

NEVIS HISTORICAL AND CONSERVATION SOCIETY INC.

Financial Statements

For Year Ended December 31, 2019

(Expressed in Eastern Caribbean Dollars)



NEVIS HISTORICAL AND CONSERVATION SOCIETY INC.
FINANCIAL STATEMENTS
For the year ended December 31, 2019

Table of Contents

Contents	Page
Independent Auditor's Report	1
Statement of Financial Position	2
Statement of Income	3
Statement of Cash Flows	4
Notes to the Financial Statements	5 - 10

BUSINESS ENHANCEMENT SERVICES (BEST)

*Prospect Palms, St John's Parish
P. O. Box 643, Charlestown, Nevis*

*Tel: 869- 469-1526 / 869 667 1526
Email: businessenhancement@yahoo.com*

To: The Members of Nevis Historical and Conservation Society Inc.

Independent Auditor's Report

We have audited the accompanying financial statements of Nevis Historical and Conservation Society Inc., which comprise of the Statement of Financial Position as at December 31, 2019, the related Statement of Income and Statement of Cash Flows for the year then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in St Kitts and Nevis, and for such internal controls as management determines is necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Generally Accepted Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements referred to above, present fairly, in all material respects, the financial position of Nevis Historical and Conservation Society Inc. as at December 31, 2019, and the results of its operations for the year then ended in accordance with accounting principles generally accepted in St. Kitts and Nevis.

Business Enhancement Services

Business Enhancement Services

June 12, 2020

Charlestown, Nevis

Certified Public and Chartered Accountants

Certified QuickBooks Pro Advisors

Principal: Alexa Pemberton, CPA

NEVIS HISTORICAL AND CONSERVATION SOCIETY INC.
 STATEMENT OF FINANCIAL POSITION
 As at December 31, 2019
 (Expressed in Eastern Caribbean Dollars)

	<u>Notes</u>	<u>2019</u> \$	<u>2018</u> \$
<u>ASSETS</u>			
Fixed Assets	4	1,934,478	1,988,536
Investments	5	309,046	309,046
Inventory		99,385	116,593
Accounts Receivable	6	43,607	16,653
Prepayment	7	6,103	7,775
Cash and Cash Equivalents	8	50,335	55,477
Total Assets		<u>2,442,954</u>	<u>2,494,080</u>
<u>LIABILITIES</u>			
Advance Membership Fees		2,192	4,820
Deposit on Land Sale		0	10,000
Accounts Payable and Accruals	9	159,728	192,826
Payable for Trott House		569,244	633,324
Total Liabilities		<u>731,164</u>	<u>840,970</u>
Net Assets		<u>1,711,790</u>	<u>1,653,110</u>

REPRESENTED BY:

Restricted Funds

Grant Funds	10	95,216	(1,719)
Equity Fund	5	65,250	65,250
Endowment Fund	5	243,796	243,796
		<u>404,262</u>	<u>307,327</u>


Unrestricted Funds

	11	1,307,528	1,345,783
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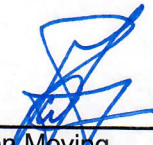
Total Funds

		<u>1,711,790</u>	<u>1,653,110</u>
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President


 Richard Lupinacci

Treasurer


 Warren Moving

The notes on pages 5 to 10 form an integral part of these financial statements.

NEVIS HISTORICAL AND CONSERVATION SOCIETY INC.
STATEMENT OF FINANCIAL ACTIVITIES
For the year ended December 31, 2019
(Expressed in Eastern Caribbean Dollars)

	Notes	Restricted \$	Unrestricted \$	2019 \$	2018 \$
<u>INCOMING RESOURCES</u>					
Grant Funds Income	10	388,268	0	388,268	196,432
Admission			67,740	67,740	73,789
Donations	12		153,081	153,081	198,138
Fund Raising			14,274	14,274	22,313
Government Subvention	13		245,000	245,000	267,072
Shop Income			41,488	41,489	40,998
Membership Dues			10,265	10,266	4,533
Other Income	14		40,928	40,928	20,758
		388,268	572,778	961,046	824,033
<u>RESOURCES EXPENDED</u>					
Grant Funds Expenditure	10	224,401	0	224,401	381,696
Shop Cost of Sales			38,187	38,187	60,227
Museum Exhibits			6,178	6,178	0
Archives			4,211	4,211	2,960
Salaries and Wages			284,304	284,304	247,244
Social Security and Levy			9,460	9,460	8,276
Health Insurance			835	835	835
Office Supplies			14,804	14,804	23,950
Electricity and Water			43,951	43,951	50,243
Telecommunication Expenses			11,721	11,721	7,893
Coastal Clean Up			381	381	3,277
Subscriptions			394	394	221
Fund Raising Expenses			6,192	6,192	4,092
Conference, Meetings and Travel			8,273	8,273	19,179
Repairs and Maintenance			82,551	82,551	9,972
Gardening			22,653	22,653	12,607
Advertising and Promotion			8,667	8,667	5,853
Rent			18,000	18,000	18,000
Insurance, Appraisal Land Tax			8,636	8,636	7,679
Professional Fees			12,750	12,750	7,200
Donations			21,528	21,528	14,180
Bank Charges and Interest			2,696	2,696	2,081
Travel Expenses and Allowances			12,569	12,569	0
Miscellaneous Expenses			0	0	2,000
Depreciation			59,025	59,025	33,284
		224,401	677,964	902,365	922,947
Net Surplus/(Deficit) for the year		163,867	(105,186)	58,681	(98,914)
Total Funds brought forward		(1,719)	1,345,783	1,344,064	1,442,978
Balances on Closed Projects Transferred from Restricted to Unrestricted Funds		(66,931)	66,931	0	0
Total Funds carried forward		95,217	1,307,528	1,402,745	1,344,064

The notes on pages 5 to 10 form an integral part of these financial statements.

NEVIS HISTORICAL AND CONSERVATION SOCIETY INC.
 STATEMENT OF CASH FLOWS
 For the year ended December 31, 2019
 (Expressed in Eastern Caribbean Dollars)

	2019	2018
	\$	\$
Cash flow from operating activities		
Net surplus/(deficit) for the year	58,681	(98,914)
Adjustment for non-cash items:		
Depreciation	59,025	33,284
Changes in operating assets and liabilities:		
Change in inventory	17,208	(90,266)
Change in accounts receivable	(26,954)	1,731
Change in prepayment	1,672	(3,324)
Change in advance membership	(2,628)	1,726
Change in accounts payable and accruals	(41,704)	63,635
Net cash inflow from operating activities	65,299	(92,128)
 Investing Activities		
Payments to acquire other fixed assets	(4,967)	(7,021)
Net cash (used)/provided by investing activities	(4,967)	(7,021)
 Financing Activities		
Payments on Trott House	(64,080)	(64,080)
Net cash provided by financing activities	(64,080)	(64,080)
Net increase in cash and cash equivalents	(3,748)	(163,228)
Cash and cash equivalents at beginning of year	54,082	217,310
Cash and cash equivalents at end of year	50,334	54,082

The notes on pages 5 to 10 form an integral part of these financial statements.

NEVIS HISTORICAL AND CONSERVATION SOCIETY INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2019
(Expressed in Eastern Caribbean Dollars)

1. INCORPORATION

Nevis Historical & Conservation Society Inc. was formed on May 9, 1980 and incorporated on May 28, 1986. The Society was registered under the Companies Ordinance No.4 of 1999 on the 30th day of January 2004. The Head Office is located at Alexander Hamilton Building, Samuel E. Hunkins Drive, Nevis.

The Society has two museums:-

Nelson Museum located at Belle Vue, Nevis and Hamilton Museum located at Hamilton House, Samuel E. Hunkins Drive, Charlestown, Nevis.

2. PRINCIPAL ACTIVITY

The principal activity of the Society is to promote and facilitate the effective management of the historical, cultural and natural resources of the island of Nevis for all its people.

3. PRINCIPAL ACCOUNTING POLICIES

a) Fixed Assets

Provision for depreciation is charged on a straight line basis estimated to write-off the assets over their expected useful lives at the following rates:-

Building	2.5%
Office Equipment	20.0%
Furniture, Fixtures and Fittings	10.0%

b) Inventory

Inventory is stated at the lower of cost and net realisable value on a first-in first-out basis.

c) Currency Translation

All amounts are expressed in Eastern Caribbean Currency. During the year transactions involving foreign currencies were converted at rates ruling on the dates of these transactions.

NEVIS HISTORICAL AND CONSERVATION SOCIETY INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2019
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3. PRINCIPAL ACCOUNTING POLICIES (cont'd)

d) Recognition of Income and Expenditure

Income and expenditure have been recognised on the accrual basis. Grants received are recognised when the conditions for receipts have been met. Where grants are specially restricted to future accounting periods, the income is deferred and recognised in relevant accounting period. Grants for immediate financial support and assistance or to reimburse cost previously incurred are recognised immediately.

e) Fund Accounting

General unrestricted funds comprise accumulated surpluses and deficits on general funds and are available for use at the Directors' discretion in furtherance of the general charitable objectives.

Restricted funds consist of amounts subject to specific restrictions, within the objectives of the Society, imposed by the donor or arising from contractual obligations.

f) Collections

The Society acquires its collections, which include works of art, library books, photographic archives, objects and specimens, using restricted or unrestricted funds or by donation. All collections are held for public exhibition, education and research, furthering the Society's mission to increase and diffuse knowledge to the public and its membership. The Society's policy is not to capitalize its collections. Purchases of collection items are recorded and expended in the year in which the items are acquired. Contributed collection items are not reflected in financial statements.

g) Contributions and Gifts In-Kind

A substantial number of volunteers make significant contributions of time to the Society, thereby enhancing its activities and programmes. The value of these contributions is not recognized in the financial statements.

In-kind contributions include donated office space and human resources from Nevis Island Administration, electricity from the Nevis Electricity Company Ltd and two (2) plots of land received several years ago but only recently assigned a market value. The value of the in-kind contributions is included as donations in the statement of financial activities at known cost or market value. Other in-kind contributions such as books and other resaleable items are recorded at market value. Used items are recorded only when sold.

NEVIS HISTORICAL AND CONSERVATION SOCIETY INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2019
(Expressed in Eastern Caribbean Dollars)

4. FIXED ASSETS

	Cost at 31-Dec-19	Accum. Deprecia- tion 31-Dec-19	Net Book Value 31-Dec-19	Net Book Value 31-Dec-18
	\$	\$	\$	\$
Belle Vue Building	411,132	259,438	151,695	161,594
Trott House Property	1,335,000	131,497	1,203,503	1,236,878
Donated Lands	562,796	0	562,796	562,796
Office Equipment	113,887	111,473	2,414	10,270
Furniture, Fixtures & Fittings	48,772	34,700	14,072	16,999
	2,471,587	537,108	1,934,478	1,988,536

Donated lands consists of two portions of land donated to the Society as follows: 10,391 sqft situated at the South East Peninsula in St. Kitts, estimated market value US\$187,038.00 and approximately 10,000 sqft at New Guinea St. Kitts with an estimated market value of EC\$60,000.

5. INVESTMENTS

The balance represents equity and liquid funds that were held by the NevKit Foundation. NevKit was established as a 501 (c) (3) organization to facilitate United States citizens who wish to make donations to local charities or worthy causes, and who wish to have such donations treated as tax deductible in the United States.

The NevKit foundation was dissolved in December 2013 and the foundation's board decided to form the "NevKit NHCS Trust" and transferred the investments to the Trust.

	2019	2018
	\$	\$
Equity Fund: 45,000 shares at TDC	65,250	65,250
Endowment Fund		
Fixed Deposit at FINCO	200,000	200,000
Savings A/c at Bank of Nevis	43,796	43,796
	243,796	243,796
Total Investments	309,046	309,046

NEVIS HISTORICAL AND CONSERVATION SOCIETY INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2019
(Expressed in Eastern Caribbean Dollars)

6. ACCOUNTS RECEIVABLE	2019	2018
	<hr/>	<hr/>
Admission Fees	8,607	9,653
Other Receivables *	35,000	7,000
	<hr/>	<hr/>
	43,607	16,653
	<hr/> <hr/>	<hr/> <hr/>
7. PREPAYMENT	2019	2018
	<hr/>	<hr/>
Prepaid Insurance	6,103	7,775
	<hr/>	<hr/>
	6,103	7,775
	<hr/> <hr/>	<hr/> <hr/>
8. CASH AND CASH EQUIVALENTS	2019	2018
	<hr/>	<hr/>
	\$	\$
Treasury Bills	22,853	21,842
Bank of Nevis, Operating Account	12,273	(9,590)
Bank of Nevis, Restricted Savings Account	11,425	40,808
Cash on Hand	3,784	2,417
	<hr/>	<hr/>
	50,335	55,477
	<hr/> <hr/>	<hr/> <hr/>
Restricted Funds	11,425	40,808
Unrestricted Funds	30,528	14,669
	<hr/>	<hr/>
	41,953	55,477
	<hr/> <hr/>	<hr/> <hr/>
9. ACCOUNTS PAYABLE AND ACCRUALS	2019	2018
	<hr/>	<hr/>
Electricity/NEVLEC	140,179	133,216
Audit fees and Expenses	7,500	5,000
Social Security and Levy	1,350	1,560
Office Supplies and Stationery	1,033	0
Bank of Nevis Credit Card	0	1,007
Insurance	1,466	4,769
Payroll Liability	8,200	0
Others	0	47,273
	<hr/>	<hr/>
	159,728	192,826
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NEVIS HISTORICAL AND CONSERVATION SOCIETY INC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2019
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10. RESTRICTED GRANT FUNDS	Balance at 31-Dec-18	Incoming Resources	Resources Expended	Transfer to Unrestricted Funds	Balance at 31-Dec-19
	\$	\$	\$		\$
Vince Hubbard Memorial Archives	21,478			21,478	0
Friends of Bathstream	173			173	0
History and Heritage Month	11,067	5,760	8,912		7,915
Heritage Project-BHC	8,310			8,310	0
New River Project	239			239	0
ECMMAN Project	4,983			4,983	0
Lion Fish Project	12,864			12,864	0
GEF New River	(9,333)	263,624	207,603		46,688
The AHA Society	13,872			13,872	0
Trott House Project	(77,084)	70,384		(6,700)	0
UNDP Project	0	48,500	7,887		40,613
Other Projects	11,712			11,712	0
	<u>(1,719)</u>	<u>388,268</u>	<u>224,401</u>	<u>66,931</u>	<u>95,216</u>

11. UNRESTRICTED FUNDS

	<u>2019</u>	<u>2018</u>
	\$	\$
Balance brought forward	1,345,783	1,259,434
Surplus/Deficit for year	(105,186)	86,349
Transfer from Restricted Funds	66,931	
Balance carried forward	<u>1,307,528</u>	<u>1,345,783</u>

12. DONATIONS

	<u>2019</u>	<u>2018</u>
	\$	\$
Donations consist of :		
Endowment Fund Dividend	3,766	7,000
Individuals and others	149,316	191,138
	<u>153,081</u>	<u>198,138</u>

NEVIS HISTORICAL AND CONSERVATION SOCIETY INC.
 NOTES TO THE FINANCIAL STATEMENTS
 For the year ended December 31, 2019
 (Expressed in Eastern Caribbean Dollars)

13. GOVERNMENT SUBVENTION	2019	2018
Cash Input	143,000	152,852
In-Kind Rent - Hamilton House	18,000	18,000
In-Kind Electricity Supply- NEVLEC	31,200	31,200
In-Kind Water Supply	1,200	1,200
In-Kind Staff Assistance	51,600	63,820
	<u>245,000</u>	<u>267,072</u>

In-Kind Subventions are calculated at market rates or prudently estimated if cost is not known.

14. OTHER INCOME	2019	2018
Library	781	217
Archaeological Research	2,491	2,500
Rental Income	12,889	12,000
Miscellaneous	24,767	6,041
	<u>40,928</u>	<u>20,758</u>