

Financial Statements of
McDonalds Corners/Elphin Recreation & Arts

for the year ended December 31, 2025

(unaudited - see Notice to Reader)

McDonalds Corners/Elphin Recreation & Arts

Financial Statements for the year ended December 31, 2025

(unaudited - see Notice to Reader)

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NOTICE TO READER

I have prepared the statement of financial position of McDonalds Corners/Elphin Recreation & Arts as at December 31, 2025 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

17 March 2026

McDonalds Corners/Elphin Recreation & Arts

STATEMENT OF FINANCIAL POSITION

as at 31 December 2025

(unaudited - see Notice to Reader)

	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>		
CURRENT		
Cash and bank	\$ 52,480	\$ 36,780
Term deposits	24,460	31,761
Accounts receivable	<u>2,808</u>	<u>1,328</u>
	<u>\$ 79,748</u>	<u>\$ 69,869</u>
<u>LIABILITIES</u>		
CURRENT LIABILITIES		
Accounts payable & accrued liabilities	\$ 2,959	\$ 2,176
Deferred revenues (note 4)	<u>11,663</u>	<u>8,193</u>
	<u>14,622</u>	<u>10,369</u>
<u>NET ASSETS</u>		
Unrestricted funds	<u>65,126</u>	<u>59,500</u>
	<u>65,126</u>	<u>59,500</u>
	<u>\$ 79,748</u>	<u>\$ 69,869</u>

McDonalds Corners/Elphin Recreation & Arts

STATEMENT OF OPERATIONS

for the year ended 31 December 2025

(unaudited - see Notice to Reader)

	<u>2025</u>	<u>2024</u>
REVENUE		
Government funding	\$ 4,455	\$ 1,769
Foundation grants	26,712	13,900
Sales, fees and fundraising	46,371	43,610
Memberships	9,100	6,500
Donations	4,617	9,370
Investment income	851	747
	<u>\$ 92,106</u>	<u>\$ 75,896</u>
EXPENSES		
Administrator	\$ 11,720	\$ 11,040
Advertising and promotion	1,623	1,011
Artists expenses	25,649	23,280
Interest and bank charges	53	51
Office and general expenses	1,370	1,054
Professional fees	717	780
Program expenses	31,604	19,572
Repairs, maintenance and renovations	7,617	7,838
Utilities	6,127	4,620
	<u>\$ 86,480</u>	<u>\$ 69,246</u>
Net Surplus from Operations	\$ 5,626	\$ 6,650
Unrestricted funds balance, beginning of year	<u>59,500</u>	<u>52,850</u>
Unrestricted funds balance, end of year	<u>\$ 65,126</u>	<u>\$ 59,500</u>

McDonalds Corners/Elphin Recreation & Arts

STATEMENT OF CASH FLOWS

for the year ended December 31, 2025
(unaudited - see Notice to Reader)

	2025	2024
Cash Flows from Operating Activities		
Net surplus (deficit) from operations	\$ 5,626	\$ 6,650
Changes in non-cash Working Capital Balances		
Term deposits	7,301	(747)
Accounts receivable	(1,480)	(251)
Accounts payable and accrued liabilities	783	(22)
Deferred revenues	<u>3,470</u>	<u>(11,020)</u>
Increase (decrease) in Cash	15,700	(5,390)
Cash, beginning of year	<u>36,780</u>	<u>42,170</u>
Cash, end of year	<u>\$ 52,480</u>	<u>\$ 36,780</u>

McDonalds Corners/Elphin Recreation & Arts

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

(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, 2025

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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.

	2025	2024
Basketry Network	\$ 1,414	\$ 1,414
Bursary fund	1,249	1,249
Membership fees prepaid	3,930	5,530
Ontario Arts Council grant	4,870	-
Workshop fees prepaid	200	-
	<u>\$ 11,663</u>	<u>\$ 8,193</u>