

Madawaska Club at Go Home Bay
Balance Sheet
As of 30 April 2013

	<u>30 Apr 13</u>		<u>31 Dec 12</u>		<u>31 Dec 11</u>
ASSETS					
Current Assets					
Chequing/Savings					
Bank of Nova Scot.-money master	83,782		113,517		150,687
Bank of Nova Scotia--Chequing	<u>1,467</u>		<u>3,058</u>		<u>14,139</u>
Total Chequing/Savings	85,249		116,575		136,548
Accounts Receivable					
*Accounts Receivable	<u>800</u>		<u>800</u>		<u>- 595</u>
Total Accounts Receivable	800		800		-
Other Current Assets					
Prepaid Expenses					
Short-Term Investments	<u>72,518</u>		<u>72,027</u>		<u>71,737</u>
Total Other Current Assets	<u>72,518</u>		<u>72,027</u>		<u>71,737</u>
Total Current Assets	158,567		189,403		207,689
Fixed Assets					
Fixed Assets	<u>15,190</u>	Note 2	<u>15,190</u>		<u>15,190</u>
Total Fixed Assets	<u>15,190</u>		<u>15,190</u>		<u>15,190</u>
TOTAL ASSETS	<u><u>173,757</u></u>		<u><u>204,593</u></u>		<u><u>222,880</u></u>
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
Other Current Liabilities			1,900		576
Art show fund	607		607		525
Reserve - Repairs & Maintenance	11,000	Note 3	11,000		45,733
Sailing program fund	19,943	Note 8	19,943		5,336
Swimming program fund	<u>3,902</u>	Note 10	<u>3,902</u>		<u>2,106</u>
Total Other Current Liabilities	<u>35,452</u>		<u>37,352</u>		<u>54,276</u>
Total Current Liabilities	<u>35,452</u>		<u>37,352</u>		<u>54,276</u>
Total Liabilities	<u>35,452</u>		<u>37,352</u>		<u>54,276</u>
Equity					
Total Capital Surplus	165,082	Notes 4 & 9	166,582		169,122
Operating Surplus	659		667		-
Net Income	<u>- 27,436</u>		<u>8</u>		<u>246</u>
Total Equity	<u>138,305</u>		<u>167,241</u>		<u>168,604</u>
TOTAL LIABILITIES & EQUITY	<u><u>173,757</u></u>		<u><u>204,593</u></u>		<u><u>222,880</u></u>

Madawaska Club at Go Home Bay

Profit & Loss

January 2012 through April 2013

Ordinary Income/Expense

Income

Interest Income	97.59
Membership Dues	85,590.00
Miscellaneous Income	2,572.75
Sailing Program Income	
Donations	2,960.00
Fundraising events	2,075.00
Sailing Program Fees	20,248.00
Sailing Program Income - Other	60.00
Total Sailing Program Income	25,343.00

Note 11

Special Projects Revenue

Art Show receipts from Artists	0.00
Maps - sales	60.00
Total Special Projects Revenue	60.00

Swimming program income

Swimming program donations	750.00
Swimming program income - Other	2,279.00
Total Swimming program income	3,029.00

Total Income 116,692.34

Expense

Athletics

Marathon	1,120.24
Regatta	838.46
Athletics - Other	136.73
Total Athletics	2,095.43

Bank Charges 982.23
Caretaker Fees 22,430.75

Communications

Newsletter	3.53
Website	1,959.53
Total Communications	1,963.06

Community Activities

Hydro	767.47
Library	291.29
Miscellaneous Community	230.80
Regatta Party	2,077.94
Woodworking	333.46
Total Community Activities	3,700.96

Madawaska Club at Go Home Bay
Profit & Loss
January 2012 through April 2013

Georgian Bay Association	12,894.75	
Honouraria	3,000.00	
Insurance	17,122.40	
Office & Misc. Expenses	4,715.91	
Other Expenses	690.10	
Pension - Former Caretaker	5,501.72	
Professional Fees		
Planning Consultants	1,694.96	
Total Professional Fees	1,694.96	
Property costs	2,020.00	Note 5
Property Taxes	23,703.70	Note 6
Repairs & Maintenance	7,827.06	Note 3
Sailing program Expenses		
Other sailing program expenses	6,675.65	
Purchase of boats & equipment	-2,050.00	
Transfer to capital reserve	14,607.35	
Wages for instructors	11,110.00	
Total Sailing program Expenses	30,343.00	Note 8
Swimming program expenses		
Swimming program fund transfer	1,796.00	
Swimming program expenses - Other	1,653.00	
Total Swimming program expenses	3,449.00	Note 10
Total Expense	144,135.63	
Net Ordinary Income	-27,443.29	
Net Income	-27,443.29	

The Madawaska Club of Go Home Bay
Notes to Financial Statements (Unaudited)
April 30, 2013

1) Basis of Presentation and Accounting Policies

a) Basis of presentation.

The financial statements include the accounts of The Madawaska Club of Go Home Bay ("the Corporation"). The Corporation is a not for profit corporation without share capital which owns, maintains and administers certain properties and other assets in the Go Home Bay area of Georgian Bay and deals with social, recreational, land use and other issues for the benefit of its members. The Corporation was converted to a corporation without share capital under supplementary letters patent which were approved by the Province of Ontario on December 23, 2011. (Notes 4 and 12).

b) Fixed assets

Land is carried at residual cost after a cost allocation has been made to sites sold. The boats and related equipment used in the sailing program are carried at a value of \$3,100 in total (\$3100 in 2010). All other assets are carried at an aggregate nominal value of \$6.

c) Revenues and expenses.

Members' fees are recorded on a cash basis. Expenses are recorded on an accrual basis and a reserve has been created for material repair and maintenance expenses anticipated within the following year. This reserve is included in current liabilities.

d) Operating and capital surplus.

The operating account includes members' fees and all costs of operating the Corporation. The capital account arises primarily from proceeds from the sale of the Corporation's land. Costs of facilities construction, workshop purchase installments, reorganization costs and expenses related to site sales are charged against the capital account because they represent the acquisition or improvement of a capital asset or relate to the disposition of a capital asset.

2) Fixed Assets

(a) Carrying values:

Land, at cost (Note 9)	\$ 12,084
Sailing program boats & equipment at nominal value (Note 8)	3,100
Other assets, at written down values*	<u>6</u>
	<u>\$ 15,190</u>

* Includes main dock, library, old post office, multi-purpose building and floating dock, caretaker's residence and workshop, store, freezers and docks, regatta party band stand and BBQs, picnic benches, diving board, superstructure and platform.

3) Provision for Maintenance

In accordance with policies in effect since the end of 2004, a cumulative reserve of \$11,000 has been established in the accounts at April 30, 2013 (\$6,000 at December 31, 2011) for major maintenance and repairs. During 2012 the major expenditure was the replacement of the furnace at the caretaker's house with an approximate cost of \$8,700.

4) Share Capital

During 2011, the Corporation converted to a corporation without share capital and all outstanding shares were cancelled on the conversion. During 2012, 32 cancelled shares were redeemed @ \$25 per share (the original subscription price) for payments aggregating \$800. The remaining balance of the paid in capital account in the amount of \$6,525 representing 261 unredeemed shares has been transferred to the Corporation's capital surplus account as at December 31, 2012.

5) Other property costs

Property monitoring during the summer months has been carried out by a summer student and the costs of the program have been shared with the Georgian Bay Land Trust. Costs are also incurred for monitoring at the dock facility during the summer months. Certain consulting costs were incurred during the year in connection with the defense of our community plan.

6) Property Taxes

Under the provisions of the Managed MFTIP of the Ontario government, the Corporation has enjoyed a significant reduction in its property taxes for a number of years. The amount of the reduction is affected by perceptions of market values, assessing practices and interpretation of rules and regulations. In addition, the continuation of the MFTIP program is subject to the overall economic policy of the Ontario government. There can be no assurance that the MFTIP will continue in its present form, and accordingly it is possible that the Corporation's property taxes could increase substantially at some future date. The MFTIP was successfully renewed for a further five year term during 2010.

7) Contingency and Commitment

a) Caretaker's Workshop

Under one of the terms of a new contract with the caretaker which took effect as of January 1, 2006, the Club agreed to purchase, for a price of \$ 15,000, a workshop which had been constructed by the caretaker in 1988. This amount is payable in ten installments of \$ 1,500 per year commencing in 2006, with the unpaid balance becoming due on the earlier of the date when the caretaker vacates the residence or the date when the incumbent ceases to be caretaker. Purchase price installment payments are being charged to the capital surplus account.

8) Sailing Program

During 2009, the Board of Directors authorized an initiative to establish a summer sailing program under the Corporation's auspices. The program is intended to be self financing. In 2012, two boats were sold to own thirty one (29) boats at April 30, 2013. These boats, several of which were donated to the program have an estimated market value in excess of \$40,000. The boats are reflected in the fixed assets of the Corporation at a nominal value of \$3,100 in total (\$3,100 at December 31, 2011). The balance of the cost of acquisition of boats & equipment (net of sales proceeds) is reflected as a current expense of the program in the year of acquisition. The operating results of the program on a calendar year basis were as follows:

MADAWASKA CLUB SAILING PROGRAM RESULTS

	<u>2012</u>	<u>2011</u>
<u>INCOME</u>		
Program Fees	20248	20,465
Fundraising Events	2135	4,127
Donations	2960	3,919
Corporate Contribution	5000	5,000
Total income	<u>30,343</u>	<u>33,511</u>
<u>EXPENSES</u>		
Wages for Instructors	11110	11,710
Fundraising expenses		427
Repairs, maintenance & other program expenses	6676	14,484
Purchase of Boats & Equipment	-2050 -	2,400
Total expenses	<u>15,736</u>	<u>24,221</u>
Net program result	14,607	9,290
Opening fund balance	5,336 -	3,954
Closing fund balance	<u>19,943</u>	<u>5,336</u>

The Board of Directors has determined that the program profit should be reserved for use in future periods to maintain and enhance the Sailing Program.

9) Capital Surplus

The corporation had three saleable building sites remaining in its land holdings at December 31, 2009. On February 1, 2010 the Corporation completed the sale of Site 119 (Part of Island 509, Gibson) for a purchase price of \$362,000. This sale was carried out in accordance with the Site Allocation Policy (2008) approved at the Annual General Meeting on April 30, 2008 ("the Policy"). The sale price, less a cost allocation of \$6,000 for the sold property and less expenses of sale, was credited to the capital surplus account of the Corporation. It is the present intention that the two remaining sites will be sold over the course of the next several years in accordance with the Policy.

During 2011 the Corporation converted to a corporation without share capital (see Note 11). During 2012, the paid in capital attributed to shares cancelled in 2011 and not redeemed in 2012 was added to the capital surplus account in the amount of \$6,525. (see Note 4).

In 2011 and prior years, interest income was credited directly to capital surplus. This practice has been discontinued for 2012 and later years.

Transactions in the capital surplus account for the current and prior period are summarized below:

	<u>Current Period</u>	<u>Prior Period</u>
Interest on capital funds		1,068.00
Paid in capital on cancelled shares		6,525
Legal expenses re corporate reorganization	-	8,633
Workshop installment (note 7b)	-1500 -	1,500
RESULT FOR THE YEAR	- 1,500 -	2,540
CAPITAL SURPLUS, BEGINNING OF YEAR	\$ 166,582	169,122
CAPITAL SURPLUS, END OF YEAR	<u>\$ 165,082</u>	<u>\$ 166,582</u>

10) Swimming Program

During 2010 the Club initiated a summer swimming program for children of members
The operating results of the program on a calendar year basis were as follows::

MADAWASKA CLUB SWIMMING PROGRAM RESULTS

	<u>2012</u>	<u>2011</u>
<u>INCOME</u>		
Program Fees	2279	2,843
Donations	750	230
Total income	<u>3,029</u>	<u>3,073</u>
<u>EXPENSES</u>		
Wages for Instructors	1007	2,240
Other program expenses	225	300
Total expenses	<u>1,232</u>	<u>2,540</u>
Net program result	1,797	533
Opening fund balance	<u>2,105</u>	<u>1,572</u>
Closing fund balance	<u>3,902</u>	<u>2,105</u>

The Board of Directors has determined that the program profit should be reserved for use in future periods to maintain and enhance the Swimming Program.

11) Miscellaneous Income

During the period, miscellaneous income consisted of a contribution of \$375 from the Yoga program and a grant of \$2,198 received from the Township of Georgian Bay in respect of community recreational programs.