

ATV CLUB OF EASTERN ONTARIO INC.  
2015 Financial Statements

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**ATV CLUB OF EASTERN ONTARIO INC.**  
Statement of Financial Position

As at December 31,

2015

2014

**ASSETS**

**Current assets**

Cash	\$ 68,614	\$ 63,436
Shares of membership fees receivable from the OFATV	4,260	3,406
Grant receivable from the National Trails Coalition	433	-
Inventories (note 3)	<u>11,833</u>	<u>11,968</u>
	85,140	78,810

**Capital assets** (note 4)

	<u>2,144</u>	<u>1,584</u>
Total assets	<u>\$ 87,284</u>	<u>\$ 80,394</u>

**LIABILITIES**

**Current liabilities**

Accounts payable and accrued charges	\$ 2,285	\$ 579
Due to the OFATV	5,368	4,710
Deferred shares of membership fees (note 5)	<u>18,500</u>	<u>17,000</u>
Total liabilities	26,153	22,289

**NET ASSET**

<b><u>Net asset</u></b>	<u>61,131</u>	<u>58,105</u>
	<u>\$ 87,284</u>	<u>\$ 80,394</u>

*See accompanying notes*

Approved on behalf of the Board of Directors,

  
Tony Weir  
President

  
Serge Huot  
Treasurer

**ATV CLUB OF EASTERN ONTARIO INC.**  
Statement of Revenues and Expenses and Net Asset

Year ended December 31,	<u>2015</u>	<u>2014</u>
<b><u>Revenues</u></b>		
Shares of membership fees (note 5)	\$ 43,761	\$ 41,175
Grant from the National Trails Coalition	4,334	
Interests	157	165
Revenues from other activities	860	-
	<u>49,112</u>	<u>41,340</u>
<b><u>Expenses</u></b>		
Trail maintenance and wardening	31,262	26,401
Depreciation of capital assets	1,129	791
Trail signalling	1,564	448
Safety training	2,393	-
Travel, hall rental, office expenses and others	3,448	3,419
Donations	1,000	1,275
Web site	852	1,025
Insurance for Directors	405	405
Announcements and advertising	2,365	226
Bank charges	252	222
Costs incurred - other activities	1,416	178
	<u>46,086</u>	<u>34,390</u>
<b>Excess of revenues over expenses for the year</b>	<b>3,026</b>	<b>6,950</b>
<b>Net asset, beginning of year</b>	<b><u>58,105</u></b>	<b><u>51,155</u></b>
<b>Net asset, end of year</b>	<b><u>\$ 61,131</u></b>	<b><u>\$ 58,105</u></b>

*See accompanying notes*

**ATV CLUB OF EASTERN ONTARIO INC.**  
Statement of Sources and Uses of Cash

Year ended December 31,	<u>2015</u>	<u>2014</u>
<b>Sources (uses) of funds related to:</b>		
<u>Operating activities</u>		
Sources of funds		
Shares of membership fees	\$ 44,407	\$ 42,998
Grant from the National Trails Coalition	3,901	-
Interests	157	165
Activities - revenues	860	-
<i>Sub-total - sources of funds</i>	<u>49,325</u>	<u>43,163</u>
Uses of funds		
Trail maintenance, wardening and trail signaling	(30,985)	(39,326)
Safety training	(2,393)	-
Cost of activities	(1,416)	(178)
Donations	(1,000)	(1,275)
Other charges	(7,322)	(5,297)
Due to the OFATV (net)	658	1,330
<i>Sub-total - uses of funds</i>	<u>(42,458)</u>	<u>(44,746)</u>
<i>Net source (use) of funds relating to operating activities</i>	<u>6,867</u>	<u>(1,583)</u>
<u>Investing activities</u>		
Acquisition of a capital asset	(1,689)	-
<b>Net cash generated (used) during the year</b>	<b>5,178</b>	<b>(1,583)</b>
<b>Cash, beginning of year</b>	<u>63,436</u>	<u>65,019</u>
<b>Cash, end of year</b>	<u>\$ 68,614</u>	<u>\$ 63,436</u>

See accompanying notes

**ATV CLUB OF EASTERN ONTARIO INC.**  
**Notes to Financial Statements**  
**For the year ended December 31, 2015**

**1. Jurisdictional Statutes and Activities**

The ATV Club of Eastern Ontario Inc. (the "Club") is a non-profit corporation without share capital incorporated in January 2005 under the Ontario's *Corporations Act*. The Club is exempt from income taxes by virtue of section 149(1)) of the Canada's *Income Tax Act*.

The Club mainly serves the interests of ATV enthusiasts in eastern Ontario and its main objective is to promote the safe operation of ATV's. In that regard, the Club has established and maintains several trails in the county of Prescott and Russell of which some are located in the Larose Forest. The Club is continuously looking for ways to expand its trail system. The Club also offers ATV riding courses focussing on safety. All of the Club's activities are provided by volunteers.

The Club had 537 members as at December 31, 2015 (2014: 483) and is part of the *Ontario Federation of All Terrain Vehicle Clubs*. Most of the ATV clubs in Ontario are part of the *OFATV*.

**2. Significant Accounting Policies**

The financial statements have been prepared in accordance with the Accounting Standards for Not-for-Profit Organizations of Part III of the *CICA Handbook*. They include the main following elements:

**a) Financial Instruments**

At acquisition, the Club evaluates its financial assets and financial liabilities at their fair value. Subsequently, it evaluates all its financial assets and liabilities at their amortized cost.

The financial assets evaluated at their amortized cost are the cash and the share of membership fees receivable from the *OFATV*. The financial liabilities evaluated at their amortized cost are the accounts payable and accrued charges and the due to the *OFATV*

Costs that are directly attributable to the origination, issuance or assumption of a financial asset or liability are added or deducted to the original value of that element.

**b) Inventories**

Inventories are valued at the lower of their cost or their replacement value. The cost is determined using the first-in first-out method.

**c) Capital Assets**

Capital assets with a unit cost in excess of \$1,000 are capitalized at cost and amortized over their useful lives using a straight-line basis. Each capital asset is being amortized using an annual rate of 20%.

**ATV CLUB OF EASTERN ONTARIO INC.**  
**Notes to Financial Statements**  
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**2. Significant Accounting Policies (continued)**

**d) Revenue Recognition**

The shares of membership fees are recognized as revenue over the period of membership.

Other contributions are recognized as revenue in the same period as related charges are incurred.

Other revenues are recorded as income when earned.

**e) Contributed Services**

The time spent by the numerous volunteers to ensure the Club's operations at all levels is very difficult to objectively establish and evaluate. As a result, given the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

**3. Inventories**

The following elements make up the inventories at year-end:

	<u>2015</u>	<u>2014</u>
Traffic signs	\$4,739	\$4,244
Maintenance items and others	<u>7,094</u>	<u>7,724</u>
Total	<u>\$11,833</u>	<u>\$11,968</u>

**4. Capital Assets**

	<u>Cost (\$)</u>	<u>Accumulated depreciation (\$)</u>	<u>Net book value</u>	
			<u>2015</u>	<u>2014 (\$)</u>
Snow groomers (improvement and refurbishing)	6,538	6,537	1	1
Bushcutter	3,955	3,164	791	1,582
Storage box	2,943	2,942	1	1
Dumping trailer	<u>1,689</u>	<u>338</u>	<u>1,351</u>	<u>-</u>
	<u>15,125</u>	<u>12,981</u>	<u>2,144</u>	<u>1,584</u>

**ATV CLUB OF EASTERN ONTARIO INC.**  
**Notes to Financial Statements**  
**For the year ended December 31, 2015**

**5. Shares of Membership Fees**

In order to become a member of the Club, an individual has to pay an annual membership fee to the *OFATV*. This annual membership fee is set at \$150 and provides a riding permit which is valid for a 12 month-period from date of issue. The proceed of the fee is shared between the *OFATV* and the Club, the Club's share since August 13, 2014 is \$65 (previously \$70).

The portion of the shares of the membership fees applicable to the periods following year-end have been deferred.

**6. Commitment**

The Club is committed to pay a contribution of up to \$10,000 for repairs on the former railway bridge in Plantagenet. The payment of the contribution is conditional that certain conditions are met.