

**FINANCIAL STATEMENTS**

**THOMPSON COMMUNITY  
ASSOCIATION**

**August 31, 2018**



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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Directors of  
**Thompson Community Association**

We have reviewed the accompanying financial statements of Thompson Community Association that comprise the statement of financial position as at August 31, 2018, and the statements of changes in fund balances, 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 accompanying financial statements do not present fairly, in all material respects, the financial position of Thompson Community Association as at August 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.

*Tompkins Wozny LLP*

Vancouver, Canada  
December 3, 2018

Chartered Professional Accountants

# Thompson Community Association

## STATEMENT OF FINANCIAL POSITION

As at August 31

Unaudited - See Review Engagement Report

|  | 2018             |             |                  | 2017             |
|--|------------------|-------------|------------------|------------------|
|  | General Fund     | Gaming Fund | Totals           |                  |
|  | \$               | \$          | \$               | \$               |
| <b>ASSETS</b>  |                  |             |                  |                  |
| <b>Current</b>   |                  |             |                  |                  |
| Cash   | 369,650          | 68          | 369,718          | 648,534          |
| Guaranteed investment certificates [note 3]                                      | 333,732          | —           | 333,732          | 240,422          |
| Accounts receivable [note 5]   | 41,451           | —           | 41,451           | 35,025           |
| Advance - Sea Island Community Association                                       | —                | —           | —                | 33,893           |
| Prepaid expenses   | 2,455            | —           | 2,455            | 5,071            |
| <b>Total current assets</b>  | <b>747,288</b>   | <b>68</b>   | <b>747,356</b>   | <b>962,945</b>   |
| Internally restricted cash and guaranteed investment certificates [note 3 and 4] | 704,043          | —           | 704,043          | 620,896          |
| Property and equipment [note 6]  | 391,697          | —           | 391,697          | 455,254          |
|  | <b>1,843,028</b> | <b>68</b>   | <b>1,843,096</b> | <b>2,039,095</b> |
| <b>LIABILITIES AND FUND BALANCES</b>   |                  |             |                  |                  |
| <b>Current liabilities</b>   |                  |             |                  |                  |
| Accounts payable and accruals [note 7]   | 130,144          | —           | 130,144          | 371,708          |
| Deferred revenue [note 8]  | 265,505          | —           | 265,505          | 246,261          |
| <b>Total liabilities</b>   | <b>395,649</b>   | <b>—</b>    | <b>395,649</b>   | <b>617,969</b>   |
| <b>Fund balances</b>   |                  |             |                  |                  |
| Externally restricted  | —                | 68          | 68               | 69               |
| Invested in property and equipment   | 391,697          | —           | 391,697          | 455,254          |
| Internally restricted [note 9]   | 704,043          | —           | 704,043          | 620,896          |
| Unrestricted   | 351,639          | —           | 351,639          | 344,907          |
| <b>Total fund balances</b>   | <b>1,447,379</b> | <b>68</b>   | <b>1,447,447</b> | <b>1,421,126</b> |
|  | <b>1,843,028</b> | <b>68</b>   | <b>1,843,096</b> | <b>2,039,095</b> |

See accompanying notes to the financial statements

On behalf of the Board:

Otto Sun

Director

Marion Gray

Director

## STATEMENT OF CHANGES IN FUND BALANCES

Year ended August 31

Unaudited - See Review Engagement Report

|                                    | <b>General Fund</b>                               |                                  |                           |                        | <b>Total</b>     |
|------------------------------------|---|----------------------------------|---------------------------|------------------------|------------------|
|                                    | <b>Invested in<br/>Property and<br/>Equipment</b> | <b>Internally<br/>Restricted</b> | <b>Un-<br/>restricted</b> | <b>Gaming<br/>Fund</b> |                  |
|                                    | \$  | \$                               | \$                        | \$                     | \$               |
| <b>2018</b>                        |   |                                  |                           |                        |                  |
|                                    |   | <i>[note 9]</i>                  |                           |                        |                  |
| <b>Balance, beginning of year</b>  | 455,254   | 620,896                          | 344,907                   | 69                     | 1,421,126        |
| Revenue over (under) expenses      | (71,439)  | —                                | 97,761                    | (1)                    | 26,321           |
| Purchase of property and equipment | 7,882   | (3,136)                          | (4,746)                   | —                      | —                |
| Interfund transfers                | —   | 86,283                           | (86,283)                  | —                      | —                |
| <b>Balance, end of year</b>        | <b>391,697</b>                                    | <b>704,043</b>                   | <b>351,639</b>            | <b>68</b>              | <b>1,447,447</b> |
| <b>2017</b>                        |   |                                  |                           |                        |                  |
| <b>Balance, beginning of year</b>  | 161,884   | 517,049                          | 700,879                   | 103                    | 1,379,915        |
| Revenue over (under) expenses      | (74,600)  | —                                | 115,845                   | (34)                   | 41,211           |
| Purchase of property and equipment | 367,970   | (350,928)                        | (17,042)                  | —                      | —                |
| Interfund transfers                | —   | 454,775                          | (454,775)                 | —                      | —                |
| <b>Balance, end of year</b>        | <b>455,254</b>                                    | <b>620,896</b>                   | <b>344,907</b>            | <b>69</b>              | <b>1,421,126</b> |

See accompanying notes to the financial statements

## STATEMENT OF OPERATIONS

Year ended August 31

Unaudited - See Review Engagement Report

|   | 2018             |             |                  | 2017             |
|---|------------------|-------------|------------------|------------------|
|   | General Fund     | Gaming Fund | Totals           |                  |
|   | \$               | \$          | \$               | \$               |
| <b>REVENUE</b>                                    |                  |             |                  |                  |
| Programs <i>[schedule]</i>                        | 584,839          | —           | 584,839          | 559,644          |
| Licensed Preschool - Rompers <i>[schedule]</i>    | 199,966          | —           | 199,966          | 226,812          |
| - Nature school <i>[schedule]</i>                 | 172,417          | —           | 172,417          | 166,161          |
| Rentals and children's parties <i>[schedule]</i>  | 42,446           | —           | 42,446           | 36,810           |
| Interest and other                                | 17,929           | 1           | 17,930           | 18,148           |
|   | 1,017,597        | 1           | 1,017,598        | 1,007,575        |
| Fitness <i>[schedule]</i>                         | 468,540          | —           | 468,540          | 490,978          |
| <b>Total revenue</b>                              | <b>1,486,137</b> | <b>1</b>    | <b>1,486,138</b> | <b>1,498,553</b> |
| <b>EXPENSES</b>                                   |                  |             |                  |                  |
| Programs <i>[schedule]</i>                        | 526,346          | —           | 526,346          | 509,122          |
| Licensed Preschool - Rompers <i>[schedule]</i>    | 179,204          | —           | 179,204          | 201,185          |
| - Nature school <i>[schedule]</i>                 | 155,028          | —           | 155,028          | 159,881          |
| Accounting  | 26,314           | —           | 26,314           | 25,826           |
| Auxiliary staff                                   | 59,017           | —           | 59,017           | 45,635           |
| Bank charges and credit card merchant fees        | 19,210           | 2           | 19,212           | 23,157           |
| Amortization of property and equipment            | 71,439           | —           | 71,439           | 72,886           |
| Insurance   | 7,144            | —           | 7,144            | 7,606            |
| Rentals and children's parties <i>[schedule]</i>  | 27,105           | —           | 27,105           | 26,924           |
| Community development coordinator                 | 54,192           | —           | 54,192           | 51,448           |
| Repairs and maintenance                           | 12,455           | —           | 12,455           | 3,109            |
| Other administration                              | 71,847           | —           | 71,847           | 57,925           |
|   | 1,209,301        | 2           | 1,209,303        | 1,184,704        |
| Fitness <i>[schedule]</i>                         | 250,514          | —           | 250,514          | 272,638          |
| <b>Total expenses</b>                             | <b>1,459,815</b> | <b>2</b>    | <b>1,459,817</b> | <b>1,457,342</b> |
| <b>Revenue over (under) expenses for the year</b> | <b>26,322</b>    | <b>(1)</b>  | <b>26,321</b>    | <b>41,211</b>    |

See accompanying notes to the financial statements

## STATEMENT OF CASH FLOWS

Year ended August 31

Unaudited - See Review Engagement Report

|   | 2018             |             |                  | 2017           |
|---|------------------|-------------|------------------|----------------|
|   | General Fund     | Gaming Fund | Totals           |                |
|   | \$               | \$          | \$               | \$             |
| <b>OPERATING ACTIVITIES</b>                                     |                  |             |                  |                |
| Revenue over (under) expenses for the year                      | 26,322           | (1)         | 26,321           | 41,211         |
| Items not affecting cash  |                  |             |                  |                |
| Amortization of property and equipment                          | 71,439           | —           | 71,439           | 72,886         |
| Loss on disposal of equipment                                   | —                | —           | —                | 1,714          |
| Changes in non-cash working capital items                       |                  |             |                  |                |
| Accounts receivable   | (6,426)          | —           | (6,426)          | 14,561         |
| Prepaid expenses  | 2,616            | —           | 2,616            | (2,460)        |
| Accounts payable and accruals                                   | 8,143            | —           | 8,143            | 25,912         |
| Deferred revenue  | 19,244           | —           | 19,244           | 14,686         |
| <b>Cash provided by (used in) operating activities</b>          | <b>121,338</b>   | <b>(1)</b>  | <b>121,337</b>   | <b>168,510</b> |
| <b>INVESTING ACTIVITIES</b>                                     |                  |             |                  |                |
| Net redemption (purchase) of guaranteed investment certificates | (176,457)        | —           | (176,457)        | 246,208        |
| Advance - Sea Island Community Association                      | 33,893           | —           | 33,893           | (33,893)       |
| Purchase of property and equipment (net of accounts payable)    | (257,589)        | —           | (257,589)        | (118,263)      |
| <b>Cash provided by (used in) investing activities</b>          | <b>(400,153)</b> | <b>—</b>    | <b>(400,153)</b> | <b>94,052</b>  |
| <b>Increase (decrease) in cash during the year</b>              | <b>(278,815)</b> | <b>(1)</b>  | <b>(278,816)</b> | <b>262,562</b> |
| Cash, beginning of year   | 648,465          | 69          | 648,534          | 385,972        |
| <b>Cash, end of year</b>  | <b>369,650</b>   | <b>68</b>   | <b>369,718</b>   | <b>648,534</b> |

See accompanying notes to the financial statements

## **NOTES TO FINANCIAL STATEMENTS**

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August 31, 2018

Unaudited - See Review Engagement Report

### **1. PURPOSE OF THE ASSOCIATION**

The Thompson Community Association (the "Association") is incorporated pursuant to the British Columbia Societies Act, is a not-for-profit organization and is exempt from income taxes. The Association and the City of Richmond ("City") through a joint operating agreement ("JOA"), are responsible for the day to day operations of the Thompson Community Centre, located in the Thompson area of Richmond, B.C.

The current JOA expires on December 31, 2023.

The Association believes that a healthy community is welcoming, caring, safe, supportive and responsive to the needs of its residents. The mission of the volunteers and professionals of the Thompson Community Association is to strive for a healthy community by providing sustainable social and recreational opportunities and facilities to the residents of the Thompson area and Richmond in a way that invites the full participation of all people.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

#### **Use of Estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 date of the financial statements and the amounts of revenues and expenditures reported during the year. Significant areas requiring the use of management estimates relate to the determination of net recoverable value of assets, in particular as it relates to useful lives of property and equipment. Actual results could differ from these estimates.

#### **Cash**

Cash consists of cash on hand and bank deposits.

#### **Fund Accounting**

The General Fund reports the assets, liabilities, revenues and expenses relating to program delivery, administrative activities and capital assets.

The Gaming Fund reports revenues and expenses relating to the assets, liabilities, revenues and expenses relating to the receipt of gaming funds.

## NOTES TO FINANCIAL STATEMENTS

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August 31, 2018

Unaudited - See Review Engagement Report

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### Revenue Recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Contributions restricted for the purchase of property and equipment are amortized to revenue at the same rate as the related assets. 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 all other sources is recognized when the respective program or service is provided. Any revenues received in advance of the commencement of a program or service is recorded as deferred revenue.

#### Property and Equipment

Property and equipment are recorded at cost.

#### Amortization

The Association amortizes its property and equipment on a straight-line basis over their estimated useful lives as follows:

|                        |                    |
|------------------------|--------------------|
| Fitness Equipment      | - 4, 5 and 8 years |
| Furniture and Fixtures | - 5 and 10 years   |
| Playground             | - 25 years         |

#### Contributed Services

The work of the Association is dependent on the efforts of many volunteers. As these services are not normally purchased by the Association and due to the difficulty in determining the fair value of such services, the value of the contributed services are not recognized in these financial statements.

#### Statement of Cash Flows

The statement of cash flows is prepared on a net cash basis and cash flows from operating activities are reported using the indirect method.

#### Internally Restricted Fund Balances

The Building Expansion Reserve internally restricts amounts for future expansion of the facility.

The Capital Reserve internally restricts amounts to cover the replacement of Fitness Room equipment and other capital equipment.

The Tot Lot Replacement internally restricts amounts to cover the replacement of the Tot Lot.



## NOTES TO FINANCIAL STATEMENTS

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August 31, 2018

Unaudited - See Review Engagement Report

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Fitness Room Upgrades internally restricts amounts to cover upgrades to the fitness centre.

The Contingency Reserve internally restricts three months of estimated operating expenses.

#### Use of the Thompson Community Centre and the Providing of Operating Expenses

The City provides the building, utilities and administrative staff to run the Centre at no cost to the Association. The value of the use of the facilities as well as these additional operating expenses has not been reflected in the financial statements.

#### Measurement of Financial Instruments

The Association initially measures its financial assets and financial liabilities at fair value.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, guaranteed investments certificates, and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accruals.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

### 3. GUARANTEED INVESTMENT CERTIFICATES ("GIC's")

GIC's have interest rates varying from 1.65% to 2.25% and have maturity dates ranging from November 2018 to June 2019.

**NOTES TO FINANCIAL STATEMENTS**

August 31, 2018

Unaudited - See Review Engagement Report

**4. INTERNALLY RESTRICTED CASH AND GIC's**

Internally restricted cash and GIC's comprises of the following:

|                              | 2018           | 2017           |
|------------------------------|----------------|----------------|
|                              | \$             | \$             |
| Internally restricted funds: |                |                |
| Capital Reserve              | 309,566        | 246,419        |
| Building Expansion Reserve   | 5,184          | 5,184          |
| Tot Lot Replacement          | 293            | 293            |
| Fitness Room Upgrade         | 20,000         | —              |
| Contingency Reserve          | 369,000        | 369,000        |
|                              | <b>704,043</b> | <b>620,896</b> |

**5. ACCOUNTS RECEIVABLE**

|                                 | 2018          | 2017          |
|---------------------------------|---------------|---------------|
|                                 | \$            | \$            |
| City of Richmond                | 24,589        | 25,936        |
| Grants and other                | 4,489         | 2,556         |
| Interest receivable             | 12,373        | 6,533         |
| Allowance for doubtful accounts | —             | —             |
|                                 | <b>41,451</b> | <b>35,025</b> |

**6. PROPERTY AND EQUIPMENT**

|                        | Cost           | Accumulated<br>Amortization | Net<br>Book Value |
|------------------------|----------------|-----------------------------|-------------------|
|                        | \$             | \$                          | \$                |
| <b>2018</b>            |                |                             |                   |
| Furniture and fixtures | 237,175        | 190,556                     | 46,619            |
| Fitness equipment      | 334,389        | 229,030                     | 105,359           |
| Playground             | 249,707        | 9,988                       | 239,719           |
|                        | <b>821,271</b> | <b>429,574</b>              | <b>391,697</b>    |
| <b>2017</b>            |                |                             |                   |
| Furniture and fixtures | 229,293        | 177,572                     | 51,721            |
| Fitness equipment      | 334,389        | 180,563                     | 153,826           |
| Playground             | 249,707        | —                           | 249,707           |
|                        | <b>813,389</b> | <b>358,135</b>              | <b>455,254</b>    |

**NOTES TO FINANCIAL STATEMENTS**

August 31, 2018

Unaudited - See Review Engagement Report

**7. ACCOUNTS PAYABLE AND ACCRUALS**

|                              | 2018           | 2017           |
|------------------------------|----------------|----------------|
|                              | \$             | \$             |
| Trade payables and accruals  | 57,519         | 318,583        |
| Wages payable                | 65,525         | 47,001         |
| Government remittances - GST | 5,199          | 4,148          |
| - WorkSafeBC                 | 1,901          | 1,976          |
|                              | <b>130,144</b> | <b>371,708</b> |

**8. DEFERRED REVENUE**

Deferred revenue represents revenue received in advance and comprises the following:

|                                | 2018           | 2017           |
|--------------------------------|----------------|----------------|
|                                | \$             | \$             |
| Programs                       | 130,226        | 129,744        |
| Fitness                        | 88,287         | 87,459         |
| Fundraising                    | 16,761         | 14,358         |
| Grants                         | 21,717         | 10,200         |
| Rentals and children's parties | 8,514          | 4,500          |
|                                | <b>265,505</b> | <b>246,261</b> |

**9. INTERNALLY RESTRICTED FUND BALANCES**

Internally restricted fund balances are as follows:

|                            | 2018           | 2017           |
|----------------------------|----------------|----------------|
|                            | \$             | \$             |
| Capital Reserve            | 309,566        | 246,419        |
| Building Expansion Reserve | 5,184          | 5,184          |
| Tot Lot Replacement        | 293            | 293            |
| Fitness Room Upgrade       | 20,000         | —              |
| Contingency Reserve        | 369,000        | 369,000        |
|                            | <b>704,043</b> | <b>620,896</b> |

The internal restrictions are described as follows:

(i) Capital Reserve

In 2018, the Association's Board of Directors internally restricted fund balances of \$74,200 [2017 - \$85,775].

NOTES TO FINANCIAL STATEMENTS

August 31, 2018

Unaudited - See Review Engagement Report

9. INTERNALLY RESTRICTED FUND BALANCES (CONT'D)

|                                  | Fitness<br>\$ | Furniture and<br>Fixtures<br>\$ | Total<br>\$ |
|----------------------------------|---------------|---------------------------------|-------------|
| <b>2018</b>                      |               |                                 |             |
| Balance, beginning of year       | 201,024       | 45,395                          | 246,419     |
| Interfund transfers              | 54,200        | 20,000                          | 74,200      |
| Property and equipment purchased | —             | (3,136)                         | (3,136)     |
| Expense incurred                 | —             | (7,917)                         | (7,917)     |
| Balance, end of year             | 255,224       | 54,342                          | 309,566     |
| <b>2017</b>                      |               |                                 |             |
| Balance, beginning of year       | 221,470       | 40,395                          | 261,865     |
| Interfund transfers              | 80,775        | 5,000                           | 85,775      |
| Property and equipment purchased | (101,221)     | —                               | (101,221)   |
| Expense incurred                 | —             | —                               | —           |
| Balance, end of year             | 201,024       | 45,395                          | 246,419     |

(ii) Building Expansion Reserve

|                                   | 2018<br>\$   | 2017<br>\$ |
|-----------------------------------|--------------|------------|
| <b>Balance, beginning of year</b> | <b>5,184</b> | 5,184      |
| Interfund transfer                | —            | —          |
| <b>Balance, end of year</b>       | <b>5,184</b> | 5,184      |

(iii) Tot Lot Replacement

|                                   | 2018<br>\$ | 2017<br>\$ |
|-----------------------------------|------------|------------|
| <b>Balance, beginning of year</b> | <b>293</b> | 250,000    |
| Interfund transfer                | —          | —          |
| Property and equipment purchased  | —          | (249,707)  |
| <b>Balance, end of year</b>       | <b>293</b> | 293        |

NOTES TO FINANCIAL STATEMENTS

August 31, 2018

Unaudited - See Review Engagement Report

**9. INTERNALLY RESTRICTED FUND BALANCES (CONT'D)**

(iv) Fitness Room Upgrades

During the year, the Association's Board of Directors internally restricted \$20,000 [2017 - \$Nil] of funding for upgrades to the fitness room.

|                                   | 2018          | 2017 |
|-----------------------------------|---------------|------|
|                                   | \$            | \$   |
| <b>Balance, beginning of year</b> | —             | —    |
| Interfund transfer                | 20,000        | —    |
| Expense incurred                  | —             | —    |
| <b>Balance, end of year</b>       | <b>20,000</b> | —    |

Subsequent to the year, the Association's Board of Directors internally restricted an additional \$10,000 for upgrades to the fitness room.

(v) Contingency Reserve

During the year, the Association internally restricted funds of \$Nil [2017 - \$369,000] to cover three months of estimated operating expenses.

|                                   | 2018           | 2017    |
|-----------------------------------|----------------|---------|
|                                   | \$             | \$      |
| <b>Balance, beginning of year</b> | <b>369,000</b> | —       |
| Interfund transfer                | —              | 369,000 |
| Expense incurred                  | —              | —       |
| <b>Balance, end of year</b>       | <b>369,000</b> | 369,000 |

**10. FINANCIAL INSTRUMENTS**

The Association is exposed to various risks through its financial instruments. The following analysis presents the Association's exposures to significant risk as at August 31, 2018.

**Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Association's exposure to credit risk are indicated by the carrying amounts of its cash, GIC's and accounts receivable. The Association limits its exposure to credit loss by placing its cash and GIC's with chartered Canadian financial institutions. Management believes that the Association is not exposed to an unusual level of credit risk.

## NOTES TO FINANCIAL STATEMENTS

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August 31, 2018

Unaudited - See Review Engagement Report

### 10. FINANCIAL INSTRUMENTS (CONT'D)

#### Liquidity Risk

Liquidity risk is the risk of being unable to meet cash requirements or fund obligations as they become due. It stems from the possibility of a delay in realizing the fair value of financial instruments.

The Association manages its liquidity risk by constantly monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

#### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

All of the Association's financial instruments are non-interest bearing except for cash that earns interest at variable market rates and GIC's that earn interest at negotiated rates.

### 11. COMPARATIVE FIGURES

Certain prior year's comparative figures have been reclassified where necessary to conform to the current year's presentation.

**SCHEDULE OF PROGRAM REVENUE AND EXPENSES**

Year ended August 31

Unaudited - See Review Engagement Report

|   | Revenue          | Wages and<br>benefits | Supplies and<br>other<br>expenses | Total<br>expenses | Income<br>(loss) |
|---|------------------|-----------------------|-----------------------------------|-------------------|------------------|
|   | \$               | \$                    | \$                                | \$                | \$               |
| <b>2018</b>   |                  |                       |                                   |                   |                  |
| Programs:   |                  |                       |                                   |                   |                  |
| Seasonal - preschool, children, adult<br>and tennis | 446,247          | 313,114               | 43,052                            | 356,166           | 90,081           |
| Other   | 49,375           | 697                   | 8,913                             | 9,610             | 39,765           |
| Seniors   | 35,838           | 47,530                | 19,029                            | 66,559            | (30,721)         |
| Youth   | 53,379           | 76,415                | 17,596                            | 94,011            | (40,632)         |
| <b>Total programs</b>                               | <b>584,839</b>   | <b>437,756</b>        | <b>88,590</b>                     | <b>526,346</b>    | <b>58,493</b>    |
| Licensed Preschool - Rompers                        | 199,966          | 166,002               | 13,202                            | 179,204           | 20,762           |
| - Nature School                                     | 172,417          | 143,297               | 11,731                            | 155,028           | 17,389           |
| Rentals and children's parties                      | 42,446           | 26,995                | 110                               | 27,105            | 15,341           |
| <b>Subtotal</b>                                     | <b>999,668</b>   | <b>774,050</b>        | <b>113,633</b>                    | <b>887,683</b>    | <b>111,985</b>   |
| Fitness   | 468,540          | 225,014               | 25,500                            | 250,514           | 218,026          |
|   | <b>1,468,208</b> | <b>999,064</b>        | <b>139,133</b>                    | <b>1,138,197</b>  | <b>330,011</b>   |
| <b>2017</b>   |                  |                       |                                   |                   |                  |
| Programs:   |                  |                       |                                   |                   |                  |
| Seasonal - preschool, children, adult<br>and tennis | 422,749          | 313,456               | 32,106                            | 345,562           | 77,187           |
| Other   | 64,211           | 1,354                 | 17,851                            | 19,205            | 45,006           |
| Seniors   | 23,692           | 38,915                | 19,813                            | 58,728            | (35,036)         |
| Youth   | 48,992           | 68,509                | 17,118                            | 85,627            | (36,635)         |
| <b>Total programs</b>                               | <b>559,644</b>   | <b>422,234</b>        | <b>86,888</b>                     | <b>509,122</b>    | <b>50,522</b>    |
| Licensed Preschool - Rompers                        | 226,812          | 184,442               | 16,743                            | 201,185           | 25,627           |
| - Nature School                                     | 166,161          | 146,462               | 13,419                            | 159,881           | 6,280            |
| Rentals and children's parties                      | 36,810           | 23,372                | 3,552                             | 26,924            | 9,886            |
| <b>Subtotal</b>                                     | <b>989,427</b>   | <b>776,510</b>        | <b>120,602</b>                    | <b>897,112</b>    | <b>92,315</b>    |
| Fitness   | 490,978          | 242,343               | 30,295                            | 272,638           | 218,340          |
|   | <b>1,480,405</b> | <b>1,018,853</b>      | <b>150,897</b>                    | <b>1,169,750</b>  | <b>310,655</b>   |

