol.

We will continue to work hard on your behalf in assisting police in reducing crime in our area. We have introduced the bike unit already and with some protective clothing for the volunteers, we will be more recognised by the public for what we do.

Each patrol we make consumes gasoline for the vehicles of our volunteers. With your assistance, we can provide compensation so that they are not out of pocket.

Thanks to the Committee and City Council for being supporters of our program. I trust that a copy of this letter will be passed to Council.

Yours truly

Brian Cornborough | Coordinator

**CITY OF NANAIMO
EVALUATION
PERMISSIVE TAX EXEMPTIONS (PTE)**

Name of Organization: Nanaimo Region John Howard Society

Request to be placed on 2012 Permissive Tax Exemption Bylaw for property leased at 200 – 1585 Bowen Road and for any relief from 2012 taxes' deemed appropriate.

Grant No. 2012 PTE-02

| Criteria: | Meets Criteria: | | Statement of Purpose: |
|----------------------------------------------------------------------------------------------------------------|-----------------|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Yes | No | |
| ➤ the property <u>must</u> be recommended for a Permissive Tax Exemption in the following year; and | | | <p>An organization may only be added to the Permissive Tax Exemption roll for the following year. In some cases, it may be appropriate to give an organization a cash grant during the current year.</p> <p>These exemptions must be adopted by bylaws, by the 31st of October of the year preceding exemption, and passed with a two-third's majority.</p> <p>All buildings and properties that receive a PTE must be reviewed every three years to ensure that they continue to meet the specific criteria set out in their applicable category.</p> |
| ➤ the property qualifies for a PTE as a Church, Public Hospital, Community Care Facility, or Private School or | | | |
| ➤ the organization can demonstrate a financial need | | | |
| ➤ must adhere to all of the City of Nanaimo's bylaws and policies | | | |
| | | | |
| Grant Awarded: | \$ | | Amount Recommended: \$ |
| | Yes | No | |

Discussion:

Notes:

JohnHoward

Nanaimo Region John Howard Society

200-1585 Bowen Road, Nanaimo, BC V9S 1G4 • Bus: 250.754.1266 Fax: 250.754.2340
Email: jhsnan@shawcable.com • Website: www.jhsnr.org

July 19, 2012

Laura Mercer
Staff Liaison
Grants Advisory Committee
City of Nanaimo
455 Wallace Street
Nanaimo, BC V9R 5J6

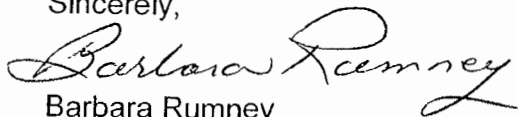
Dear Ms. Mercer:

The Nanaimo Region John Howard Society leases office space at #200-1585 Bowen Road. Further to our conversation, please find our completed application for Permissive Tax Exemption as specified in the triple net .

Included with the application are documents from the Property Manager detailing the Triple Net costs,, acknowledgement from the landlord that the Society will be credited their portion of the dollar value of the tax exemption and a floor plan of the area the Society leases.

Thank you for your consideration.

Sincerely,



Barbara Rumney
Executive Director



CITY OF NANAIMO APPLICATION FOR PERMISSIVE TAX EXEMPTION

Office Use

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| ORGANIZATION: Nanaimo Region John Howard Society | DATE: JULY 19 TH 2012 |
| ADDRESS: #200-1585 BOWEN ROAD | PRESIDENT: JOANNE BEVIS |
| NANAIMO | SENIOR STAFF MEMBER: BARBARA RUMNEY |
| B.C. | POSITION: EXECUTIVE DIRECTOR |
| V9S 1G4 | CONTACT: BARBARA RUMNEY |
| TELEPHONE: (250) 754-1266 | TELEPHONE: 250-754-1266 |
| OVERVIEW OF YOUR ORGANIZATION'S PROGRAMS AND SERVICES OFFERED IN THE COMMUNITY: We are a non-profit registered charitable organization concerned with CRIME Prevention and Crime Reduction Programs through community involvement. The Society serves a wide range of youth, adults and families offered through our programs. | |
| GEOGRAPHIC AREA SERVED BY THE ORGANIZATION: NANAIMO REGION – PRIMARILY THE CITY OF NANAIMO | |
| NO. OF FULL TIME STAFF: 20 | NO. OF PART TIME STAFF: 9 |
| NO. OF COMMUNITY VOLUNTEERS: 143 | NO. OF VOLUNTEER HOURS PER YEAR: 2,981.5 |
| NO. OF MEMBERS: 23 | MEMBERSHIP FEE: \$10.00 |
| CLIENTS SERVED, LAST YEAR: 1,389 | CLIENTS SERVED, THIS YEAR (PROJECTED): 1,500 |
| B.C. SOCIETY ACT REG. NO.: S25007 | REVENUE CANADA CHARITABLE REG. NO.: 130303936RR0001 |
| CURRENT BUDGET: 2012-2013 INCOME \$1,716,804.98 | LEGAL DESCRIPTION OF PROPERTY: LT1, PLAN 36556, LD 32, SECTION 1 |
| EXPENSES: \$1,735,528.98 | TAX FOLIO NUMBER: UNKNOWN – RENTAL PROPERTY PID 000-412-856 |
| NEXT YEAR PROJECTED: 2012-2013 INCOME: \$1,716,804.98 | CURRENT YEAR TAXES (IF KNOWN): \$33,079.00 |
| EXPENSES: \$1,735,528.98 | |
| SIGNATURE: <i>Barbara Rumney</i> | TITLE/POSITION: EXECUTIVE DIRECTOR |
| | DATE: JULY 19, 2012 |

NOTE: YOUR ORGANIZATION'S MOST RECENT AUDITED FINANCIAL STATEMENTS AND CURRENT FINANCIAL STATEMENTS MUST BE ATTACHED TO THE APPLICATION FORM (INCLUDING A BALANCE SHEET AND INCOME STATEMENT).

CITY OF NANAIMO GRANT QUESTIONNAIRE

1. Please describe the work of your organization in this community.

The Society is a community based registered charity service provider; offering programs that help to build a healthy community through positive social change and citizen involvement. We offer the following 12 programs (serving a wide range of youth, adults and families); Restorative Justice, Volunteer Program, Public Education, Mental Health Outreach, Community Service Orders, Forensic Housing and Outreach, Guthrie Therapeutic Community at Nanaimo Correctional Centre, Vancouver Island Therapeutic Community Nanaimo, Aftercare Outreach, Response and Assistance Program, Community Employment Program and Transitional Housing Program. We are a United Way agency; members of the Chamber of Commerce and Volunteer Nanaimo, The Society are active participants on the Nanaimo Working Group on Homelessness and the Nanaimo Addiction Foundation.

2. What are your organization's specific priorities for the coming year?

Further development and expansion of the Vancouver Island Therapeutic Community

Continue to support and explore housing opportunities for individuals who are homeless and/or at risk of homelessness

Expand employment services for ex-offenders

3. How does your organization ensure that its services address continuing and emerging community needs?

By annual reviews from the Board of Directors and funding sources

Periodic independent evaluations and needs assessments

Liaison with community colleagues

4. Please describe the role of volunteers in your organization.

Volunteers assist in the delivery of various programs; as trained facilitators in the Restorative Justice

Program; practicum students; Social Enterprise Volunteers, special projects and as a Board members.

5. Please list grants applied for/received from other governments or service clubs.

Provincial Community Accountability Program – grant for the Restorative Justice Program - \$2,500

Community Gaming Grant – pending\will apply in August 2012

6. Please provide details of fees for service in your organization, and how costs and fees are determined.

We do not have any fees for service.

7. If your organization is a branch of a larger organization, please indicate how this affects the financial and other information you have provided.

The Society is autonomous, governed by a local Board of Directors.

8. Please describe your policy and treatment of: capital, reserve or special purpose funds, and year-end surpluses or deficits.

Capital assets are recorded at cost and amortized by the external Auditor. The Board of Directors allocates internally generated surpluses as restricted reserves for specific programs or purchases. The Society's objective is to attain a balanced operating budget.

- 9 Please describe current or planned approaches to self generated income.

We are developing a Social Enterprise providing clients with vocational rehabilitation and a potential source of future income for the Society. Additionally, we receive shelter allowance revenue from clients

participating in the Transitional Housing Program, Forensic Housing\Outreach Program and the Community Therapeutic Program. Finally, we receive a nominal amount of donations.

10. What will the effect be if you do not receive a Grant in Aid from the City of Nanaimo?
It would result in a probable operating deficit .

11. Does your organization require funding to cover the current year's taxes? If so, what amount?

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Jay Cousins, B.Comm.

1-5140 Metral Drive
Nanaimo, B.C., V9T 2K8
Tel: (250) 751-1223
Fax: (250) 751-3592
Toll free: 1-877-335-4380
e-mail: jay@jaycousins.com
www.jaycousins.com

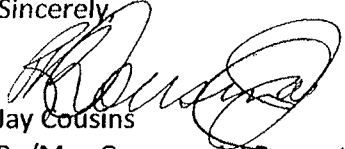
RE/MAX
jay cousins realty
An Independent Member Broker

July 11, 2012

To Whom It May Concern

This letter will serve as official notification that the landlord, 811580 BC Ltd, of the property located at 1585 Bowen Road legally described as Lot 1, Plan 36556 LD 32, Section 1, Newcastle Reserve, PID 000-412-856, **hereby agrees** that the dollar value of the tax exemption for that portion of the property taxes of the space occupied by the Nanaimo Region John Howard Society, will be credited to the Nanaimo Regional John Howard Society. It is further acknowledged that the Nanaimo Regional John Howard Society occupies 3,942 square feet of the building which totals 16,950 square feet of leasable area, or approximately 23.3% proportionate share.

Sincerely,

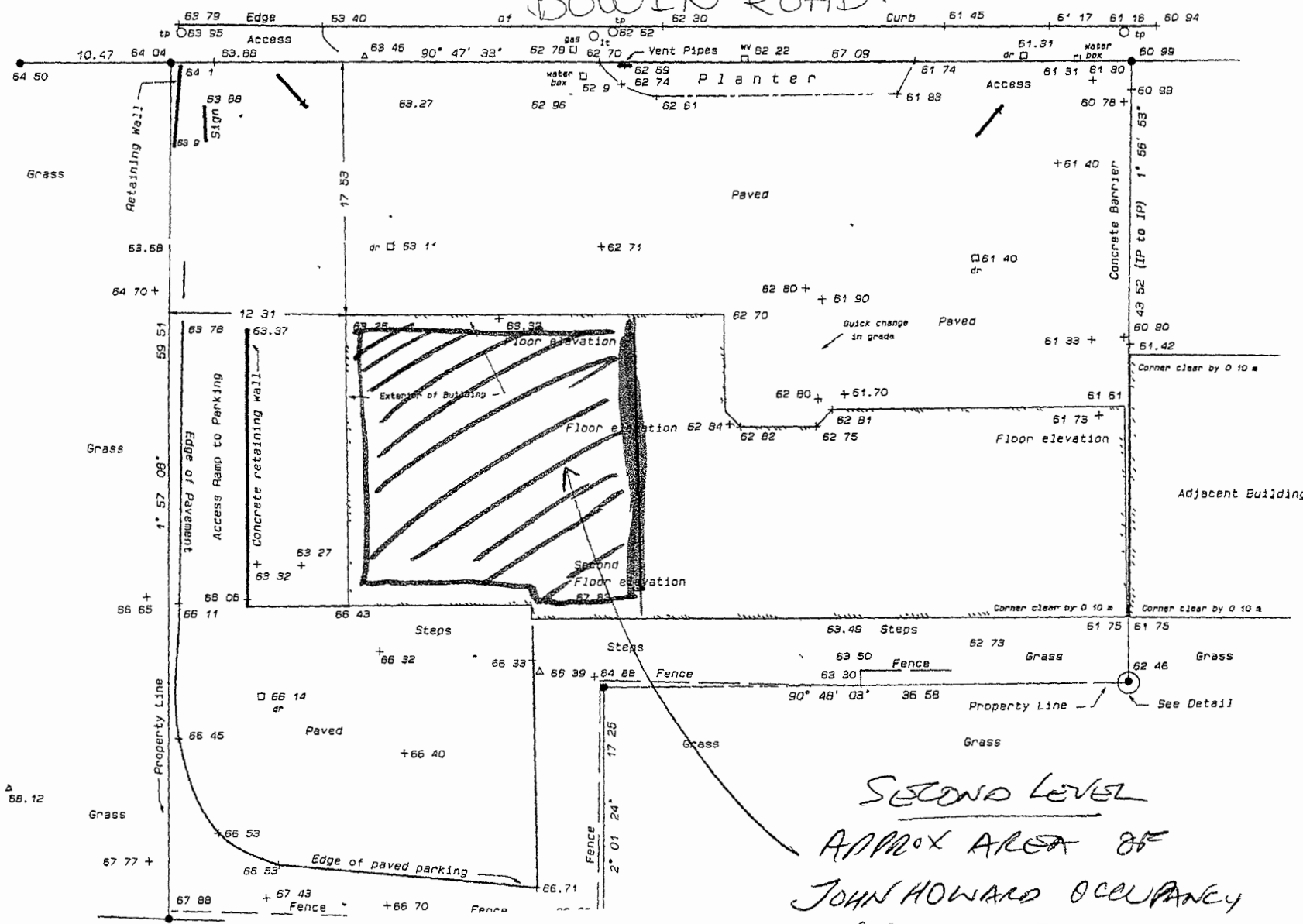


Jay Cousins

Re/Max Commercial Property Management
Authorized Agent for 811580 BC Ltd

31
15 52

BOWEN ROAD



SECOND LEVEL
APPROX AREA OF
JOHN HOWARD OCCUPANCY
(NOT TO SCALE)
3,942 SQ FT
TOTAL LEASABLE AREA
16,950 SQ FT

1585 BOWEN ROAD

TRIPLE NET EXPENSES

“Actuals” for 12 Months Ended April 30, 2012

| | |
|------------------------------------|--------------|
| Property Taxes | 33,079 |
| Insurance | 5,048 |
| Property Management | 7,200 |
| Water/Sewer | 1,354 |
| License Fee | 165 |
| Landscape/Parking Lot | 1,680 |
| Waste Removal | 3,817 |
| Janitorial | 4,336 |
| Gas | 3,080 |
| Hydro | 2,837 |
| Repairs & Maintenance | 3,898 |
| Snow Removal | 150 |
| Pest Control | 3,335 |
| Security Patrol | <u>1,259</u> |
| TOTAL | 71,238 |
| | ===== |
| Total Leasable area 16,964 Sq. Ft. | |
| Actual cost per Sq. Ft. | \$4.20 |
| | ===== |

STANDARD FORM LEASE

THIS LEASE made in triplicate this day of July, 2001

BETWEEN:

LAWRENCE & MELODY CAMPBELL

Box 1419, Marysville
Washington, USA
98270
Tel: 360-651-7337

(hereinafter referred to as the "Landlord")

OF THE FIRST PART

AND:

NANAIMO REGION JOHN HOWARD SOCIETY

4-1585 Bowen Road
Nanaimo, B.C.
V9S 1G4

Tel: 250-000-0000 250 254 1266

(hereinafter referred to as the "Tenant")

OF THE SECOND PART

In consideration of the covenants, agreements and conditions herein contained, the parties agree as follows:

ARTICLE 1 - PREMISES AND TERM

1.01 DEMISE

The Landlord demises and leases to the Tenant the Premises, as more particularly described and outlined in Schedule "A" attached hereto, **comprising an area of 3942 square feet**, more or less, located on the following floor(s):

3942 square feet on the upper floor;

of that Building situated at: 1585 Bowen Road, Nanaimo, B.C.

1.02 HABENDUM AND COMMENCEMENT

To have and to hold the Premises for and during the **Term of Five Years** from the Commencement Date.

ARTICLE 2 - DEFINITIONS

2.01 BASE YEAR (OPERATING COSTS)

"Base Year (Operating Costs)" means the operating costs incurred during the period of TWELVE (12) months commencing on the ~~later of either~~ the Commencement Date.

2.02 BASE YEAR (TAXES)

"Base Year (Taxes)" means the taxes assessed during the period of twelve months commencing on the later of either the Commencement Date, or the date in the taxation year following the Commencement Date in which the taxes levied and assessed against the land and the building(s) are so levied and assessed on the basis that the building(s) are fully completed for the whole of such year, without rebate or concession in determining the Base Year (Taxes), a pro-rata adjustment of two ensuing taxation years may be necessary.

2.03 BUILDING

"Building" means the land and building of which the Premises form a part.

2.04 COMMENCEMENT DATE

"Commencement Date" shall be the **first day of August, 2001**.

2.05 MUNICIPAL TAXES

"Municipal Taxes" means the substantiated aggregate of all property, utility and local improvement taxes or similar charges, duties, rate and assessments save and except business, machinery and equipment taxes charged or levied by any lawful authority against the Building. The Tenant shall not be responsible for increases in the Municipal Taxes resulting from additions or improvements made to the Building by persons other than the Tenant or not requested by the Tenant.

2.06 OPERATING COSTS

"Operating Costs" means the substantiated direct cost to the Landlord of ordinary non-capital expenditures incurred only in connection with the operation of the Building as itemized in **column (b) of Schedule "B"** attached hereto, and the costs of services provided by the Landlord but paid for by the Tenant as itemized in column (c) of the said **Schedule "B"**, including, as the context may require, costs for:

- (a) preventative servicing & minor repairs of the heating, ventilating and air-conditioning (HVAC) system;
- (b) water and sewer rates;
- (c) electric power, save and except for power factor surcharges;
- (d) heating;
- (e) snow and garbage removal;
- (f) landscaping and common area maintenance;
- (g) cleaning and maintenance of the interior of the Building;
- (h) preventative servicing and minor repair of elevator(s);
- (i) maintenance of parking lot;
- (j) security services;
- (k) management;
- (l) accounting/legal;

and excluding costs for:

- i) structural maintenance and repairs.

Amounts normally charged to depreciation, interest on debt or capital retirement of debt, and rental agent fees shall not be included in calculating Operating Costs.

2.07 PREMISES

"Premises" means the area of approximately **3942 square feet**, as may be more particularly indicated in a distinguishing colour on the plan of that portion of the Building which is outlined in red and attached to **Schedule "A"**.

2.08 PROPORTIONATE SHARE

"Proportionate Share" means a fraction, the numerator of which represents the Premises and the denominator of which is the Total Rentable Area of the Building, which areas shall be determined according to the standard method of measurement approved at the time of execution hereof by the Building Owners and Managers Association International, and which is **23.3%**. In the event that the Building may be subject to multiple purpose tenancies, due weight and consideration shall be given to the use and benefits derived or being derived by respective classes of tenancies in ascribing the proportionate share factor to the Premises.

2.09 IMPROVEMENTS

"Improvements" means the improvements to be made to the Premises as may be more particularly set forth in **Schedule "C"** attached hereto.

2.10 TERM

"Term" means the period of time described in Paragraph 1.02 and shall be construed, if necessary, to include any term resulting from the exercise of the option to renew in Paragraph 4.09.

2.11 TERM YEAR

"Term Year" means a **ONE (1) year** period commencing on the Commencement Date and running one full year thereafter and each subsequent one year period thereafter until termination.

6

2.12 TOTAL RENTABLE AREA

"Total Rentable Area" means the aggregate of all areas in the Building which are rented or available for rental and which is **16950** square feet.

ARTICLE 3 - RENT AND OTHER CHARGES

3.01 RENT

The Tenant shall pay to the Landlord, Rent over the whole of the Term as follows:

| Year | \$ / sq. ft. | Annual Base Rent | Monthly | |
|------|--------------|------------------|-----------|----------|
| 1-5 | 4.50 | \$17739.00 | \$1478.25 | plus GST |

ADDITIONAL RENT

The parties understand that this lease is completely on a fixed cost basis in favour of the Landlord whereby the Tenants additional rent shall be fixed for the term of this Lease in the amount as follows:

| Year | \$ / sq. ft. | Annual Additional Rent | Monthly | |
|------|--------------|------------------------|-----------|----------|
| 1-5 | 3.50 | \$13797.00 | \$1149.75 | plus GST |

The Landlord shall provide a statement of all operating costs for the building annually. The Tenant acknowledges that no rebate or further charge will be made by the Landlord as an adjustment against actual operating costs of the building annually.

DEPOSIT

Within 48 hours of execution of this Lease the Tenant shall pay to Re/Max Jay Cousins Realty in "Trust" **\$3163.51**, being the first and last months basic rent plus GST due under this agreement. **\$1478.25** of the deposit amount shall be applied to the first month's basic rent and the balance retained as a security deposit during the term of the Lease.

\$ 1685.26

3.02 TAXES

a) **PROPORTIONATE SHARE OF TAXES**

N/A

3.03 UTILITIES

In addition to the basic rent and the additional rent, the Tenant shall be responsible for it's own telephone charges, electrical and gas consumption, and any other utilities not included in the operating costs.

3.04 RECORDS

During the term of this Lease, as the same may be renewed, and for a period of not less than TWENTY-FOUR (24) months after the expiration or sooner determination of the said Term,

- a) the Landlord shall, keep and maintain full and complete records of expenses and costs incurred for the Building and the Premises together with proper records of all tender calls, quotations, contracts, correspondence, invoices, receipts and vouchers relating thereto.

ARTICLE 4 - GENERAL COVENANTS

4.01 QUIET ENJOYMENT

The Landlord covenants with the Tenant for quiet enjoyment.

4.02 USE OF PREMISES

The Tenant may use the Premises solely for the programs and functions of the **John Howard Society**.

4.03 ACCESS

The Tenant, its subtenants and their respective servants, agents, employees, licensees and invitees shall have the right in common with other occupants of the Building to pass, repass and utilize all common areas including corridors, lobbies, washrooms, stairways, and passages and over the lands of the Building for the purposes of ingress, egress and full enjoyment of the Premises, parking and other facilities in use by the Tenant.



REMINDER

Society Annual Report (Form 11)

Annual Report Fee: \$25.00

Change of Address: Additional \$15.00

2012 Annual Report

1. The information below is what we have on file. See last page for completion instructions.

NANAIMO REGION JOHN HOWARD SOCIETY
200 - 1585 BOWEN ROAD
NANAIMO BC V9S 1G4

ONLINE FILING AVAILABLE at www.bcregistryservices.gov.bc.ca
See the last page for details.

OFFICE USE ONLY

2. Incorporation Number: S-0025007 Access Code: 125166538
Business Number: 130303936BC0001

3. The date your 2012 Annual General Meeting was held is (YYYY/MM/DD):

(If no Annual General Meeting was held, please write "NO MEETING HELD" in the date field above.)

21 June 2012

4. The society's registered address in B.C. is (Must be a physical location; Post Office box only is not acceptable.)

200 - 1585 BOWEN ROAD
NANAIMO BC V9S 1G4

If your registered address has changed, make changes here.

5. The society's directors on file are listed below. Please make updates/changes below.
(Addresses must be physical locations; Post Office box only is not acceptable.)

NOTE

One director must be a
B.C. resident.

Draw line through name if director has ceased.

If directors have been added or director information has changed,
make changes here.

Last name: ANDERSON

First name (include initials): BILL

Address (include postal code):

2530 HOLYROOD DR
NANAIMO BC V9S 4K9



Last name: BATTERIL

First name (include initials): PAM

Address (include postal code):

2170 WOODTHRUSH PLACE
NANAIMO BC V9R 6V2

Last name: BEVIS

First name (include initials): JOANNE

Address (include postal code):

420 HERON PLACE
NANAIMO BC V9T 4X7

Last name: CHADWICK

First name (include initials): SCOTT

Address (include postal code):

2650 JASMINE PL
NANAIMO BC V9T 5W6

Last name: GUY

First name (include initials): JUDITH

Address (include postal code):

~~3785 HAMMOND BAY RD~~
~~NANAIMO BC V9T 1G2~~

New
Address

1180 Lee Road

Parksville B.C. V9P 2L2



Last name: MUNRO
First name (include initials): RANDALL
Address (include postal code):
6522 PEREGRINE ROAD
NANAIMO BC V9V 1V5

Last name: PRICE
First name (include initials): BETTY
Address (include postal code):
913 SHOREWOOD DR
PARKSVILLE BC V9P 1R9

Last name: ~~ROBERT~~
First name (include initials): ~~RICHARD~~
Address (include postal code):
~~5430 COLINWOOD DR~~
~~NANAIMO BC V9T 6G2~~

Churchill
Christopher

279 Pine Street
NANAIMO - B.C V9R 2B7

Last name: ~~SIMON~~
First name (include initials): ~~WILBERT E.~~
Address (include postal code):
~~3862 MAPLEWOOD DRIVE~~
~~NANAIMO BC V9T 6B9~~



Last name: SIPPEL *New address* 5807 Redwing Crescent.
First name (include initials): JOE NANAIMO B.C V9T 6H9.
Address (include postal code):
~~6-1640 NORTHFIELD RD-~~
~~NANAIMO BC V9S 3A9-~~

6. Please provide an email address that we may use for future communications. jhsnana@shawcable.com

7. Sign and certify this form.

I certify that this information is accurate and complete.

Signature: *Trance Jellie*

NOTE

This must be signed by a
current director, officer or
solicitor.

8. Return form and fee to BC Registry Services.

Mailing Address:

PO Box 9431 Stn Prov Govt
Victoria BC
V8W 9V3

Physical Address:

2nd floor, 940 Blanshard Street
Victoria BC
V8W 3E6

NOTE

Annual Report filing fee is
\$25.00.

If you updated your
registered address, add
\$15.00 for a total fee of
\$40.00.

Questions?

Call 250 356-8609, or 604 775-1042 from Greater Vancouver area.

Please make your cheque payable to **Minister of Finance** and write your Incorporation Number on the cheque.

THE NANAIMO REGION JOHN HOWARD SOCIETY
FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2012

THE NANAIMO REGION JOHN HOWARD SOCIETY
(Incorporated under the Society Act of British Columbia)
FINANCIAL STATEMENTS
MARCH 31, 2012

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| Statement of Operations | 5 |
| Statement of Cash Flows | 6 |
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JOHN D. HOUGH LTD.

#1 - 3260 Norwell Drive
Nanaimo, BC V9T 1X5

JOHN D. HOUGH, BA, CGA
CERTIFIED GENERAL ACCOUNTANT

Ph. 250 - 751 - 8532
Fax 250 - 758 - 4043
Email john@johndhough.com

Page 1

INDEPENDENT AUDITOR'S REPORT

To the Members of Nanaimo Region John Howard Society

I have audited the accompanying financial statements of Nanaimo Region John Howard Society, which comprise the statement of financial position as at March 31, 2012 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles for not-for-profit organizations, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the 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 accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualified Opinion

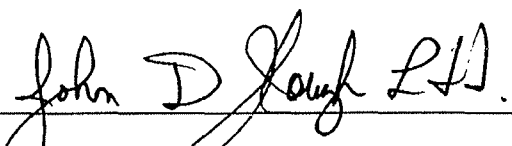
In common with many charitable organizations, the Society derives a part of its revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the Society and I was not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, assets and net assets.

(continues)

Independent Auditor's Report to the Members of Nanaimo Region John Howard Society *(continued)*

Qualified Opinion

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the contributions referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of Nanaimo Region John Howard Society as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by Section 47 of the Society Act of British Columbia, I report that, in my opinion these principles have been applied, on a basis consistent with that of the preceding year.



JOHN D. HOUGH LTD.
DBA HOUGH & COMPANY
Certified General Accountant

Nanaimo, British Columbia
June 13, 2012

THE NANAIMO REGION JOHN HOWARD SOCIETY

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2012

ASSETS

| CURRENT | 2012 | 2011 |
|-----------------------------------------|--------------------------|--------------------------|
| Cash (NOTE 3) | \$ 6,522 | \$ 50,587 |
| Restricted cash (NOTE 2(d) and 3) | 35,804 | 44,660 |
| Term deposits (NOTE 2(d) and 3) | 59,817 | 59,817 |
| Accounts receivable (NOTE 2(e)) | 180,753 | 90,813 |
| HST receivable | 6,058 | 5,913 |
| Refundable deposit | - | 25,000 |
| Prepaid expenses | 6,921 | 5,568 |
| | <u>295,875</u> | <u>282,358</u> |
| CAPITAL ASSETS (NOTES 2(b), 4, 7 and 8) | <u>507,319</u> | <u>529,232</u> |
| | <u><u>\$ 803,374</u></u> | <u><u>\$ 811,590</u></u> |

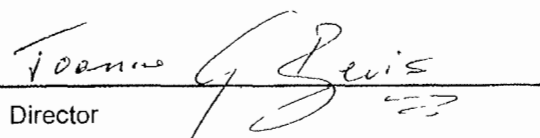
LIABILITIES

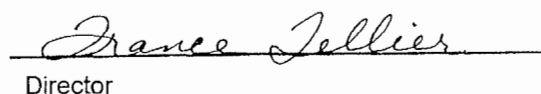
| | | |
|---------------------------------------------------|----------------|----------------|
| CURRENT | | |
| Bank indebtedness (NOTE 3) | \$ 30,931 | \$ - |
| Accounts payable and accrued liabilities (NOTE 3) | 12,442 | 7,571 |
| Accrued wages payable | 17,908 | 11,562 |
| Unearned revenue | 63,951 | 57,500 |
| Current portion of long term debt (NOTE 7) | 3,586 | 95,631 |
| | <u>128,818</u> | <u>161,264</u> |
| LONG TERM DEBT (NOTE 7) | <u>89,689</u> | <u>-</u> |
| | <u>218,507</u> | <u>161,264</u> |
| CONTINGENCIES (NOTE 9) | | |

NET ASSETS

| | | |
|--------------------------------------------------------|--------------------------|--------------------------|
| Net assets invested in capital assets (Page 4) | 414,044 | 433,600 |
| Restricted net assets (Page 4) (NOTES 2(d), 3, and 10) | 84,790 | 115,275 |
| Unrestricted net assets (Page 4) | 85,853 | 90,451 |
| | <u>584,867</u> | <u>639,326</u> |
| | <u><u>\$ 803,374</u></u> | <u><u>\$ 811,590</u></u> |

APPROVED BY THE DIRECTORS


Director


Director

The accompanying notes are an integral part of these statements.

THE NANAIMO REGION JOHN HOWARD SOCIETY

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED MARCH 31, 2012

| | <u>Invested in capital assets</u> | <u>Restricted</u> | <u>Unrestricted</u> | <u>Total 2012</u> | <u>Total 2011</u> |
|-------------------------------------------------------------------------|---------------------------------------|-------------------|---------------------|-----------------------|-----------------------|
| BALANCE - beginning of year | \$ 433,600 | \$ 115,275 | \$ 90,451 | \$ 639,326 | \$ 377,157 |
| Excess (deficiency) of revenues over expenditures (Page 5) | - | - | (24,154) | (24,154) | 227,294 |
| Net transfers to (from) restricted net assets (Notes 2(d), 9 and 10) | - | (30,485) | - | (30,485) | 34,875 |
| Investment (reduction) in capital assets | <u>(19,556)</u> | <u>-</u> | <u>19,556</u> | <u>-</u> | <u>-</u> |
| BALANCE - end of year | <u>\$ 414,044</u> | <u>\$ 84,790</u> | <u>\$ 85,853</u> | <u>\$ 584,867</u> | <u>\$ 639,326</u> |

The accompanying notes are an integral part of these statements.

THE NANAIMO REGION JOHN HOWARD SOCIETY

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2012

| | 2012 | 2011 |
|-------------------------------------------------------------------|--------------------|-------------------|
| REVENUES (NOTE 6) | | |
| Contract revenue | \$ 1,058,053 | \$ 836,762 |
| Grants | 66,149 | 65,501 |
| Interest | 1,699 | 1,661 |
| Residential revenues | 91,762 | 115,847 |
| Membership dues, donations and sundry (NOTE 8) | 23,841 | 250,813 |
| Sublease rental income (NOTE 5) | 22,175 | 21,825 |
| British Columbia Gaming Commission | 81,250 | 65,000 |
| Social enterprise - Into the Green | 6,236 | 7,775 |
| | <u>1,351,165</u> | <u>1,365,184</u> |
| EXPENDITURES | | |
| Accounting and bank charges | 8,219 | 4,638 |
| Amortization (NOTES 2 (b) and 4) | 23,427 | 25,643 |
| Contractors | 12,872 | 19,696 |
| Insurance | 9,783 | 7,717 |
| Interest on long term debt (NOTE 7) | 6,654 | 7,062 |
| Maintenance | 4,760 | 5,276 |
| Office supplies | 13,177 | 12,281 |
| Program development and purchases | 66,423 | 46,150 |
| Program purchases - therapeutic community | 28,761 | - |
| Rent - administrative (NOTE 5) | 43,893 | 40,985 |
| Rent - residential | 70,542 | 56,120 |
| Staff development | 3,751 | 4,619 |
| Sundry | 20,521 | 3,892 |
| Telephone and cell phone | 14,306 | 13,341 |
| Travel | 33,276 | 28,208 |
| Utilities | 34,241 | 31,874 |
| Vehicle costs | 11,248 | 9,923 |
| Volunteer development | 14,053 | 17,662 |
| Wages and benefits | 985,897 | 767,928 |
| | <u>1,405,804</u> | <u>1,103,015</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES FROM OPERATIONS | (54,639) | 262,169 |
| Net transfers from (to) restricted reserves (NOTES 2(d) and 9) | 30,485 | (34,875) |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>\$ (24,154)</u> | <u>\$ 227,294</u> |

The accompanying notes are an integral part of these statements.

THE NANAIMO REGION JOHN HOWARD SOCIETY

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2012

| | <u>2012</u> | <u>2011</u> |
|-------------------------------------------------------------|-------------------------|--------------------------|
| Cash flows from operating activities | | |
| Excess (deficiency) of revenues over expenditures | \$ (24,154) | \$ 227,294 |
| Add items - not requiring an outlay of cash | | |
| Amortization of capital assets | 23,427 | 25,643 |
| Net transfers (from) to restricted reserves | <u>(30,485)</u> | <u>34,875</u> |
| | (31,212) | 287,812 |
| Changes in non-cash working capital | | |
| Accounts receivable | (89,940) | (40,471) |
| HST receivable | (145) | (3,439) |
| Refundable deposit | 25,000 | (25,000) |
| Prepaid expenses | (1,353) | (1,981) |
| Accounts payable and accrued liabilities | 4,871 | (690) |
| Accrued wages payable | 6,346 | 4,339 |
| Unearned revenue | 6,451 | 10,999 |
| Current portion of long term debt | <u>(92,045)</u> | <u>93,944</u> |
| | <u>(172,027)</u> | <u>325,513</u> |
| Cash flows from financing activities | | |
| Advances from long term debt | 94,385 | - |
| Repayment of long term debt | <u>(4,696)</u> | <u>(95,631)</u> |
| | <u>89,689</u> | <u>(95,631)</u> |
| Cash flows from investing activities | | |
| Acquisition of capital assets | <u>(1,514)</u> | <u>(224,002)</u> |
| | <u>(1,514)</u> | <u>(224,002)</u> |
| Net increase (decrease) in cash and cash equivalents | (83,852) | 5,880 |
| Cash and cash equivalents at beginning of year | <u>155,064</u> | <u>149,184</u> |
| Cash and cash equivalents at end of year | <u><u>\$ 71,212</u></u> | <u><u>\$ 155,064</u></u> |
| As represented by: | | |
| Cash - unrestricted | \$ 6,522 | \$ 50,587 |
| Cash - restricted | 35,804 | 44,660 |
| Term deposits | 59,817 | 59,817 |
| Bank indebtedness | <u>(30,931)</u> | <u>-</u> |
| | <u><u>\$ 71,212</u></u> | <u><u>\$ 155,064</u></u> |

The accompanying notes are an integral part of these statements.

THE NANAIMO REGION JOHN HOWARD SOCIETY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2012

1. DESCRIPTION OF THE SOCIETY

The Nanaimo Region John Howard Society is incorporated under the Society Act of British Columbia and is a registered charitable organization. The purpose of the Society is to accept responsibility for understanding and dealing with the problems of crime and the criminal justice system.

2. SIGNIFICANT ACCOUNTING POLICIES

a) The Society follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Donations in kind are recorded in the year received and expended in program purchases and development.

b) Capital assets are recorded at cost. Amortization of capital assets has been recorded on a straight - line basis over their estimated useful lives as follows:

| | |
|------------------------------------|----------|
| Computers and equipment | 5 years |
| Leasehold improvements | 5 years |
| Residential buildings | 40 years |
| Oasis workshop | 40 years |
| Residential furniture and fixtures | 5 years |
| Vehicles | 10 years |

c) The Society's financial instruments consist of cash, term deposits, accounts receivable, bank indebtedness, accounts payable, unearned revenue, accrued liabilities and long term debt. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments.

d) Net assets internally restricted are Board allocations of unrestricted net assets and are designated as reserves for specific purchases, programs or contingencies. These internally restricted amounts are not available for unrestricted purposes without approval of the Board of Directors.

e) Accounts receivable include an amount of \$1,135 owed by an employee of the Society (2011- \$ nil). The employee is paying back the loan through withholdings from his paychecks.

THE NANAIMO REGION JOHN HOWARD SOCIETY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2012

3. CASH

Cash consists of:

| | 2012 | 2011 |
|------------------------------------------------|------------------|-------------------|
| General account | \$ 6,522 | \$ 50,587 |
| High interest savings account - restricted use | 14,994 | 14,086 |
| Gaming account - restricted use | 20,808 | 30,574 |
| Term deposits | 59,817 | 59,817 |
| Bank indebtedness | (30,931) | - |
| | <u>\$ 71,212</u> | <u>\$ 155,064</u> |

The Gaming Policy and Enforcement Branch, Public Safety and Solicitor General has approved the Society's application for direct charitable access for fiscal 2012 under the eligibility category "Human and Social Services and Public Safety". The use of these funds are restricted to eligible purposes that are approved by the Gaming Policy and Enforcement Branch, Public Safety and Solicitor General

The Society has moved \$14,994 into a high interest savings account to satisfy the potential liability of \$ 13,959 for the two former employees of Community Addiction Resources Society.

The Society has a \$60,000 line of credit which bears interest at prime plus 1.5% (4.5% as at March 31, 2012). The line of credit is secured by a first mortgage and assignment of rents on the property located at 2227 McGarrigle Road, Nanaimo and a general first charge on company assets. The total interest paid on the line of credit during the year ended March 31, 2012 was \$171. (2011 - \$ nil)

The fair market value of the term deposits at March 31, 2012 is \$ 59,817 (2011 - \$ 59,817).

THE NANAIMO REGION JOHN HOWARD SOCIETY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2012

4. CAPITAL ASSETS

| | Cost | Accumulated Amortization | 2012 Net Book Value | 2011 Net Book Value |
|------------------------------------|-------------------|-----------------------------|---------------------------|---------------------------|
| Computers and equipment | \$ 50,801 | \$ 43,430 | \$ 7,371 | \$ 8,774 |
| Leasehold improvements | 33,509 | 33,509 | - | - |
| Residential buildings | 194,672 | 38,360 | 156,312 | 161,179 |
| Land | 205,400 | - | 205,400 | 205,400 |
| Oasis workshop | 96,738 | 9,604 | 87,134 | 89,553 |
| Residential furniture and fixtures | 45,303 | 24,334 | 20,969 | 29,556 |
| Vehicles | 46,375 | 16,242 | 30,133 | 34,770 |
| | <u>\$ 672,798</u> | <u>\$ 165,479</u> | <u>\$ 507,319</u> | <u>\$ 529,232</u> |

5. OPERATING LEASE

The office premises at 1585 Bowen Road, Nanaimo, BC are leased until July 31, 2012 with an option to renew for two years. As at March 31, 2012, the Society was committed to minimum lease payments in the following amounts:

| | |
|----------------|------------------|
| March 31, 2013 | <u>\$ 14,948</u> |
|----------------|------------------|

The Society is currently renting a portion of their office space to three unrelated societies on a month to month basis for a total of \$ 1,825 per month.

6. ECONOMIC DEPENDENCE

The operation of the Society is dependent upon contracts renewed on an annual basis with Service Canada, Correctional Service of Canada, City of Nanaimo, Forensic Psychiatric Services Commission, Solicitor General (Corrections and Gaming branches) and Ministry for Children and Family Development and upon contributions and grants from the City of Nanaimo, the Nanaimo Regional District and Duncan Municipality \ Cowichan District.

THE NANAIMO REGION JOHN HOWARD SOCIETY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2012

7. LONG TERM DEBT

| | 2012 | 2011 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------|
| Mortgage: Coastal Community Credit Union: bearing interest at 7.3% per annum; repayable in weekly blended payments of \$ 168. The mortgage matures on January 1, 2016 and is secured by a mortgage on 2227 McGarrigle Road. | \$ 93,275 | \$ 95,631 |
| Current portion of long term debt | (3,586) | (95,631) |
| | <u>\$ 89,689</u> | <u>\$ -</u> |
| Less current portion due within five years | | |
| March 31, 2013 | \$ 3,586 | |
| March 31, 2014 | 3,799 | |
| March 31, 2015 | 4,025 | |
| March 31, 2016 | 4,265 | |
| March 31, 2017 | 77,600 | |
| | <u>\$ 93,275</u> | |

8. DONATIONS

During the year ended March 31, 2011, after the dissolution of CARS, the building located at 961 Haliburton Street was legally transferred to the Society. The building was capitalized on the Society's financial statements at its transferred value of \$220,800 plus legal costs.

THE NANAIMO REGION JOHN HOWARD SOCIETY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2012

9. CONTINGENT LIABILITY

On June 24, 2010, the Board of the Society passed a resolution to place a restricted reserve of \$13,959 to cover the potential liabilities for two former employees of CARS. The Board also passed a resolution that should other financial liabilities of CARS be substantiated, the Nanaimo Region John Howard Society, will provide CARS financial assistance to a maximum of \$60,775. These liabilities have not been reflected on the financial statements as there is no certainty that they will materialize.

10. NET ASSETS INTERNALLY RESTRICTED

| | Balance at beginning of year | Net transfers to (from) restricted net assets | Balance at end of year |
|------------------------------------------|------------------------------------|--------------------------------------------------------|---------------------------|
| Operating Reserves | | | |
| Forensic Housing \ Outreach program | \$ 20,000 | \$ 11,000 | \$ 31,000 |
| Forensic Workshop | 500 | (500) | - |
| Gaming - Response and Assistance program | - | 20,808 | 20,808 |
| Guthrie Therapeutic Community | 16,900 | (6,253) | 10,647 |
| Into the Green | - | 235 | 235 |
| Mental Health Outreach | - | 3,100 | 3,100 |
| Restorative Justice - Nanaimo | 6,800 | (4,400) | 2,400 |
| Restorative Justice - Duncan | 2,500 | (2,500) | - |
| Society Services | 46,175 | (33,175) | 13,000 |
| Vancouver Island Therapeutic Community | 22,400 | (19,200) | 3,200 |
| Volunteer Program | - | 400 | 400 |
| | <u>\$ 115,275</u> | <u>\$ (30,485)</u> | <u>\$ 84,790</u> |

Nanaimo Region John Howard Society
Balance Sheet
April 30, 2012

CURRENT ASSETS

| | | |
|-------------------------------|--------------|--------------|
| Credit Union: Operating | \$ 24,322.92 | |
| Credit Union: HISA-C.A.R.S | 14,261.28 | |
| Credit Union: Equity | 348.82 | |
| Credit Union: Bingo | 20,808.84 | |
| Credit Union: Bingo Equity | 54.98 | |
| Credit Union: Landscaping | 5,881.52 | |
| Credit Union: Restorative Jus | 857.11 | |
| Total Cash | | \$ 66,535.47 |
| Accounts Receivable | 148,351.00 | |
| GST Receivable | 7,054.32 | |
| Pre-paid | 6,920.76 | |
| Term Deposit | 59,817.12 | |
| Restricted Funds | 733.30 | |
| Total CURRENT ASSETS | | 289,411.97 |

FIXED ASSETS

| | |
|-----------------------------|------------|
| FO/House | 182,392.92 |
| Haliburton House | 252,982.04 |
| VANOC | 10,000.00 |
| Leasehold Improvements | 33,509.19 |
| Oasis Workshop Construction | 96,737.52 |
| Office Equipment | 50,803.52 |
| Outlander | 21,508.92 |
| Mini Vans - H house | 24,866.00 |
| less Depreciation: | 165,474.78 |

| | |
|--------------------|---------------------|
| TOTAL FIXED ASSETS | <u>507,325.33</u> |
| TOTAL ASSETS | <u>\$796,737.30</u> |
| | ===== |

CURRENT LIABILITIES

| | | |
|---------------------------|------------------|--------------|
| Accounts Payable & | | |
| 'Accrued Liabilities | \$ 70,417.86 | |
| Wages & Benefits Payable | | |
| Reserve Fund | <u>77,707.95</u> | |
| TOTAL CURRENT LIABILITIES | | \$148,125.81 |

| | | |
|---------------------------|--|-----------|
| LONG-TERM DEBT (Mortgage) | | 93,011.06 |
|---------------------------|--|-----------|

| | | |
|-------------------------------|-------------------|---------------------|
| Retained Surplus (Deficit) | <u>555,600.43</u> | |
| Total Members' Equity | | <u>555,600.43</u> |
| TOTAL LIABILITIES AND SURPLUS | | <u>\$796,737.30</u> |
| | | ===== |

Analysis: Consolidated Income Statement

Apr 30,12

| Description | Actual to Date | Budget to Date | Annual Budget |
|-------------------------------|----------------|----------------|---------------|
| COMBINED REVENUE | | | |
| Administration Transfers | 11,450.80 | 11,450.82 | 137,410.00 |
| Bingo Pooling\Direct Access | 0.00 | 2,975.66 | 35,708.00 |
| Bingo\Acct.ledger Transfers | 1,633.32 | 1,734.00 | 20,808.00 |
| Solicitor General | 26,936.83 | 29,934.66 | 359,216.00 |
| City of Nana\NRD\ | 5,583.22 | 5,583.32 | 67,000.00 |
| Corrections Service Canada | 7,015.35 | 7,499.99 | 90,000.00 |
| Donations | 40,200.00 | 3,666.66 | 44,000.00 |
| Service Canada | 11,107.18 | 12,090.16 | 145,082.00 |
| Interest | 0.38 | 125.00 | 1,500.00 |
| Memberships | 0.00 | 25.00 | 300.00 |
| Ministry for Children & Famil | 1,362.12 | 1,362.12 | 16,345.44 |
| Ministry of Health | 20,947.75 | 20,947.75 | 251,373.00 |
| Nan.Work Group\Homeless Commu | 377.54 | 31.46 | 377.54 |
| Housing Occupants\FO\H | 1,500.00 | 833.33 | 10,000.00 |
| Rent-Office Co-locators | 1,700.00 | 1,700.00 | 20,400.00 |
| Reserve Transfers | 7,222.47 | 7,062.47 | 84,750.00 |
| Social Enterprise\Into Green | 3,348.95 | 619.58 | 7,435.00 |
| Sundry | 11,920.77 | 4,783.33 | 57,400.00 |
| Housing Occupants -Supp\Recov | 5,215.40 | 5,666.66 | 68,000.00 |
| Van.Isl.Therapeutic Program | 25,620.62 | 23,750.00 | 285,000.00 |
| Volunteer Progam Transfers | 475.00 | 475.00 | 5,700.00 |
| United Way | 0.00 | 750.00 | 9,000.00 |
| TOTAL REVENUE | 183,617.70 | 143,066.97 | 1,716,804.98 |
| COMBINED EXPENDITURES | | | |
| Administration Fees | 11,450.80 | 11,450.79 | 137,410.00 |
| Audit\Bank Charges | 10.21 | 467.55 | 5,611.00 |
| Contractors\JHS | 65.01 | 408.34 | 4,900.00 |
| Bingo:PE\RAP\VOL Trsf | 0.00 | 1,734.00 | 20,808.00 |
| Food Purchases\VITC | 2,492.41 | 4,166.66 | 50,000.00 |
| Garbage\VITC | 0.00 | 163.99 | 1,968.00 |
| Insurance Housing | 0.00 | 650.99 | 7,812.00 |
| Insurance Society | 0.00 | 636.57 | 7,639.00 |
| Maintenance: Office\houses | 1,468.77 | 944.98 | 11,340.00 |
| Mortgage - Oasis | 405.60 | 446.34 | 5,356.00 |
| Nan.Work.Group\Homeless Commu | 0.00 | 31.46 | 377.54 |
| Office Supplies | 3,364.28 | 1,190.07 | 14,281.00 |
| Payroll: Wages | 76,002.18 | 84,923.20 | 1,019,079.32 |
| Benefits | 5,931.81 | 4,691.40 | 56,297.12 |
| Payroll: Employer Costs | 7,060.25 | 6,090.96 | 73,092.06 |
| Program | 2,729.47 | 3,625.24 | 43,503.50 |
| Projects | 0.00 | 99.59 | 1,195.00 |
| Rent\lease - all Nanaimo | 9,123.79 | 10,954.23 | 131,451.00 |
| SRO-rec\materials\supplies | 0.00 | 125.00 | 1,500.00 |
| Staff Development | 722.69 | 404.74 | 4,857.00 |
| Sundry | 376.12 | 0.00 | 0.00 |
| Telephone | 1,081.71 | 1,363.38 | 16,361.00 |
| VITC materials\supplies | 421.65 | 583.33 | 7,000.00 |
| Travel\Accomodation\Meetings | 1,102.63 | 3,366.65 | 40,400.44 |
| Utilities | 2,787.67 | 3,277.89 | 39,335.00 |
| Vehicle | 0.00 | 1,034.97 | 12,420.00 |
| Volunteers\Honorariums | 1,315.00 | 1,794.58 | 21,535.00 |

| | | | |
|-----------------------------|------------|------------|--------------|
| TOTAL COMBINED EXPENDITURES | 127,912.05 | 144,626.90 | 1,735,528.98 |
| | ----- | ----- | ----- |
| Operating Surplus (Deficit) | 55,705.65 | 1,559.93- | 18,724.00- |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
 Bingo/Casino Operations
 For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|-------------------------------|----------------|----------------|---------------|
| BINGO/CASINO REVENUE | | | |
| Reserve Transfers | \$ 1,734.00 | \$ 1,734.00 | \$ 20,808.00 |
| TOTAL BINGO/CASINO REVENUE | \$ 1,734.00 | \$ 1,734.00 | \$ 20,808.00 |
| | ===== | ===== | ===== |
| BINGO/CASINO EXPENDITURES | | | |
| PE/RAP/VOL/ | 0.00 | 1,734.00 | 20,808.00 |
| Sundry/other | 0.00 | 0.00 | 0.00 |
| TOTAL BINGO EXPENDITURES | 0.00 | 1,734.00 | 20,808.00 |
| BINGO SURPLUS (DEFICIT) | \$ 1,734.00 | \$ 0.00 | \$ 0.00 |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
Community Employment Program
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|-----------------------------|----------------|----------------|---------------|
| CEP REVENUE | | | |
| Correctional Service Canada | \$ 2,272.50 | \$ 2,416.66 | \$ 29,000.00 |
| TOTAL CEP REVENUE | \$ 2,272.50 | \$ 2,416.66 | \$ 29,000.00 |
| | ===== | ===== | ===== |
| CEP EXPENDITURES | | | |
| Administration | 241.66 | 241.66 | 2,900.00 |
| Audit | 10.00 | 10.00 | 120.00 |
| Insurance | 10.00 | 10.00 | 120.00 |
| Maintenance | 15.00 | 15.00 | 180.00 |
| Office Supplies | 15.00 | 15.00 | 180.00 |
| Payroll:Benefits | 116.66 | 116.67 | 1,400.00 |
| Employer Costs | 96.98 | 116.66 | 1,400.00 |
| Special Serv Worker | 1,330.00 | 1,416.67 | 17,000.00 |
| Direct Program Expenses | 0.00 | 166.66 | 2,000.00 |
| Rent | 150.00 | 150.00 | 1,800.00 |
| Staff Development | 0.00 | 32.50 | 390.00 |
| Telephone | 30.00 | 30.00 | 360.00 |
| Travel | 0.00 | 20.83 | 250.00 |
| Utilities | 18.32 | 18.33 | 220.00 |
| Vehicle | 31.66 | 31.66 | 380.00 |
| Volunteers | 25.00 | 25.00 | 300.00 |
| TOTAL CEP EXPENDITURES | 2,090.28 | 2,416.64 | 29,000.00 |
| CEP SURPLUS (DEFICIT) | \$ 182.22 | \$ 0.02 | \$ 0.00 |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
Community Service Orders
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|--------------------------------|-----------------|-----------------|------------------|
| CSO REVENUE | | | |
| Ministry for Children & Family | \$ 1,362.12 | \$ 1,362.12 | \$ 16,345.44 |
| Project-Min.for Children & Fam | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| TOTAL CSO REVENUE | \$ 1,362.12 | \$ 1,362.12 | \$ 16,345.44 |
| | ===== | ===== | ===== |
| CSO EXPENDITURES | | | |
| Administration | 272.41 | 272.41 | 3,269.00 |
| Audit / Bank Charges | 36.67 | 36.66 | 440.00 |
| Insurance | 20.00 | 20.00 | 240.00 |
| Maintenance | 20.00 | 20.00 | 240.00 |
| Office Supplies | 38.00 | 38.00 | 456.00 |
| Payroll: Benefits | 50.00 | 50.83 | 610.00 |
| Payroll: Employer Costs | 53.43 | 55.00 | 660.00 |
| Secretary/Reception | 12.50 | 12.50 | 150.00 |
| Prog. Coord | 532.00 | 583.33 | 7,000.00 |
| Program Purchases | 0.00 | 2.50 | 30.00 |
| Rent | 150.00 | 150.00 | 1,800.00 |
| Staff Development | 0.00 | 8.33 | 100.00 |
| Telephone | 30.00 | 30.00 | 360.00 |
| Travel & Meetings | 0.00 | 7.53 | 90.44 |
| Utilities | 30.00 | 30.00 | 360.00 |
| Vehicle | 20.00 | 20.00 | 240.00 |
| Volunteer Development | 25.00 | 25.00 | 300.00 |
| TOTAL CSO EXPENDITURES | <u>1,290.01</u> | <u>1,362.09</u> | <u>16,345.44</u> |
| CSO SURPLUS (DEFICIT) | \$ 72.11 | \$ 0.03 | \$ 0.00 |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
Forensic Outreach/Housing
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|------------------------------|----------------|----------------|---------------|
| FORENSIC OUTRE/HOUSE REVENUE | | | |
| Ministry of Health | \$ 20,947.75 | \$ 20,947.75 | \$ 251,373.00 |
| Reserve Transfers | 2,583.33 | 2,583.33 | 31,000.00 |
| Housing Occupants | 1,500.00 | 833.33 | 10,000.00 |
| Sundry/other | 0.00 | 1,500.00 | 18,000.00 |
| TOTAL FORENSIC REVENUE | \$ 25,031.08 | \$ 25,864.41 | \$ 310,373.00 |
| | ===== | ===== | ===== |
| FORENSIC EXPENDITURES | | | |
| Administration | 4,220.58 | 4,220.58 | 50,647.00 |
| Audit | 60.00 | 60.00 | 720.00 |
| Contractors | 0.00 | 333.34 | 4,000.00 |
| Honorariums | 320.00 | 625.00 | 7,500.00 |
| Insurance Housing | 0.00 | 197.33 | 2,368.00 |
| Insurance Society | 60.00 | 60.00 | 720.00 |
| Maintenance House | 0.00 | 333.33 | 4,000.00 |
| Maintenance Shop | 0.00 | 60.00 | 720.00 |
| Mortgage / workshop | 405.60 | 446.34 | 5,356.00 |
| Office Supplies | 123.99 | 123.99 | 1,488.00 |
| Payroll: Program Manager .8 | 2,968.00 | 3,518.66 | 42,224.00 |
| Forensic/Outreac .8 | 2,464.00 | 2,669.33 | 32,032.00 |
| Forensic/Outrea FTE | 2,870.00 | 3,185.00 | 38,220.00 |
| Forensic/Outreac .6 | 691.60 | 1,270.67 | 15,248.00 |
| Forensic/Program Su | 452.18 | 458.33 | 5,500.00 |
| Benefits | 631.31 | 583.34 | 7,000.00 |
| Employer Costs | 982.54 | 833.34 | 10,000.00 |
| Program/life skills lunch | 389.06 | 1,154.41 | 13,853.00 |
| Projects | 0.00 | 83.33 | 1,000.00 |
| Rent: Client refunds | 0.00 | 80.08 | 961.00 |
| Rent: Suites | 2,016.30 | 3,516.33 | 42,196.00 |
| Staff Development | 0.00 | 100.00 | 1,200.00 |
| Telephone/cells | 295.43 | 351.67 | 4,220.00 |
| Telephone/shop | 39.91 | 41.66 | 500.00 |
| Travel/Meetings | 297.43 | 666.66 | 8,000.00 |
| Utilities - Work shop | 161.57 | 316.66 | 3,800.00 |
| Utilities - Apts. | 346.66 | 291.67 | 3,500.00 |
| Vehicle/insurance/repair | 208.34 | 208.33 | 2,500.00 |
| Volunteers | 75.00 | 75.00 | 900.00 |
| TOTAL FORENSIC EXPENDITURES | 20,079.50 | 25,864.38 | 310,373.00 |
| FORENSIC SURPLUS/ (DEFICIT) | \$ 4,951.58 | \$ 0.03 | \$ 0.00 |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
Forensic/Workshop
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|--------------------------------|---------------------------|---------------------------|---------------------------|
| FORENSIC WORKSHOP REVENUE | | | |
| Other Income/Work experience | \$ 160.00 | \$ 0.00 | \$ 0.00 |
| Workshop/house/Reserve Trsf | 16.25 | 16.25 | 195.00 |
| TOTAL REVENUE | <u>\$ 176.25</u> ===== | <u>\$ 16.25</u> ===== | <u>\$ 195.00</u> ===== |
| FORENSIC WORKSHOP EXPENDITURES | | | |
| Program expenses | 0.00 | 16.25 | 195.00 |
| House upgrades | 0.00 | 0.01 | 0.00 |
| TOTAL EXPENDITURES | <u>0.00</u> | <u>16.26</u> | <u>195.00</u> |
| SURPLUS/ (DEFICIT) | <u>\$ 176.25</u> ===== | <u>\$ (0.01)</u> ===== | <u>\$ 0.00</u> ===== |

Nanaimo Region John Howard Society
Guthrie Therapeutic Community
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|-------------------------|------------------|------------------|-------------------|
| GUTHRIE TC REVENUE | | | |
| Solicitor General | \$ 24,436.83 | \$ 29,726.33 | \$ 356,716.00 |
| Reserve | <u>887.24</u> | <u>887.24</u> | <u>10,647.00</u> |
| TOTAL GTC REVENUE | \$ 25,324.07 | \$ 30,613.57 | \$ 367,363.00 |
| | ===== | ===== | ===== |
| GTC EXPENDITURES | | | |
| Administration | 3,812.17 | 3,812.16 | 45,746.00 |
| Audit | 100.00 | 100.00 | 1,200.00 |
| GTC Escort expenses | 0.00 | 220.00 | 2,640.00 |
| Insurance | 100.00 | 100.00 | 1,200.00 |
| Office Supplies | 200.00 | 200.00 | 2,400.00 |
| Payroll: | | | |
| Program Manager | 4,480.00 | 4,853.33 | 58,240.00 |
| GTC Counsellor | 3,080.00 | 3,336.66 | 40,040.00 |
| GTC Counsellor | 3,220.00 | 3,488.34 | 41,860.00 |
| GTC Counsellor | 3,080.00 | 3,336.67 | 40,040.00 |
| GTC Addiction Worker | 0.00 | 2,660.00 | 31,920.00 |
| GTC Outreach Worker | 3,080.00 | 3,336.67 | 40,040.00 |
| GTC Admin Support | 1,309.00 | 1,289.17 | 15,470.00 |
| GTC Benefits | 1,680.71 | 1,250.00 | 15,000.00 |
| GTC Employer Costs | 1,638.95 | 1,583.33 | 19,000.00 |
| Program Expenses | 31.14 | 366.66 | 4,400.00 |
| Staff Development | 650.00 | 188.91 | 2,267.00 |
| Telephone/cell | 127.65 | 125.00 | 1,500.00 |
| Travel/Meetings | 140.96 | 208.33 | 2,500.00 |
| Vehicle | 83.33 | 83.33 | 1,000.00 |
| Volunteers | <u>75.00</u> | <u>75.00</u> | <u>900.00</u> |
| TOTAL GTC EXPENDITURES | <u>26,888.91</u> | <u>30,613.56</u> | <u>367,363.00</u> |
| GTC SURPLUS / (DEFICIT) | \$ (1,564.84) | \$ 0.01 | \$ 0.00 |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
 Into Green
 For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|----------------------|-----------------|----------------|-----------------|
| IG REVENUE | | | |
| Customer Revenue | \$ 3,329.37 | \$ 600.00 | \$ 7,200.00 |
| Reserve (bank acct) | <u>19.58</u> | <u>19.58</u> | <u>235.00</u> |
| Total IG Revenue | \$ 3,348.95 | \$ 619.58 | \$ 7,435.00 |
| | ===== | ===== | ===== |
| IG EXPENDITURES | | | |
| Honorariums | 0.00 | 69.58 | 835.00 |
| Telephone/cell | 6.73 | 50.00 | 600.00 |
| Program Purchases | 797.38 | 200.00 | 2,400.00 |
| Travel | 29.52 | 83.32 | 1,000.00 |
| Vehicle | 166.66 | 166.66 | 2,000.00 |
| Volunteers | <u>50.00</u> | <u>50.00</u> | <u>600.00</u> |
| TOTAL EXPENDITURES | <u>1,050.29</u> | <u>619.56</u> | <u>7,435.00</u> |
| IG SURPLUS (DEFICIT) | \$ 2,298.66 | \$ 0.02 | \$ 0.00 |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
Mental Health Outreach Program
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|----------------------------|--------------------|--------------------|---------------------|
| MHOP REVENUE | | | |
| Correction Services Canada | \$ 4,742.85 | \$ 5,083.33 | \$ 61,000.00 |
| Reserve Transfers | <u>258.33</u> | <u>258.33</u> | <u>3,100.00</u> |
| TOTAL MHOP REVENUE | \$ <u>5,001.18</u> | \$ <u>5,341.66</u> | \$ <u>64,100.00</u> |
| | ===== | ===== | ===== |
| MHOP EXPENDITURES | | | |
| Administration | 176.66 | 176.66 | 2,120.00 |
| Audit | 30.00 | 30.00 | 360.00 |
| Insurance | 20.00 | 20.00 | 240.00 |
| Maintenance | 20.00 | 20.00 | 240.00 |
| Office supplies | 30.00 | 30.00 | 360.00 |
| Payroll: | | | |
| Benefits | 75.00 | 75.00 | 900.00 |
| Employer Costs | 308.15 | 225.00 | 2,700.00 |
| Outreach Worker | 2,940.00 | 3,185.00 | 38,220.00 |
| Program Costs | 0.00 | 53.33 | 640.00 |
| Rent | 350.00 | 350.00 | 4,200.00 |
| Telephone/cell | 47.87 | 60.00 | 720.00 |
| Telephone | 20.00 | 20.00 | 240.00 |
| Travel-Meetings | 0.00 | 916.66 | 11,000.00 |
| Utilities | 30.00 | 29.99 | 360.00 |
| Vehicle | 100.00 | 100.00 | 1,200.00 |
| Volunteers | <u>50.00</u> | <u>50.00</u> | <u>600.00</u> |
| TOTAL MHOP EXPENDITURES | <u>4,197.68</u> | <u>5,341.64</u> | <u>64,100.00</u> |
| MHOP SURPLUS/DEFICIT | \$ <u>803.50</u> | \$ <u>0.02</u> | \$ <u>0.00</u> |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
NWGH/Community
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|-------------------------|----------------|----------------|---------------|
| NWGH/COMMUNITY REVENUE | | | |
| City of Nanaimo | \$ 377.54 | \$ 31.46 | \$ 377.54 |
| Donations/Misc | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| TOTAL NWGH REVENUE | \$ 377.54 | \$ 31.46 | \$ 377.54 |
| | ===== | ===== | ===== |
| NWGH EXPENDITURES | | | |
| Community events | 0.00 | 31.46 | 377.54 |
| Sundry | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| TOTAL NWGH EXPENDITURES | <u>0.00</u> | <u>31.46</u> | <u>377.54</u> |
| NWGH SURPLUS/DEFICIT | \$ 377.54 | \$ 0.00 | \$ 0.00 |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
Parkway Trail
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|-------------------------------|----------------|----------------|------------------|
| PARKWAY TRAIL & E/N REVENUE: | | | |
| City of Nanaimo/Parks & Rec | \$ 1,000.00 | \$ 1,000.00 | \$ 12,000.00 |
| Parkway Trail Reserves | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| TOTAL REVENUE | \$ 1,000.00 | \$ 1,000.00 | \$ 12,000.00 |
| | ===== | ===== | ===== |
| PARKWAY/E&N EXPENDITURES: | | | |
| Administration | 200.00 | 200.00 | 2,400.00 |
| Audit | 20.00 | 20.00 | 240.00 |
| Contractors/Honorariums | 220.00 | 375.00 | 4,500.00 |
| Insurance | 30.00 | 30.00 | 360.00 |
| Maintenance | 30.00 | 30.00 | 360.00 |
| Office Supplies | 30.00 | 30.00 | 360.00 |
| Program purchases | 0.00 | 31.66 | 380.00 |
| Rent/office | 60.00 | 60.00 | 720.00 |
| Telephone/office | 10.00 | 10.00 | 120.00 |
| Travel | 0.00 | 66.66 | 800.00 |
| Utilities/office | 21.66 | 21.66 | 260.00 |
| Vehicle(s) | 100.00 | 100.00 | 1,200.00 |
| Volunteers | 25.00 | 25.00 | 300.00 |
| TOTAL EXPENDITURES | <u>746.66</u> | <u>999.98</u> | <u>12,000.00</u> |
| PARKWAY/E&N SURPLUS (DEFICIT) | \$ 253.34 | \$ 0.02 | \$ 0.00 |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
Public Education/Bingo
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|-------------------------------|-----------------|-----------------|------------------|
| REVENUE: | | | |
| Bingo Transfers/Bingo | \$ 1,414.32 | \$ 1,415.00 | \$ 16,980.00 |
| Bingo Transfers/Direct Access | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| TOTAL BINGO REVENUE | \$ 1,414.32 | \$ 1,415.00 | \$ 16,980.00 |
| | ===== | ===== | ===== |
| CORE/SRO EXPENDITURES | | | |
| Audit | 30.00 | 30.00 | 360.00 |
| Insurance/Office | 30.00 | 30.00 | 360.00 |
| Payroll: Benefits | 100.00 | 100.00 | 1,200.00 |
| Employer Costs | 100.00 | 100.00 | 1,200.00 |
| Executive Director | 333.00 | 333.33 | 4,000.00 |
| Director of Programs | 333.00 | 333.33 | 4,000.00 |
| Clerical Supp Worker | 166.66 | 166.66 | 2,000.00 |
| Rent - Office | 266.66 | 266.66 | 3,200.00 |
| Telephone | 20.00 | 20.00 | 240.00 |
| Utilities/Office | 35.00 | 35.00 | 420.00 |
| Volunteers | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| TOTAL EXPENDITURES | <u>1,414.32</u> | <u>1,414.98</u> | <u>16,980.00</u> |
| GAMING SURPLUS (DEFICIT) | \$ 0.00 | \$ 0.02 | \$ 0.00 |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
Response and Assistance/Gaming
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|------------------------|----------------|----------------|---------------|
| RAP REVENUE | | | |
| Bingo | \$ 81.50 | \$ 181.50 | \$ 2,178.00 |
| Total RAP Revenue | \$ 81.50 | \$ 181.50 | \$ 2,178.00 |
| | ===== | ===== | ===== |
| RAP/BINGO EXPENDITURES | | | |
| Audit/Bank Charges | 10.00 | 10.00 | 120.00 |
| Insurance | 10.00 | 10.00 | 120.00 |
| Office supplies | 10.00 | 10.00 | 120.00 |
| Payroll: | | | |
| Employer Costs | 0.00 | (0.01) | 0.00 |
| Program costs | 0.00 | 100.00 | 1,200.00 |
| Rent office | 41.50 | 41.50 | 498.00 |
| Telephone office | 5.00 | 5.00 | 60.00 |
| Utilities | 5.00 | 5.00 | 60.00 |
| TOTAL EXPENDITURES | 81.50 | 181.49 | 2,178.00 |
| RAP2 SURPLUS (DEFICIT) | \$ 0.00 | \$ 0.01 | \$ 0.00 |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
Restorative Justice/Nanaimo
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|---------------------------|--------------------|--------------------|---------------------|
| RJ REVENUE | | | |
| City of Nanaimo | \$ 4,166.56 | \$ 4,166.66 | \$ 50,000.00 |
| Provincial CAP Funding | 2,500.00 | 208.33 | 2,500.00 |
| Donations/Grants/Training | 100.00 | 250.00 | 3,000.00 |
| Nanaimo Regional District | 416.66 | 416.66 | 5,000.00 |
| Reserves | 200.00 | 200.00 | 2,400.00 |
| United Way/Nanaimo | 0.00 | 750.00 | 9,000.00 |
| TOTAL RJ REVENUE | <u>\$ 7,383.22</u> | <u>\$ 5,991.65</u> | <u>\$ 71,900.00</u> |
| | ===== | ===== | ===== |
| RJ EXPENDITURES | | | |
| Administration | 577.32 | 577.32 | 6,928.00 |
| Audit | 30.00 | 30.00 | 360.00 |
| Insurance | 30.00 | 30.00 | 360.00 |
| Maintenance | 30.00 | 30.00 | 360.00 |
| Office Supplies | 100.00 | 100.00 | 1,200.00 |
| Payroll: Benefits | 459.80 | 348.83 | 4,186.00 |
| Employer Costs | 325.53 | 348.83 | 4,186.00 |
| Program Coordinator | 3,220.00 | 3,488.33 | 41,860.00 |
| Program Purchases | 0.00 | 208.33 | 2,500.00 |
| Rent - Office | 599.99 | 599.99 | 7,200.00 |
| Staff Development | 0.00 | 25.00 | 300.00 |
| Telephone | 30.00 | 30.00 | 360.00 |
| Travel/Meetings | 0.00 | 125.00 | 1,500.00 |
| Volunteers | 50.00 | 50.00 | 600.00 |
| TOTAL RJ EXPENDITURES | <u>5,452.64</u> | <u>5,991.63</u> | <u>71,900.00</u> |
| RJ SURPLUS (DEFICIT) | <u>\$ 1,930.58</u> | <u>\$ 0.02</u> | <u>\$ 0.00</u> |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
Society Services Program
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|--------------------------------|----------------|----------------|----------------|
| SOCIETY SERVICES REVENUE | | | |
| Administrative Transfers | \$ 11,450.80 | \$ 11,450.82 | \$ 137,410.00 |
| Donations | 100.00 | 83.33 | 1,000.00 |
| Interest | 0.38 | 125.00 | 1,500.00 |
| GT Hiring Solutions | 8,177.00 | 2,833.33 | 34,000.00 |
| Memberships | 0.00 | 25.00 | 300.00 |
| Rent -Other Agencies | 1,700.00 | 1,700.00 | 20,400.00 |
| Reserve Transfer | 1,083.33 | 1,083.33 | 13,000.00 |
| Sundry/Misc. | 3,743.77 | 450.00 | 5,400.00 |
| TOTAL SOCIETY SERVICES REVENUE | \$ 26,255.28 | \$ 17,750.81 | \$ 213,010.00 |
| | ===== | ===== | ===== |
| SOCIETY SERVICES EXPENDITURES | | | |
| Audit/Bank charges | (421.44) | 0.00 | 0.00 |
| CAMS | 387.65 | 370.00 | 4,440.00 |
| Insurance | (484.99) | 115.00 | 1,380.00 |
| Maintenance | 65.01 | 75.00 | 900.00 |
| Office Supplies | 1,448.45 | 346.67 | 4,160.00 |
| Payroll: Benefits | 1,042.61 | 833.33 | 10,000.00 |
| Payroll: Employer Costs | 1,339.06 | 833.33 | 10,000.00 |
| Payroll: Executive Director | 5,032.12 | 5,470.58 | 65,647.00 |
| Payroll: Director of Programs | 5,032.12 | 5,470.58 | 65,647.00 |
| Payroll: Admin Supp | 2,253.85 | 2,866.67 | 34,400.00 |
| Payroll: Relief | 1,221.36 | 83.34 | 1,000.00 |
| Program | 904.62 | 250.00 | 3,000.00 |
| Rent | 2,038.01 | 2,038.34 | 24,460.00 |
| Staff Development | 72.69 | 0.00 | 0.00 |
| Sundry | 376.12 | 0.00 | 0.00 |
| Telephone/cells | (119.98) | 83.33 | 1,000.00 |
| Travel & Meetings | 58.51 | 175.00 | 2,100.00 |
| Utilities | 157.07 | 250.00 | 3,000.00 |
| Vehicle Insurance/maintenance | (826.65) | 0.00 | 0.00 |
| Volunteer Development | 50.00 | 50.00 | 600.00 |
| TOTAL SS EXPENDITURES | 19,626.19 | 19,311.17 | 231,734.00 |
| SS SURPLUS (DEFICIT) | \$ 6,629.09 | \$ (1,560.36) | \$ (18,724.00) |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
Supportive Recovery/Outreach
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|-----------------------------|--------------------|--------------------|---------------------|
| SRO REVENUE | | | |
| Housing Occupants | \$ 5,215.40 | \$ 5,666.66 | \$ 68,000.00 |
| Reserve Transfers | 0.00 | 0.00 | 0.00 |
| TOTAL SRO REVENUE | <u>\$ 5,215.40</u> | <u>\$ 5,666.66</u> | <u>\$ 68,000.00</u> |
| | ===== | ===== | ===== |
| SRO EXPENDITURES | | | |
| Administration | 1,950.00 | 1,950.00 | 23,400.00 |
| Audit | 43.33 | 43.33 | 520.00 |
| Honorariums | 300.00 | 250.00 | 3,000.00 |
| Insurance Houses | 0.00 | 30.00 | 360.00 |
| Insurance office | 30.00 | 30.00 | 360.00 |
| Maintenance Houses | 68.58 | 83.33 | 1,000.00 |
| Materials & Supplies Houses | 0.00 | 125.00 | 1,500.00 |
| Office supplies | 30.00 | 30.00 | 360.00 |
| Payroll: | | | |
| Admin. Support | 43.33 | 43.33 | 520.00 |
| Special Serv Worker | 1,120.00 | 1,365.00 | 16,380.00 |
| Employer Costs | 109.87 | 100.00 | 1,200.00 |
| Benefits | 10.43 | 83.33 | 1,000.00 |
| Program Expenses | 84.10 | 416.66 | 5,000.00 |
| Rent Refunds | 0.00 | 250.00 | 3,000.00 |
| Staff Development | 0.00 | 50.00 | 600.00 |
| Telephone/Houses/cells | 200.20 | 150.00 | 1,800.00 |
| Travel/meetings | (109.56) | 250.00 | 3,000.00 |
| Utilities Houses | 147.09 | 250.00 | 3,000.00 |
| Vehicle | 116.66 | 116.66 | 1,400.00 |
| Volunteers | 50.00 | 50.00 | 600.00 |
| TOTAL SRO EXPENDITURES | <u>4,194.03</u> | <u>5,666.64</u> | <u>68,000.00</u> |
| SRO SURPLUS/(DEFICIT) | <u>\$ 1,021.37</u> | <u>\$ 0.02</u> | <u>\$ 0.00</u> |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
Transitional Housing
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|-------------------------------|----------------|----------------|---------------|
| THP REVENUE | | | |
| Service Canada/THP/HPS | \$ 11,107.18 | \$ 12,090.16 | \$ 145,082.00 |
| TOTAL THP REVENUE: | \$ 11,107.18 | \$ 12,090.16 | \$ 145,082.00 |
| | ===== | ===== | ===== |
| THP EXPENDITURES | | | |
| Answering Service | 123.57 | 155.00 | 1,860.00 |
| Insurance/Houses | 0.00 | 215.33 | 2,584.00 |
| Payroll: | | | |
| Benefits-ED/AM/PSW | 363.58 | 403.42 | 4,841.12 |
| Emp Costs/ED/AM/PSW | 492.47 | 475.50 | 5,706.06 |
| Executive Director | 365.82 | 396.30 | 4,755.66 |
| Director of Programs | 365.82 | 396.30 | 4,755.66 |
| Program Sup Worker | 282.00 | 303.33 | 3,640.00 |
| Outreach Worker | 3,080.00 | 3,336.66 | 40,040.00 |
| Special Service Worker | 1,540.00 | 1,668.33 | 20,020.00 |
| Direct Project Costs/Supplies | 55.52 | 275.33 | 3,304.00 |
| Organizational Infrastruc Cos | | | |
| Utilities/office | 31.61 | 55.62 | 667.50 |
| Audit/office | 0.00 | 35.91 | 431.00 |
| Telephone/office/internet | 0.00 | 33.41 | 401.00 |
| Insurance/general office | 0.00 | 36.58 | 439.00 |
| Office Supplies/Photo Copier | 187.87 | 79.75 | 957.00 |
| Rent: Houses | 3,000.00 | 3,000.00 | 36,000.00 |
| Telephone Houses | 33.23 | 0.00 | 0.00 |
| Telephone (cell) | 71.39 | 65.00 | 780.00 |
| Travel | 371.35 | 200.00 | 2,400.00 |
| Utilities/Houses | 739.85 | 958.33 | 11,500.00 |
| TOTAL THP EXPENDITURES | 11,104.08 | 12,090.10 | 145,082.00 |
| THP SURPLUS/(DEFICIT) | \$ 3.10 | \$ 0.06 | \$ 0.00 |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
VITC/Surfside
For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|--------------------------|----------------|----------------|---------------|
| VITC/SURFSIDE REVENUE | | | |
| BC Corrections | \$ 1,800.00 | \$ 1,250.00 | \$ 15,000.00 |
| Donations/Other | 40,000.00 | 3,333.33 | 40,000.00 |
| Gaming | 0.00 | 2,975.66 | 35,708.00 |
| Reserve Transfers | 266.66 | 266.66 | 3,200.00 |
| Surfside Society | 23,820.62 | 22,500.00 | 270,000.00 |
| TOTAL VITC REVENUE | \$ 65,887.28 | \$ 30,325.65 | \$ 363,908.00 |
| | ===== | ===== | ===== |
| VITC EXPENDITURES | | | |
| Audit | 41.66 | 41.66 | 500.00 |
| Garbage | 0.00 | 163.99 | 1,968.00 |
| Insurance-house | 0.00 | 208.33 | 2,500.00 |
| Insurance-Liability | 125.00 | 125.00 | 1,500.00 |
| Leasing Fee | 375.00 | 375.00 | 4,500.00 |
| Maintenance | 1,265.20 | 333.33 | 4,000.00 |
| Materials & Supplies | 421.65 | 583.33 | 7,000.00 |
| Office Supplies | 1,130.98 | 166.67 | 2,000.00 |
| Payroll: | | | |
| Benefits | 1,373.86 | 833.33 | 10,000.00 |
| Employer Costs | 1,588.27 | 1,406.66 | 16,880.00 |
| Program Manager | 2,215.00 | 2,600.00 | 31,200.00 |
| Administrative Officer | 3,335.00 | 3,488.33 | 41,860.00 |
| Addiction Worker | 2,660.00 | 2,881.67 | 34,580.00 |
| Cook | 2,790.40 | 2,773.33 | 33,280.00 |
| Night Supervisor | 2,093.00 | 2,253.33 | 27,040.00 |
| Weekend Supervisor(s) | 3,879.46 | 4,225.00 | 50,700.00 |
| Evening Supervisor | 1,417.00 | 1,408.33 | 16,900.00 |
| Program Purchases | 326.48 | 583.33 | 7,000.00 |
| Telephone | 90.73 | 83.33 | 1,000.00 |
| Travel | 314.42 | 416.66 | 5,000.00 |
| Food | 2,492.41 | 4,166.66 | 50,000.00 |
| Utilities | 1,048.21 | 1,000.00 | 12,000.00 |
| Vehicle | 0.00 | 208.33 | 2,500.00 |
| TOTAL VITC EXPENDITURES | 28,983.73 | 30,325.60 | 363,908.00 |
| VITC SURPLUS / (DEFICIT) | \$ 36,903.55 | \$ 0.05 | \$ 0.00 |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
 Volunteer Program
 For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|-----------------------|------------------|------------------|--------------------|
| REVENUE | | | |
| Program Transfers | \$ 475.00 | \$ 475.00 | \$ 5,700.00 |
| Reserves | <u>33.33</u> | <u>33.33</u> | <u>400.00</u> |
| Total Vol Revenue | \$ <u>508.33</u> | \$ <u>508.33</u> | \$ <u>6,100.00</u> |
| | ===== | ===== | ===== |
| EXPENDITURES: | | | |
| Audit | 19.99 | 19.99 | 240.00 |
| Insurance | 19.99 | 19.99 | 240.00 |
| Maintenance | 19.99 | 19.99 | 240.00 |
| Office Supplies | 19.99 | 19.99 | 240.00 |
| Payroll: | | | |
| Volunteer Coordinator | 208.32 | 208.32 | 2,500.00 |
| Program Support | 41.66 | 41.66 | 500.00 |
| Benefits | 27.85 | 13.32 | 160.00 |
| Employer Costs | 25.00 | 13.32 | 160.00 |
| Program expenses | 80.00 | 29.70 | 356.50 |
| Rent | 76.33 | 76.33 | 916.00 |
| Telephone | 19.98 | 19.98 | 240.00 |
| Travel/Meetings | 0.00 | 10.00 | 120.00 |
| Utilities | 15.63 | 15.63 | 187.50 |
| Vehicle | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| TOTAL EXPENDITURES | <u>574.73</u> | <u>508.22</u> | <u>6,100.00</u> |
| VOL SURPLUS/DEFICIT | \$ (66.40) | \$ 0.11 | \$ 0.00 |
| | ===== | ===== | ===== |

Nanaimo Region John Howard Society
 Volunteer/Gaming
 For the period April 1, 2012 to April 30, 2012

| | Actual to Date | Budget to Date | Annual Budget |
|-----------------------|----------------|----------------|---------------|
| REVENUE | | | |
| Gaming | \$ 137.50 | \$ 137.50 | \$ 1,650.00 |
| Total Vol2 Revenue | \$ 137.50 | \$ 137.50 | \$ 1,650.00 |
| | ===== | ===== | ===== |
| EXPENDITURES: | | | |
| Payroll: | | | |
| Vol Coordinator | 137.50 | 137.50 | 1,650.00 |
| Vehicle | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENDITURES | 137.50 | 137.50 | 1,650.00 |
| VOL 2 SURPLUS/DEFICIT | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| | ===== | ===== | ===== |

**CITY OF NANAIMO
EVALUATION
PERMISSIVE TAX EXEMPTIONS (PTE)**

Name of Organization: Island Corridor Foundation

Request to be placed on 2012 Permissive Tax Exemption Bylaw for a portion of the Wellcox Yard located at the Nanaimo Waterfront.

Grant No. 2012 PTE-05


| Criteria: | Meets Criteria: | | Statement of Purpose: |
|----------------------------------------------------------------------------------------------------------------|-----------------|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Yes | No | |
| ➤ the property <u>must</u> be recommended for a Permissive Tax Exemption in the following year; and | | | An organization may only be added to the Permissive Tax Exemption roll for the following year. In some cases, it may be appropriate to give an organization a cash grant during the current year. These exemptions must be adopted by bylaws, by the 31 st of October of the year preceding exemption, and passed with a two-third's majority. All buildings and properties that receive a PTE must be reviewed every three years to ensure that they continue to meet the specific criteria set out in their applicable category. |
| ➤ the property qualifies for a PTE as a Church, Public Hospital, Community Care Facility, or Private School or | | | |
| ➤ the organization can demonstrate a financial need | | | |
| ➤ must adhere to all of the City of Nanaimo's bylaws and policies | | | |
| | | | |
| Grant Awarded: | \$ | | Amount Recommended: \$ |
| | Yes | No | |

Discussion:

Notes:

**CITY OF NANAIMO
APPLICATION FOR PERMISSIVE
TAX EXEMPTION**

Office Use

| | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------------------------------------------|--|
| ORGANIZATION ISLAND CORRIDOR FOUNDATION | | DATE AUGUST 22/2012 | |
| ADDRESS P.O. Box 375 | | PRESIDENT JUDITH SAYERS / MARY ASHLEY | |
| STATION A NANAIMO BC | | SENIOR STAFF MEMBER GRAHAM BRUCE | |
| VQR 5L3 | | POSITION CHIEF OPERATING OFFICER | |
| | | CONTACT JIM DIAS | |
| TELEPHONE 1-250-754-7254 | | TELEPHONE 250-748-3373 | |
| OVERVIEW OF YOUR ORGANIZATION'S PROGRAMS AND SERVICES OFFERED IN THE COMMUNITY QUINERS OF THE FORMER ESN RAIL CORRIDOR - OFFER FREIGHT ? PASSENGER SERVICE - TRAILS TO LOCAL GOVERNMENT | | | |
| GEOGRAPHIC AREA SERVED BY THE ORGANIZATION VICTORIA TO COURTENAY - PARKSVILLE TO PORT ALBERNI | | | |
| NO. OF FULL TIME STAFF 3 | | NO. OF PART TIME STAFF 2 | |
| NO. OF COMMUNITY VOLUNTEERS 20-30 | | NO. OF VOLUNTEER HOURS PER YEAR 5000H | |
| NO. OF MEMBERS 5 RD'S / 12 FIRST NATIONS | | MEMBERSHIP FEE / | |
| CLIENTS SERVED, LAST YEAR | | CLIENTS SERVED, THIS YEAR (PROJECTED) | |
| B C SOCIETY ACT REG NO N/A | | REVENUE CANADA CHARITABLE REG NO | |
| CURRENT BUDGET | | LEGAL DESCRIPTION OF PROPERTY | |
| INCOME | | | |
| EXPENSES | | TAX FOLIO NUMBERS 84750.000, | |
| NEXT YEAR PROJECTED NOT YET COMPLETE | | 84750.100 ? 84758.000 | |
| INCOME | | CURRENT YEAR TAXES (IF KNOWN) | |
| EXPENSES | | APPROX \$38,714.19 | |
| SIGNATURE  | | TITLE/POSITION ADMINISTRATION ? MUNICIPAL LIASON | |
| | | DATE AUG 22/2012 | |
| NOTE: YOUR ORGANIZATION'S MOST RECENT AUDITED FINANCIAL STATEMENTS AND CURRENT FINANCIAL STATEMENTS MUST BE ATTACHED TO THE APPLICATION FORM (INCLUDING A BALANCE SHEET AND INCOME STATEMENT). | | | |

**CITY OF NANAIMO
GRANT QUESTIONNAIRE**

1. Please describe the work of your organization in this community.

see attachment sent via email

2. What are your organization's specific priorities for the coming year?

TO RETURN FREIGHT & PASSENGER SERVICE TO V.I.

3. How does your organization ensure that it's services address continuing and emerging community needs?

see attachment sent via email

4. Please describe the role of volunteers in your organization.

*Volunteers are involved on the Portsville to Port
Alberni subdivision. They perform brushing/weeding
minor track repairs.*

5. Please list grants applied for/received from other governments or service clubs.

*\$7.5 million Provincial for Rail Upgrade
\$7.5 ✓ Federal - ✓ ✓*

**CITY OF NANAIMO
GRANT QUESTIONNAIRE**

6. Please provide details of fees for service in your organization, and how costs and fees are determined.

minor Fees are charged on a cost recovery basis to review applications for use of the corridor. Local governments not paying rent for only new use of corridor. other uses maintain a nominal rental fee.

7. If your organization is a branch of a larger organization, please indicate how this affects the financial and other information you have provided.

8. Please describe your policy and treatment of: capital, reserve or special purpose funds, and year-end surpluses or deficits.

NON PROFIT - HAVE NO CAPITAL / RESERVE OR SPECIAL PURPOSES FUNDS AT THIS TIME.

9. Please describe current or planned approaches to self generated income.

Continue to pursue private users to pay current market value rents for use of corridor. Some have been licensed, others have not but we continue to pursue those. Returning freight & passenger service will return revenue to us.

10. What will the effect be if you do not receive a Grant in Aid from the City of Nanaimo?

We will continue to see CP reduce the amount of its transfer payment by the amount of estimated taxes they deduct if the Tews fare optic payments.

11. Does your organization require funding to cover the current year's taxes? If so, what amount?

Most of our properties within the City are already permanently exempt.

ISLAND CORRIDOR FOUNDATION

Purpose of the Organization:

The Island Corridor Foundation (ICF) is a federally registered charity established for the purposes of owning and managing the former E&N Corridor on Vancouver Island. The foundation recognizes the importance of this corridor as a link that connects communities economically, socially and spiritually, today, and for all time. The foundation represents First Nations and Local Governments adjacent to the corridor.

ICF has been working diligently over the past five years to secure a stable and prosperous future for the new ICF Corridor for the benefit of all Vancouver Island Residents. At the beginning of 2006 ICF achieved a significant milestone, concluding Asset Donation Agreements with the Canadian Pacific Railway (CPR) and Rail America (RA) to acquire full ownership of the former E&N Corridor.

Property Information:

Attached is a list of folios and legal descriptions of those properties within the City of Nanaimo for which we are applying for Permissive Property Tax Exemption .

General Statement of Activities:

Through the sustained efforts of elected leaders of both First Nations and Local Governments who have accepted a mandate to work towards the preservation of the corridor, the charitable objectives of ICF are to:

- *Acquire, preserve and develop for purposes of the Foundation and its objects, but for no other purposes, the Island Corridor which lies north-south from Victoria to Courtenay and east-west from Nanaimo to Port Alberni on Vancouver Island together with ancillary lands, structures and all other property rights attached thereto (the "Island Corridor") and the infrastructure and other assets that constitute the E&N Railroad and are located on the Island Corridor (the "Railroad")
- *Maintain the continuity of the Island Corridor as a continuous special use connection for all communities, while respecting and supporting First Nations interests and traditional lands and uses
- *Contribute to safe and environmentally sound passenger and freight rail services along the Railroad

*Encourage a flexible infrastructure along the Island Corridor which will encourage a wide range of economic and trade activity for the benefit of all communities lying adjacent to the Island Corridor

*Preserve archaeological resources, historic landmarks, structures, artifacts and historic routes along the Island Corridor for historical purposes and for ongoing and future use by the community

*Create trails, parks , gardens, greenways and other public areas for use of members of the public along the length of the Island Corridor

*Conserve the environmental and spiritual features and functions of the Island Corridor in respect of the land, water and natural resources for the general benefit of the public, and

*Do all such charitable activities which are incidental to and beneficial to the attainment of the purposes stated above.

Description of Population Served:

A 12-person Board of Directors governs ICF. Five Directors represent the Regional Districts and five directors represent First Nations. Membership is limited to local governments and First Nation governments whose territories are wholly or partly within the geographic area of the Corridor.

ICF operates under the by line “.....connecting Communities”. This is identified to describe physical connections, but also economic and cultural connections. The charitable actions of the foundation are undertaken for the benefit of all Vancouver Island Residents. Specifically this includes:

***First Nations:** There are 12 First Nations groups along the corridor who play a strong role in ICF, with 5 First Nations groups supporting nominees who serve of the Board of Directors

***Industry:** The maintenance and protection of the corridor will benefit existing and new industries through the provision of viable alternatives to truck traffic

***Rail Users:** Includes existing users of VIA Rail service from Victoria to Courtenay and potential future users of commuter rail, enhanced passenger of excursion rail services

***Trail Users:** Recreational users and tourists

***Utilities:** There are currently fiber-optic and other utilities within the corridor. ICF is exploring options for more utilities within the right of way.

***Adjacent Communities:** The corridor plays a crucial role in adjacent communities, providing a key resource and valuable asset.

Description of Community Benefits:

The benefits of this acquisition for the City of Nanaimo specifically and Vancouver Island generally include:

***Continuing Freight Service:** Rail is the safest, most cost-efficient and most environmentally friendly form of surface transportation available. The ICF presently has an Interim Operating Agreement with Southern Rail of Vancouver Island (SVI) who have been working diligently over the past year to identify new freight customers for this line. A sustainable freight service supports 22 full time jobs located at the Wellcox Yard in Nanaimo. Feasibility of new infrastructure at Tillbury, Wellcox, and Duke Point are currently being considered.

***Continuing Passenger Service:** Continuing passenger service is operated by SVI for VIA through an ongoing subsidy. Negotiations with VIA and SVI are currently underway to develop a more effective schedule for Vancouver Island. This revised service schedule will respond to significant public feedback received over the past 5 years.

Future Commuter Rail Opportunities: The east coast of Vancouver Island is among the fastest growing areas in Canada. With continual growth of Vancouver Island communities, particularly when coupled with the changing demographics toward an aging population, there is significant potential for commuter rail. Discussions are currently underway with in the Capital Regional District to develop a commuter rail service between the Langford and Victoria. As demands grow over the next two decades, it is reasonable to expect that this service may extend northward. The preservation of this corridor over the short term ensures the viability of this service in the long term.

***Tourism Benefits:** The ICF sees a great potential for greater and more efficient integration with transportation services. Bus shuttles connecting from the train station to ferry terminals and airports when coupled with increased types of excursion rail opportunities, including those linked to cruise ships, would greatly enhance Vancouver Island's tourism opportunities

***Rails-with-trails:** The ICF is interested in working with all the Regional Districts and local governments on the line to eventually construct a trail running the length of the corridor. The ICF has signed an access agreement with the Capital Regional District for the E&N Rail-with-trail project running from the Blue Bridge in Victoria to Langford, with expected completion in 2013. In addition trails have been constructed throughout Vancouver Island utilizing rail corridor in the Cowichan Valley Regional District, Duncan, North Cowichan, Lake Cowichan, Nanaimo, Lantzville, Qualicum Beach, and Courtenay.

***Integrated Pest Management:** ICF is working towards the developing an innovative Pest Management Plan for the corridor that does not depend on the use of chemicals. The Foundation is looking into the feasibility of an ecologically based PMP that incorporates the use of steam to kill weeds. A report commissioned on this subject has been received by the Foundation in January 2007

***Long-term jobs for First Nations:** This has been identified as a priority by the ICF Board of Directors. The Foundation employs a full-time First Nations Liaison officer whose principal task is the identification and commercialization of services for the benefit of First Nations Communities

***Integrity of the Corridor:** The corridor runs within 30 minutes of more than 80% of all Island residents and represents an irreplaceable asset and invaluable resource to the economic vitality of Vancouver Island communities. Its role for transportation, recreation and tourism will only grow in importance as communities along the corridor continue to expand and develop.

While only a small portion of freight service is currently operating between Nanaimo and Duncan the Wellcox Yard continues to support the transfer of rail traffic. It is our intention to upgrade the lines in order to return full passenger and freight service between Courtenay and Victoria in the very near future.

Island Corridor Foundation
Financial Statements

December 31, 2011

(Unaudited)

Island Corridor Foundation

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For the year ended December 31, 2011
(Unaudited)

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Review Engagement Report

To the Directors of Island Corridor Foundation

We have reviewed the statement of financial position of Island Corridor Foundation as at December 31, 2011 and the statements of operations and changes in net assets, and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the Foundation.

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 generally accepted accounting principles.

Duncan, British Columbia

April 25, 2012

MNP **LLP**
Chartered Accountants

Island Corridor Foundation

Statement of Financial Position

As at December 31, 2011

(Unaudited)

| | Operating Fund | Capital Fund | 2011 | 2010 |
|--------------------------------------------|----------------|--------------|-------------|-------------|
| Assets | | | | |
| Current | | | | |
| Cash | 176,462 | 7,043 | 183,505 | 328,874 |
| Accounts receivable | - | - | - | 1,000 |
| Harmonized sales tax receivable | 28,545 | - | 28,545 | 44,272 |
| | 205,007 | 7,043 | 212,050 | 374,146 |
| Capital assets (Note 4) | - | 351,884,717 | 351,884,717 | 355,517,836 |
| Prepaid expenses (Note 5) | 13,026 | - | 13,026 | - |
| | 218,033 | 351,891,760 | 352,109,793 | 355,891,982 |
| Liabilities | | | | |
| Current | | | | |
| Bank indebtedness (Note 6) | - | 299,000 | 299,000 | - |
| Accounts payable and accruals | 14,906 | 168,589 | 183,496 | 79,479 |
| Due to/from fund | (72,460) | 72,460 | - | - |
| Accrued interest payable | 18,056 | 15,284 | 33,340 | 71,389 |
| Current portion of long-term debt (Note 7) | - | 74,810 | 74,810 | 149,620 |
| Current portion of note payable (Note 8) | 175,000 | - | 175,000 | 175,000 |
| | 135,502 | 630,143 | 765,646 | 475,488 |
| Long-term debt (Note 7) | - | 74,810 | 74,810 | 74,810 |
| Deferred revenue (Note 9) | 83,043 | - | 83,043 | 106,305 |
| | 83,043 | 74,810 | 157,853 | 181,115 |
| | 218,545 | 704,953 | 923,499 | 656,603 |
| Subsequent event (Note 13) | | | | |
| Net Assets | | | | |
| Unrestricted | (512) | - | (512) | (62,576) |
| Externally restricted | - | (367,909) | (367,909) | 28,924 |
| Invested in capital assets | - | 351,554,715 | 351,554,715 | 355,269,031 |
| | (512) | 351,186,806 | 351,186,294 | 355,235,379 |
| | 218,545 | 704,953 | 352,109,793 | 355,891,982 |

Approved on behalf of the Board

Director

Director

The accompanying notes are an integral part of these financial statements

Island Corridor Foundation
Statement of Operations and Changes in Net Assets
For the year ended December 31, 2011
(Unaudited)

| | <i>Operating Fund</i> | <i>Capital Fund</i> | <i>2011</i> | <i>2010</i> |
|------------------------------------------------------|---------------------------|---------------------|-------------|-------------|
| Revenue | | | | |
| Donations and grants | 311,260 | 2,379 | 313,639 | 1,030,354 |
| Crossings and leases | 129,953 | - | 129,953 | 41,514 |
| Interest | 834 | 2 | 836 | 853 |
| | 442,047 | 2,381 | 444,428 | 1,072,721 |
| Expenses | | | | |
| Amortization | - | 4,076,514 | 4,076,514 | 4,076,514 |
| Insurance | 19,250 | - | 19,250 | 18,750 |
| Interest and bank charges | 160 | 280 | 440 | 984 |
| Interest on long-term debt | 7,434 | 8,736 | 16,170 | 16,357 |
| Mortgage brokerage fee | - | 28,000 | 28,000 | - |
| Office | 45,325 | - | 45,325 | 45,453 |
| Professional fees | 64,402 | - | 64,402 | 24,128 |
| Property taxes | 23,413 | - | 23,413 | 35,433 |
| Public awareness | 2,000 | - | 2,000 | 114,357 |
| Repairs and maintenance | 11,939 | - | 11,939 | - |
| Subcontractors | 206,060 | - | 206,060 | 160,463 |
| | 379,983 | 4,113,530 | 4,493,513 | 4,492,439 |
| Excess (deficiency) of revenues over expenses | 62,064 | (4,111,149) | (4,049,085) | (3,419,718) |
| Net assets, beginning of year | (62,576) | 355,297,955 | 355,235,379 | 358,655,097 |
| Net assets, end of year | (512) | 351,186,806 | 351,186,294 | 355,235,379 |

The accompanying notes are an integral part of these financial statements

Island Corridor Foundation

Statement of Cash Flows

For the year ended December 31, 2011
(Unaudited)

| | Operating Fund | Capital Fund | 2011 | 2010 |
|-------------------------------------------------------------|----------------|--------------|-----------|-----------|
| Cash provided by (used for) the following activities | | | | |
| Operating activities | | | | |
| Cash received | 264,923 | 2,380 | 267,303 | 1,107,598 |
| Cash paid for services and supplies | (367,510) | (28,280) | (395,790) | (389,490) |
| Interest received | 834 | 2 | 836 | 853 |
| | (101,753) | (25,898) | (127,651) | 718,961 |
| Financing activities | | | | |
| Interfund transfers | 20,177 | (20,177) | - | - |
| Advances on demand loan | - | 299,000 | 299,000 | - |
| | 20,177 | 278,823 | 299,000 | - |
| Investing activities | | | | |
| Proceeds on disposal of investment | - | - | - | 54,000 |
| Purchase of capital assets | - | (316,718) | (316,718) | (874,091) |
| | - | (316,718) | (316,718) | (820,091) |
| Decrease in cash resources | (81,576) | (63,793) | (145,369) | (101,130) |
| Cash resources, beginning of year | 258,038 | 70,836 | 328,874 | 430,004 |
| Cash resources, end of year | 176,462 | 7,043 | 183,505 | 328,874 |

Island Corridor Foundation
Notes to the Financial Statements
For the year ended December 31, 2011
(Unaudited)

1 Incorporation and commencement of operations

The Island Corridor Foundation ("the Foundation") was incorporated under the laws of the Government of Canada on January 1, 2004. It is a registered charity under the Income Tax Act and, as such, is exempt from income taxes and able to issue donation receipts for income tax purposes. In order to maintain the status of a charitable organization under the Act, the Foundation must meet certain requirements within the Act, which, in the opinion of management, have been met.

The Foundation is a partnership of First Nations, five regional and 14 municipal governments that assumed ownership of the 290-kilometre rail corridor in 2006 on behalf of the communities of Vancouver Island. The Foundation's purpose is to preserve the use of the corridor in perpetuity for the connection and benefit of all Island communities and First Nations along the corridor.

2. Going concern

These financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Foundation will realize the carrying value of its assets and satisfy its obligations as they become due in the normal course of operations.

During the last several years the Foundation has been depleting its cash resources, has a significant working capital deficiency and has not met its debts as they came due with respect to its note payable and long term debt. During the year the Foundation re-negotiated the terms of its long-term debt in favour of extending the repayment terms and as at December 31, 2011, is in full compliance with the new repayment schedule. However, the new agreement will reduce cash inflows from donations by the required repayments as disclosed in Note 7. New repayment terms for the note payable have tentatively been reached and will form part of the long term operating agreement with Southern Railway, when signed. Until then, this entire debt remains classified as a current liability.

During the year the Foundation improved operating results which resulted in an excess of revenues over expenses for the current year. The Foundation was able to negotiate various land use fees through registered easements, statutory right of ways and licenses of occupation. The Foundation is building stable annual revenue streams from these fees. Currently, Southern Railway manages and collects a substantial amount of similar land use fees from businesses along the Corridor. The proposed new long term operating agreement will see those fees managed and collected by the Foundation in the future.

The application of the going concern concept is dependent on the Foundation's ability to continue to increase its revenues in order to restore and maintain profitable operations, to receive continued support from its lenders, or to find new sources of financing. A failure to continue as a going concern would require that stated amounts of assets and liabilities be reflected on a liquidation basis which could differ significantly from the going concern basis. These financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Foundation were to be unable to continue as a going concern.

Island Corridor Foundation Notes to the Financial Statements

For the year ended December 31, 2011
(Unaudited)

3. Significant accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles as issued by the Accounting Standards Board in Canada using the following significant accounting policies

Fund accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, the accounts are maintained on a fund accounting basis. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the contributors or in accordance with the directives issued by the Board of Directors.

The Foundation follows the restricted fund method of accounting for contributions and maintains two funds - Operating Fund and Capital Fund.

The Operating Fund accounts for the assets, liabilities, revenues and expenses related to the Foundation's activities in the preservation of the Corridor and its administrative activities.

The Foundation recognizes donations when received. Municipal grant revenue is recognized over the period specified by the grantor. Interest revenue is recognized when earned. Revenue from crossing agreements and lease agreements is recognized over the term of the agreement. Fundraising revenue is recognized when received.

The Capital Fund is used to account for all capital assets of the Foundation and to present the flow of funds related to their acquisition and disposal, unexpended capital resources and debt commitments.

In the current year unrestricted donations in the amount of \$306,260 (2010 - \$306,356) were received and recognized as revenue in the operating fund. Of this amount \$301,249 was from Canadian Pacific Railway (CPR) (2010 - \$301,249). The remaining donation of \$5,010 was a corporate donation of services. The foundation also received \$2,379 (2010 - \$228,899) of restricted donations to be used to restore the Nanaimo Train Station. These funds were recognized as revenue in the capital fund.

No restricted grants (2010 - \$406,527) were received during the year to be used to restore the Nanaimo train station.

Capital assets

Capital assets are recorded at cost. The cost for contributed capital assets is considered to be fair value at the date of contribution.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

| | <i>Method</i> | <i>Rate</i> |
|------------------------|----------------------|--------------------|
| Track (rails and ties) | straight-line | 21-27 years |
| Bridges and tunnels | straight-line | 40 years |
| Railway signals | straight-line | 8-8 years |
| Culverts | straight-line | 20 years |
| Railway stations | straight-line | 20 years |

Contributed materials and services

Contributed materials and services are recognized in the financial statements, when their fair value can be reasonably determined, they are used in the normal course of the Foundation's operations and would otherwise have been purchased.

3. **Significant accounting policies** *(Continued from previous page)*

Financial instruments

Held for trading:

The Foundation has classified the following financial assets and liabilities as held for trading: cash

These instruments are initially recognized at their fair value. Fair value is determined by published price quotations in an active market. Transactions to purchase or sell these items are recorded on the trade date.

Held for trading financial instruments are subsequently measured at their fair value, without any deduction for transaction costs incurred on sale or other disposal. Gains and losses arising from changes in fair value are recognized immediately in the statement of revenues and expenses.

Loans and receivables:

The Foundation has classified the following financial assets as loans and receivables: accounts receivable

These assets are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the trade date.

Loans and receivables are subsequently measured at their amortized cost, using the effective interest method. Under this method, estimated future cash receipts are exactly discounted over the asset's expected life, or other appropriate period, to its net carrying value. Amortized cost is the amount at which the financial asset is measured at initial recognition, less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, less any reduction for impairment or uncollectability. Gains and losses arising from changes in fair value are recognized in excess of revenues over expenses.

Other financial liabilities:

The Foundation has classified the following financial liabilities as other financial liabilities: accounts payable and accruals, long-term debt, note payable, accrued interest payable, and demand loan payable.

These liabilities are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the trade date.

Any fees incurred on the exchange or modification of a financial liability not accounted for as an extinguishment are included in the carrying amount of the modified financial liability and amortized over its remaining expected life. Any related other costs incurred are recognized in current year excess of revenues over expenses.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Under this method, estimated future cash payments are exactly discounted over the liability's expected life, or other appropriate period, to its net carrying value. Amortized cost is the amount at which the financial liability is measured at initial recognition, less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount. Gains and losses arising from changes in fair value are recognized in excess of revenues over expenses upon derecognition or impairment.

Financial asset impairment:

The Foundation assesses impairment of all its financial assets except those classified as held for trading. Impairment is measured as the difference between the asset's carrying value and its fair value. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

Island Corridor Foundation
Notes to the Financial Statements
For the year ended December 31, 2011
(Unaudited)

4. Capital assets

| | <i>Cost</i> | <i>Accumulated amortization</i> | <i>2011 Net book value</i> | <i>2010 Net book value</i> |
|--------------------------|--------------------|-------------------------------------|------------------------------------|------------------------------------|
| Land | 274,470,628 | - | 274,470,628 | 274,470,628 |
| Track (rails and ties) | 55,716,121 | 13,146,236 | 42,569,885 | 44,819,336 |
| Bridges and tunnels | 29,630,344 | 4,352,122 | 25,278,222 | 26,018,975 |
| Railway signals | 5,723,000 | 3,820,755 | 1,902,245 | 2,552,586 |
| Culverts | 7,872,370 | 2,310,503 | 5,561,867 | 5,955,485 |
| Railway stations | 847,000 | 248,807 | 598,193 | 640,543 |
| Construction in progress | 1,503,677 | - | 1,503,677 | 1,060,283 |
| | 375,763,140 | 23,878,423 | 351,884,717 | 355,517,836 |

Construction in progress includes costs incurred to date for the restoration of the Nanaimo train station, which was substantially damaged by fire in late 2007. No amortization of this asset has been recorded because it is currently under construction.

During the year, interest of \$3,774 (2010 - nil) was capitalized as part of construction in progress.

5. Prepaid expenses

During the year a commission was paid which related to the signing of a tenancy lease for the Nanaimo train station. This commission will be amortized over the term of the lease. As the Train station is still under construction, no current year expense has been realized.

6. Bank indebtedness

Bank indebtedness includes a non-revolving demand term loan amounting to \$299,000 (2010 - nil) bearing interest at CIBC prime plus 2%.

The loan is for completion of the Nanaimo train station re-construction. The loan is approved to a maximum of \$1.1 million. During the construction phase payments are interest only.

Once construction is complete, the loan will convert to a fixed or variable rate loan with scheduled monthly principal and interest repayments over a 20 year amortization period with a 5 year term.

The loan is secured by a general security agreement providing CIBC a first charge over the Nanaimo train station with an estimated net book value of \$1,603,677, a collateral mortgage for \$1,100,000 over the property and a registered assignment of insurance and rents. Review engagement annual financial statements are required to be submitted within 150 days of the year end.

Island Corridor Foundation
Notes to the Financial Statements
For the year ended December 31, 2011
(Unaudited)

7. Long-term debt

| | 2011 | 2010 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| Term loan from Canadian Pacific Railway repayable in three annual payments of \$74,810 plus accrued interest at prime plus 1% compounded annually. Accrued interest from date of loan to first principal payment was due July 1, 2010, with remaining annual principal and accrued interest payments due thereafter | 149,620 | 224,430 |
| Less: Current portion | 74,810 | 149,620 |
| | <u>74,810</u> | <u>74,810</u> |

Principal repayments on long-term debt in each of the next five years are estimated as follows

| | |
|------|--------|
| 2012 | 74,810 |
| 2013 | 74,810 |

During the year a new repayment schedule was reached with Canadian Pacific Railway (CP Rail). The principal and interest payment originally due on July 1, 2010 was withheld from CP Rail's 2011 annual cash donation to the Foundation. Likewise, the 2011 and 2012 payments will be deducted in the following calendar year from CP Rail's donation.

Accordingly, only the 2011 payment, to be withheld in 2012, is classified as current

8. Note payable

| | 2011 | 2010 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| Note payable to Southern Railway, repayable in eight quarterly payments of \$25,000 plus interest at prime plus 1% beginning June 30, 2008, secured by a promissory note and a general security agreement on all of the Foundation's assets | 175,000 | 175,000 |
| Less: Current portion | 175,000 | 175,000 |
| | <u>-</u> | <u>-</u> |

The Foundation has not made the required principal and interest repayments on the note payable since September 30, 2008, and is in discussions with Southern Railway to have the repayment terms extended

Until the revised terms are agreed to by Southern Railway, the liability will remain a current liability

9. Deferred revenue

Changes in the deferred revenue balance are as follows

| | <i>Operating Fund</i> | <i>Capital Fund</i> | 2011 | 2010 |
|---------------------------------------|---------------------------|---------------------|---------------|----------------|
| Balance, beginning of year | 106,305 | - | 106,305 | 26,083 |
| Received during the year | - | - | - | 103,484 |
| Recognized as revenue during the year | (23,262) | - | (23,262) | (23,262) |
| Balance, end of year | <u>83,043</u> | <u>-</u> | <u>83,043</u> | <u>106,305</u> |

10. Financial instruments

The Foundation, as part of its operations, carries a number of financial instruments. It is management's opinion that the Foundation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Risk management policy

The Foundation, due to its size and limited operations, does not have formal risk management policies in place.

Credit concentration

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist of cash and accounts receivable. The maximum credit risk exposure for cash is \$183,505 (2010 – \$328,875). However, the Foundation believes that there is minimal risk associated with these amounts, as the deposits are being held with a large financial institution that provides Canada Deposit Insurance for investments on deposit.

Fair value of financial instruments

The carrying amount of cash, accounts receivable, accounts payable and accruals, and accrued interest payable is approximated by their fair value due to their short-term nature.

The fair value of the Foundation's bank indebtedness, note payable, and long-term debt approximates their carrying value due to the fact that they have floating interest rates that are tied to current market rates.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Foundation is exposed to interest rate risk with respect to its note payable, long-term debt and bank indebtedness which are subject to interest rates linked to prime rate.

A 1% change in interest rates related to the long-term debt, note payable, and bank indebtedness could increase or decrease interest expense by approximately \$5,488 (2010 - \$3,994).

11. Capital management

The Foundation's objective when managing capital is to ensure that it remains a going concern, in order to acquire, preserve and develop the Island Corridor as a special use connection for all communities along the Corridor. The Foundation meets these objectives by setting and monitoring annual operating budgets for revenues and expenses, and managing capital expenditures and related debt obligations.

The net assets on the statement of financial position are managed by the Foundation as capital.

There are no debt covenants which restrict capital.

Island Corridor Foundation
Notes to the Financial Statements

For the year ended December 31, 2011
(Unaudited)

12. Economic dependence

The Foundation's main source of revenue is derived from donations from the Canadian Pacific Railway of approximately \$301,000 per year. The Foundation's ability to continue viable operations is dependent upon the continued support of this entity.

13. Subsequent event

In April 2012 the Federal Government of Canada approved \$7.5 million in matching funding with the Province of British Columbia (total \$15 million), for rail infrastructure upgrades of the Victoria subdivision. This funding is part of phase I rail improvements, which is an incremental rebuilding program that will ensure passenger rail service on the Victoria subdivision for at least 10 years.

Although the upgrades focus on passenger service, it follows that through the Foundation's rail operator (Southern Railway), an aggressive plan to expand rail freight service is now possible.

2012 REVISED BUDGET

2012 Actual Jan. 1 - June 30/12

| | | |
|--------------------------------|----------------|----------------|
| CASH ON HAND | 175,000 | 175,000 |
| REVENUES | | |
| CIBC (Mort. Draw) Nanaimo Stn. | | |
| Telus Lease | 300,000 | 300,000 |
| CRD | 5,000 | |
| G.S.T. Rebate | 50,000 | 28,500 |
| Administration Nanaimo Station | | |
| Fees & Leases | 100,000 | 74,300 |
| S.V.I. Operating Agreement | 75,000 | |
| Total | <u>705,000</u> | <u>577,800</u> |
| EXPENDITURES | | |
| Planning | 5,000 | 640 |
| Legal | 50,000 | 13,500 |
| Insurance | 25,000 | 24,000 |
| Salaries | 151,000 | 75,000 |
| Administration | 87,000 | 40,500 |
| Honorariums | 25,000 | 10,500 |
| Travel | 15,000 | 7,000 |
| Island Rail Days | 2,500 | |
| Audits & Accounting | 15,000 | 15,000 |
| Property Taxes | 10,000 | 14,000 |
| Communication | 20,000 | |
| Office Expense | 7,500 | 3,800 |
| Rail Maintenance (Alberni Sub) | 20,000 | |
| Contingency | 20,000 | 5,000 |
| Sub Total | <u>453,000</u> | |
| Taxes Wellcox | 35,000 | |
| CP Loan Payment | 75,000 | 118,000 |
| Nanaimo Station | | |
| TOTAL | <u>563,000</u> | 334,340 |
| RESERVE | <u>142,000</u> | 243,460 |

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BC Assessment Authority
Central Vancouver Island Area
300-125 Wallace Street
Nanaimo BC, V9R 5B2

May 21, 2012

Attention: Todd Zaborniak, Senior Appraiser

Dear Todd

Re: Potential Permissive Tax Exemption

Last week you and I discussed the possibility of the Island Corridor Foundation (ICF) applying and receiving Permissive Tax Exemption (PTE) from the City of Nanaimo for a portion of the Wellcox Yard located at the Nanaimo Waterfront. The yard area is owned by CP Rail or its affiliate company and they pay taxes to the City. There are a number of tenants on site who are no doubt also paying a portion of the taxes in their lease. For ICF, CP's taxes are offset by revenue received from Telus, who pay a fee for the right to have their fiber optic cable within the ICF rail corridor, formerly of course owned by E&N (CP Rail). When CP transferred the corridor to ICF in 2006 they structured the agreement in such a way that Telus would continue to submit its annual fiber optic cable fee to CP, they in turn would deduct the taxes payable to the City of Nanaimo for the Wellcox Yard and then remit the net funds to ICF. The amount they deduct from the Telus payment is around \$33,000 and I am not sure if that represents all of the Wellcox Yard taxes or only the portion that we occupy under our Statutory Right of Way.

ICF, by way of assignment, has a Statutory right of way over a portion of the Wellcox Yard and we wonder whether the area and improvements within that area would qualify for permissive tax exemption. If so it would result in a lesser amount that CP is deducting from our Telus payment and increase our net revenue. Copies of the original right of way agreement and the assignment will be forwarded in the regular mail for review. Thanks for reviewing this for us.

Please contact me if you have any further questions or require clarification on anything from us.

Sincerely

Jim Dias, Administration and Municipal Liaison
ISLAND CORRIDOR FOUNDATION

Cc: Graham Bruce, COO, ICF
Laura Mercer, City of Nanaimo
John Berikoff, CFO, ICF
Dick Wright, Property Manager, ICF

**CITY OF NANAIMO
EVALUATION
PERMISSIVE TAX EXEMPTIONS (PTE)**

Name of Organization: Nanaimo Community Hospice Society

Request to be placed on 2012 Permissive Tax Exemption Bylaw for property at 945 Waddington Road, and for cash-in-lieu of 2012 taxes in the amount of \$5,427.69.

Grant No. 2012 PTE-06

| Criteria: | Meets Criteria: | | Statement of Purpose: |
|----------------------------------------------------------------------------------------------------------------|-----------------|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Yes | No | |
| ➤ the property <u>must</u> be recommended for a Permissive Tax Exemption in the following year; and | | | An organization may only be added to the Permissive Tax Exemption roll for the following year. In some cases, it may be appropriate to give an organization a cash grant during the current year. These exemptions must be adopted by bylaws, by the 31 st of October of the year preceding exemption, and passed with a two-third's majority. All buildings and properties that receive a PTE must be reviewed every three years to ensure that they continue to meet the specific criteria set out in their applicable category. |
| ➤ the property qualifies for a PTE as a Church, Public Hospital, Community Care Facility, or Private School or | | | |
| ➤ the organization can demonstrate a financial need | | | |
| ➤ must adhere to all of the City of Nanaimo's bylaws and policies | | | |
| | | | |
| Grant Awarded: | \$ | | Amount Recommended: \$ |
| | Yes | No | |

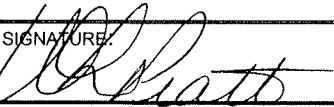
Discussion:

Notes:



CITY OF NANAIMO APPLICATION FOR PERMISSIVE TAX EXEMPTION

Office Use

| | | | |
|----------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------------|----------------------------|
| ORGANIZATION: NANAIMO COMMUNITY HOSPICE SOC. | | DATE: JUNE 29 2012 | |
| ADDRESS: 945 WADDINGTON RD | | PRESIDENT: SUZANNE BENOIT | |
| NANAIMO BC | | SENIOR STAFF MEMBER: WENDY PRATT | |
| V9S 4V1 | | POSITION: EXEC DIRECTOR | |
| | | CONTACT: WENDY PRATT | |
| TELEPHONE: 250 758-8857 | | TELEPHONE: 250 758 8857 | |
| OVERVIEW OF YOUR ORGANIZATION'S PROGRAMS AND SERVICES OFFERED IN THE COMMUNITY: (SEE ATTACHED) | | | |
| GEOGRAPHIC AREA SERVED BY THE ORGANIZATION: NANAIMO/LANTZVILLE/CEDAR | | | |
| NO. OF FULL TIME STAFF: FIVE (5) | | NO. OF PART TIME STAFF: FOUR (4) | |
| NO. OF COMMUNITY VOLUNTEERS: 150 | | NO. OF VOLUNTEER HOURS PER YEAR: 26,000 | |
| NO. OF MEMBERS: 300 | | MEMBERSHIP FEE: \$5 (VOL) \$15 (INDIV) \$25 (FAMILY) | |
| CLIENTS SERVED, LAST YEAR: 2296 | | CLIENTS SERVED, THIS YEAR (PROJECTED): 2400 | |
| B.C. SOCIETY ACT REG. NO.: S16170 | | REVENUE CANADA CHARITABLE REG. NO.: BN 13319 4043 RR0001 | |
| CURRENT BUDGET: \$462,500 | | LEGAL DESCRIPTION OF PROPERTY: LOTA SEC 1 NANTDIST PL 47726 | |
| INCOME: " | | | |
| EXPENSES: " | | | |
| NEXT YEAR PROJECTED: \$550,000 | | | |
| INCOME: " | | TAX FOLIO NUMBER: 85901.001 | |
| EXPENSES: " | | CURRENT YEAR TAXES (IF KNOWN): \$10,680.30 | |
| SIGNATURE:  | | TITLE/POSITION: EXEC DIRECTOR | DATE: JUNE 29/12 |

NOTE: YOUR ORGANIZATION'S MOST RECENT AUDITED FINANCIAL STATEMENTS AND CURRENT FINANCIAL STATEMENTS MUST BE ATTACHED TO THE APPLICATION FORM (INCLUDING A BALANCE SHEET AND INCOME STATEMENT).

**CITY OF NANAIMO
GRANT QUESTIONNAIRE
NANAIMO COMMUNITY HOSPICE SOCIETY**

REQUEST FOR PTE: 945 Waddington Road Property
REQUEST FOR TAX REBATE: \$5,427.69 + PTE for ensuing years

Overview of Organization's Programs and Services offered in the community: The goal of Hospice is to ensure that the dying will experience dignity and peace; their caregivers will receive the help they need; and their friends and family will be supported in their grief. To that end, NCHS staff and volunteers have been providing compassionate care and support in our community for over 30 years. Since inception over 30,000 individuals have been touched by the work of Hospice in our community. Over 1,000 individuals have trained as Hospice Volunteers and have contributed in excess of 500,000 volunteer hours to this work.

1. Please describe the work of your organization in this community.

Hospice staff and volunteers provide the following free services:

- Volunteer support for palliative patients and their families in the home, on the palliative care unit in hospital (8 hrs daily), and in community care facilities.
- Hospice staff attend weekly patient rounds on the palliative care unit to ensure coordination of the volunteer support program.
- Professional counselling for children, teens, and adults
- Bereavement group support through Hospice House
- Education in School – Grades 9,10,11 – on grief and loss
- Facilitating peer support groups in high schools (around grief and loss) in partnership with Rainbows & RCMP Victims Services
- Weekly Self Care Clinic (complementary therapy to support the dying, bereaved, and caregivers)
- Weekly Walking Group
- Weekly Caregiver Support Group
- Bereavement follow-up for 1 year following death of a spouse
- Comfort Cushion & Shawl Program (over 4,000 cushions distributed since inception, and 400 comfort shawls made by volunteers for palliative and grief clients)
- Comprehensive library resources open to clients & the public
- Education sessions for professional caregivers (long term care and other care facilities)
- Education sessions for RN, LPN, & RCA Programs at VIU, Discovery College and Sprott Shaw.
- Educational workshops and support groups for active family caregivers
- Training and mentoring of Hospice volunteers.

2. What are your organization's specific priorities for the coming year?

Our most pressing priority for the coming year is expansion. As background, we presently own two facilities – one at 945 Waddington Road, purchased as of June 29, 2012 and the subject of this PTE application, and the other, from which we are presently operating at 1729 Boundary Ave. Renovations and landscaping of the new facility will begin in July 2012. It is our goal to be completely moved to the new facility by January 2013. Sale of the present facility will take place in the interim. The most important goal this year will be to make the transition from one facility to another as seamlessly as possible with a minimum of impact on our clients. Once in the new

facility it is our intention to expand existing programs (Child and Youth) and add new programs (Palliative Day Program).

We are presently in the middle of a capital campaign to raise \$900,000 to complete the \$1.25 Million project (purchasing/renovate/landscape/equip). We are half way there and a large part of what we will be doing over the remainder of 2012 is to ensure that adequate funds have been raised to meet both the needs of our programs and our capital campaign. As part of this we have opened a second thrift store location to create more funding for programs and for our new project. In addition we will:

- Continue to nurture existing partnerships and seek out new ones to avoid duplication of services and maximize funding.
- Continue to strengthen and increase volunteer base both at Hospice House and in our Thrift Store locations to ensure adequate support and funding.
- Continue development of new programs that will be initiated in the new facility
- Continue to create community awareness that fosters easy access to our programs and services when and where we are needed most.

3. How does your organization ensure that it's services address continuing and emerging community needs.

- Hospice works closely with our Health Authority and other care partners including Victims Services, The Crisis Centre, Nanaimo Family Life, Mental Health, Rainbows, and the School District to assess needs, create partnerships, and develop programs that meet the needs surrounding dying, caregiving, and bereavement.
- Hospice programs all run at full capacity with rising wait lists – indicating a clear need.
- Demographics are clear. Canada has a rapidly aging population and Nanaimo has a higher than the provincial average rate of aging population. This has a direct impact on the work of Hospice. Our client numbers, volunteer numbers, and volunteer hours contributed have all increased dramatically in the past 12 years. These numbers speak for themselves.
- Feedback from clients and caregivers served by hospice through program evaluations and anecdotal sources.
- Needs assessments done in the schools.
- Our Executive Director continues to be actively involved at the provincial level and is the President of the Vancouver Island Federation of Hospices.
- Creating public awareness through speaking engagements, and educational events

4. Please describe the role of volunteers in your organization.

In 2012 our 250 volunteers contributed over 38,000 volunteer hours. Volunteers who work directly with clients (150) undergo 40 hours of classroom training and an additional 8 hours of orientation to the palliative care unit at Nanaimo Hospital. Once trained they can volunteer in a variety of roles:

- One-on-one volunteering in the home
- Volunteer support on the palliative care unit in hospital for patients and families
- Volunteer support in other care facilities
- Facilitation of grief groups (at Hospice House – further training required)
- Practitioner in Self Care Clinic (further training required)
- Facilitation of the Caregivers' Support Circle
- Comfort Cushion /Shawl Program (making pillows and distribution)

- Bereavement counselling & home assessments (by qualified volunteers with professional credentials)
- Facilitating educational workshops related to Hospice work
- Providing education and facilitate peer support groups in the schools.
- Support through Elders in Transition Program offered through the thrift stores

100 of our volunteers do not work with clients but help out in other ways including:

- Assisting at fundraising and other special events
- Board governance
- House and office support
- Library services
- Working at one of two thrift store locations

All client-based volunteers are also required to participate in continuing education, mentoring and support programs to ensure that their skills are current.

5. List grants applied for/received from other government or service clubs - 2011

| Granting Organization | Amount Applied For | Amount Received |
|--------------------------------|--------------------|----------------------------------------|
| Gaming – Affiliation (Bingo) | \$50,000 | \$50,000 (restricted – Programs) |
| Direct Access Funding | \$50,000 | \$50,000 (restricted – Programs) |
| United Way (paid quarterly) | \$50,000 | \$40,000 (restricted Seniors/Youth) |
| Nanaimo Community Foundation | \$15,000 | \$15,000 (restricted – Facility rehos) |
| VIHA (Health Authority) | \$5,700 | \$11,700 (restricted) |
| Youth Philanthropy Initiative | \$5,000 | \$5,000 (restricted) |
| Cedar Lions Club | 0 | \$500 |
| Protection Island Lions | 0 | \$1000 |
| Knights of Columbus | 0 | \$300 |
| RBC Foundation | \$1,000 | \$1,000 (restricted) |
| Order of St Lazarus | 0 | \$2,000 |
| Royal Canadian Legion 256 | \$1,000 | \$1000 (restricted) |
| Royal Canadian Legion BC/Yukon | 0 | \$500 |

6. Please provide details of fees for service in your organization and how costs and fees are determined.

All client-based programs and services are free. Fee of \$125 is charged only for volunteer training with \$75 refundable on completion of 100 hours of service (\$75 portion waived at outset if appropriate).

7. If your organization is a branch of a larger organization, please indicate how this affects the financial and other information you have provided.

NCHS partners with many organizations in the delivery of service but is an independent non-profit society and none of our affiliations affect the financial information provided here.

8. Describe your policy and treatment of: capital, reserve or special purpose funds and year end surpluses or deficits.

Hospice uses a deferral method of accounting (designated donations are recorded in the year in which they are used).

Cash surplus at year end is used to balance our contingency fund (3 months operating) and then to expand programs and services in the following year. We have never run at a deficit and although we had a line of credit for 3 years we never used it.

Capital reserves in the amount of \$185,000 were in the NCHS account at the end of 2010 fiscal year end. In 2011 \$100,000 of this amount was used as a non-refundable deposit on the property at 945 Waddington (new site for Hospice in 2013) with another \$50,000 held in a lawyer's trust account to assist in the completion of the purchase. The remainder was transferred to our capital campaign account which was launched in 2012. **PLEASE NOTE:** The \$50,000 in revenue on line 4 of the Statement of Operations in the 2011 Financial Statements is the portion that was held in the lawyer's trust account (it had been designated for capital reserve and was moved into the Operating Report once the designation expired in November 2011 – and was not available for general operating during 2011. This \$50,000 is the same \$50,000 was held in the lawyer's trust account at the end of 2011 and in 2012 it was used to help complete the purchase. NCHS took possession of 945 Waddington on June 29, 2012.

9. Please describe current or planned approaches to self generated income.

In 2007 we opened the Hospice Shoppe thrift store. In 2012 we opened our second location. 100% of profits from these two social enterprises go to support hospice programs and services in our community. It is anticipated that the second store will assist in the provision of new programs once we move to our new facility in 2013. A rental property located at 945 Waddington will also generate some income.

10. What will the effect be if you do not receive a Grant from the City of Nanaimo?

The permissive tax exemption is an important part of our budget calculations. It would be a great hardship if we didn't continue to receive the PTE. If we didn't receive it we would have to search for alternate funding in this amount elsewhere and there simply are few stones unturned when it comes to funding our programs each year. We completely count on the PTE as we do with all other grants that are received through our efforts at fundraising.

11. Does your organization require funding to cover the current year's taxes. If so, what amount?

On June 29th Nanaimo Hospice took possession of the property legally known as Lot A, Plan 47726, Section 1, Nanaimo District, and located at 945 Waddington Road.

Because at the time of purchase the vendor had already paid the 2102 property taxes, NCHS was required to pay their portion (\$5,427.69) of the 2102 property taxes to the vendor.

As part of this application we are asking the City of Nanaimo to reimburse NCHS for these taxes.

Note: NCHS also has a PTE on our present location (which is not yet sold) at 1729 Boundary Avenue. The PTE on this does not expire until 2013. We will advise you when the property is sold and we no longer require PTE exemption on our present location.



2012 Annual Report

1. The information below is what we have on file. See last page for completion instructions.

NANAIMO COMMUNITY HOSPICE SOCIETY
1729 BOUNDARY AVENUE
NANAIMO BC V9S 4P3

ONLINE FILING AVAILABLE at www.bcregistryservices.gov.bc.ca
See the last page for details.

OFFICE USE ONLY

2. Incorporation Number: S-0016170
Business Number: 133194043BC0001

Access Code: 125001081

3. The date your 2012 Annual General Meeting was held is (YYYY/MM/DD):

(If no Annual General Meeting was held, please write "NO MEETING HELD" in the date field above.)

2012/05/15

4. The society's registered address in B.C. is (Must be a physical location; Post Office box only is not acceptable.)

1729 BOUNDARY AVENUE
NANAIMO BC V9S 4P3

If your registered address has changed, make changes here.

5. The society's directors on file are listed below. Please make updates/changes below.
(Addresses must be physical locations; Post Office box only is not acceptable.)

NOTE

One director must be a
B.C. resident.

Draw line through name if director has ceased.

If directors have been added or director information has changed,
make changes here.

Last name: BENOIT
First name (include initials): SUZANNE

Address (include postal code):
475 CHESTNUT STREET
NANAIMO BC V9S 2K7





017207

Last name: BOUDREAU

First name (include initials): KAREN

Address (include postal code):

530 SUMMIT DR
NANAIMO BC V9T 5J7

Last name: CLARK

First name (include initials): KRIS

Address (include postal code):

3119 JINGLE POT ROAD
NANAIMO BC V9R 6W6

Last name: CLUCHEY

First name (include initials): GORDON

Address (include postal code):

1421 SEASPRAY BLVD
NANAIMO BC V9X 1P5

Last name: LYONS

First name (include initials): TERRY

Address (include postal code):

2310 STOBART RD
NANAIMO BC V9R 6W2

Last name: MAGOR

First name (include initials): DIANNE

Address (include postal code):

1717 COUNTRY RD

QUALICUM BEACK BC V9K 2S3

Last name: MICHAUD

First name (include initials): ANN

Address (include postal code):

4884 LOGAN'S RUN

NANAIMO BC V9V 1N8

Last name: SHERSTONE

First name (include initials): DAVE

Address (include postal code):

5958 SUNSET RD

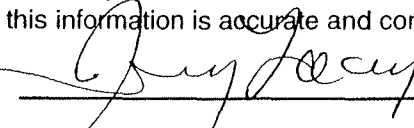
NANAIMO BC V9V 1K4

6. Please provide an email address that we may use for future communications.

wendyp@nanaimohospice.com

7. Sign and certify this form.

I certify that this information is accurate and complete.

Signature: 

NOTE

This must be signed by a
current director, officer or
solicitor.

8. Return form and fee to BC Registry Services.

Mailing Address:

PO Box 9431 Stn Prov Govt
Victoria BC
V8W 9V3

Physical Address:

2nd floor, 940 Blanshard Street
Victoria BC
V8W 3E6

NOTE

Annual Report filing fee is
\$25.00.

If you updated your
registered address, add
\$15.00 for a total fee of
\$40.00.

Questions?

Call 250 356-8609, or 604 775-1042 from Greater Vancouver area.

Please make your cheque payable to **Minister of Finance** and write your Incorporation Number on the cheque.

Nanaimo Community Hospice Society
Financial Statements
December 31, 2011
(Unaudited)

Nanaimo Community Hospice Society

Contents

For the year ended December 31, 2011
(Unaudited)

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Management's Responsibility

To the Members of Nanaimo Community Hospice Society:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgements and estimates in accordance with Canadian generally accepted accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Society. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external accountants. The Board is also responsible for recommending the appointment of the Society's external accountants.

MNP LLP, an independent firm of Chartered Accountants, is appointed by the members to review the financial statements and report directly to them; their report follows. The external accountants have full and free access to, and meet periodically with, both the Board and management to discuss their review engagement results.

May 15, 2012

Executive Director

Review Engagement Report

To the Directors of Nanaimo Community Hospice Society:

We have reviewed the statement of financial position of Nanaimo Community Hospice Society as at December 31, 2011 and the statement of operations and related schedule and the statements of changes in net assets and cash flows 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 Society.

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

In common with many charitable organizations, the Society derives revenue from donations, the completeness of which is not susceptible to satisfactory review procedures. Accordingly, our review procedures for these revenues were limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, assets and net assets.

Except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the plausibility of the completeness of the donation revenues, as described in the preceding paragraph, 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 generally accepted accounting standards for not-for-profit organizations.

As required by the Society Act (British Columbia), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Nanaimo, British Columbia

May 15, 2012

Chartered Accountants

Nanaimo Community Hospice Society

Statement of Financial Position

As at December 31, 2011

(Unaudited)

| | 2011 | 2010 |
|------------------------------------------------------------------|---------|---------|
| Assets | | |
| Current | | |
| Cash and short term deposits - unrestricted (Note 3) | 54,110 | 48,814 |
| Cash - Thrift Shoppe (Note 3) | 34,426 | 48,536 |
| Externally restricted gaming funds | 65,552 | 4,824 |
| Accounts receivable | 5,791 | 8,312 |
| Grants receivable | 10,000 | 274 |
| Prepaid expenses and deposits | 18,319 | 13,090 |
| | 188,198 | 123,850 |
| Capital assets (Note 4) | 127,929 | 134,324 |
| Externally restricted cash and deposits (Note 6) | 39,421 | 53,223 |
| Internally restricted cash and investments (Note 5) | 184,754 | 127,065 |
| | 540,302 | 438,462 |
| Liabilities | | |
| Current | | |
| Accounts payable and accruals | 20,611 | 15,299 |
| Deferred contributions - operating (Note 7) | 73,815 | 13,387 |
| Current portion of capital lease obligation (Note 8) | 2,364 | 2,126 |
| | 96,790 | 30,812 |
| Capital lease obligations (Note 8) | 1,129 | 3,457 |
| Deferred contributions related to capital assets (Note 9) | 59,626 | 75,388 |
| | 157,545 | 109,657 |
| Commitments (Note 5), (Note 14) | | |
| Net Assets | | |
| Internally restricted net assets (Note 5) | 184,754 | 127,065 |
| Invested in capital assets | 104,229 | 106,576 |
| Unrestricted | 93,774 | 95,164 |
| | 382,757 | 328,805 |
| | 540,302 | 438,462 |

Approved on behalf of the Board

Director

Director

The accompanying notes are an integral part of these financial statements

MNP

Nanaimo Community Hospice Society

Statement of Operations

For the year ended December 31, 2011

(Unaudited)

| | 2011 | 2010 |
|---------------------------------------------------------|----------------|----------------|
| Revenues | | |
| Thrift Shoppe - net (Note 3) (Schedule 1) | 132,124 ✓ | 116,959 |
| Gaming | 107,362 x | 103,569 |
| Donations | 85,029 ✓ | 78,324 |
| Donations - bequest (Note 9) | 50,000 ✓ | - |
| Grants - United Way | 41,440 ✓ | 35,191 |
| Fundraising and special events (Note 13) | 39,642 ✓ | 39,454 |
| Grants - Nanaimo Community Foundation | 15,000 ✓ | - |
| Grants - Vancouver Island Health Authority | 11,700 ✓ | 5,700 |
| Donations - Twinning program | 6,412 ✓ | 17,452 |
| Interest | 1,570 ✓ | 4,928 |
| Volunteer training fees | 925 ✓ | 1,600 |
| Memberships | 850 | 694 |
| Amortization of deferred capital contributions (Note 9) | 503 | 649 |
| | 492,557 | 404,520 |
| Contributed volunteer services (Note 10) | 310,183 | 334,851 |
| Total revenue | 802,740 | 739,371 |
| Expenses | | |
| Amortization | 6,324 | 7,592 |
| Capital campaign costs | 20,346 | - |
| Fundraising activities and special events (Note 13) | 8,474 | 5,115 |
| Insurance | 3,145 | 3,123 |
| Interest on capital lease obligation | 524 | 710 |
| Licences, fees and dues | 531 | 656 |
| Office | 14,344 | 11,291 |
| Planned giving - in kind | - | 4,449 |
| Professional development | 4,667 | 2,239 |
| Professional fees | 6,952 | 5,330 |
| Programs - Community Outreach | 49,164 | 51,076 |
| Programs - Grief and palliative support | 173,653 | 161,107 |
| Programs - Twinning | 8,594 | 19,652 |
| Programs - Volunteer training and support | 44,931 | 50,004 |
| Property taxes - in kind | 2,449 | 2,620 |
| Repairs and maintenance | 18,796 | 5,847 |
| Telephone, fax and internet | 4,721 | 4,077 |
| Utilities | 3,352 | 2,940 |
| Wages and benefits - administrative (Note 11) | 32,728 | 32,989 |
| Wages and benefits - fundraising (Note 11) | 34,910 | 35,188 |
| | 438,605 | 406,005 |
| Contributed volunteer services (Note 10) | 310,183 | 334,851 |
| Total expenses | 748,788 | 740,856 |
| Excess (deficiency) of revenues over expenses | 53,952 | (1,485) |

The accompanying notes are an integral part of these financial statements

Nanaimo Community Hospice Society
Statement of Changes in Net Assets

For the year ended December 31, 2011
(Unaudited)

| | <i>Internally Restricted Net Assets</i> | <i>Invested in Capital Assets</i> | <i>Unrestricted</i> | <i>2011</i> | <i>2010</i> |
|-------------------------------------------------|-------------------------------------------------|-------------------------------------------|---------------------|-------------|-------------|
| Net assets, beginning of year | 127,065 | 106,576 | 95,164 | 328,805 | 330,290 |
| Excess (deficiency) of revenues over expenses | - | (3,166) | 57,118 | 53,952 | (1,485) |
| Transfer to internally restricted fund (Note 5) | 57,689 | (4,557) | (53,132) | - | - |
| Capital lease obligation principal repayment | - | 2,090 | (2,090) | - | - |
| Purchase of capital assets by operations | - | 3,286 | (3,286) | - | - |
| Net assets, end of year | 184,754 | 104,229 | 93,774 | 382,757 | 328,805 |

The accompanying notes are an integral part of these financial statements

MNP

Nanaimo Community Hospice Society

Statement of Cash Flows

For the year ended December 31, 2011

(Unaudited)

| | 2011 | 2010 |
|-------------------------------------------------------------|-----------------|----------------|
| Cash provided by (used for) the following activities | | |
| Operating activities | | |
| Receipts from donations, fundraising and Thrift Shoppe | 676,625 | 519,739 |
| Cash paid for materials and services | (269,005) | (215,287) |
| Cash paid for salaries and benefits | (306,681) | (299,033) |
| Interest paid | (524) | (491) |
| Interest received | 1,764 | 5,241 |
| | 102,179 | 10,169 |
| Financing activities | | |
| Repayments of capital lease obligation | (2,090) | (2,126) |
| Investing activities | | |
| Change in internally restricted cash and investments | (57,689) | (2,566) |
| Change in externally restricted cash and deposits | 13,802 | (1,093) |
| Purchase of capital assets | (4,288) | (5,607) |
| | (48,175) | (9,266) |
| Increase (decrease) in cash resources | 51,914 | (1,223) |
| Cash resources, beginning of year | 102,174 | 103,397 |
| Cash resources, end of year | 154,088 | 102,174 |
| Cash resources are composed of: | | |
| Cash and short term deposits - unrestricted | 54,110 | 48,814 |
| Externally restricted gaming funds | 65,552 | 4,824 |
| Cash - Thrift Shoppe | 34,426 | 48,536 |
| | 154,088 | 102,174 |

The accompanying notes are an integral part of these financial statements

MNP

Nanaimo Community Hospice Society
Notes to the Financial Statements
For the year ended December 31, 2011
(Unaudited)

1. Incorporation and commencement of operations

Nanaimo Community Hospice Society is incorporated under the Society Act of the Province of British Columbia. The Society is a not-for-profit organization and is a registered charity under the Income Tax Act. In order to maintain its status as a registered charity under the Act, the Society must meet certain requirements within the Act. In the opinion of management, these requirements have been met. The Society operates programs that provide practical care and support to the dying, their families and caregivers, and the bereaved in the Nanaimo, Lantzville and Cedar areas. The Hospice twinning program, "Partners in Compassion", provides minimal support to patients and families on the palliative care unit at Bhaktapur Hospital in Nepal. The Society also operates the *Nanaimo Hospice Shoppe*, a thrift store set up for the sole purpose of providing funds for Hospice programs and services.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations and include the following significant accounting policies:

Capital assets

Capital assets are recorded at cost. The cost for contributed capital assets is considered to be fair value at the date of contribution.

Amortization is provided at rates intended to amortize the cost of assets over their estimated useful lives.

| | <i>Method</i> | <i>Rate</i> |
|----------------------------------------|----------------------|--------------------|
| Buildings | declining balance | 4 % |
| Automotive | declining balance | 30 % |
| Computer equipment | declining balance | 30-55 % |
| Computer software | declining balance | 100 % |
| Equipment | declining balance | 20 % |
| Furniture and fixtures | declining balance | 20 % |
| Leasehold improvements - Thrift Shoppe | straight-line | 10 years |

In the year of acquisition, amortization is taken at one-half of the above rates with the exception of leasehold improvements.

Revenue recognition

The Society follows the deferral method of accounting for revenues. Donations restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets. Grants, donations, bingo and direct access to gaming with external restrictions are recognized as revenue in the year in which the related expenses are incurred. Revenues from events are recognized when the event occurs and when the amount can be reasonably estimated and collection is reasonably assured. Revenues from the sale of merchandise are recognized when the merchandise is delivered and when the amount can be reasonably estimated and collection is reasonably assured. Unrestricted donations are recognized when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed goods and services

Contributed goods and services are recognized in the financial statements when their fair value can be reasonably determined and they are used in the normal course of the organization's operations and would otherwise have been purchased.

Nanaimo Community Hospice Society

Notes to the Financial Statements

For the year ended December 31, 2011

(Unaudited)

2. Significant accounting policies (Continued from previous page)

Measurement uncertainty

The preparation of financial statements in conformity 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 amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets. Contributed services are based on reported volunteer hours and measured at an hourly rate representing estimated fair value.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Financial instruments

Held for trading:

Any financial instrument whose fair value can be reliably measured may be designated as held for trading on initial recognition or adoption of CICA 3855 *Financial Instruments – Recognition and Measurement*, even if that instrument would not otherwise satisfy the definition of held for trading. The Society has classified the following financial assets and liabilities as held for trading: cash and short term deposits-unrestricted, cash-Thrift Shoppe, externally restricted gaming funds, externally restricted cash and deposits and internally restricted cash and investments. Transactions to purchase or sell these items are recorded on the settlement date, and transaction costs are immediately recognized in expenses.

Held for trading financial instruments are subsequently measured at their fair value, without any deduction for transactions costs incurred on sale or other disposal. Gains and losses arising from changes in fair value are recognized immediately in revenues or expenses.

Loans and receivables:

The Society has classified the following financial assets as loans and receivables: accounts receivable. These assets are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the settlement date. Total interest income, calculated using the effective interest rate method, is recognized in excess of revenues over expenses.

Loans and receivables are subsequently measured at their amortized cost, using the effective interest method. Under this method, estimated future cash receipts are exactly discounted over the asset's expected life, or other appropriate period, to its net carrying value. Amortized cost is the amount at which the financial asset is measured at initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and less any reduction for impairment or uncollectability. Net gains and losses arising from changes in fair value are recognized in excess of revenues over expenses upon derecognition or impairment.

Nanaimo Community Hospice Society

Notes to the Financial Statements

For the year ended December 31, 2011

(Unaudited)

2. Significant accounting policies (Continued from previous page)

Other financial liabilities:

The Society has classified the following financial liabilities as other financial liabilities: accounts payable and accruals. These liabilities are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the settlement date and transaction costs arising from their disposal are immediately recognized in expenses. Total interest expense, calculated using the effective interest rate method, is recognized in excess of revenues over expenses.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Under this method, estimated future cash payments are exactly discounted over the liability's expected life, or other appropriate period, to its net carry value. Amortized cost is the amount at which the financial liability is measured at initial recognition less principal repayments, and plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount. Net gains and losses arising from changes in fair value are recognized in excess of revenues over expenses upon derecognition or impairment.

Financial asset impairment:

The Society assesses impairment of all its financial assets, except those classified as held for trading. Management considers whether the issuer is having significant financial difficulty or whether payments have not been made when due in determining whether objective evidence of impairment exists. Impairment is measured as the difference between the asset's carrying value and its fair value. Any impairment, which is not considered temporary, is included in current year earnings.

Recent Accounting Pronouncements

Canadian accounting standards for not-for-profit organizations

In October 2010, the Accounting Standards Board (AcSB) approved the accounting standards for private sector not-for-profit organizations (NFPOs) to be included in Part III of the CICA Handbook-Accounting ("Handbook"). Part III will comprise:

- The existing "4400 series" of standards dealing with the unique circumstances of NFPOs, currently in Part V of the Handbook; and
- The new accounting standards for private enterprises in Part II of the Handbook, to the extent that they would apply to NFPOs.

Effective for fiscal years beginning on or after January 1, 2012, private sector NFPOs will have the option to adopt either Part III of the Handbook or International Financial Reporting Standards (IFRS). Earlier adoption is permitted. The Society expects to adopt Part III of the Handbook as its new financial reporting standards for its financial statements dated December 31, 2012. The Society has not yet determined the impact of the adoption of Part III of the Handbook on its financial statements.

3. Cash and short term deposits - unrestricted and Thrift Shoppe cash

Cash and short term deposits - unrestricted includes a term deposit in the amount of \$11,662 (2010 - \$11,575) bearing interest at 1% (2010 - 0.75%) with a maturity date of March 22, 2012 (2010 - March 22, 2011).

Profits from the Hospice Thrift Shoppe are used to fund the Society's operations. Fixed amounts are transferred monthly from the Thrift Shoppe general account to the Society's general account. Any surpluses remaining in the Thrift Shoppe account at the end of the year are either transferred to the Society or remain in the account to act as a contingency for the Thrift Shoppe for the coming year. In 2011 funds totaling \$142,000 (2010 - \$110,000) were transferred to the Society's general account to fund the operations and programs.

Nanaimo Community Hospice Society

Notes to the Financial Statements

For the year ended December 31, 2011

(Unaudited)

4. Capital assets

| | Cost | Accumulated amortization | 2011 Net book value | 2010 Net book value |
|----------------------------------------|---------|-----------------------------|---------------------------|---------------------------|
| Land | 27,888 | - | 27,888 | 27,888 |
| Buildings | 139,899 | 69,665 | 70,234 | 72,137 |
| Automotive | 8,000 | 6,367 | 1,633 | 2,332 |
| Computer equipment | 43,427 | 40,327 | 3,100 | 1,660 |
| Computer software | 1,444 | 1,444 | - | - |
| Equipment | 40,209 | 31,328 | 8,881 | 11,102 |
| Furniture and fixtures | 18,298 | 16,513 | 1,785 | 1,874 |
| Leasehold improvements - Thrift Shoppe | 19,146 | 8,775 | 10,371 | 12,285 |
| | 298,311 | 174,419 | 123,892 | 129,278 |
| Assets under capital lease | | | | |
| Equipment under capital lease | 10,950 | 6,913 | 4,037 | 5,046 |
| | 309,261 | 181,332 | 127,929 | 134,324 |

In addition to the leasehold improvements noted above, capital assets used in the Thrift Shoppe operations included in automotive and equipment, are carried at a cost of \$26,339 (2010 - \$26,339) and accumulated amortization of \$17,719 (2010 - \$15,273).

5. Internally restricted net assets

| | 2011 | 2010 |
|------------------------------------------------------|---------|---------|
| Internally restricted cash held in trust with lawyer | 150,265 | - |
| Internally restricted cash in bank | 34,489 | - |
| Internally restricted investments | - | 127,065 |
| | 184,754 | 127,065 |

The internally restricted cash includes cash held in trust with a lawyer in the amount of \$150,265 (2010 - \$0) for the purchase of a building to house a centre of excellence for hospice palliative care. If a payment of \$300,000 is not made by June 30, 2012 towards the purchase of the building, a non-refundable deposit in the amount of \$100,000 will be forfeited. In November 2011, the Board restricted an additional \$57,689 representing a bequest received November 4, 2008 that had previously been externally restricted (see note 9) plus accumulated interest.

6. Externally restricted investments

Externally restricted investments include a high interest savings account in the amount of \$39,421 (2010 - cashable bond \$53,223). These funds represent capital campaign contributions and are restricted for the purposes of the acquisition of a new property as described in Note 5. The interest income earned of \$2,791 on these assets has been restricted for these purposes.

Nanaimo Community Hospice Society
Notes to the Financial Statements
For the year ended December 31, 2011
(Unaudited)

7. **Deferred contributions - operating**

Deferred contributions consists of restricted operating funding received in the current period that is related to a subsequent period. Changes in the deferred contributions - operating balance are as follows:

| | <i>Twining Project</i> | <i>Externally Restricted Gaming</i> | <i>General Designated Donations</i> | <i>2011 Total</i> | <i>2010 Total</i> |
|------------------------------------------------|----------------------------|---------------------------------------------|---------------------------------------------|-----------------------|-----------------------|
| Opening balance | 7,791 | 4,824 | 772 | 13,387 | 8,324 |
| Add: amount received during the year | 10,892 | 168,090 | 16,454 | 195,436 | 127,882 |
| Less: amount recognized as revenue in the year | (11,200) | (107,362) | (16,446) | (135,008) | (122,819) |
| | <u>7,483</u> | <u>65,552</u> | <u>780</u> | <u>73,815</u> | <u>13,387</u> |

8. **Capital lease obligation**

| | <i>2011</i> | <i>2010</i> |
|--------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| Capital lease obligation, payable in equal monthly installments of \$218 including interest at 10.6%, due May 2013 | 3,493 | 5,583 |
| Less: current portion | <u>(2,364)</u> | <u>(2,126)</u> |
| | <u>1,129</u> | <u>3,457</u> |

Minimum lease payments related to obligation under capital lease are as follows:

| | |
|-------------------------------|----------------|
| 2012 | 2,615 |
| <u>2013</u> | <u>1,090</u> |
| | 3,705 |
| <u>Less: imputed interest</u> | <u>(212)</u> |
| | 3,493 |
| <u>Less: current portion</u> | <u>(2,364)</u> |
| | <u>1,129</u> |

Nanaimo Community Hospice Society

Notes to the Financial Statements

For the year ended December 31, 2011

(Unaudited)

9. Deferred contributions related to capital assets

Deferred contributions related to capital assets represent donated capital assets and contributions restricted for future capital projects. During the year a donation in the amount of \$50,000 that was previously deferred has been recognized as an unrestricted contribution as the conditions related to its expenditure on a capital project expired November 2011 and are now at the discretion of the board in accordance with the donor instructions. The changes in the deferred contributions balance for the period are as follows:

| | 2011 | 2010 |
|------------------------------------------------------------------|----------|---------|
| Balance, beginning of [year] | 75,388 | 80,964 |
| Add: capital campaign contributions and capital donations | 38,966 | - |
| Donation redesignated as unrestricted revenue | (50,000) | - |
| Less: amounts amortized to revenue for general operations assets | (503) | (649) |
| Less: amounts amortized to revenue for Thrift Shoppe assets | (4,225) | (4,927) |
| Balance, end of year | 59,626 | 75,388 |

10. Contributed services

Volunteers contributed 35,549 hours for 2011 (2010 - 36,352) to assist the Society in carrying out its service delivery activities. Of these contributed hours, 16,750 hours (2010 - 16,058) related to the Thrift Shoppe's volunteers and 18,799 (2010 - 20,294) related to the remaining Hospice operations. Contributed services revenue represents the estimated fair value of the contribution of volunteer hours to the Society based on a hourly rate of \$16.50 (2010 - \$16.50) which represents the current hourly rate utilized by the Vancouver Island Health Authority in their budgeting process.

11. Wages, employee benefits and contracted services

Included in these financial statements are total wage costs (excluding Thrift Shoppe wages and employee benefits) of \$218,187 (2010 - \$219,927) and contracted services of \$86,076 (2010 - \$68,270). Wage and contracted service costs are allocated to individual programs and have been allocated based on estimated employee/contractor time as follows:

| | 2011 | | 2010 | |
|-------------------------------------------|------------------|-------------|------------------|-------------|
| | Amount | % | Amount | % |
| Programs - Community Outreach | 28,364 | 9% | 28,591 | 10% |
| Programs - Grief and Palliative Support | 171,169 | 55% | 154,042 | 54% |
| Programs - Volunteer training and support | 34,910 | 12% | 35,188 | 12% |
| Programs - Twinning | 2,182 | 1% | 2,199 | 1% |
| Fundraising | 34,910 | 11% | 35,188 | 12% |
| Administrative | 32,728 | 12% | 32,989 | 11% |
| | <u>\$304,263</u> | <u>100%</u> | <u>\$288,197</u> | <u>100%</u> |

12. In kind donations

Donations include In kind donations of \$7,877 (2010 - \$10,127). The related expenses are included in programs and property taxes expense. The Thrift Shoppe receives donations of goods the value of which is not determinable, therefore, no revenue or expense has been recorded in regards to these donations.

Nanaimo Community Hospice Society
Notes to the Financial Statements
For the year ended December 31, 2011
(Unaudited)

13. Fundraising activities and special events

| | <i>Revenue</i> | <i>Expense</i> | <i>2011 Net</i> | <i>2010 Net</i> |
|------------------|----------------|----------------|---------------------|---------------------|
| Celebrate a Life | 10,813 | (6,464) | 4,349 | 4,483 |
| Other | 177 | (20) | 157 | 1,579 |
| Hike for Hospice | 28,652 | (1,990) | 26,662 | 28,277 |
| | 39,642 | (8,474) | 31,168 | 34,339 |

14. Commitments

The Society has entered into a retail shop lease commencing June 1, 2007 and expiring May 31, 2012, a five year term, with one option to renew of 5 years. Monthly rent is \$3,360 (2010 - \$2,800) including HST.

Subsequent to year end the Society entered into a second retail shop lease commencing February 1, 2012 and expiring January 31, 2017, a five year term, with one option to renew of 5 years. Monthly rent is \$2,392 including HST for the first four years of the lease and \$2,733 including HST for the fifth year of the lease.

15. Financial instruments

All significant financial assets, financial liabilities and equity instruments of the Society are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

It is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from the financial instruments except as otherwise disclosed.

Risk management policy

Due to the small size of the organization, the Society has no formal risk management policy, other than required Board approval of investment transactions and approval of expenditures.

15. **Financial instruments** (Continued from previous page)

Credit risk

Accounts receivable from the government of Canada in connection with Harmonized Sales Tax receivable represents 88% (2010 - 0%) of total accounts receivable. Grants receivable from United Way of Central and Northern Vancouver Island in connection with grant revenue represents 100% (2010 - 0%) of total grants receivable as at December 31, 2011. The Society believes that there is minimal risk associated with the collection of these amounts. The balance of accounts receivable is widely distributed among the remainder of the Society's large customer base. The Society performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

Financial instruments that potentially subject the Society to concentrations of credit risk consist of cash and short term deposits, externally restricted gaming funds, accounts receivable, grants receivable, internally restricted investments, externally restricted cash and deposits and internally restricted cash which are from Canadian financial institutions. The maximum credit risk exposure is \$394,054 (2010 - \$291,051). The Society believes that there is minimal risk associated with the collection of these amounts, as the accounts receivable are widely distributed among the Society's customer base and the Society performs regular credit assessments of its customers and provides allowances for potentially uncollectible amounts. The credit exposure for the cash and short term deposits, externally restricted gaming funds, internally restricted investments, externally restricted cash and deposits and internally restricted cash is limited due to the quality of the financial institutions that hold the cash and investments.

Financial instruments that potentially subject the Society to concentrations of credit risk consist of cash and short term deposits, externally restricted gaming funds, accounts receivable, grants receivable, cash held in trust and internally and externally restricted investments which are from Canadian financial institutions. The maximum credit risk exposure is \$294,054 (2010 - \$291,051). The Society believes that there is minimal risk associated with the collection of these amounts, as the accounts receivable are widely distributed among the Society's customer base and the Society performs regular credit assessments of its customers and provides allowances for potentially uncollectible amounts. The credit exposure for the cash and short term deposits, externally restricted gaming funds and externally and internally restricted funds - Twinning and investments is limited due to the quality of the financial institutions that hold the cash and investments.

Fair value of financial instruments

The carrying amount of cash and short term deposits, externally restricted gaming funds, externally restricted cash and deposits, internally restricted cash, accounts receivable and accounts payable and accruals is approximated by their fair value due to their short-term nature.

Internally restricted investments are approximated by their fair value due to interest rates at year end being similar to the interest rates at the date of purchase.

Fair value estimates are made at a specific point in time, based on available relevant market information and details of the financial instrument. However, in cases where they may not be fully supported by observable market prices or rates, assumptions may be subjective, and fair value cannot be estimated with precision.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through investing in term deposits with varying maturities that range from 6 months to 5 years. The Society is exposed to interest rate risk with respect to its short term deposits and investments which bear interest rates of 1% (2010 - 0.75% to 4%).

Nanaimo Community Hospice Society

Notes to the Financial Statements

For the year ended December 31, 2011

(Unaudited)

16. Capital management

The Society's objective when managing capital is to safeguard the Society's ability to continue as a going concern, so that it can continue to provide bereavement programs, assist in palliative care and to maintain the vitality and accountability of the Society.

The Society defines its capital as the amounts included in net assets.

The Society measures its financial performance against an annual budget and monitors its capital by regular review of cash and short term deposits, internally restricted funds - Twinning and internally and externally restricted investments by the management and the Board of Directors.

17. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

Nanaimo Community Hospice Society
Schedule 1 - Schedule of Thrift Shoppe Revenues and Expenses
For the year ended December 31, 2011
(Unaudited)

| | 2011 | 2010 |
|---------------------------------------------------------|---------|---------|
| Revenues | | |
| Accessories | 19,047 | 18,948 |
| Amortization of deferred capital contributions (Note 9) | 4,225 | 4,927 |
| Arts and crafts | 14,674 | 12,988 |
| Books | 17,775 | 18,586 |
| Children's wear | 4,950 | 6,124 |
| Clothing recycle | 671 | 574 |
| Elders in Transition | 29,176 | - |
| Fundraising | - | - |
| Furniture | 4,783 | 14,836 |
| General donations | 7,152 | 724 |
| Housewares | 61,718 | 57,663 |
| Interest | 194 | 313 |
| Jewelry | 21,127 | 18,200 |
| Ladies' wear | 75,388 | 73,530 |
| Men's wear | 7,900 | 8,348 |
| PST Commission | - | 258 |
| Scrap metal recycle | 528 | 502 |
| Seasonal and sports equipment | 13,794 | 14,358 |
| | 283,102 | 250,880 |
| Contributed volunteer services (Note 10) | 276,375 | 264,957 |
| Total revenue | 559,477 | 515,837 |
| Expenses | | |
| Advertising | 1,150 | 384 |
| Amortization | 4,361 | 5,056 |
| Bank charges and interest | 2,887 | 2,135 |
| Insurance | 1,100 | 1,100 |
| Office supplies | 632 | 1,137 |
| Rent | 35,304 | 31,203 |
| Repairs and Maintenance | 96 | 89 |
| Staff uniforms and other expenses | - | 101 |
| Staff professional development | - | 264 |
| Store supplies | 2,278 | 1,544 |
| Telephone, fax and internet | 1,797 | 1,568 |
| Utilities and alarm | 3,641 | 3,607 |
| Vehicle | 6,510 | 4,066 |
| Volunteers | 2,728 | 2,561 |
| Wages | 88,494 | 79,106 |
| | 150,978 | 133,921 |
| Contributed volunteer services (Note 10) | 276,375 | 264,957 |
| | 427,353 | 398,878 |
| Excess of revenues over expenses | 132,124 | 116,959 |

NANAIMO COMMUNITY HOSPICE SOCIETY

Budget - Current Year - To June 30 2012

| Account Number | Account Name | 2012 Budget | 2012 Actual YTD | % Yr to Date | 2013 Budget |
|----------------|----------------------------------------|----------------|-----------------|----------------|----------------|
| REVENUE | | | | | |
| 4030 | Gaming Deferred from 2011 to 2012 Rev | 65,550 | 65,552 | 100.00% | |
| 4020 | Affiliation/Direct Access 2010/2011 | 0 | 0 | | 0 |
| 4020 | Affiliation 2011 _ Deferral 2010 | | | | |
| 4030 | Gaming 2012 Programs Direct Access | 50,000 | 0 | 0.00% | 100,000 |
| 4033 | Gaming - Licensed events | 500 | 285 | | 1,000 |
| 4035 | Gaming Other - Designated | 2,000 | 1,750 | 87.50% | 10,000 |
| 4040 | Gaming Other Organizations | 8,000 | 6,000 | 75.00% | 2,250 |
| 4050 | Int. on Gaming start 2007 | 250 | 129 | 51.66% | 250 |
| | TOTAL GAMING REVENUE | 126,300 | 73,716 | 58.37% | 113,500 |
| 4100 | Donations - General | 30,000 | 11,013 | 36.71% | 40,000 |
| 4110 | Donations - Monthly Giving | 11,200 | 5,600 | 50.00% | 15,000 |
| 4130 | Donations - Memorials | 20,000 | 8,027 | 40.14% | 25,000 |
| 4140 | Donations - Designated Purposes | 1,000 | 280 | 27.96% | 1,000 |
| 4150 | Donations - designated United Way | 1,000 | 160 | 15.98% | 1,000 |
| 4160 | Gifts in Kind Credit | 2,600 | 0 | 0.00% | 2,600 |
| 4192 | Twinning Deferred from 2011 to 2012 | 7,500 | 7,483 | 99.77% | 5,000 |
| 4192 | Twinning - General Donations | 25,000 | 13,804 | 55.22% | 15,000 |
| 4193 | Twinning - Designated (+Ann Deferrals) | 1,000 | 899 | 89.90% | 2,000 |
| | TOTAL DONATIONS | 99,300 | 47,266 | 47.60% | 106,600 |
| 4200 | Grants - VIHA | 11,500 | 10,000 | 86.96% | 11,500 |
| 4220 | Grants - United Way | 30,000 | 15,000 | 50.00% | 40,000 |
| 4230 | Grants - Hospice Shoppe | 120,000 | 60,000 | 50.00% | 160,000 |
| 4240 | Grants - Other | 0 | 0 | | 15,000 |
| | TOTAL GRANTS | 161,500 | 85,000 | 52.63% | 226,500 |
| 4300 | Membership Fees | 750 | 485 | 64.67% | 750 |
| 4310 | Vol Training Fees (Non-Refundable) | 1,000 | 500 | 50.00% | 1,000 |
| | TOTAL VOLUNTEER SUPPORT | 1,750 | 985 | 56.29% | 1,750 |
| 4430 | Fund Raising - Celeb. Life | 6,000 | 50 | 0.83% | 6,000 |
| 4450 | Fund Raising - Other | 250 | 24 | 9.60% | 250 |
| 4460 | Fund Raising - Shirts | 0 | | | 0 |
| 4470 | Fund Raising - Hike for Hospice | 30,000 | 28,734 | 95.78% | 30,000 |
| | TOTAL FUND RAISING REVENUE | 36,250 | 28,808 | 79.47% | 36,250 |
| 4520 | Interest Current Acct & Bonds | 300 | 320 | 106.58% | 300 |
| 4530 | Miscellaneous Income | 100 | 148 | 148.43% | 100 |
| | Total Misc Revenue | 400 | 468 | 117.04% | 400 |
| | Total Revenue | 425,500 | 236,244 | 55.52% | 485,000 |

NANAIMO COMMUNITY HOSPICE SOCIETY

Budget - Current Year - To June 30 2012

| Account Number | Account Name | 2012 Budget | 2012 Actual YTD | % Yr to Date | 2013 Budget |
|----------------|-------------------------------------|----------------|-----------------|---------------|----------------|
| EXPENSE | | | | | |
| 5040 | Celebrate a Life Expenses | 1,500 | 32 | 2.12% | 1,500 |
| 5050 | Other Fundraiser Expenses | 500 | 213 | 42.62% | 500 |
| 5080 | Hike for Hospice Expenses | 2,000 | 1,850 | 92.51% | 2,000 |
| 5689 | Wages - 15% | 36,890 | 18,360 | 49.77% | 37,750 |
| | TOTAL FUND RAISING EXPENSES | 40,890 | 20,455 | 50.02% | 41,750 |
| 5410 | Accounting (YE) and Legal Fees | 10,000 | 9,671 | 96.71% | 12,000 |
| 5420 | Annual General Mtg. Expenses | 200 | 199 | 99.56% | 500 |
| 5430 | Advertising Expense | 1,500 | 522 | 34.79% | 1,500 |
| 5440 | Bank/Card/Cda Hlps fees | 2,000 | 1,007 | 50.33% | 3,000 |
| 5460 | Photocopier - Fees per copy | 300 | 143 | 47.79% | 500 |
| 5470 | Cleaning & Caretaking | 1,600 | 892 | 55.75% | 2,500 |
| 5480 | Designated Funds Expense | 0 | | | 0 |
| 5490 | Gifts in Kind Operating | 0 | 0 | | 0 |
| 5500 | Yard and Garden | 1,000 | 148 | 14.77% | 2,000 |
| 5510 | Hydro | 1,500 | 665 | 44.33% | 2,500 |
| 5520 | Insurance | 3,500 | 1,348 | 38.51% | 4,000 |
| 5530 | Licences, Dues, Memberships | 500 | 300 | 60.00% | 500 |
| 5540 | Board Expenses | 100 | 0 | 0.00% | 100 |
| 5560 | Natural Gas | 1,500 | 786 | 52.37% | 0 |
| 5570 | Office Supplies & Eqpt. | 5,500 | 4,676 | 85.02% | 6,000 |
| 5580 | Technical Support | 3,500 | 231 | 6.59% | 5,000 |
| 5590 | Postage - General Office | 2,000 | 1,084 | 54.19% | 2,000 |
| 5610 | Professional Devlpmnt., Staff/Board | 3,000 | 1,000 | 33.33% | 5,000 |
| 5620 | Repairs and Maintenance | 500 | 168 | 33.59% | 2,000 |
| 5630 | Telephone /Fax/e-mail/Website | 5,000 | 2,322 | 46.45% | 8,000 |
| 5640 | Travel - Mileage Expense | 4,000 | 1,977 | 49.43% | 4,000 |
| 5650 | Water, Sewer and Garbage | 750 | 398 | 53.12% | 1,000 |
| 5689 | Wages - 30% | 73,780 | 36,720 | 49.77% | 75,500 |
| | TOTAL ADMIN/OPERATING EXP | 121,730 | 64,256 | 52.79% | 137,600 |
| 5810 | Library - Books & Periodicals | 1,000 | 366 | 36.62% | 1,000 |
| 5820 | Community Newsletter | 12,000 | 5,878 | 48.98% | 14,000 |
| 5825 | Pamphlets | 1,000 | 588 | 58.80% | 2,000 |
| 5830 | Donor Appreciation | 500 | 14 | 2.85% | 2,500 |
| 5835 | House & Meetings (coffee etc.) | 1,500 | 523 | 34.90% | 2,000 |
| 5840 | Community Outreach | 2,500 | 1,028 | 41.10% | 3,000 |
| 5689 | Wages - 12% | 29,500 | 14,688 | 49.79% | 30,250 |
| | TOTAL COMMUNITY OUTREACH EXP | 48,000 | 23,085 | 48.09% | 54,750 |

NANAIMO COMMUNITY HOSPICE SOCIETY

Budget - Current Year - To June 30 2012

| Account Number | Account Name | 2012 Budget | 2012 Actual YTD | % Yr to Date | 2013 Budget |
|----------------|----------------------------------------------|----------------|-----------------|---------------|----------------|
| 5850 | Child & Youth Contract Counsellors | 30,000 | 14,420 | 48.07% | 35,000 |
| 5851 | C & Y Supplies & Prof Development | 2,000 | 1,170 | 58.52% | 4,000 |
| 5852 | C & Y Website (UPGRADE IN 2013) | 500 | 0 | 0.00% | 2,000 |
| 5855 | Adult Grief Support | 1,250 | 688 | 55.02% | 2,500 |
| 5856 | Palliative Day Program NEW 2013 | 0 | 0 | | 10,000 |
| 5860 | External Counselling Office | 250 | 0 | 0.00% | 250 |
| 5865 | Contract - Counselling/Assessments | 40,000 | 18,866 | 47.16% | 45,000 |
| 5870 | Twinning Transfers to Nepal & Other | 6,500 | 2,820 | 121.14% | 6,500 |
| 5871 | Twinning CC fees & Exchange | 500 | 142 | | 500 |
| 5873 | Twinning Travel to Nepal | 6,000 | 4,912 | | 6,000 |
| 5875 | Self Care Clinic (ENHANCED IN 2013) | 1,030 | 363 | 35.26% | 2,000 |
| 5880 | Other Support Service Expenses | 250 | 30 | 11.90% | 2,000 |
| 5890 | Gifts in Kind P & S | 150 | 0 | 0.00% | 150 |
| | Wages - 24% | 59,025 | 29,376 | 49.77% | 60,250 |
| | TOTAL PALLIATIVE/GRIEF PROGRAMS EXP. | 147,455 | 67,733 | 45.93% | 176,150 |
| 5900 | Vol. Training/Support Contract* | 150 | 0 | 0.00% | 1,000 |
| 5910 | Vol. Training-Materials & Supplies* | 1,000 | 336 | 33.59% | 1,500 |
| 5915 | Volunteer Newsletter & Postage* | 750 | 270 | 36.02% | 1,000 |
| 5925 | Volunteer Education (External)* | 4,500 | 1,166 | 25.91% | 5,000 |
| 5935 | Volunteer Support | 7,000 | 1,798 | 25.68% | 8,000 |
| 5689 | Wages - 19% | 46,725 | 23,256 | 49.77% | 47,750 |
| | TOTAL VOLUNTEER TRAINING/SUPPORT EXP. | 60,125 | 26,826 | 44.62% | 64,250 |
| 1430 | Office Furniture & Equipment | 500 | 318 | 63.60% | 500 |
| 2132 | Photocopier | 3,800 | 2,737 | 72.03% | 5,000 |
| 1440 | Computer Upgrades | 3,000 | 2,969 | 98.97% | 5,000 |
| | CAPITAL EXPENSES/EQUIPMENT | 7,300 | 6,024 | 1.42% | 10,500 |
| | | | | | |
| | TOTAL EXPENSES | 425,500 | 208,380 | 48.97% | 485,000 |
| | TOTAL REVENUE | 425,500 | 236,244 | 55.52% | 485,000 |

Nanaimo Community Hospice Society

Board of Directors – Effective July 5, 2012

| Board Executive | Address | Phone |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|---------------------------------------------------------|
| Benoit, Suzanne – President Owner/Operator – Mosaic Info Technology (MIT) Suzanne.Benoit@MosaicIT.ca | 475 Chestnut Street Nanaimo, BC V9S 2K7 | H: 250-754-2321 W: 250-591-1777 Fax: 250-244-4034 |
| CLARK, Kris - Vice-President Retired w-kclark@shaw.ca | 3119 Jingle Pot Road Nanaimo, BC V9R 6W6 | H: 250-754-2249 |
| MICHAUD, Ann – Treasurer Retired Ann.michaud1@gmail.com | 4884 Logan's Run Nanaimo, BC V9V 1N8 | H: 250-729-7966 C: 250-714-8534 |

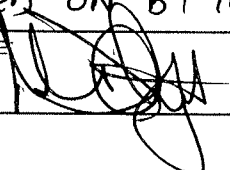
| Members at Large | Address | Phone |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|------------------------------------|
| BOUDREAU, Karen – Member at Large bluepacificsail@shaw.ca | 530 Summit Drive Nanaimo BC V9T 5J7 | H : 250-585-3170 |
| CLUCHEY, Gordon – Member at Large gcluchey@shaw.ca | 1421 Seaspray Blvd Nanaimo, BC V9X 1P5 | H: 250-722-3267 |
| LYONS, Terry – Member at Large Office Manager, Vancouver Island University terry56lyons@shaw.ca terry.lyons@viu.ca | 2310 Stobart Rd Nanaimo BC V9R 6W2 | H: 250-754-5899 W: 250-740-6423 |
| MAGOR, Dianne – Member at Large Executive Director – Pacific Child & Family Enrichment Society dmagor@pacific-care.bc.ca | 1717 Country Road Qualicum Beach, BC V9K 2S3 | H: 250-752-6076 W: 250-756-2022 |
| SHERSTONE, Dave – Member at Large Coroner dwsherstone@shaw.ca | 5958 Sunset Road Nanaimo, BC V9V 1K4 | H: 250-758-1414 F: 250-758-1414 |

| Ex-Officio Members | Address | Phone |
|--------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|----------------------------------------------------------|
| PRATT, Wendy Executive Director, Hospice wendyp@nanaimohospice.com | #30 – 571 Bradley St. Nanaimo, BC V9S 1B9 | H: 250-755-3021 W: 250-758-8857 Cell: 250-616-9426 |
| FAHLMAN, Jeanne Development Officer, Hospice jeannef@nanaimohospice.com | 2743 Labieux Rd Nanaimo, BC V9T 4B9 | H: 250-751-0501 W: 250-758-8857 Cell: 250-816-1878 |

120

CITY OF NANAIMO
APPLICATION FOR SECURITY CHECK
GRANT IN AID

Office Use

| | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------|--|
| ORGANIZATION: THE NANAIMO ARTS ALIVE SUMMER SCHOOL OF THE FINE ARTS SOCIETY | | DATE: SEPT 4, 2012 | |
| ADDRESS: PO Box 2085 STN A NANAIMO VAR 6x5 | | PRESIDENT: VINCE KATNICH | |
| | | SENIOR STAFF MEMBER: MICHAEL WRIGHT | |
| | | POSITION: EXECUTIVE ASSISTANT | |
| | | CONTACT: MICHAEL WRIGHT | |
| TELEPHONE: | | TELEPHONE: 250 713 9708 | |
| OVERVIEW OF YOUR ORGANIZATION'S PROGRAMS AND SERVICES OFFERED IN THE COMMUNITY: PRESENTING A SUMMER SCHOOL OF THE FINE ARTS IN NANAIMO JULY 2012. OFFERING OVER 40 PROGRAM COURSES IN ART, DANCE, MUSIC AND DRAMA, MAINLY TO CHILDREN AND YOUNG PEOPLE | | | |
| GEOGRAPHIC AREA SERVED BY THE ORGANIZATION: NANAIMO & MID ISLAND | | | |
| NO. OF FULL TIME STAFF: 0 | | NO. OF PART TIME STAFF: 1 | |
| NO. OF COMMUNITY VOLUNTEERS: 20 | | NO. OF VOLUNTEER HOURS PER YEAR: 400 | |
| NO. OF MEMBERS: 210 | | MEMBERSHIP FEE: 0 | |
| CLIENTS SERVED, LAST YEAR: 260 | | CLIENTS SERVED, THIS YEAR (PROJECTED): 290 | |
| NUMBER OF SECURITY CHECKS CARRIED OUT IN THE CURRENT CALENDAR YEAR? (PLEASE ATTACH ORIGINAL RECEIPTS) 18 (BUT ONLY 14 RECEIPTS ENCLOSED FOR NANAIMO CHECKS) | | | |
| WHAT WILL BE THE EFFECT IF YOU DO NOT RECEIVE A SECURITY CHECK GRANT FROM THE CITY OF NANAIMO? OUR MAIN SOURCE OF INCOME IS COURSE FEES AND GRANTS FROM THE CITY. COURSES ARE COSTED ON A BREAK-EVEN BASIS (WHICH HAS MORE OR LESS BEEN ACHIEVED THIS YEAR). REDUCTIONS IN GRANT INCOME WILL HAVE TO BE PASSED ON BY INCREASING COURSE FEES. | | | |
| SIGNATURE:  | | TITLE/POSITION: EXECUTIVE ASSISTANT | |
| | | DATE: SEPT 4, 2012 | |

Arts Alive

Income Statement 01/09/2011 to 31/08/2012

REVENUE

Revenue

| | |
|----------------------------------|------------------|
| Government Grants - Federal | 3,768.00 |
| Government Grants - Provincial | 0.00 |
| Government Grants - Municipal | 2,600.00 |
| Casino access to gaming revenues | 11,000.00 |
| Interest | 98.47 |
| Registrations | 26,551.00 |
| Program sponsors | 8,826.38 |
| Charitable cash donations | 105.80 |
| Merchandise sales | 0.00 |
| Raffle ticket sales | 0.00 |
| Ticket sales - Musical theatre | 5,438.50 |
| GST Refund | 0.00 |
| Miscellaneous | 0.00 |
| Net Sales | 58,388.15 |
| TOTAL REVENUE | 58,388.15 |

EXPENSE

Expenditure, Programs

| | |
|-------------------------------------|------------------|
| Executive assistant contract (prog) | 6,200.00 |
| Wages: day camp & rep | 0.00 |
| Benefits, program related | 0.00 |
| Honoraria | 15,172.50 |
| Rentals | 2,393.62 |
| Art supplies | 1,001.57 |
| Production costs - Musical theatre | 4,995.99 |
| Bursary fund usage | 100.00 |
| Miscellaneous program | 106.01 |
| Total Programs Cost | 29,969.69 |

Payroll Expenses

| | |
|------------------------------|-----------------|
| Wages & Salaries | 7,160.40 |
| EI Expense | 183.47 |
| CPP Expense | 305.01 |
| WCB Expense | 10.03 |
| Total Payroll Expense | 7,658.91 |

Expenditures, Administrative

| | |
|----------------------------------------|------------------|
| Executive Assistant Contract -Ad... | 9,900.00 |
| Wages: School Promotions & Pr... | 0.00 |
| Benefits, Administrative related | 0.00 |
| Registration charge | 2,278.60 |
| Publicity | 3,257.40 |
| Office supplies | 291.65 |
| Travel | 255.36 |
| Postage | 376.55 |
| Insurance, accident | 1,200.00 |
| Insurance, Directors & Officers | 205.00 |
| Board expenses | 342.74 |
| Website redevelopment | 3,671.73 |
| Fundraising | 0.00 |
| RCMP security checks | 475.00 |
| Miscellaneous administrative | 615.56 |
| Total Administrative Expendi... | 22,869.59 |

TOTAL EXPENSE

NET INCOME

Ad due from Summer Jobs

Printed On: 01/09/2012

-2,110.04

1254.50

- 855.54

- Item still to be posted

Arts Alive

Balance Sheet As at 31/08/2012

ASSET

Current Assets

| | | |
|------------------------------|----------|------------------|
| Cash to be deposited | 0.00 | |
| Cash - Bursary account | 1,064.54 | |
| Cash - Petty Cash Fund | 231.16 | |
| Cash - Gaming account | 33.74 | |
| Cash - Operating account | 2,982.68 | |
| Foreign Currency Bank | 0.00 | |
| Total Cash | | 4,312.12 |
| Investments | | 0.00 |
| Investments - Term deposit | 9,557.32 | |
| Investments - Shares at CCCU | 57.30 | |
| Accounts receivable | 0.00 | |
| Payroll Advances | 0.00 | |
| Total Receivable | | 9,614.62 |
| Office Supplies | | 0.00 |
| Total Current Assets | | 13,926.74 |
| TOTAL ASSET | | 13,926.74 |

LIABILITY

Current Liabilities

| | | |
|----------------------------------|---------|----------------|
| Accounts Payable | | 0.00 |
| Vacation payable | | 0.00 |
| EI Payable | 192.54 | |
| CPP Payable | 375.10 | |
| Federal Income Tax Payable | 0.00 | |
| Total Receiver General | | 567.64 |
| WCB Payable | | 10.03 |
| PST Payable | | 0.00 |
| GST Charged on Sales | 0.00 | |
| Federal Tax Paid on Purchases | -304.49 | |
| Prov Tax Paid on Purchases | -470.91 | |
| HST Owing (Refund) | | -775.40 |
| Total Current liabilities | | -197.73 |
| TOTAL LIABILITY | | -197.73 |

EQUITY

Owners Equity

| | | |
|-----------------------------------|-----------|------------------|
| Owners Contribution | 0.00 | |
| Owners Withdrawals | 0.00 | |
| Retained Earnings - Previous Year | 16,234.51 | |
| Current Earnings | -2,110.04 | |
| Total Owners Equity | | 14,124.47 |
| TOTAL EQUITY | | 14,124.47 |
| LIABILITIES AND EQUITY | | 13,926.74 |

YE AUG 31 2011

ASSET

Current Assets

| | | |
|------------------------------|-----------|------------------|
| Cash to be deposited | 0.00 | |
| Cash - Bursary account | 1,064.02 | |
| Cash - Petty Cash Fund | 275.91 | |
| Cash - Gaming account | 1.69 | |
| Cash - Operating account | 4,183.83 | |
| Foreign Currency Bank | 0.00 | |
| Total Cash | | 5,525.45 |
| Investments | | 0.00 |
| Investments - Term deposit | 10,960.46 | |
| Investments - Shares at CCCU | 56.71 | |
| Accounts receivable | 0.00 | |
| Payroll Advances | 0.00 | |
| Total Receivable | | 11,017.17 |
| Office Supplies | | 0.00 |
| Total Current Assets | | 16,542.62 |

TOTAL ASSET 16,542.62

LIABILITY

Current Liabilities

| | | |
|----------------------------------|---------|---------------|
| Accounts Payable | | 0.00 |
| Vacation payable | | 0.00 |
| EI Payable | 261.56 | |
| CPP Payable | 515.12 | |
| Federal Income Tax Payable | 0.00 | |
| Total Receiver General | | 776.68 |
| WCB Payable | | 9.46 |
| PST Payable | | 0.00 |
| GST Charged on Sales | 0.00 | |
| Federal Tax Paid on Purchases | -184.18 | |
| Prov Tax Paid on Purchases | -293.85 | |
| HST Owing (Refund) | | -478.03 |
| Total Current liabilities | | 308.11 |

TOTAL LIABILITY 308.11

EQUITY

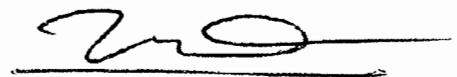
Owners Equity

| | | |
|-----------------------------------|-----------|------------------|
| Owners Contribution | 0.00 | |
| Owners Withdrawals | 0.00 | |
| Retained Earnings - Previous Year | 18,891.61 | |
| Current Earnings | -2,657.10 | |
| Total Owners Equity | | 16,234.51 |

TOTAL EQUITY 16,234.51

LIABILITIES AND EQUITY 16,542.62

Approved on behalf
of the Board



K. A. Hillman

Nov 8, 2011

REVENUE**Revenue**

| | |
|----------------------------------|-----------|
| Government Grants - Federal | 4,008.00 |
| Government Grants - Provincial | 0.00 |
| Government Grants - Municipal | 2,600.00 |
| Casino access to gaming revenues | 3,000.00 |
| Interest | 149.43 |
| Registrations | 22,214.00 |
| Program sponsors | 11,699.50 |
| Charitable cash donations | 241.47 |
| Merchandise sales | 0.00 |
| Raffle ticket sales | 1,835.00 |
| Ticket sales - Musical theatre | 0.00 |
| GST Refund | 0.00 |
| Miscellaneous | 600.55 |

Net Sales 46,347.95

TOTAL REVENUE 46,347.95

EXPENSE**Expenditure, Programs**

| | |
|-------------------------------------|-----------|
| Executive assistant contract (prog) | 6,200.00 |
| Wages: day camp & rep | 0.00 |
| Benefits, program related | 0.00 |
| Honoraria | 11,323.75 |
| Rentals | 2,036.10 |
| Art supplies | 816.37 |
| Production costs - Musical theatre | 1,207.73 |
| Bursary fund usage | 300.00 |
| Miscellaneous program | 95.51 |

Total Programs Cost 21,979.46

Payroll Expenses

| | |
|------------------|----------|
| Wages & Salaries | 6,747.32 |
| EI Expense | 168.12 |
| CPP Expense | 281.78 |
| WCB Expense | 9.46 |

Total Payroll Expense 7,206.68

Expenditures, Administrative

| | |
|-------------------------------------|----------|
| Executive Assistant Contract -Ad... | 9,900.00 |
| Wages: School Promotions & Pr... | 0.00 |
| Benefits, Administrative related | 0.00 |
| Registration charge | 2,111.40 |
| Publicity | 3,885.70 |
| Office supplies | 284.94 |
| Travel | 0.00 |
| Postage | 382.82 |
| Insurance, accident | 1,200.00 |
| Insurance, Directors & Officers | 205.00 |
| Board expenses | 338.32 |
| Fundraising | 214.92 |
| RCMP security checks | 520.00 |
| Miscellaneous administrative | 775.81 |

Total Administrative Expendi... 19,818.91

TOTAL EXPENSE 49,005.05

NET INCOME -2,657.10

**CITY OF NANAIMO
EVALUATION
OTHER GRANTS**

Name of Organization: Nanaimo 7-10 Club Society

Request for 50% decrease in rent from 2013-JAN-01 to 2015-DEC-31
(= \$766.75/mo).

Licence to Occupy at 285 Prideaux Street expires 2014-MAR-31.

Monthly rent is \$1,553.50/mo + HST. Year's rent reduction = \$9,321.00

Grant No. 2012 OG-03

| Criteria: | Meets Criteria: | | Statement of Purpose: | | |
|------------------------------------------------------------|-----------------|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|--|
| | Yes | No | | | |
| > large number of volunteers | | | <u>Kind of Funding:</u> educational funding emergency funding capital grants on a matching basis up to a maximum of \$5,000 in-kind funding for facility rental | | |
| > registered nonprofit society | | | | | |
| > sound financial and administrative management | | | | | |
| > financial need | | | | | |
| > accessible to a large portion of the community | | | | | |
| > must have a broad base of support | | | | | |
| > must be local in focus | | | | | |
| > must adhere to all City of Nanaimo's bylaws and policies | | | | | |
| Grant Awarded: | Yes | No | Amount Recommended: | \$ | |
| | | | | | |
| Discussion: | | | | | |
| | | | | | |
| | | | | | |
| Notes: | | | | | |
| | | | | | |
| | | | | | |



285 Prideaux St. Nanaimo, BC V9R 2N2
Ph: 250 714 0917 e-mail: info@nanaimo710club.ca

September 14, 2012

City of Nanaimo Grants Advisory Committee

c/o Laura Mercer
455 Wallace Street
Finance Department
City of Nanaimo V9R 5J6

Re: Request for support for the 7 - 10 Club Society and the Nanaimo Region John Howard Society

The Nanaimo 7-10 Club Society is requesting a Grant In Aid in the form of a 50% reduction of our rent, from 2013 through 2015, paid to the City of Nanaimo for use of space at the Community Service Building 285 Prideaux St.

Feeding those in need helps homeless and low income individuals as well as contributing to the prevention of Homelessness.

High unemployment due to a struggling economy and increased costs for goods and fuel has resulted in both an increase in need and increase in expenses for the Nanaimo 7-10 Clubs Community Meal program. In the last couple of years the Nanaimo 7-10 Club society has experienced a 25% increase, 18% in 2011 alone, in the numbers of people accessing our service. Donations by individuals, usually accounting for 37% of our budget, were down 31% in 2011 with an overall drop of 25% for all donations. Grocery costs alone rose by 17% in 2011; staff have received no increase in pay in recent years.

While our funding streams had remained relatively stable over the year's recent changes have negatively affected the society in that for the first time in over a decade the society operated at a deficit. The Nanaimo 7-10 Club currently receives a total, Community Gaming & Bingo Affiliation, of \$40,000 through gaming and we are in the process of requesting \$70,000 under the new Community Gaming designation. The 7-10 Club is also working to access other grants towards meeting increased need and costs. It is hoped by doing so that this will give the club a more reliable base of ongoing and emergency funds to meet the growing need in the community.

The Board of Directors, Staff/Volunteers and the patrons of our service wish to thank you for your consideration of our request.

Sincerely;

Gordon W. Fuller
Chair: Nanaimo 7-10 Club Society



CITY OF NANAIMO
APPLICATION FOR GRANT
Other Grants

Office Use

| | |
|---------------------------------------------------------|------------------------------------------------------------|
| ORGANIZATION: Nanaimo 7-10 Club Society | DATE: September 13, 2012 |
| ADDRESS: 285 PRIDEAUX ST. NANAIMO, BC V9R 2N2 | PRESIDENT/CHAIR/EXECUTIVE DIRECTOR: GORD FULLER |
| | CONTACT PERSON FOR THIS APPLICATION: GORD FULLER |
| TELEPHONE: 250 714 0917 | POSITION: CHAIR |
| FAX: | TELEPHONE: 250 797 0531 |
| EMAIL: INFO@NANAIMO710CLUB.COM | EMAIL: GORFATHOME@YAHOO.CA |

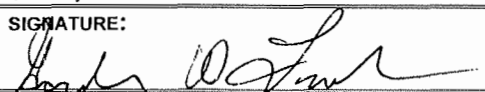
OVERVIEW OF YOUR ORGANIZATION'S PROGRAMS AND SERVICES OFFERED IN THE COMMUNITY:

THE NANAIMO 7-10 CLUB HAS BEEN FEEDING PEOPLE WITH DIGNITY & RESPECT FOR 25 YEARS. THE NANAIMO 7-10 CLUB IS A FREE COMMUNITY BREAKFAST & BAG LUNCH PROGRAM SERVING ANYONE IN NEED OF NUTRITIONAL FOOD IN THE COMMUNITY OF NANAIMO. CURRENTLY THE 7-10 CLUB FEEDS 150 – 175 PEOPLE PER DAY. THOSE ACCESSING THE SERVICE INCLUDE, SENIORS, STUDENTS, FAMILIES, PEOPLE ON FIXED OR LOW INCOME, THE UNEMPLOYED OR UNDEREMPLOYED AND THE HOMELESS.

GEOGRAPHIC AREA SERVED BY THE ORGANIZATION:

GREATER NANAIMO

| | |
|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| NO. OF FULL TIME STAFF: 0 | NO. OF PART TIME STAFF: 3 |
| NO. OF COMMUNITY VOLUNTEERS: 25 - 40 | NO. OF VOLUNTEER HOURS PER YEAR: 7+ THOUSAND |
| NO. OF MEMBERS: 14 (VOLUNTEERS AND CLIENTELLE ARE HONOURARY MEMBERS) | MEMBERSHIP FEE: \$10.00 |
| CLIENTS SERVED, LAST YEAR: APPROX. 40,000 | CLIENTS SERVED, THIS YEAR (PROJECTED): APPROX 45,500 |
| B.C. SOCIETY ACT REG. NO.: S-0020789 | REVENUE CANADA CHARITABLE REG. NO.: 890714769RR0001 |
| CURRENT BUDGET | DO YOU REQUIRE A RENTAL SUBSIDY? IF SO HOW MUCH? Yes. 50% |
| INCOME: \$123,615.32 | |
| EXPENSES: \$123,615.32 | DO YOU REQUIRE A CASH GRANT? IF SO, HOW MUCH? No! |
| NEXT YEAR PROJECTED: | |
| INCOME: \$128,559.93 | TOTAL GRANT REQUESTED: 50% DECREASE IN RENT THROUGH MARCH OF 2015 |
| EXPENSES: \$128,559.93 | |

| | | |
|----------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------|
| SIGNATURE:  | TITLE/POSITION: Chair - Board | DATE: Sept 13, 2012 |
|----------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------|

NOTE: YOUR ORGANIZATION'S MOST RECENT AUDITED FINANCIAL STATEMENTS, CURRENT FINANCIAL STATEMENTS AND BALANCE SHEET AND INCOME STATEMENT MUST BE ATTACHED TO THE APPLICATION FORM (SEE COMPLETE LIST OF REQUIRED ATTACHMENTS ON BACK OF THIS FORM).

City Of Nanaimo Grant Questionnaire

1. What is the main purpose of your organization?

The Nanaimo 7-10 Club's main purpose is to provide short-term supplementary food relief to those in need in Nanaimo.

2. Describe the work your organization does in this community.

The 7-10 Club serves a hot breakfast and a bagged lunch at no cost, 5 days a week to individuals and families in need from 7am to 10am. In 2012 we estimate Over 80,000 meals will be provided. We also have provided a free meal on Christmas Day for the past 19years. The 7-10 Club provides space for social interaction and staff and volunteers informally assist clients with referrals to appropriate community services.

3. What other agencies provide similar services?

The Salvation Army on Nicol St. in Nanaimo provides lunch and dinner for a nominal fee. The 7-10 Club is the only service providing a hot breakfast and bag lunch free of charge on a regular basis.

4. How is your organization different than those organizations providing similar services in question 3 above?

While the Salvation Army provides an in-house lunch, \$1.00 and dinner, \$2.00 the 7-10 Club provides a hot breakfast and bag lunch free of charge. The bag lunch also provides a nutritious meal for those who are heading to work, attend school or to volunteer in the community.

5. Describe who your clients are.

Our clients are seniors on limited incomes, persons with disabilities, the unemployed and underemployed, college students, low-income families, those of aboriginal ancestry, the homeless or at risk of homelessness, and those with mental illness and addictions. .

6. Where do your clients live?

People using the service come from all areas of Nanaimo though they are predominantly from the Fairview, Harewood, South End and Downtown areas.

7. Describe the needs of your clients.

The needs of our clientele are as varied as the actual client base. The common element seems to be the need for food and affordable housing. Many of our clients on fixed incomes spend such a disproportionate amount of their income to secure safe housing and then run short of funds to purchase adequate food. Many times, clients are simply in need of companionship and appreciate having the opportunity to get together with friends and neighbours within the community, have coffee, breakfast and social network in a non-judgmental atmosphere..

8. What are your organization's specific priorities for the coming year?

The 7-10 Club's priorities for the coming year are to continue working towards being able to provide a 7 day a week service. Currently we have three groups partnering to provide a hot brunch on Saturdays, including the two prior to Income Assistance cheque issue. We also continue to focus on board recruitment and retention as well as working towards increasing fundraising efforts to secure a reserve fund that would allow less reliance on Gaming Funds from the province.

9. How does your organization ensure that its services address continuing and emerging community needs?

Short term food relief in the 7-10 Club's 25 year history has always been an ongoing community need in Nanaimo and the need continues to grow greater. Government cutbacks to social service programs and high unemployment rates have created an increase in the poverty level for a growing number of individuals and families in Nanaimo. The 7-10 Club sits on a number of committees dealing with Food Security and Homelessness which identify the needs of the community. We will be sure to address continuing and emerging needs by diversifying our funding streams and building partnerships so as to become less reliant in any given area of funding.

10. Describe your organization's community support.

The 7-10 Club receives regular monthly support from many service clubs, individuals, businesses and faith based groups. Many other service and faith based groups will contribute throughout the year. We also receive donations of goods from; Quality Foods, Fairway Market, Thrifty Foods and Starbucks as well as from the Salvation Army and Loaves and Fishes Food Bank. The 7-10 Club also has the support of approximately 40 volunteers, contributing approximately 6500 hours of volunteer work, associated with the 7-10 club and its endeavours.

11. Describe the role of volunteers in your organization.

Volunteers are integral part of the 7-10 Club, providing approx 6500 hours of service, without which the 7-10 Club would be unable to function. Volunteers assist staff in all aspects of running the kitchen and dining areas. Other volunteers also assist with food pick-up and fundraising opportunities. The 7-10 Club Board of Directors volunteer their services in all administrative functions including fundraising, grant and proposal writing, event planning, volunteer coordination, education and community awareness. Board members and volunteers also assist clients by referring them to appropriate agencies.

12. What are your organization's problems and how are they being addressed?

High unemployment due to a struggling economy and increased costs for goods and fuel has resulted in both an increase in need and increase in expenses. Over the last couple of years the Nanaimo 7-10 Club society has experienced a 25% increase, 18% in 2011 alone, in the numbers of people accessing our service. Donations by individuals, usually accounting for 37% of our budget, were down 31% in 2011 with an overall drop of 25% for all donations. Grocery costs alone rose by 17% in 2011; staff have received no increase in pay in recent years.

While our funding streams had remained relatively stable over the year's recent changes have affected the society. The Nanaimo 7-10 Club currently receives a total, Community Gaming & Bingo Affiliation, of \$40,000 through gaming and we are in the process of requesting \$70,000 under the new Community Gaming designation. The 7-10 Club is also working to access other grants towards creating an operating reserve; as well as increasing the number of individual and business donations through pre authorized with drawl. This will give the club a more reliable base of ongoing and emergency funds.

13. Provide details of fees for service in your organization, and how costs and fees are determined.

There is no cost for services at the 7-10 Club.

14. If your organization is a branch of a larger organization, indicate how this affects the financial and other information you have provided.

N/A

15. Provide details of any funds that are controlled by your organization that are not part of your operating income. Also provide details of any capital special purpose bequests, endowments or reserve funds.

N/A

16. Describe your policy and treatment of year-end surpluses or deficits.

We seldom have much of a surplus and when we do it is carried over to the following year. 2011 was by far the greatest deficit we have faced in years and as a result we are expanding grant and fundraising efforts.

17. Detail current and/or planned revenue-generating activities of your organization.

Grant and funding application - ongoing.
Tag days – ongoing
Informational booths allowing for fundraising – ongoing.
Harvest Festival – September
Third annual Festival of Gratitude, concert by local musicians,
October/November

18. List grants applied for/received from other governments or service clubs.

2012

Received:

| | |
|----------------------------|-----------------------|
| Community Gaming Grant: | \$40,000 |
| Reallist Realty – used Van | \$5000 (Equipment) |

In Progress

2013 Community Gaming Grant, request for increase

| | |
|-------|-------------------------------------------------|
| Co-op | \$7,000 (Gas & maintenance of 7-10 club van) |
|-------|-------------------------------------------------|

19. Name other organizations or individuals who can endorse your organization. Provide names and telephone numbers.

Name: Peter Sinclair
Loaves and Fishes Community Food Bank
250 754 8347

Name: Marjorie Driscoll
Volunteer Nanaimo
250 758-7121

Name: France Tellier
John Howard Society

250 754 1266

Name: George McGladdry
Nanaimo Citizens Advocacy
250 753 2321

20. Identify previous grants from the City of Nanaimo and other agencies and describe how your organization ensured funding went toward the program fulfilled.

We have received a number of City Grants through Grants In Aid, Social Development and Community Service Grants over the years. Grants required for specific needs were deposited in the appropriate accounts of the 7-10 Club. All funds are used solely for the operation of the 7-10 Clubs Community Meals Program with all accounting being reviewed by Cyrenne, Seal, Moore & Co for our yearly Financial Statements.

21. What do you plan to use the City grant for this year?

We seek to have our rent reduced by 50% for the next three years.

22. What will the effect be if you do not receive a Grant from the City of Nanaimo?

Rent for the 7-10 Club comprises two months worth of the 7-10 Clubs overall costs. With total donations down by 25% the effect if we do not receive the grant could be in limited closures of the 7-10 Club due to a lack of funds.

**Nanaimo 7-10 Club
Registered Charities Return
For Year End December 31, 2011**

Revenue:

Eligible amt of tax receipted gift:

| | | |
|--------------|------------------|------------------|
| Corporations | 5,242.00 | |
| Individuals | <u>32,867.00</u> | |
| | 38,109.00 | 38,109.00 |

Other Registered Charities:

| | | |
|------------------|------------------|------------------|
| Gaming (other) | 11,442.00 | |
| Churches | 1,205.00 | |
| Org. & Societies | <u>17,235.00</u> | |
| | 29,882.00 | 29,882.00 |

Provincial Gov't: 40,000.00

Municipal Gov't: 3,000.00

Fundraising: 1,408.00

Total Revenue: 112,399.00

Expenses:

| | |
|--------------------------------------|------------------|
| Advertising: | 355.00 |
| Vehicle: | 5,166.00 |
| Bank Charges & Interest: | 317.00 |
| License Membership: | 48.00 |
| Office: | 2,153.00 |
| Rent & Utilities: | 20,655.00 |
| Salaries & Employee Benefits: | 43,010.00 |
| Amortization: | 9,726.00 |
| Prof. Fees – Accounting & Insurance: | 4,410.00 |
| Groceries : | <u>36,061.00</u> |
| | 121,901.00 |

Net Income: (9,502.00)
=====

Chair notes:

Individual donations were down from year prior by 31% as were donations from Fundraising, Church Groups and Corporations. Overall donations were down 25%

Organizations & Societies were up but included in that were one time donations of a Van & Freezer totalling \$10,000.00. If this amount was not in our revenue the deficit above would have been \$19,502.00

Grocery expenses were up 17.5%

People utilizing the service were up 18%

Nanaimo 7-10 Club Society Projected Budget 2012

2012

Revenue

| | |
|--------------------|-------------|
| Gaming | \$40,000.00 |
| Organizations | \$21,006.32 |
| Churches | \$1,236.33 |
| Individuals | \$34,715.63 |
| Corporations | \$5,378.76 |
| Grants | \$13,285.00 |
| Events/Fundraising | \$7,993.28 |

Total Revenue **\$123,615.32**

Expenses

| | |
|-----------------|-------------|
| Accounting | \$1,567.40 |
| Insurance | \$2,838.94 |
| Office Supplies | \$735.09 |
| Groceries | \$37,504.00 |
| Wages | \$44,988.29 |
| Rent | \$21,421.90 |
| Repairs | \$2,615.42 |
| Telephone | \$950.28 |
| Internet | \$192.35 |
| Vehicle | \$10,801.65 |

Total Expenses **\$123,615.32**

Nanaimo 7-10 Club
Income Statement 01/01/2012 to 31/07/2012

REVENUE

| | |
|-----------------------------------|---------------|
| Revenue | |
| Bingo | 0.00 |
| Community Gaming Grant | 40,000.00 |
| Direct Access | 0.00 |
| Fraternal Gaming Donations | 2,550.00 |
| Church Donations | 1,574.90 |
| Canada Helps | 783.22 |
| Individual Donations | 9,320.67 |
| Building Donations | 0.00 |
| Corporate Donations | 6,454.00 |
| Monthly Pre-Authorized Debit | 3,790.00 |
| Organization Non Gaming Donations | 2,956.54 |
| Donation Revenue in Kind | 53.71 |
| Grants | 800.00 |
| Donated Equipment | 0.00 |
| Membership Fees | 105.00 |
| Interest | 1.97 |
| Coin Boxes | 524.80 |
| Funds From Events | 579.55 |
| Total from Events | |
| Total Revenue | 69,494.36 |
| TOTAL REVENUE | 69,494.36 |

EXPENSE

| | |
|---------------------|-----------|
| Expenses | |
| Advertising | 0.00 |
| Accounting | 1,540.00 |
| Office Supplies | 405.80 |
| Website Development | 0.00 |
| Insurance | 4,366.00 |
| Telephone | 645.96 |
| Internet | 21.22 |
| Minister of Finance | 25.00 |
| Memberships | 270.72 |
| Training | 77.30 |
| Bank Charges | 145.00 |
| Interest on LTD | 0.00 |
| Fundraisng Expense | 607.82 |
| Christmas Expense | 0.00 |
| Renovation Expenses | 0.00 |
| Payroll | 24,998.36 |
| Payroll Expense | 716.22 |
| WCB Expense | 208.61 |
| Groceries | 22,360.26 |
| Rent | 9,569.56 |

| | |
|-------------------------------|--------------------------|
| Vehicle | 2,878.18 |
| Dishwasher Lease | 0.00 |
| Repairs and Maintenance | 1,363.76 |
| Kitchen Equipment new kitchen | 74.37 |
| Toatl Expenses | 70,274.14 |
| TOTAL EXPENSE | 70,274.14 |
| NET INCOME | <u>(779.78)</u> ===== |

Generated On: 11/09/2012

Nanaimo 7-10 Club
Balance Sheet As at 31/07/2012

ASSETS

| | | |
|------------------------------------|----------|-------------|
| Current Assets | | |
| Chequing Account | | 10,930 36 |
| Petty Cash | | 100 00 |
| Gaming Account | | 3,233 34 |
| Buyers Account | | 975 41 |
| Gift Certificates | | 2,012 36 |
| Building Account | 79 29 | |
| Monthly Donations | 5,091 27 | |
| Total Building Account | | 5,170 56 |
| TDWaterhouse Investment | | 0 00 |
| Accounts Receivable | | 0 00 |
| Credit Union Shares | | 104 94 |
| Total Current Assets | | 22,526 97 |
| Capital Accounts | | |
| Misc Kitchen Equipment | | 19,531 34 |
| Accum Amort - Misc kitchen equip | | 0 00 |
| Kitchen equipment 2009 Renovation | | 0 00 |
| Dishwasher | | 6,630 00 |
| Accumulated Amortization Equipment | | (15,955 12) |
| Vehicle | | 6,300 00 |
| Accumulated Amortization Vehicle | | (2,050 00) |
| Computers | | 1,000 00 |
| Accumulated Amortization Computers | | (1,000 00) |
| Leasehold Improvements | | 23,809 70 |
| Accumulated Amortization Leasehold | | (11,904 85) |
| Prepays | | 653 32 |
| Misc Equipment | | 674 64 |
| Accum Amort - Misc Equip | | 0 00 |
| Total Capital Accounts | | 27,689 03 |
| TOTAL ASSETS | | 50,216 00 |

=====

LIABILITIES

| | | |
|-------------------|--|----------|
| Liabilites | | |
| Accounts Payable | | 5,325 47 |
| Accounts Payable | | 0 00 |
| GST Receivable | | 0 00 |
| HST | | (481 72) |
| WCB Payable | | 208 61 |
| Unearned Revenue | | 0 00 |
| Qualica Financing | | 0 00 |
| Current LTD | | 0 00 |
| Offset Debt | | 0 00 |
| Total Liabilities | | 5,052 36 |

| | |
|------------------------|-----------|
| TOTAL LIABILITIES | 5,052.36 |
| EQUITY | |
| Equity | |
| Current Earnings | (779.78) |
| Net Balance | 45,943.42 |
| Total Equity | 45,163.64 |
| TOTAL EQUITY | 45,163.64 |
| LIABILITIES AND EQUITY | 50,216.00 |
| | ===== |

Generated On: 11/09/2012