



RECREATIONAL PROJECTS PROGRAM

101-205 Hawkins Street, Whitehorse, YT Y1A 1X3
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FINANCIAL INFORMATION REQUIREMENTS

PROJECT BUDGET

A project budget is required to identify all expenses and sources of revenue for the project. A well defined project budget demonstrates a good understanding of the project and the associated costs as well as efforts to seek out other funding sources. Information contained in the Project Budget assists the Commission in decision making in terms of eligible expenses, considering what is a reasonable expense, etc. Project budgets are rolled into the organization's Annual Operating Budget.

ANNUAL OPERATING BUDGET

An Annual Operating Budget demonstrates to the Commission that the organization exists other than for applying for funding to funding agencies/government. It also shows the organizational capacity.

The Annual Operating Budget is a detailed projection of estimated revenues and expenditures for the organization's entire operations in a specific operating period. It generally consists of several sub-budgets (*projects/activities, ongoing costs, etc.*) that are linked to the organization's plans and operation for the current operating period.

ANNUAL FINANCIAL STATEMENT

The *Societies Act* Regulations state, "Financial statements shall consist of a balance sheet and a statement of revenue and expenditures and shall include statements of the amounts: (a) received as grants from government bodies, (b) received as donations from the public, (c) paid as remuneration or loaned to any member or director. It also states that they shall be prepared using General Accepted Accounting Principles. Lotteries Yukon asks for the "latest approved financial statements" on the application form and when we have not received these we have further clarified that we require the balance sheet and income statement (an income statement may also be referred to as a statement of revenues and expenditures).

A Balance Sheet is based on the equation: $\text{assets} = \text{liabilities} + \text{owner's equity}$ and indicates everything the Society owns (assets), everything that the Society owes to creditors (liabilities) and the value of the ownership stake of the Society. The Balance Sheet date is the ending date of the period of year and is a continuation of the amounts recorded since the inception of the Society. The Balance Sheet is a snapshot of the financial position of the Society at the Balance Sheet date and shows the accumulated balance of the accounts. Assets and liabilities are separated between current and long term where current items are those items which will be realized or paid within one year of the balance sheet date.

An Income Statement or Statement of Revenues and Expenditures is a type of summary flow report that lists and categorizes the various revenues and expenses that result from operations during a given period; for the Societies this would cover their annual reporting period (*dates will vary depending on the organizations year end*). The difference between revenues and expenses represents the Society's net income or net loss.