

**Treasurer's Report
Audit 2017**

1. Statement of Cash Flows

- a) The 2017 audited financial statements report cash "end of year" for 2016 = \$831,158 and = \$655,985 in 2017.
- b) The 2017 amount is a result of how the \$300,000 revenue from the ITA (BC Gov't) was reported in 2017 and will be reported in 2018.

2. Funding Received and Reported in 2017 - ITA (BC Gov't)

- a) Funding from the ITA (BC Gov't) budgeted for 2017 was received in March 2018.
- b) Funding received from the ITA (BC Gov't) increased in the 2017 fiscal year to \$300,000 up from \$250,000 in 2016.
- c) SCBC received funding from the ITA (BC Gov't) in two \$150,000 payments.
- d) The first \$150,000 payment (received early March 2018) was reported as revenue in 2017.
- e) The second payment of \$150,000 (received late March 2018) will be reported as revenue in 2018.
- f) Revenues in 2016 were reported at \$1,033,213.
- g) Revenues reported in 2017 were \$875,065. The (approx.) difference between 2016 and 2017 revenue is that first \$150,000 payment from the ITA (BC Gov't) will recorded as revenue in 2017 while the second payment of \$150,000 will be reported as revenue in 2018.
- h) The 2016 audit combined a \$150,000 payment and a \$100,000 payment from the ITA (BC Gov't) and reported a total revenue of \$250,000 from the ITA (BC Gov't).

3. Notes on Deficit Reported in 2017

- a. The \$119,617 deficit in 2017 is a reflection of the SCBC's board decision to spend the \$107,000 surplus for operations in 2017.
- b. The \$107,000 surplus in 2016 was reported as a deficit against the budget in 2017. The outstanding \$12,000 (approx.) represents cost overruns for items including the 2017 Gala (\$6,600 approx.) and the purchase of much needed computer equipment (\$5,400 approx.).

4. Risk & Exposure

SCBC manages liquidity risk by maintaining adequate cash. There has been no change in risk exposure from the prior year.

5. Donated Material and Services

SCBC doesn't recognize the fair value of donated goods and services due to the difficulty of determining their fair market value.

Volunteers contribute a significant amount of time every year to assist SCBC in carrying out its programs and services, the value of these hours are not recognized in the 2017 audited financial statements.

6. Significant Financial Statement Disclosures

The auditors did not identify any financial statements disclosures that are particularly significant, sensitive or require significant judgments, that they believed should be specifically drawn to the attention of the Board of Directors.

7. Significant Unusual Transactions

The auditors did not find any significant or unusual transactions identified during the 2017 audit.

8. Disagreement with Management

The auditors are required to communicate any disagreements with management, whether or not resolved, about matters that are individually or in aggregate significance to the financial statements.

The auditors were pleased to inform me that they had no disagreements with management during the course of conducting the 2017 audit.

9. Difficulties Encountered During the Audit

The auditors did not encounter any serious difficulties during their audit that should be brought to the attention of the Board of Directors.

10. Subsequent Events

Subsequent events are events occurring between the dates of the financial statements and the date of the auditor's report, and facts that become known to the auditor after the date of the auditor's report. Management is responsible for assessing subsequent events up to the date the financial statements are approved by the Board of Directors.

The auditors were not aware of any subsequent events that affected the financial statements.

Sincerely,

Cory Williams
Treasurer