

**BRITISH COLUMBIA
SUSTAINABLE ENERGY ASSOCIATION**

Financial Statements

Year Ended December 31, 2008

(Unaudited - See Notice To Reader)

OBARA & COMPANY
CHARTERED ACCOUNTANT

Practicing as a Professional Corporation

216-911 Yates Street
Victoria, B.C. V8V 4X3
Tel. 250-388-7879
Fax. 250-381-0808

NOTICE TO READER

On the basis of information provided by management, we have compiled the statement of financial position of BRITISH COLUMBIA SUSTAINABLE ENERGY ASSOCIATION as at December 31, 2008 and the statement of operations and changes in fund balances for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Prior to compiling these financial statements, our firm completed accounting services that included preparation of accounting entries that have a significant affect on the financial statements.

Victoria, B.C.
March 13, 2009

Obara & Company

CHARTERED ACCOUNTANT

**BRITISH COLUMBIA
SUSTAINABLE ENERGY ASSOCIATION**

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

(unaudited - see Notice to Reader)

	<u>Provincial Body</u>	<u>Combined Chapters</u>	<u>Restricted</u>	<u>Year Ended December 31</u>	
				<u>2008</u>	<u>2007</u>
REVENUES					
Donations and memberships	37,819	11,067	350	49,236	45,119
Fund raising and events	5,622	3,981	-	9,603	16,695
Grant revenue	9,825	2,100	710,353	722,278	347,227
Other revenue	(110)	2,879	-	2,769	253
Interest revenue	118,863	16	705	119,584	2,970
Sale of goods (net)	-	-	-	-	1,286
Course fees	-	59	-	59	1,863
Administration fees (internal)	37,282	-	(37,282)	-	-
Sales (internal)	-	1,700	(1,700)	-	-
GST rebates 2007 & prior	1,748	-	6,285	8,033	-
Deferred revenue (prior)	2,825	-	140,715	143,540	106,046
TOTAL REVENUES	<u>213,874</u>	<u>21,802</u>	<u>819,426</u>	<u>1,055,102</u>	<u>521,459</u>
EXPENSES					
Meeting costs	-	-	-	-	396
Program costs (Schedule 1)	10,888	10,740	815,053	836,681	442,076
Payroll costs (Schedule 1)	73,560	-	-	73,560	29,714
General and Administrative costs (Schedule 2)	50,685	2,968	4,373	58,026	22,916
TOTAL EXPENSES	<u>135,133</u>	<u>13,708</u>	<u>819,426</u>	<u>968,267</u>	<u>495,102</u>
NET INCOME FOR YEAR	78,741	8,094	-	86,835	26,357
FUND BALANCE, beginning	<u>35,151</u>	<u>12,701</u>	<u>-</u>	<u>47,852</u>	<u>21,495</u>
FUND BALANCE, ending	<u>113,892</u>	<u>20,795</u>	<u>-</u>	<u>134,687</u>	<u>47,852</u>

**BRITISH COLUMBIA
SUSTAINABLE ENERGY ASSOCIATION
SCHEDULE OF PROGRAM AND PAYROLL COSTS
(unaudited - see Notice to Reader)**

	Provincial Body	Combined Chapters	Restricted	Year Ended December 31	
				2008	2007
PROGRAM COSTS					
Public events costs	3,713	7,101	-	10,814	14,137
Travel and accomodation costs	134	800	4,029	4,963	9,458
Meals and entertainment	-	-	5,295	5,295	550
Printing, graphic and creative costs	-	77	2,910	2,987	8,539
Communication and postage costs	-	-	8,558	8,558	620
Subcontract costs	1,700	-	784,380	786,080	175,598
Other program expenditures	5,341	2,762	9,881	17,984	233,174
TOTAL PROGRAM COSTS	10,888	10,740	815,053	836,681	442,076
PAYROLL COSTS					
Payroll	66,278	-	-	66,278	3,062
Worksafe BC	94	-	-	94	85
Contracted Staff - coordinator	7,188	-	-	7,188	26,567
TOTAL PAYROLL COSTS	73,560	-	-	73,560	29,714

**BRITISH COLUMBIA
SUSTAINABLE ENERGY ASSOCIATION**

SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES

(unaudited - see Notice to Reader)

	<u>Provincial Body</u>	<u>Combined Chapters</u>	<u>Restricted</u>	<u>Year Ended December 31</u>	
				<u>2008</u>	<u>2007</u>
Accounting and legal fees	8,267	-	4,182	12,449	5,787
Amortization	137	-	-	137	-
Consulting	5,509	-	-	5,509	200
Courier and postage	161	-	-	161	674
Insurance	1,050	200	-	1,250	1,000
Interest, bank and credit card charges	1,628	45	-	1,673	2,836
Licenses and dues	2,099	25	-	2,124	350
Marketing and promotion	-	-	-	-	34
Meals and entertainment	-	-	-	-	20
Meeting costs	-	1,035	-	1,035	412
Office supplies	2,042	1,203	-	3,245	3,058
Other administrative costs	1,751	460	191	2,402	305
Penalties and interest	-	-	-	-	204
Printing & Copying	-	-	-	-	891
Rent	-	-	-	-	85
Telephone	1,907	-	-	1,907	1,425
Training and seminar fees	-	-	-	-	4,542
Travel	2,984	-	-	2,984	823
Web and internet	23,150	-	-	23,150	270
TOTAL EXPENSES	<u>50,685</u>	<u>2,968</u>	<u>4,373</u>	<u>58,026</u>	<u>22,916</u>

**BRITISH COLUMBIA
SUSTAINABLE ENERGY ASSOCIATION**

Notes to Financial Statements

Year Ended December 31, 2008

(Unaudited - See Notice To Reader)

1. REPORTING ENTITY

The BC Sustainable Energy Association was incorporated under the Societies Act of British Columbia on January 6, 2004. The purposes of the Association are:

- a. To help British Columbia become a world leader in the use of sustainable energy by providing a forum through which members can meet, share ideas, and develop joint initiatives, supported by up-to-date information and technical research.
- b. To speak with a strong collective voice to municipal, provincial and federal governments and other agencies on issues concerning the development of clean, renewable, efficient energy in British Columbia, and the reduction of British Columbia's greenhouse gas emissions.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Revenue Recognition and Expenses

Revenue and expenses are recorded according to the deferral method of accounting, except donations, which are recorded when received. Revenue includes grants, donations, user fees and fundraising revenue.

b. Financial Instruments

The Association's financial instruments consist of cash and investments, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

The Association adopted the new requirement of the CICA Handbook relating to the recognition and measurement of financial instruments. This section indicates when and at what amount a financial instrument has to be recorded in the balance sheet as well as the disclosure of gains or losses in the financial statements.

The Association has made no changes to opening net assets in the current year as a result of adopting these new standards to reflect the change of accounting for financial assets, classified as held for trading and measured at fair value instead of cost, as the cost of the Association's financial instruments in 2007 closely reflect their fair value.

3. DEFERRED REVENUE

Deferred revenue represents amounts received prior to December 31, 2008 which are intended to be for funding for programs after the fiscal year.

4. INTERFUND TRANSFERS

During the current fiscal year the Association required interfund transfers between the Restricted Fund, Combined Chapters Fund and Provincial Body Fund.

