

10009 Third Street,
Sidney, BC, V8L 3B1

12th March, 2018

The President, Directors and Members
British Columbia Square and Round Dance Federation,
c/o 4030 Raymond Street, N.,
Victoria, BC, V8Z 4KB

Review of Accounts for 3 Years ended 30th June 2017

Dear President, Directors and Members.

As stated in the heading, this review of the accounts of the British Columbia Square and Round dance Federation (BCSRDF) covered the years ending on the 30th June in each of the accounting years 2014-15, 2015-16 and 2016-17. This is not the ideal situation as each year should be reviewed as soon as practical after year end. The present situation arose primarily for logistic reasons which should be avoided in the future.

The books documents and records for each year were meticulously and chronologically presented. The Treasurer is to be thanked for the care which was taken in maintaining voluminous documents in very good logical order.

Given the time period covered and the amount of work required for a completely comprehensive review, I decided this was not practical. The approach taken was closer to that of an audit. This meant that the bank records and their correlation with the general ledger were reviewed in detail for all 3 years. The documents which can be divided into two principal groups, those covering income and those covering expenditure were sampled for accuracy and the correct recording of related entries. One year of each of these classes was subject to detailed review, the other two years were randomly sampled.

The classification of the entries into the differing heads shown in the Balance Sheet and Profit and Loss Accounts were verified for items which were reviewed.

In my opinion that the books and records for the 3 years reviewed the Balance Sheet and Profit and Loss Accounts reflect without material error the financial position of the BCSRDF as at the end of each year.

It is not normal for a review to include comments on the actual numbers unless there is something revealed to which special attention should be drawn. Every year showed a net loss and a reduction of reserves. That the total loss was not greater than recorded is because a number of expenditure items were less than budgeted. The fee increase agreed to at the BCSRDF Annual General Meeting in Cloverdale should cover the deficits reported. This is a subject which should be reviewed carefully every year as margins will probably continue to be narrow and reserves are limited.

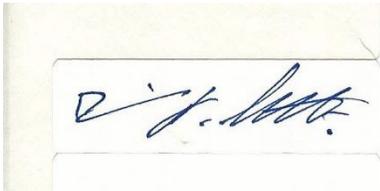
The second comment involves semantics. The BCSRDF is a Not-for-Profit Society. It is my suggestion that to use those headings is, therefore, inappropriate. It gives a false sense of how the BCSRDF operates. I therefore recommend that the words "Profit and Loss" be deleted from the reports and the words

“income and Expenditure” substituted. This is quite normal with Not-for-Profit Societies and would reduce the possibility of “raised eyebrows” and unnecessary questions.

As a final footnote, although I have accounting experience and have worked throughout my career with accounting. I am not a Chartered Professional Accountant. This letter is not, therefore an audit report. It expresses the opinions of a person who is familiar and used to working with accounting and accounts.

Thank you for the opportunity to have been of assistance.

Sincerely

A photograph of a handwritten signature in blue ink on a white rectangular card. The signature is cursive and appears to read "D. J. Sutton". The card is placed on a light-colored surface.

Dennis J Sutton
Region1 Delegate to the BCSRDF