

KELOWNA CURLING CLUB

Financial Statements

Year Ended April 30, 2014

(Unaudited - See Notice To Reader)

KELOWNA CURLING CLUB

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Year Ended April 30, 2014

(Unaudited - See Notice To Reader)

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NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Kelowna Curling Club as at April 30, 2014 and the statements of operations and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.



Kelowna, British Columbia
July 30, 2014

CHARTERED ACCOUNTANTS

KELOWNA CURLING CLUB**Balance Sheet****April 30, 2014***(Unaudited - See Notice To Reader)*

	2014	2013
ASSETS		
CURRENT		
Cash	\$ 11,900	\$ -
Accounts receivable	16,143	28,887
Inventory	46,387	28,198
	74,430	57,085
PLANT AND EQUIPMENT (Note 2)	338,533	404,493
	\$ 412,963	\$ 461,578
LIABILITIES		
CURRENT		
Bank indebtedness	\$ -	\$ 50,263
Accounts payable	30,483	83,126
Accrued interest payable	2,122	-
Deferred income	11,800	-
Demand notes payable (Note 3)	50,000	-
Current portion of long term debt (Note 4)	40,000	-
	134,405	133,389
LOAN PAYABLE - CITY OF KELOWNA (Note 4)	142,448	100,000
	276,853	233,389
MEMBERS' EQUITY		
Equity in plant and equipment (Note 5)	338,533	404,493
Deficit	(202,423)	(176,304)
	136,110	228,189
	\$ 412,963	\$ 461,578

KELOWNA CURLING CLUB**Statement of Operations****Year Ended April 30, 2014***(Unaudited - See Notice To Reader)*

	2014	2013
REVENUE		
Membership fees and dues	\$ 255,530	\$ 229,239
Food and beverage	206,562	210,727
Facility rentals	64,930	64,451
Ice rentals	38,727	27,524
Other operations	28,186	19,986
Pro shop	16,169	-
Bonspiels	14,380	13,028
Donations	11,127	763
Gaming proceeds	-	9,865
	635,611	575,583
EXPENSES		
Salaries and wages	348,200	313,926
Utilities	89,512	81,878
Repairs and maintenance	39,726	48,583
Supplies	31,666	31,058
Advertising and promotion	28,528	17,824
Interest and bank charges	21,473	16,382
Office	20,407	16,727
Insurance	10,384	6,531
Bonspiels	9,878	11,279
Licenses and fees	7,824	3,203
Equipment rentals	7,248	685
Telephone	5,571	4,930
Professional fees	5,132	7,647
Junior curling	4,116	4,100
Security	2,881	1,624
Training	1,923	591
Property taxes	1,786	1,766
Contract services	1,720	16,274
Meals and entertainment	1,374	2,633
Interest on statutory claims	817	27,817
Trophies and awards	740	-
Event entertainment	520	1,406
Executive meetings	376	-
	641,802	616,864
EXCESS OF REVENUES OVER EXPENDITURES BEFORE PLANT AND EQUIPMENT EXPENDITURES OUT OF REVENUE	(6,191)	(41,281)
PLANT AND EQUIPMENT EXPENDITURES OUT OF REVENUE	13,693	31,753
LOSS BEFORE PRIOR YEAR ADJUSTMENT	(19,884)	(73,034)
PRIOR YEAR ADJUSTMENT (Note 6)	6,235	-
NET LOSS	\$ (26,119)	\$ (73,034)

See notes to financial statements

KELOWNA CURLING CLUB

Statement of Deficit

Year Ended April 30, 2014

(Unaudited - See Notice To Reader)

	2014	2013
DEFICIT - BEGINNING OF YEAR	\$ (176,304)	\$ (103,270)
NET LOSS FOR THE YEAR	(26,119)	(73,034)
DEFICIT - END OF YEAR	\$ (202,423)	\$ (176,304)

KELOWNA CURLING CLUB

Notes to Financial Statements

Year Ended April 30, 2014

(Unaudited - See Notice To Reader)

1. SUMMARY OF ACCOUNTING POLICIES

Fund accounting

The General Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources.

The Plant and Equipment Fund reports the assets, liabilities, revenues and expenses related to Kelowna Curling Club's plant and equipment.

Plant and equipment

Plant and equipment are stated at cost or deemed cost less accumulated amortization. Plant and equipment are amortized over their estimated useful lives on a straight-line basis at the following rates:

Curling rocks	4%
Signs	20%
Furniture and fixtures	20%
Leasehold improvements	5%

2. PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2014 Net book value	2013 Net book value
Curling rocks	\$ 76,085	\$ 29,978	\$ 46,107	\$ 49,150
Signs	8,790	8,790	-	-
Furniture and fixtures	263,592	248,208	15,384	53,041
Leasehold improvements	505,205	228,163	277,042	302,302
	\$ 853,672	\$ 515,139	\$ 338,533	\$ 404,493

3. DEMAND NOTES PAYABLE

	2014	2013
Loan Payable - Guy Mackie		
Promissory note payable at 3.5% per annum. Payments of \$4,000 principal and interest to be made quarterly. Promisee may at any time during the year, upon 21 days' notice, demand payment.	\$ 25,000	\$ -
Loan Payable - Robert Harris		
Promissory note payable at 3.5% per annum. Payments of \$4,000 principal and interest to be made quarterly. Promisee may at any time during the year, upon 21 days' notice, demand payment.	25,000	-
	\$ 50,000	\$ -

KELOWNA CURLING CLUB**Notes to Financial Statements****Year Ended April 30, 2014***(Unaudited - See Notice To Reader)***4. LOAN PAYABLE - CITY OF KELOWNA**

	2014	2013
Loan payable to the City of Kelowna with interest to be charged monthly at the rate of 3.0% per annum. Payments to be made twice annually on September 1st and March 1st.	\$ 182,448	\$ 100,000
Amounts payable within one year	(40,000)	-
	\$ 142,448	\$ 100,000

Principal repayment terms are approximately:

2015	\$ 40,000
2016	40,000
2017	40,000
2018	40,000
2019	22,448
	<u>\$ 182,448</u>

5. EQUITY IN PLANT AND EQUIPMENT

	2014	2013
Balance, beginning of year	\$ 404,493	\$ 454,774
Plant and equipment expenditures out of revenue	13,693	31,753
Amortization	(79,653)	(82,034)
Balance, end of year	\$ 338,533	\$ 404,493

6. PRIOR YEAR ADJUSTMENT

A reassessment of 2013 HST owing prior to April 30, 2013, in the amount of \$18,555, was received from the Canada Revenue Agency in April 2014. However, subsequent to that reassessment, the Canada Revenue Agency completed an audit on July 31 2014, and reduced their reassessment against the Club to \$6,235. This amount was not included in the April 30, 2013 financial statements and, while relating to prior years, is reflected as a current year expense.