

ATV CLUB OF EASTERN ONTARIO INC.
2022 Financial Statements

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ATV CLUB OF EASTERN ONTARIO INC.
Statement of Financial Position

As at December 31,

2022

2021

ASSETS

Current assets

Cash	\$ 284,791	\$ 195,455
Shares of membership fees receivable from the OFATV	14,769	16,680
Prepaid expenses	1,939	620
Inventories (note 3)	21,669	20,985
	<u>323,168</u>	<u>233,740</u>

Capital assets (note 4)

	<u>1,679</u>	<u>3</u>
Total assets	<u>\$ 324,847</u>	<u>\$ 233,743</u>

LIABILITIES

Current liabilities

Accounts payable and accrued charges	\$ 9,234	\$ -
Deferred shares of membership fees (note 5)	<u>75,950</u>	<u>75,775</u>
Total liabilities	85,184	75,775

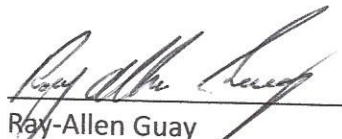
NET ASSET

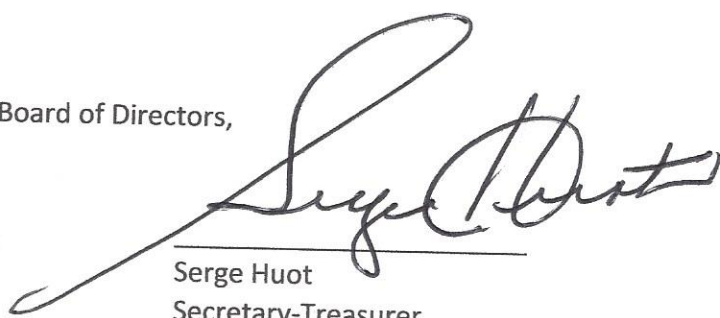
Net asset

	<u>239,663</u>	<u>157,968</u>
	<u>\$ 324,847</u>	<u>\$ 233,743</u>

See accompanying notes

Approved on behalf of the Board of Directors,


Ray-Allen Guay
President


Serge Huot
Secretary-Treasurer

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

Year ended December 31,	<u>2022</u>	<u>2021</u>
<u>Revenues</u>		
Shares of membership fees (note 5)	\$ 149,880	\$ 137,490
Grant	6,131	11,344
Interests	1,431	208
	<u>157,442</u>	<u>149,042</u>
<u>Expenses</u>		
Trail maintenance and wardening	60,856	71,211
Trail signalling	5,368	777
Safety training	-	1,591
Depreciation of capital assets	420	-
Travel, hall rental, office expenses and others	3,214	144
Announcements and advertising	1,354	530
Website	307	113
Insurance for directors	432	405
Donations	3,750	1,750
Bank charges	46	70
	<u>75,747</u>	<u>76,591</u>
Excess of revenues over expenses for the year	81,695	72,451
Net asset, beginning of year	<u>157,968</u>	<u>85,517</u>
Net asset, end of year	\$ <u>239,663</u>	\$ <u>157,968</u>

See accompanying notes

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

Year ended December 31,	<u>2022</u>	<u>2021</u>
Sources (uses) of funds related to:		
<u>Operating activities</u>		
Sources of funds		
Shares of membership fees	\$ 151,766	\$ 167,884
Grant	6,131	13,802
Interests	1,431	208
<i>Sub-total - sources of funds</i>	<u>159,328</u>	<u>181,894</u>
Uses of funds		
Trail maintenance, trail building, wardening and trail signaling	(57,674)	(73,509)
Safety training	-	(1,591)
Donations	(3,750)	(1,750)
Other charges	(6,472)	(1,262)
<i>Sub-total - uses of funds</i>	<u>(67,896)</u>	<u>(78,112)</u>
<i>Net funds provided by operating activities</i>	<u>91,432</u>	<u>103,782</u>
<u>Investing activities</u>		
Acquisition of capital assets	(2,096)	-
<i>Sub-total - uses of funds</i>	<u>(2,096)</u>	<u>-</u>
Net cash generated during the year	89,336	103,782
Cash, beginning of year	<u>195,455</u>	<u>91,673</u>
Cash, end of year	<u><u>\$ 284,791</u></u>	<u><u>\$ 195,455</u></u>

See accompanying notes

ATV CLUB OF EASTERN ONTARIO INC.
Notes to Financial Statements
For the year ended December 31, 2022

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 about 1,937 members as at December 31, 2022 (2021: 1,954) 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 *CPA Canada 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 most of its financial assets and liabilities at their amortized cost; cash is at fair value.

The financial asset evaluated at its amortized cost is the share of membership fees receivable from the OFATV. The financial liabilities evaluated at their amortized cost are the accounts payable and accrued charges.

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
For the year ended December 31, 2022

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>2022</u>	<u>2021</u>
Traffic signs	\$16,737	\$16,053
Maintenance items and others	<u>4,932</u>	<u>4,932</u>
Total	<u>\$21,669</u>	<u>\$20,985</u>

4. Capital Assets

	<u>Cost (\$)</u>	<u>Accumulated depreciation (\$)</u>	<u>Net book value</u>	
			<u>2022</u>	<u>2021 (\$)</u>
Snow groomers (improvement and refurbishing)	6,538	6,537	1	1
Storage box	2,943	2,942	1	1
Box scraper	2,096	420	1,676	-
Dumping trailer	<u>1,689</u>	<u>1,688</u>	<u>1</u>	<u>1</u>
	<u>13,266</u>	<u>11,587</u>	<u>1,679</u>	<u>3</u>

5. Shares of Membership Fees

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 the member with 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 is \$65.

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