

**CARLETON PLACE CANOE CLUB**  
**FINANCIAL STATEMENTS**  
**OCTOBER 31, 2018**

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# NEPHIN WINTER BINGLEY

CHARTERED PROFESSIONAL ACCOUNTANTS

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## Independent Practitioner's Review Engagement Report

To the Members of Carleton Place Canoe Club ,

### Report on the Financial Statements

We have reviewed the accompanying financial statements of Carleton Place Canoe Club that comprise the statement of financial position as at October 31, 2018, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Carleton Place Canoe Club as at October 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profit organizations.



Carleton Place, Ontario.  
January 25, 2019.

Chartered Professional Accountants  
Licensed Public Accountants

**CARLETON PLACE CANOE CLUB  
STATEMENT OF FINANCIAL POSITION  
AS AT OCTOBER 31, 2018**

**UNAUDITED**

	2018 \$	2017 \$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash in bank	16,099	10,732
Cash - restricted (Note 2)	3,262	11,499
Accounts receivable	35,010	15,359
Prepaid expenses	3,000	3,000
	57,371	40,590
<b>CAPITAL ASSETS (Note 3)</b>	220,250	201,724
	277,621	242,314

**LIABILITIES**

<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 4)	37,442	20,579

**NET ASSETS**

Balance, beginning of year	221,735	249,338
Excess revenues over expenses (expenses over revenues)	18,444	(27,603)
Balance, end of year	240,179	221,735
	277,621	242,314

APPROVED ON BEHALF OF THE BOARD:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

See accompanying notes  
Subject to Review Engagement Report dated January 25, 2019

**NEPHIN WINTER BINGLEY**  
CHARTERED PROFESSIONAL ACCOUNTANTS

**CARLETON PLACE CANOE CLUB  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED OCTOBER 31, 2018**

**UNAUDITED**

	2018	2017
	\$	\$
<b>REVENUE</b>		
Paddling and summer camp programs	195,784	159,686
Services and rentals	31,172	28,022
Nevada proceeds	26,187	12,819
Club Hosted Events	26,298	12,519
Grants	30,538	8,714
Fundraising	6,881	5,126
Clothing and product sales	1,395	3,712
	<b>318,255</b>	<b>230,598</b>
<b>EXPENDITURES</b>		
<b>Paddling Program Expenditures</b>		
Affiliation Memberships	16,986	10,840
Automobile and travel	4,216	4,164
Awards	1,455	1,608
Boat Repairs and Supplies	2,152	898
Clothing	1,349	4,962
Insurance - paddling	3,700	3,806
Miscellaneous	2,770	1,038
Race Entry Fees	11,766	8,267
Regatta Accommodations	2,973	1,443
Salaries and wages	177,691	156,600
Training and program supplies	4,356	5,937
<b>Total Paddling Program Expenses</b>	<b>229,414</b>	<b>199,563</b>
<b>Administration</b>		
Accounting	6,311	2,807
Amortization	20,178	16,016
Bank charges, interest and penalties	2,194	2,735
Fundraising and events	3,674	4,593
Internet and Website	1,493	1,347
Nevada	15,695	9,663
Office	397	669
Telephone	1,048	1,564
<b>Total Administration Expenses</b>	<b>50,990</b>	<b>39,394</b>
<b>Building</b>		
Cleaning, maintenance and repairs	1,743	1,937
Insurance - building	3,691	549
Rent (Note 7)	13,973	16,758
<b>Total Building Expenditures</b>	<b>19,407</b>	<b>19,244</b>
<b>TOTAL EXPENSES</b>	<b>299,811</b>	<b>258,201</b>
<b>EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUES)</b>	<b>18,444</b>	<b>(27,603)</b>

See accompanying notes  
Subject to Review Engagement Report dated January 25, 2019

**CARLETON PLACE CANOE CLUB  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED OCTOBER 31, 2018**

**UNAUDITED**

	2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from activities, grants and donations	298,604	223,095
Cash paid to suppliers	( 263,065)	( 248,234)
	35,539	( 25,139)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital asset purchases	( 38,409)	( 29,402)
<b>CHANGE IN CASH DURING YEAR</b>	( 2,870)	( 54,541)
<b>CASH, beginning of year</b>	22,231	76,772
<b>CASH, end of year</b>	19,361	22,231
<b>Cash Represented By:</b>		
Cash in bank	16,099	10,732
Cash - restricted (Note 2)	3,262	11,499
	19,361	22,231

See accompanying notes  
Subject to Review Engagement Report dated January 25, 2019

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Carleton Place Canoe Club is a not-for-profit organization that provides dedicated leadership in the sport of canoeing to meet the recreational needs of the community. The Club was founded in 1893 and was incorporated by Letters Patent, as a non-profit corporation issued by the Province of Ontario on May 14, 1968.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(a) **Basis of presentation**  
These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations; accordingly, these financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

(b) **Capital Assets**  
Capital Assets are recorded at cost. Average cost is used to record additions and dispositions of like assets. Amortization for the paddling program assets is provided at the following annual rates:

C & K Class Boats	20 year straight-line
War Canoes	25 year straight-line
Dragon Boats	40 year straight-line
Recreational Canoes	15 year straight-line
Paddles	5 year straight-line

Amortization rates used for assets in the building program are as follows:

Fitness, kitchen and office equipment	20% declining-balance
Leasehold Improvements	5 year straight-line

(c) **Revenue Recognition**  
Member's fees are recognized when due. Services revenue is recognized when the services are provided. All other revenues are recognized when received.

Operational and capital grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in the subsequent period.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonable estimated and collection is reasonably assured.

(d) **Measurement Uncertainty**  
The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known.

**2. RESTRICTED CASH**

To meet the requirements of the Ontario Lottery Legislation, a separate bank account is maintained to collect and disburse funds related to the lottery license activities.

**3. CAPITAL ASSETS**

	2018 Cost \$	2018 Accumulated Amortization \$	2018 Net Book Value \$	2017 Net Book Value \$
Canoes and Boats	393,238	178,756	214,482	196,958
Boating Equipment	35,025	33,763	1,262	-
<b>Total Canoe Program</b>	<b>428,263</b>	<b>212,519</b>	<b>215,744</b>	<b>196,958</b>
Equipment	22,206	19,833	2,373	2,393
Furniture	11,280	9,147	2,133	2,373
Leasehold Improvements	3,432	3,432	-	-
<b>Total Building Program Assets</b>	<b>36,918</b>	<b>32,412</b>	<b>4,506</b>	<b>4,766</b>
<b>Total Capital Assets</b>	<b>465,181</b>	<b>244,931</b>	<b>220,250</b>	<b>201,724</b>

**4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

The balance includes government remittances payable of \$3,198 (2017 - \$3,702).

**5. DONATED SERVICES**

The work of the club is dependent upon the voluntary services of many members and volunteers. Since these services are not normally purchased by the Club and because of the difficulty in determining their fair market value, donated services are not recognized in these statements.

**6. OPERATING LOAN AGREEMENT**

On March 11, 2003, the Club signed a Demand Operating Loan Agreement with the Royal Bank. No security was assigned to this loan and interest is charged at prime plus 1%.

**7. LEASE COMMITMENTS**

The Canoe Club building is leased from the Town of Carleton Place. Until 2013, the rent was \$1 per annum. In 2013, the Town of Carleton Place took over the facilities management and cleaning. As a result, the lease was extended until July, 2024.

**8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Club's financial instruments consist of cash, accounts receivable, and accounts payable. The financial instruments can expose the company to certain risks as follows.

*Liquidity risk*

Liquidity risk is the risk that the organization cannot meet its debts when they come due. The Club has excess cash resources in their operating account, therefore it is not exposed to significant liquidity risk.

*Credit risk*

Credit risk is the risk that members will default on their accounts. The Club has considers their accounts receivable collectible and therefore not exposed to any significant credit risk.

*Interest rate risk, Currency risk, Market risk*

The Club is not exposed to any significant interest rate, currency or market risk.