

SALT SPRING ISLAND MONETARY FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2008

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 17, 2008

SALT SPRING ISLAND MONETARY FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT AUGUST 31

ASSETS

	2008	2007
CURRENT		
Cash	\$ 23,463	\$ 28,150
Silver & Gold	6,871	-
Accounts receivable	-	3,619
Short term investments (Note 5)	<u>10,303</u>	<u>17,546</u>
	<u>40,637</u>	<u>49,315</u>
FIXED		
Armoured Van	18,683	18,422
	\$ 59,320	\$ 67,737
	=====	=====

LIABILITIES

CURRENT		
Accounts payable and accrued liabilities	\$ 2,353	\$ 2,277
Deferred revenue (Note 3 & 6)	<u>146,429</u>	<u>145,551</u>
	148,782	147,828
LONG-TERM DEBT		
Loans payable to members (Note 7)	2,675	2,675

ASSETS NET OF LIABILITIES

ASSETS NET OF LIABILITIES	<u>(92,137)</u>	<u>(82,766)</u>
	\$ 59,320	\$ 67,737
	=====	=====

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

	2008	2007
SALES	\$ <u>822</u>	\$ <u>12,446</u>
EXPENSES		
Regulatory	\$ -	\$ 50
Bank charges and interest	448	872
Printing, Mint & Silver	5,114	35,994
Promotion	3,820	3,216
Postage	213	1,419
Vehicle	<u>680</u>	<u>619</u>
	10,275	42,170
EXCESS OF EXPENSES OVER REVENUE	\$ (9,453) =====	\$ (29,724) =====
ASSETS NET OF LIABILITIES, end of period	\$ (92,137) =====	\$ (82,766) =====

SALT SPRING ISLAND MONETARY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2008

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, 2008 with comparative for 2007. The 2007 results have been restated to comply with the 2008 presentation.

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, 2008

5. SHORT TERM INVESTMENTS

Investments consist of gold (six ounces), silver (274.5 ounces) and term deposits. Gold and Silver are recorded at the lesser of the cost of \$6,871 and approximate market value on August 31, 2008 of \$9,129. 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 and Silver coins have been given to various distinguished parties. The face value of the sets is \$5,878. 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.