

Maples Recreation Association Inc.
Financial Statements
(Unaudited)
Year Ended December 31, 2016

Draft for discussion purposes only

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Review Engagement Report

To the Board of Directors of Maples Recreation Association Inc.

We have reviewed the statement of financial position of Maples Recreation Association Inc. as at December 31, 2016 and the statements of operations and changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by management.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Winnipeg, Manitoba
May 23, 2017

Chartered Professional Accountants

Maples Recreation Association Inc.
Statement of Financial Position
December 31, 2016
(Unaudited)

	<u>2016</u>	<u>2015</u>
ASSETS		
CURRENT ASSETS		
Cash (Note 3)	\$ 59,350	\$ 48,035
Accounts receivable	<u>55,478</u>	<u>57,031</u>
	114,828	105,066
Capital assets (Note 4)	<u>481,408</u>	<u>527,412</u>
	<u>\$ 596,236</u>	<u>\$ 632,478</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 27,401	\$ 51,521
Uniform and hall rental deposits	-	1,075
GST payable	2,431	2,111
Deferred revenue - cricket	<u>5,330</u>	<u>5,330</u>
	35,162	60,037
Deferred contributions (Note 5)	<u>199,969</u>	<u>216,535</u>
	<u>235,131</u>	<u>276,572</u>
NET ASSETS		
Invested in capital assets	279,940	310,877
Unrestricted	<u>81,165</u>	<u>45,029</u>
	<u>361,105</u>	<u>355,906</u>
	<u>\$ 596,236</u>	<u>\$ 632,478</u>

Approved by the Board of Directors

Director

Director

See accompanying notes

Maples Recreation Association Inc.
Statement of Operations and Changes in Net Assets
Year Ended December 31, 2016
(Unaudited)

	<u>2016</u>	<u>2015</u>
REVENUE		
Operating grant - City of Winnipeg	\$ 124,185	\$ 113,663
Cricket grant - City of Winnipeg	-	3,500
Repairs and maintenance grant - City of Winnipeg	33,764	-
Athletic field maintenance - GCWCC	4,785	4,000
Government of Canada	3,960	5,626
Administration fees	10,025	14,403
Amortization of deferred contributions	16,566	16,566
Hall rental	13,900	26,279
Canteen, vending, clothing and other	5,407	8,757
Late fees, interest and other	172	835
Ice rental	200,921	255,054
Skate shop rental	1,818	3,929
Lacrosse rental	6,387	9,085
Advertising	-	4,490
Summer sports	48,446	54,302
Winter sports	41,806	31,690
	<u>512,142</u>	<u>552,179</u>

Draft for discussion purposes only

See accompanying notes

Maples Recreation Association Inc.
Statement of Operations and Changes in Net Assets
Year Ended December 31, 2016
(Unaudited)

	<u>2016</u>	<u>2015</u>
EXPENSES		
Salaries and benefits	156,660	156,682
Repairs and maintenance	115,966	127,086
Volunteer appreciation	5,535	5,742
Utilities	67,525	86,329
Professional fees	8,316	8,316
Office	10,804	10,386
Bank and credit card fees	2,731	3,620
Equipment leases	5,813	5,270
Hall rental	1,931	6,287
Canteen, vending and clothing	7,330	2,670
Field fees	-	4,054
Contract management	9,819	11,873
Repairs and maintenance - Elwick	9,247	5,285
Advertising	747	1,848
Summer sports	18,478	31,633
Winter sports	35,037	17,416
Interest on long-term debt	-	763
Amortization	46,004	47,142
Super Centre	5,000	-
	<u>506,943</u>	<u>532,402</u>
EXCESS OF REVENUE OVER EXPENSES	5,199	19,777
NET ASSETS, BEGINNING OF YEAR	<u>355,906</u>	<u>336,128</u>
NET ASSETS, END OF YEAR	<u>\$ 361,105</u>	<u>\$ 355,906</u>

See accompanying notes

Maples Recreation Association Inc.
Statement of Cash Flows
Year Ended December 31, 2016
(Unaudited)

	<u>2016</u>	<u>2015</u>
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 5,199	\$ 19,777
Items not affecting cash:		
Amortization	46,004	47,142
Amortization of deferred contributions	<u>(16,566)</u>	<u>(16,566)</u>
	34,637	50,353
Change in non-cash working capital items		
Accounts receivable	1,553	7,951
GST receivable	-	4,417
Accounts payable and accrued liabilities	(24,120)	(14,763)
Uniform and hall rental deposits	(1,075)	(4,775)
GST payable	320	2,111
Deferred revenue - cricket	<u>-</u>	<u>(1,670)</u>
	11,315	43,625
INVESTING ACTIVITY		
Purchase of capital assets	-	(4,000)
FINANCING ACTIVITY		
Repayment of long-term debt	<u>-</u>	<u>(35,643)</u>
INCREASE IN CASH	11,315	3,982
CASH, BEGINNING OF YEAR	<u>48,035</u>	<u>44,053</u>
CASH, END OF YEAR	<u>\$ 59,350</u>	<u>\$ 48,035</u>

See accompanying notes

Maples Recreation Association Inc.
Notes to the Financial Statements
December 31, 2016
(Unaudited)

1. Nature of operations

Maples Recreation Association Inc. is a not-for-profit organization, without share capital, incorporated under the Corporations Act of Manitoba. The objectives of the Association are to pursue, conduct and promote, without pecuniary gain, such recreational, cultural, social, sporting or other activities as it deems to be of benefit to the community. As a not-for-profit organization, the Association is exempt from income taxes under the Income Tax Act.

2. Accounting policies

The financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

The significant accounting policies used are as follows:

(a) Capital assets

Capital assets are recorded at cost. The organization provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Outdoor Rink	5 years
Furniture and Equipment	5 years
Zamboni	15 years
Parking Lot	25 years
Buildings	40 years

(b) Government assistance

Government and other revenue related to capital assets are accounted for as deferred contributions and amortized on the same basis as the related capital assets.

(c) Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from canteen sales is recognized when goods are sold to the customer.

Revenue from hall rentals and sports programs are recognized upon occurrence of the respective events.

Maples Recreation Association Inc.
Notes to the Financial Statements
December 31, 2016
(Unaudited)

2. Accounting policies, continued

(d) Contributed services and donated materials

Volunteers contribute time to assist the Association in carrying out its various programs and activities. Because of the difficulty of determining their fair value, contributed services and donated materials are not recognized in the financial statements.

(e) Financial instruments

The organization's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risks.

(f) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

3. Cash

The Association has an approved bank overdraft limit of \$35,000 bearing interest at prime plus 1% and secured by a general security agreement over all the organization's assets and an assignment of fire insurance. As at December 31, 2015, the bank overdraft was unused.

Maples Recreation Association Inc.
Notes to the Financial Statements
December 31, 2016
(Unaudited)

4. Capital assets

	<u>2016</u>		<u>2015</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Cost</u>	<u>Accumulated amortization</u>
Outdoor Rink	\$ 51,948	\$ 51,948	\$ 51,948	\$ 51,948
Furniture and Equipment	68,824	60,508	68,824	48,902
Zamboni	21,000	6,300	21,000	4,900
Parking Lot	130,977	108,481	130,977	103,242
Buildings	<u>1,110,368</u>	<u>674,472</u>	<u>1,110,368</u>	<u>646,713</u>
	<u>1,383,117</u>	<u>901,709</u>	<u>1,383,117</u>	<u>855,705</u>
Net book value	<u>\$ 481,408</u>		<u>\$ 527,412</u>	

Capital asset additions are amortized at one-half of the above rate in the year of purchase.

The capital assets are insured and situated on land owned by the City of Winnipeg.

5. Deferred contributions

	<u>2016</u>		
	<u>Balance</u>	<u>Accumulated amortization</u>	<u>Net</u>
Government grants	\$ 474,957	\$ 338,825	\$ 136,132
Donations and fundraising	<u>188,577</u>	<u>124,740</u>	<u>63,837</u>
	<u>663,534</u>	<u>463,565</u>	<u>199,969</u>
	<u>2015</u>		
	<u>Balance</u>	<u>Accumulated amortization</u>	<u>Net</u>
Government grants	474,957	326,973	147,984
Donations and fundraising	<u>188,577</u>	<u>120,026</u>	<u>68,551</u>
	<u>\$ 663,534</u>	<u>\$ 446,999</u>	<u>\$ 216,535</u>

6. Economic dependence

Maples Recreation Association Inc. is economically dependent upon its annual operating grant funded by the City of Winnipeg.

Maples Recreation Association Inc.
Statement of Operations - Association
Year Ended December 31, 2016
(Unaudited)

	<u>2016</u>	<u>2015</u>
REVENUE		
Operating grant - City of Winnipeg	\$ 108,390	\$ 102,298
Cricket - City of Winnipeg	-	3,500
Repairs and maintenance - City of Winnipeg	33,764	-
Athletic field maintenance - GCWCC	4,785	4,000
Government of Canada	3,960	5,626
Administration fees	10,025	14,403
Hall rental	5,143	11,822
Canteen, vending, clothing and other	460	3,028
Late fees, interest and other	6	664
Summer sports	48,446	54,302
Winter sports	41,806	31,690
	<u>256,785</u>	<u>231,333</u>
EXPENSES		
Salaries and benefits	100,781	92,739
Amortization	8,453	10,212
Repairs and maintenance	69,358	48,133
Volunteer appreciation	5,535	5,742
Utilities	16,279	20,681
Professional fees	8,316	8,316
Office	9,058	7,891
Bank and credit card fees	2,506	3,161
Equipment leases	5,813	5,270
Hall rental	874	1,065
Canteen, vending and clothing	4,153	889
Field fees	-	4,054
Contract management	9,819	11,873
Repairs and maintenance - Elwick	9,247	5,285
Advertising	747	1,848
Summer sports	18,478	31,633
Winter sports	35,037	17,416
Super Centre	5,000	-
	<u>309,454</u>	<u>276,208</u>
DEFICIENCY OF REVENUE OVER EXPENSES	<u>\$ (52,669)</u>	<u>\$ (44,875)</u>

Maples Recreation Association Inc.
Statement of Operations - Multiplex
Year Ended December 31, 2016
(Unaudited)

	<u>2016</u>	<u>2015</u>
REVENUE		
Operating grant - City of Winnipeg	\$ 15,796	\$ 11,366
Amortization of deferred contributions	16,566	16,566
Hall rental	8,757	14,457
Canteen, vending and clothing	4,947	5,729
Late fees, interest and other	166	171
Ice rental	200,921	255,054
Skate shop rental	1,818	3,929
Lacrosse rental	6,387	9,085
Advertising	-	4,490
	<u>255,357</u>	<u>320,846</u>
EXPENSES		
Amortization	37,551	36,930
Bank and credit card fees	225	459
Canteen, vending and clothing	3,177	1,781
Hall rental	1,057	5,222
Interest on long-term debt	-	763
Office	1,746	2,495
Repairs and maintenance	46,608	78,953
Salaries and benefits	55,879	63,943
Utilities	51,246	65,648
	<u>197,489</u>	<u>256,194</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 57,868</u>	<u>\$ 64,652</u>