

Financial Statements of
McDonalds Corners/Elphin Recreation & Arts

for the year ended December 31, 2022

(unaudited - see Notice to Reader)

McDonalds Corners/Elphin Recreation & Arts

Financial Statements for the year ended December 31, 2022

(unaudited - see Notice to Reader)

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In Balance Inc.
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NOTICE TO READER

I have prepared the statement of financial position of McDonalds Corners/Elphin Recreation & Arts for the year ended December 31, 2022 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

7 March 2023

McDonalds Corners/Elphin Recreation & Arts

STATEMENT OF FINANCIAL POSITION

as at 31 December 2022

(unaudited - see Notice to Reader)

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
CURRENT		
Cash and bank	\$ 32,002	\$ 32,403
Term deposits	30,394	29,918
Accounts receivable	814	448
Prepaid expenses	<u>763</u>	<u>805</u>
	<u>\$ 63,973</u>	<u>\$ 63,574</u>
 <u>LIABILITIES</u>		
CURRENT LIABILITIES		
Accounts payable & accrued liabilities	\$ 1,965	\$ 3,393
Deferred revenues (note 4)	<u>5,193</u>	<u>3,663</u>
	<u>7,158</u>	<u>7,056</u>
 <u>NET ASSETS</u>		
Unrestricted funds	<u>56,815</u>	<u>56,518</u>
	<u>56,815</u>	<u>56,518</u>
	<u>\$ 63,973</u>	<u>\$ 63,574</u>

McDonalds Corners/Elphin Recreation & Arts

STATEMENT OF OPERATIONS

for the year ended 31 December 2022

(unaudited - see Notice to Reader)

	<u>2022</u>	<u>2021</u>
REVENUE		
Government funding	\$ 1,600	\$ 1,985
Foundation grants	-	1,262
Sales, fees and fundraising	31,859	15,111
Memberships	5,725	5,900
Donations	8,601	4,019
Investment income	476	467
	<u>\$ 48,261</u>	<u>\$ 28,744</u>
EXPENSES		
Administrator	\$ 10,580	\$ 10,730
Advertising and promotion	1,053	429
Artists expenses	13,738	7,416
Interest and bank charges	48	49
Liability insurance	2,278	2,168
Office and general expenses	1,409	1,797
Professional fees	608	764
Program expenses	6,157	579
Repairs and maintenance	7,131	7,353
Utilities	4,962	3,187
	<u>\$ 47,964</u>	<u>\$ 34,472</u>
Net Surplus from Operations	\$ 297	\$ (5,728)
Unrestricted funds balance, beginning of year	<u>56,518</u>	<u>62,246</u>
Unrestricted funds balance, end of year	<u>\$ 56,815</u>	<u>\$ 56,518</u>

McDonalds Corners/Elphin Recreation & Arts

STATEMENT OF CASH FLOWS

for the year ended December 31, 2022

(unaudited - see Notice to Reader)

	2022	2021
Cash Flows from Operating Activities		
Net surplus (deficit) from operations	\$ 297	\$ (5,728)
Changes in non-cash Working Capital Balances		
Term deposits	(476)	(467)
Accounts receivable	(366)	(46)
Prepaid expenses	42	444
Accounts payable and accrued liabilities	(1,428)	493
Deferred revenues	<u>1,530</u>	<u>(1,200)</u>
Increase (decrease) in Cash	(401)	(6,504)
Cash, beginning of year	<u>32,403</u>	<u>38,907</u>
Cash, end of year	<u>\$ 32,002</u>	<u>\$ 32,403</u>

McDonalds Corners/Elphin Recreation & Arts

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

(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, 2022

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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.

	2022	2021
Basketry Network	\$ 1,414	\$ 1,414
Bursary fund	649	49
Membership fees prepaid	2,750	2,200
Workshop fees	380	-
	<u>\$ 5,193</u>	<u>\$ 3,663</u>