

SALT SPRING ISLAND MONETARY FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2007

TREASURER'S REPORT

To the members of
SALT SPRING ISLAND MONETARY FOUNDATION

Advisory to Reader

I have prepared these financial statements for the Salt Spring Island Monetary Foundation in my capacity as Treasurer. No independent firm of professional accountants has audited, reviewed, compiled, or otherwise attempted to verify the accuracy or completeness of these financial statements.

William E. Krebs, CA

Salt Spring Island, BC
December 11, 2007

SALT SPRING ISLAND MONETARY FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT AUGUST 31

ASSETS

	2007	2006
CURRENT		
Cash	\$ 28,150	\$ 56,287
Accounts receivable	3,619	1,423
Short term investments (Note 5)	<u>17,546</u>	<u>13,146</u>
	<u>49,315</u>	
<u>70,856</u>		
FIXED		
Armoured Van	18,422	-
	\$ 67,737	\$
<u>70,856</u>		

LIABILITIES

CURRENT		
Accounts payable and accrued liabilities	\$ 2,277	\$ 1,643
Deferred revenue (Note 3 & 6)	<u>145,551</u>	<u>119,580</u>
	147,828	121,223
LONG-TERM DEBT		
Loans payable to members (Note 7)	2,675	2,675

ASSETS NET OF LIABILITIES

ASSETS NET OF LIABILITIES(<u>82,766</u>)	<u>(53,042)</u>	
	\$ 67,737	\$
<u>70,856</u>		

APPROVED ON BEHALF OF THE BOARD:

“Robert McGinn” Director

“Eric Booth” Director

SALT SPRING ISLAND MONETARY FOUNDATION

STATEMENT OF OPERATIONS AND ASSETS NET OF LIABILITIES

FOR THE YEARS ENDED AUGUST 31

	2007	2006
SALES	\$ <u>12,446</u>	\$ <u>1,702</u>
EXPENSES		
Regulatory	\$ 50	\$ 40
Bank charges and interest	872	186
Printing, Mint & Silver	35,994	-
Promotion	3,216	5,530
Postage	1,419	241
Vehicle	<u>619</u>	
	<u>42,170</u>	
	5,997	
EXCESS OF EXPENSES OVER REVENUE	\$ (29,724) =====	\$ (4,295) =====
ASSETS NET OF LIABILITIES, end of period	\$ (82,766) =====	\$ (53,042) =====

SALT SPRING ISLAND MONETARY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2007

1. BASIS OF PRESENTATION

These financial statements have been prepared for information purposes to report the results of the Salt Spring Island Monetary Foundation's operations for the year ended August 31, 2007 with comparative for 2006.

2. PURPOSE OF THE ORGANIZATION

The Society was incorporated on July 17, 2001 for the purposes of designing, issuing and maintaining a local currency for Salt Spring Island. The goal of these activities is to raise funds for worthwhile community projects while promoting local commerce and goodwill.

3. ACCOUNTING POLICIES

a) REVENUE RECOGNITION

Cash collected from the sale of Salt Spring Dollars is shown as deferred revenue on the financial statements.

b) INVENTORY

The cost of producing Salt Spring Dollars is expensed. Inventory of issued and un-issued Salt Spring Dollars is not recorded.

c) STATEMENT OF CASH FLOWS

A statement of cash flows has not been provided as it would not provide additional useful information.

4. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, accounts receivable, short term investments, accounts payable and accrued liabilities. The carrying amount of these financial instruments approximates their fair value.

Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest or credit risks arising from these financial instruments.

SALT SPRING ISLAND MONETARY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2007

5. SHORT TERM INVESTMENTS

Investments consist of gold (six ounces), silver (300.5 ounces) and term deposits. Gold and Silver is recorded at the lesser of the cost of \$7,243 and approximate market value on August 31, 2007 of \$8,156. The term deposits are recorded at a cost of \$10,303 with interest paid annually at various maturity dates within the next 12 months.

6. CONTINGENT LIABILITIES

Collector sets have been given to various distinguished parties. The face value of the sets is \$5,828. This amount has not been recorded in the accounts as it is the opinion of the Directors it is unlikely the associated Salt Spring Dollars will ever be redeemed.

7. LOANS PAYABLE TO MEMBERS

The amount represents advances to the Society without specific terms of repayment or interest and is unsecured.