

OVERVIEW

The Society was incorporated pursuant to the *Societies Act (NS)*¹, on March 15th, 2007 as the *“H” Division Mounted Police Pipes & Drums Society*. It is the current governance model for what is publicly referred to as (or a variant of) - *RCMP Pipes & Drums Nova Scotia*.

Prior to incorporation, the Band operated as an unincorporated association with several prior legal and operational names. Throughout, it has been a not-for-profit pipe & drum band composed of volunteer civilians and RCMP-GRC® members (the “Band”), proudly representing the Force and its iconic traditions and wearing its Badges of Honour.

The Band was formed in the Spring of 2004², under the leadership of Pipe Major Wayne Moug and Const. Marion Fraser, as the *“H” Division Mounted Police Pipes & Drums*³. It is one of seven RCMP-GRC® Pipes & Drums across Canada which have the unique privilege and honour of actively representing the RCMP-GRC® (the “Force”) as uniformed, volunteer civilian & “Regular Member”⁴ bands, operating as not-for-profit entities providing both outreach to the community⁵ and serving the ceremonial needs of Canada’s National Police force.

The Band is self-funding through initial loans from various members and performance

¹ Cited as the *Societies Act*, R.S.N.S.(1989), C.435, S.1.

² First meeting to form the Band was the last week of April, 2004 with weekly practices commencing the first week of May, 2004. Its first “parade season” was in 2005

³ Force policy prohibited the use of “RCMP-GRC®” in our governance (legal) name or financial documents to ensure no perception that its private funds are RCMP (public) funds. We are permitted to use “Mounted Police”. Our bass drum and other decals, uniform, badges, etc. bear the distinctive Registered Trade Mark (“RCMP-GRC®”) with permission, consistent with Force policy and our mandate of “engaging the public”. “H” Division is the Force’s jurisdictional reference to Nova Scotia; and, as it was seen as “obscure” to the public, we operate under the public persona of the *RCMP-GRC® Pipes & Drums, Nova Scotia*.

⁴ RCMP-GRC® Members who participate in the Band as extra duty in addition to their regular duties. We presently have three Regular with two others on leave of absence subsequent to posting to NFLD.

⁵ Hence our motto - “Benefitting the Community through Music”. Query whether “Serving the Community Through Music” or “Service Through Music”, would be more in keeping with the Force’s tradition of Service to Community?

fees and funds provide by the Force for community outreach activities. All of the loans from members were repaid in 2007 - 2008.

The Board of Directors determined it was prudent to register with the *Canada Customs & Revenue Agency* ("CCRA" or "Revenue Canada") to collect and remit HST⁶. The Band became an HST Registrant, effective January 1st, 2008. Our HST number is: **845669795 RT 001**. This should be noted on all our standard templates/forms for quotes, invoices and similiar financial documents as required by law.

The Band has adopted Financial Policies at various AGM's which are set out at Tab 3 herein.

THE BAND

From the beginning, the Band operated under a Constitution and By-law, which had been adapted by a Member from one kindly provided by our colleagues in the Codiak, New Brunswick Band⁷. In March of 2006, an application to incorporate under Part II of the *Canada Business and Corporation Act* was prepared but does not appear to have been processed to final issuance of incorporating certificate.

The name sought to be incorporated under at that time was: "*H*" *Division Mounted Police Pipes and Drums Inc.* Our incorporation status became an issue in February of 2007, when a Revenue Canada Business Number⁸ application was initiated and the required Certificate of Registration could not be ascertained.

In the result, the Management Team consisting of the officers, directors and Management Functionaries under the non-processed corporation, acting bona fides and consistent with the putative constating documents, took immediate steps to incorporate under the *Societies Act (NS)*.

The original Constitution & By-Law was "morphed" into the Memorandum of Association & By-Law of the Society under the current legal name - "*H*" *Division Mounted Police Pipes and Drums Society* [found at Tab 2 herein] . The operational and

⁶ 13% as of January 1st, 2008.

⁷ RCMP-GRC® Pipes and Drums, Detachment, Codiak, N.B.

⁸ BN was required by Federal Fiscal Policy before the Band could be paid for jobs performed for federal agencies, including the Force.

public persona & name of the Band as “advertized” on our bass drum and web site, etc. is ***RCMP-GRC® Pipes and Drums Nova Scotia***; as, generally speaking, the public does not understand nor appreciate the reference to “H” Division as the jurisdiction of Nova Scotia.

The fiscal year for the unincorporated association, was October 1st - September 30th. In anticipation of incorporating, further consideration was given to the appropriate year end and at that time an April 1st - March 31st financial year seemed desirable given our ties to the federal government which uses the same year end. As such this was adopted in our By-Law and the Society’s year was initially March 31st.

With our experience in the fall 2007 with significant cruise ship payments into October/November; and, given Revenue Canada’s preference that not-for-profits have a December 31st year end; and, noting that the required AGM within three months thereafter, would fall in the slower practice season (January - ⁹ March), the Directors voted¹⁰ to move the financial year to the calendar year and duly amend our By-Law to so prescribe [done at our 2008 AGM].

It is noted that the name presently used on the CIBC Business Operating Accounts (as noted above) is *RCMP “H” Division Pipes & Drums* as a result of internal bank error and this use is not permitted by Force Policy. As such, the CIBC Operating Account was amended accordingly to remove any reference to RCMP-GRC®. This was done in early 2008.

When the Business Number¹¹ was applied for in the Spring of 2007, it was unexpected that we would be meet or exceed the \$30,000.00 HST registration threshold so we did not register for and did not collect HST during the Reporting Period.

The 2007 performance season’s revenue together with member loans suggest that applying to be a HST registrant for 2008 and forward was prudent and was approved at

⁹ When day practices are held generally monthly thereby naturally accommodating a 1-2 hour AGM.

¹⁰ The decision to recommend a change of fiscal year end to the membership at the AGM was approved at the Management Team meeting of November 19th, 2007.

¹¹ BN 845669795

the Management Team meeting of November 19th, 2007¹². It has been completed as noted above. Effective January 1st, 2008 we will collect and remit HST annually.

TREASURERS

Since its inception as an unincorporated association and since it has been a Society, the Band has operated with corporate officers including Treasurers as follows:

- | | | | |
|----|-----------------|--------------------------------|--|
| 1. | Roy Logan | April 2004 - Sept. 2005 | [first treasurer for Band as unincorporated association] |
| 2. | Yvonne Leduc | Sept. 2005 - March 30, 2009 | [first treasurer for society after incorporation] |
| 3. | Kevin MacDonald | March 30, 2009 - July 31, 2009 | [elected treasurer pro tem at 2009 AGM] |
| 4. | Mac Fyfe | August 01, 2009 - | [elected treasurer at 2009 AGM to take effect July 2009] |

We have not yet had a full audit of our Books but a informal directors audit was conduct by Kevin MacDonald in the Fall of 2007 at the request of Yvonne Leduc [see Tab 8 herein].

In the fall 2008, we enlisted the service of a Bookkeeper to help prepare book of account and HST returns. This practice may continued as required.

DUTIES

The duties of treasurer as set out in our By-law [Tab 2 herein] and as generally accepted by convention and practice, are as follows:

By-law Paragraph 45

¹² Application to be for the minium reporting requirements permissible by law.

“45. Treasurer - elected by membership.

- ▶ Will receive and account for all monies belonging to the Band
- ▶ Will record and deposit all monies in the Band account.
- ▶ Will maintain the ‘books’, which shall be kept in accordance with accepted accounting procedures.
- ▶ Will submit an annual report to the membership including details of monies spent.
- ▶ Will provide updates upon request of the Executive.
- ▶ Will arrange for an annual audit or review engagement.”

Additional Duties

Additionally, the following duties arise because of convention, policy or law [such as the fact we are now HST registrant]:

- ▶ Will prepare and file our annual HST return and remit balance owing.
- ▶ Will prepare a draft budget annually for review and recommendation to the Membership by Management Team.
- ▶ Will monitor bank balance to ensure we meet all cheques written and if necessary recommend to Management Team cashing in of investments if necessary to meet anticipated expenses.
- ▶ Will make recommendations to the Management Team of any policy or procedure in the best interest of the Band as deemed appropriate.
- ▶ Such other duties that may arise or be assigned by the Management Team or Membership.

OUR BANK

We bank at the CIBC Portland Street Branch. Our account representative is Paul Bethel.

Paul Bethel
CIBC
56 Portland Street,
Dartmouth, NS B2Y 1H2

Tel 1-902-428-4884 [ext. 226]
Fax 1-902-428-4989

There is a six day hold on cheques deposited to our account which needs to be considered when writing cheque on the account to ensure we have no timing issues that might result in an NSF cheque.

INVESTMENTS

From time to time we have purchased and cashed GIC's. We maintain a separate file for these investments. We had 2 GIC's, one of which was cashed in 2009 [see file for details]. We still have a GIC [face value of 6 thousand].

POLICIES AND PROCEDURES

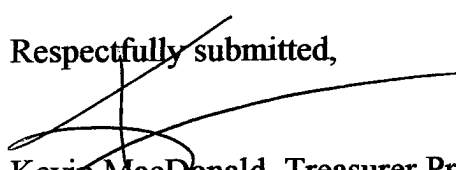
As a representative body of our National Police force, it is imperative that all of our actions [especially financial] are transparent and in compliance with all Canadian Laws.

Additionally, we need to ensure that we meet all of our financial responsibilities as they arise to maintain the goodwill of our suppliers; and, so we do not, in any way, tarnish the reputation of the Force.

We have developed financial and governance policies [Tab 3 herein] to ensure transparency in reporting and to ensure that we meet our obligations as they arise.

It is intended that our policies and procedures be reviewed from time to time by the Management Team [as initiated by the Treasurer] to ensure they still meet our current requirements.

Respectfully submitted,



Kevin MacDonald, Treasurer Pro Tem
July 31st, 2009