

CARLETON PLACE CANOE CLUB

FINANCIAL STATEMENTS

OCTOBER 31, 2021

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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, 2021, 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 not-for-profit organizations, 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, 2021, 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.
December 7, 2021.

Chartered Professional Accountants
Licensed Public Accountants

**CARLETON PLACE CANOE CLUB
STATEMENT OF FINANCIAL POSITION
AS AT OCTOBER 31, 2021**

UNAUDITED

	2021 \$	2020 \$
ASSETS		
CURRENT		
Cash in bank	116,266	26,002
Cash - restricted (Note 2)	2,418	3,236
Accounts receivable	1,557	20,267
Prepaid expenses	3,870	3,345
	124,111	52,850
CAPITAL ASSETS (Note 3)	244,853	224,891
	368,964	277,741
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 4)	7,286	5,406
Deferred receipts (Note 9)	17,140	4,950
TOTAL LIABILITIES	24,426	10,356
NET ASSETS		
Balance, beginning of year	267,385	286,283
Excess (expenses over revenues) revenues over expenses	77,153	(18,898)
Restated Balance, end of year	344,538	267,385
	368,964	277,741

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director

See accompanying notes
Subject to Review Engagement Report dated December 7, 2021

**CARLETON PLACE CANOE CLUB
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED OCTOBER 31, 2021**

UNAUDITED

	2021 \$	2020 \$
REVENUE		
Paddling and summer camp programs	157,221	79,584
Services and rentals	3,171	2,460
Nevada proceeds	18,025	16,215
Club Hosted Events	-	1,609
Grants	74,459	44,653
COVID-19 related grants and subsidies	76,602	21,573
Fundraising	-	1,670
Clothing and product sales	4,175	139
	333,653	167,903
EXPENSES		
Paddling Program Expenses		
Affiliation Memberships	1,805	564
Amortization	26,496	23,601
Automobile and travel	4,560	-
Awards	-	946
Boat Repairs and Supplies	9,102	1,519
Clothing	705	226
Insurance	4,681	5,967
Other program expenses	1,587	3,307
Regatta Accommodations	1,721	-
Salaries and wages	160,503	114,611
Training and program supplies	2,342	1,413
Total Paddling Program Expenses	213,502	152,154
Administration		
Accounting	6,682	6,738
Bank charges, interest and penalties	4,428	2,518
Cleaning, maintenance and repairs	1,851	-
Fundraising and events	-	750
Internet, website and promotion	2,534	1,457
Nevada	9,320	5,746
Office	3,943	2,059
Rent (Note 7)	14,240	14,099
Telephone	-	1,280
Total Administration Expenses	42,998	34,647
TOTAL EXPENSES	256,500	186,801
EXCESS OF (EXPENSES OVER REVENUES) REVENUES OVER EXPENSES	77,153	(18,898)

See accompanying notes
Subject to Review Engagement Report dated December 7, 2021

**CARLETON PLACE CANOE CLUB
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED OCTOBER 31, 2021**

UNAUDITED

	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from activities, grants and donations	364,553	205,642
Cash paid to suppliers	(255,145)	(205,324)
	109,408	318
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital asset purchases	(19,962)	19,861
CHANGE IN CASH DURING YEAR	89,446	20,179
CASH, beginning of year	29,238	9,059
CASH, end of year	118,684	29,238
Cash Represented By:		
Cash in bank	116,266	26,002
Cash - restricted (Note 2)	2,418	3,236
	118,684	29,238

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
Compter equipment	3 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

	2021 Cost \$	2021 Accumulated Amortization \$	2021 Net Book Value \$	2020 Net Book Value \$
Canoes and Boats	474,684	245,006	229,678	222,023
Boating Equipment	40,291	34,971	5,320	632
Computer equipment	6,132	2,044	4,088	-
Equipment	27,118	21,879	5,239	1,173
Furniture	3,775	3,247	528	1,063
Leasehold Improvements	3,432	3,432	-	-
Total Capital Assets	555,432	310,579	244,853	224,891

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The balance includes an accrual for government remittances of \$1,315.

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%. In May 2020 the Club signed a \$40,000 debt facility agreement with the Royal Bank through the Canada Emergency Business Account Program.

7. LEASE COMMITMENT

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.

9. DEFERRED RECEIPTS

Deferred receipts consist of the following

Trillium grant	\$ 13,090
Winter Program Fees	<u>\$ 4,050</u>
	\$ 17,140