



## **Auditor's report**

### **To the Members of the Edmonton Pickleball Club**

We have audited the accompanying financial statements of the Edmonton Pickleball Club, which comprise the statement of financial position as at October 31, 2017, and the statement of operations for the year then ended, and a summary of significant accounting policies and other explanatory information. In accordance with the bylaws of the Edmonton Pickleball Club, the society's audit may be conducted by two members which, for this year, are two Directors and therefore this is not and should not be construed as an independent audit.

#### **Treasurer's responsibility for the financial statements**

The Treasurer is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards deemed appropriate by us in the circumstances. We did sufficient work to obtain reasonable assurance about whether the financial statements are free from material misstatement. Our audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depended on our judgment.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our qualified audit opinion.

#### **Basis for qualified opinion**

In common with many not-for-profit organizations, the Edmonton Pickleball Club derives revenue from donations and memberships, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Edmonton Pickleball Club. Therefore, we were not able to determine whether any adjustments might be necessary to donations and membership revenue, current assets as at October 31, 2017, and net assets as at October 31, 2017

#### **Qualified Opinion**

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Edmonton Pickleball Club as at October 31, 2017, and the results of its operations for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Edmonton, Canada

\_\_\_\_\_  
*Bruce Duncan*

Member and Director

\_\_\_\_\_  
*Ken Hurshowy*

Member and Director

December 12, 2017

<b>Edmonton Pickleball Club</b>			
<b>Financial Statements</b>			
<b>Budget for the year ending October 31, 2018 (unaudited)</b>			
<b>with comparative actuals for the years ended October 31, 2017 and 2016 (audited)</b>			
	<u>2018 Budget</u> <u>(unaudited)</u>	<u>October 31, 2017</u> <u>(audited)</u>	<u>October 31, 2016</u> <u>(audited)</u>
<b>Statement of Financial Position</b>			
<b><u>Assets</u></b>			
<b>Cash:</b>			
Cash in bank-operating	\$ 11,911.20	\$ 13,831.20	\$ 5,508.04
Cash in bank-restricted	496.03	496.03	0.00
<b>Capital assets:</b>			
Furniture, fixtures, & equip	5,242.56	2,742.56	2,742.56
Royal Gardens Courts	98,490.97	98,490.97	0.00
<b>Accum deprec - capital assets:</b>			
Accum deprec - furn,fix,equip	(2,995.04)	(1,247.52)	(914.19)
Accum deprec - Royal Gardens Courts	(9,849.10)	0.00	0.00
<b>Total assets</b>	<b>\$ 103,296.62</b>	<b>\$ 114,313.24</b>	<b>\$ 7,336.41</b>
<b><u>Liabilities</u></b>			
<b>Unearned/deferred revenue:</b>			
Unearned/deferred revenue - other	\$ 8,315.00	\$ 10,195.00	\$ 530.00
<b>Total liabilities</b>	<b>8,315.00</b>	<b>10,195.00</b>	<b>530.00</b>
<b><u>Net Assets</u></b>			
Unrestricted net assets	13,196.20	13,236.20	4,978.04
Board-designated restricted net assets	79,537.90	89,387.00	0.00
Net assets invested in capital assets	2,247.52	1,495.04	1,828.37
<b>Total net assets</b>	<b>94,981.62</b>	<b>104,118.24</b>	<b>6,806.41</b>
<b>Total liabilities &amp; net assets</b>	<b>\$ 103,296.62</b>	<b>\$ 114,313.24</b>	<b>\$ 7,336.41</b>
<b>See accompanying notes to financial statements</b>			
<b>Approved on behalf of the Board and Members:</b>			
<b>Director</b>		<b>Director</b>	

**Edmonton Pickleball Club**  
**Financial Statements**  
**Budget for the year ending October 31, 2018 (unaudited)**  
**with comparative actuals for the years ended October 31, 2017 and 2016 (audited)**

	<u>2018 Budget</u> <u>(unaudited)</u>	<u>October 31, 2017</u> <u>(audited)</u>	<u>October 31, 2016</u> <u>(audited)</u>
<b>Statement of Operations</b>			
<b><u>Contributions, Support</u></b>			
Revenue from non-government grants:			
Nonprofit organization grants	\$ -	\$ -	\$ 2,069.00
Revenue from government grants:			
Federal grants	4,500.00	4,376.35	3,777.00
Provincial grants	0.00	0.00	0.00
Municipal government grants	0.00	0.00	875.00
<b><u>Earned revenues</u></b>			
Revenue from dues:			
Membership dues-individuals	12,880.00	7,470.00	4,500.00
Revenue from other sources:			
Advertising revenue	600.00	440.00	0.00
Misc revenue	1,000.00	0.00	0.00
Special events:			
Special events - non-gift revenue	600.00	7,565.35	5,662.00
Special events - gift revenue	0.00	7,170.00	2,172.00
Special events - costs of event	0.00	(9,481.06)	(2,825.33)
Sub-total Special events	0.00	5,254.29	5,008.67
<b>Total revenue, gains, &amp; other support</b>	<b>19,580.00</b>	<b>17,540.64</b>	<b>16,229.67</b>
<b><u>Expenses - personnel related</u></b>			
Salaries & related expenses:			
Officers & directors salaries	0.00	0.00	0.00
Salaries & wages - other	5,000.00	4,095.00	3,642.00
Employee benefits - not pension	0.00	549.50	212.09
Payroll taxes, etc.	0.00	0.00	253.86

<b>Edmonton Pickleball Club</b>			
<b>Financial Statements</b>			
<b>Budget for the year ending October 31, 2018 (unaudited)</b>			
<b>with comparative actuals for the years ended October 31, 2017 and 2016 (audited)</b>			
	<u>2018 Budget</u> <u>(unaudited)</u>	<u>October 31, 2017</u> <u>(audited)</u>	<u>October 31, 2016</u> <u>(audited)</u>
<b><u>Non-personnel related expenses</u></b>			
Nonpersonnel expenses:			
Office supplies	300.00	174.86	95.79
Donated materials & supplies	0.00	0.00	0.00
Telephone & telecommunications	0.00	0.00	0.00
Postage & shipping	300.00	174.62	206.19
Printing & copying	600.00	128.49	197.61
Books, subscriptions, references, courses	0.00	0.00	64.99
In-house publications	0.00	0.00	325.04
Facility & equipment expenses:			
Rent, parking, other occupancy	2,500.00	0.00	0.00
Utilities	0.00	0.00	0.00
Equipment rental & maintenance	0.00	0.00	0.00
Playing equipment repair, maintenance, replacement	300.00	305.27	33.80
Court surface repair & maintenance	800.00	174.81	958.79
Deprec & amort	1,747.52	333.34	914.19
Travel & meetings expenses:			
Travel	0.00	0.00	0.00
Conferences, conventions, meetings	800.00	119.14	59.21
Other expenses:			
Interest-general; bank & credit card fees	350.00	148.08	19.00
Insurance - non-employee related	750.00	736.23	390.78
Membership dues - organization	3,220.00	2,095.00	1,075.00
Outside computer services, website	1,200.00	510.75	665.52
Other expenses	1,000.00	143.49	100.00
Business expenses:			
GST / Sales taxes	0.00	(72.76)	54.65
Organizational (corp) expenses	0.00	0.00	154.75
<b>Total expenses</b>	<b>18,867.52</b>	<b>9,615.82</b>	<b>9,423.26</b>
<b>Excess (deficiency) of revenue over expenses-period</b>	<b>\$ 712.48</b>	<b>\$ 7,924.82</b>	<b>\$ 6,806.41</b>
<b>Excess (deficiency) of revenue over expenses-accum.</b>	<b>\$ 15,443.72</b>	<b>\$ 14,731.24</b>	<b>\$ 6,806.41</b>

**Edmonton Pickleball Club**  
**Notes to Financial Statements**  
**Period ended October 31, 2017**

The Edmonton Pickleball Club (the "Society") is a registered society incorporated on November 30, 2015 under the Alberta Societies Act (ASA) as a not for profit organization. The Society is a metro Edmonton based organization of volunteers, whose mission is to promote the playing of Pickleball to all people living in metro Edmonton, with a focus on active older adults, in order for them to achieve the health and wellness benefits associated with the sport. Activities include the provision of playing locations with scheduled times, lessons and tournaments. These efforts are supported by volunteers, members and funds raised.

**1. Significant accounting policies**

**(a) Basis of presentation:**

These financial statements include the financial activities and financial position of the Society for its year ended October 31, 2017. The comparative statements are for the period from date of incorporation to October 31, 2016. The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

**(b) Capital assets:**

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. When a capital asset no longer contributes to the Society's ability to provide services, its carrying amount is written down to its residual value.

Capital assets funded by specified government grants and restricted donations are recorded at cost and amortized over their useful life. In the current year, this applies to the assets described as "Royal Gardens Courts" on the Statement of Financial Position.

Capital assets consisting of furniture, fixtures and equipment are amortized on a straight-line basis over a three-year period.

**(c) Deferred revenue and contributions:**

Deferred revenue consists of membership dues received for ensuing fiscal years and will be recognized as revenue in the applicable year.

**(d) Donated goods and services:**

The value of donated goods and services is recorded as revenue and an expense in the financial statements when the fair value can be reasonably estimated and when the goods and services are normally purchased and would be paid for if not donated.

The Society's programs benefit substantially from services in the form of volunteer time. The value of volunteer services is not recorded in these financial statements.

**(e) Board Designated Restricted Net Assets**

Specified government grants and restricted donations for specified capital purchases are recorded in Net Assets in this category. Amortization charges for such specified capital purchases will be charged against this amount. In the current year, this amount is comprised of:

Government grant received under the Community Initiatives Program funded by the Government of Alberta through the Alberta Lottery Fund	\$70,000
Founders Club donations (net of \$9,600 related to future membership fees included in Deferred Revenue)	<u>19,387</u>
	<u>\$89,387</u>