

Financial Statements of

McDonalds Corners/Elphin Recreation & Arts

for the year ended December 31, 2021

(unaudited - see Notice to Reader)

McDonalds Corners/Elphin Recreation & Arts

Financial Statements for the year ended December 31, 2021

(unaudited - see Notice to Reader)

	<u>Page</u>
Notice to Reader	1
Statement of Financial Position	2
Statement of Operations	3
Statement of Cash Flows	4
Notes to Financial Statements	5 - 6

In Balance Inc.

2970 Elphin-Maberly Road

McDonalds Corners, ON

K0G 1M0

(613) 278-0564

kotze@storm.ca

NOTICE TO READER

I have prepared the statement of financial position of McDonalds Corners/Elphin Recreation & Arts for the year ended December 31, 2021 and the statement of operations for the year then ended from information provided by management.

I have not conducted an audit and consequently do not express an audit opinion on these statements. Readers are cautioned that these statements may not be appropriate for their purposes.

In Balance Inc.

In Balance Inc.
McDonalds Corners, ON

18 February 2022

McDonalds Corners/Elphin Recreation & Arts

STATEMENT OF FINANCIAL POSITION

as at 31 December 2021

(unaudited - see Notice to Reader)

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
CURRENT		
Cash and bank	\$ 32,403	\$ 38,907
Term deposits	29,918	29,451
Accounts receivable	448	402
Prepaid expenses	<u>805</u>	<u>1,249</u>
	<u>\$ 63,574</u>	<u>\$ 70,009</u>
<u>LIABILITIES</u>		
CURRENT LIABILITIES		
Accounts payable & accrued liabilities	\$ 3,393	\$ 2,900
Deferred revenues (note 4)	<u>3,663</u>	<u>4,863</u>
	<u>7,056</u>	<u>7,763</u>
<u>NET ASSETS</u>		
Unrestricted funds	<u>56,518</u>	<u>62,246</u>
	<u>56,518</u>	<u>62,246</u>
	<u>\$ 63,574</u>	<u>\$ 70,009</u>

McDonalds Corners/Elphin Recreation & Arts

STATEMENT OF OPERATIONS

for the year ended 31 December 2021

(unaudited - see Notice to Reader)

	<u>2021</u>	<u>2020</u>
REVENUE		
Government funding	\$ 1,985	\$ 12,920
Foundation grants	1,262	143
Sales, fees and fundraising	15,111	9,251
Memberships	5,900	6,760
Donations	4,019	6,430
Investment income	467	554
	<u>\$ 28,744</u>	<u>\$ 36,058</u>
EXPENSES		
Administrator	\$ 10,730	\$ 10,581
Advertising and promotion	429	224
Artists expenses	7,416	2,040
Interest and bank charges	49	52
Liability insurance	2,168	1,476
Office and general expenses	1,797	2,011
Professional fees	764	1,282
Program expenses	579	1,981
Repairs and maintenance	7,353	7,142
Travel	-	15
Utilities	3,187	3,463
	<u>\$ 34,472</u>	<u>\$ 30,267</u>
Net Surplus from Operations	\$ (5,728)	\$ 5,791
Unrestricted funds balance, beginning of year	<u>62,246</u>	<u>56,455</u>
Unrestricted funds balance, end of year	<u>\$ 56,518</u>	<u>\$ 62,246</u>

McDonalds Corners/Elphin Recreation & Arts

STATEMENT OF CASH FLOWS

for the year ended December 31, 2021

(unaudited - see Notice to Reader)

	2021	2020
Cash Flows from Operating Activities		
Net surplus (deficit) from operations	\$ (5,728)	\$ 5,791
Changes in non-cash Working Capital Balances		
Term deposits	(467)	3,489
Accounts receivable	(46)	1,177
Prepaid expenses	444	(610)
Accounts payable and accrued liabilities	493	(664)
Deferred revenues	<u>(1,200)</u>	<u>(449)</u>
Increase (decrease) in Cash	(6,504)	8,734
Cash, beginning of year	<u>38,907</u>	<u>30,173</u>
Cash, end of year	<u>\$ 32,403</u>	<u>\$ 38,907</u>

McDonalds Corners/Elphin Recreation & Arts

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

(unaudited - see Notice to Reader)

1. PURPOSE OF ORGANIZATION

McDonalds Corners/Elphin Recreation & Arts (MERA)'s mandate is to encourage, develop and organize cultural and recreational activities for people of all ages to enhance the well being, health and connectivity of the community. MERA is a non-profit organization and a registered charity incorporated under a Letter of Patent in the province of Ontario.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition

The organization follows the deferral method of accounting for revenues and expenditures. Any funding revenues received in excess of expenditures are recorded as deferred revenue and are only recognized as revenue when the corresponding expenditures are subsequently made.

Contributed Goods and Services

Volunteers contribute a substantial number of hours each year to assist the organization in carrying out its activities. Because of the difficulty in documenting the fair value, contributions of such services are not recognized in the financial statements. Contributed goods are valued at their fair market value and recorded in the financial statements.

Equipment and Renovations

Equipment purchases and renovations are not capitalized, but are reported as expenditures in the year in which they are incurred.

3. FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash, term deposits, accounts payable and accrued liabilities. It is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair market value of these instruments reasonably approximates their carrying value.

McDonalds Corners/Elphin Recreation & Arts

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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4. DEFERRED REVENUES

Deferred revenues represent funds received for a specific purpose in the current or a prior fiscal year that were not used during the year, or funds that were received in the current or a prior fiscal year that are not intended for use until a subsequent fiscal year.

	2021	2020
Basketry Network	\$ 1,414	\$ 1,414
Bursary fund	49	49
Membership fees prepaid	<u>2,200</u>	<u>3,400</u>
	<u>\$ 3,663</u>	<u>\$ 4,863</u>