

**NANAIMO 7-10 CLUB SOCIETY**  
**Financial Statements**  
**Year Ended December 31, 2018**  
*(Unaudited - See Notice To Reader)*



# **NANAIMO 7-10 CLUB SOCIETY**

## **Index to Financial Statements**

**Year Ended December 31, 2018**

*(Unaudited - See Notice To Reader)*

---

	Page
NOTICE TO READER	1
FINANCIAL STATEMENTS	
Statement of Revenues and Expenditures	2
Statement of Changes in Net Assets	3
Statement of Financial Position	4
Statement of Cash Flows	5
Notes to Financial Statements	6



---

## NOTICE TO READER

---

On the basis of information provided by management, we have compiled the statement of financial position of Nanaimo 7-10 Club Society as at December 31, 2018 and the statements of revenues and expenditures, changes in net assets and cash flows 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.

Nanaimo, British Columbia  
May 7, 2019

---

MOORE CARGILL  
Chartered Professional Accountants



**NANAIMO 7-10 CLUB SOCIETY****Statement of Revenues and Expenditures****Year Ended December 31, 2018***(Unaudited - See Notice To Reader)*

	2018	2017
<b>REVENUES</b>		
Gaming revenue	\$ 59,347	\$ 50,557
Donations	53,778	61,237
Sponsorships	16,100	12,600
Grants (Note 5)	5,449	5,129
Membership fees	90	90
	<b>134,764</b>	<b>129,613</b>
<b>EXPENSES</b>		
Accounting fees	2,711	2,763
Advertising and promotion	2,776	843
Amortization (Note 4)	9,355	10,113
Fundraising	226	498
Groceries and supplies	52,243	59,794
Insurance	2,981	2,963
Interest and bank charges	316	304
Memberships	406	643
Office	6,038	5,989
Rental (Notes 5, 6)	25,809	24,341
Repairs and maintenance	2,873	3,230
Sub-contracts	1,898	-
Utilities	1,241	1,106
Vehicle	3,975	4,166
Wages and benefits	45,370	44,883
	<b>158,218</b>	<b>161,636</b>
<b>DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<b>(23,454)</b>	<b>(32,023)</b>
<b>OTHER INCOME</b>		
Interest income	92	220
<b>DEFICIENCY OF REVENUES OVER EXPENSES</b>	<b>\$ (23,362)</b>	<b>\$ (31,803)</b>

The accompanying notes are an integral part of these financial statements.



**NANAIMO 7-10 CLUB SOCIETY****Statement of Changes in Net Assets****Year Ended December 31, 2018***(Unaudited - See Notice To Reader)*

	Unrestricted	Internally Restricted	Invested in Tangible Capital Assets	2018	2017
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 15,800	\$ 50,035	\$ 13,661	\$ <b>79,496</b>	\$ 111,299
DEFICIENCY OF REVENUES OVER EXPENSES	(14,007)	-	(9,355)	<b>(23,362)</b>	(31,803)
PURCHASE OF CAPITAL ASSET	-	(3,384)	3,384	-	-
<b>NET ASSETS - END OF YEAR</b>	\$ 1,793	\$ 46,651	\$ 7,690	\$ <b>56,134</b>	\$ 79,496

The accompanying notes are an integral part of these financial statements.



**NANAIMO 7-10 CLUB SOCIETY****Statement of Financial Position****December 31, 2018***(Unaudited - See Notice To Reader)*

	2018	2017
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 45,362	\$ 64,014
Accounts receivable	-	550
Goods and services tax recoverable	1,929	883
Prepaid expenses	3,478	3,451
Restricted cash (Note 2)	2,240	1,471
	53,009	70,369
<b>TANGIBLE CAPITAL ASSETS (Note 4)</b>	7,690	13,661
	\$ 60,699	\$ 84,030
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 2,000	\$ 2,738
Employee deductions payable	325	325
Deferred income	2,240	1,471
	4,565	4,534
<b>NET ASSETS</b>		
Unrestricted	1,793	15,800
Internally restricted	46,651	50,035
Invested in Tangible Capital Assets (Note 3)	7,690	13,661
	56,134	79,496
	\$ 60,699	\$ 84,030

**ON BEHALF OF THE BOARD**\_\_\_\_\_  
*Director*\_\_\_\_\_  
*Director*

The accompanying notes are an integral part of these financial statements.



**NANAIMO 7-10 CLUB SOCIETY****Statement of Cash Flows****Year Ended December 31, 2018***(Unaudited - See Notice To Reader)*

	2018	2017
<b>OPERATING ACTIVITIES</b>		
Deficiency of revenues over expenses	\$ (23,362)	\$ (31,803)
Item not affecting cash:		
Amortization of tangible capital assets	9,355	10,113
	(14,007)	(21,690)
Changes in non-cash working capital:		
Accounts receivable	550	(550)
Accounts payable	(738)	500
Deferred income	769	391
Prepaid expenses	(27)	68
Goods and services tax recoverable	(1,046)	1,501
Restricted cash	(769)	(391)
	(1,261)	1,519
Cash flow used by operating activities	(15,268)	(20,171)
<b>INVESTING ACTIVITY</b>		
Purchase of tangible capital assets	(3,384)	-
<b>DECREASE IN CASH FLOW</b>	(18,652)	(20,171)
Cash - beginning of year	64,014	84,185
<b>CASH - END OF YEAR</b>	\$ 45,362	\$ 64,014

The accompanying notes are an integral part of these financial statements.



# NANAIMO 7-10 CLUB SOCIETY

## Notes to Financial Statements

Year Ended December 31, 2018

(Unaudited - See Notice To Reader)

### 1. DESCRIPTION OF OPERATIONS

The society is incorporated under the laws of the Province of British Columbia and is a registered charity under the Income Tax Act. Its main activity is the provision of meals to disadvantaged individuals. The society operates on a not-for-profit basis.

### 2. RESTRICTED CASH

Funds on deposit in the gaming account are restricted for use pursuant to the Gaming Control Act and Gaming Control Regulation.

### 3. NET ASSETS

On March 29, 2018, the Board internally restricted \$50,035 of net assets for future equipment and leasehold improvements replacement. The balance remaining at December 31, 2018 is \$46,651.

### 4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Equipment	\$ 41,266	\$ 33,576	\$ 7,690	\$ 8,180
Motor vehicles	21,925	21,925	-	5,481
Computer equipment	1,000	1,000	-	-
Leasehold improvements	23,810	23,810	-	-
	\$ 88,001	\$ 80,311	\$ 7,690	\$ 13,661

### 5. PROPERTY TAXES

The society has received an exemption from paying property taxes for 201 - 285 Prideaux Street, Nanaimo, B.C. The value of this exemption for 2018 is \$5,449 (2017 - \$4,929).

### 6. LEASE COMMITMENTS

The society has a long term lease that expires on March 31, 2019. Under the terms of the lease, the society is required to pay a base rent of \$1,553.50 per month plus utilities and maintenance costs.

### 7. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.