

REGINA ROTARY CLUB COMMUNITY FUND INC.

FINANCIAL STATEMENTS
(unaudited)

DECEMBER 31, 2016



REVIEW ENGAGEMENT REPORT

To the Members

Regina Rotary Club Community Fund Inc.

We have reviewed the statement of financial position of **Regina Rotary Club Community Fund Inc.** as at **December 31, 2016** and the statements of operations and changes in net assets and cash flows for the six months then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Organization.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

March 22, 2017

Regina, Saskatchewan

VIRTUS GROUP LLP

Chartered Professional Accountants

REGINA ROTARY CLUB COMMUNITY FUND INC.
STATEMENT OF FINANCIAL POSITION
(unaudited)
AS AT DECEMBER 31, 2016
(with comparative figures for JUNE 30, 2016)

	ASSETS	
	December 31, 2016	June 30, 2016
Current assets		
Cash	\$ 202,731	\$ 64,052
Accounts receivable	450	2,376
	203,181	66,428
 Due from Regina Rotary Club	 3,261	 2,859
	\$ 206,442	\$ 69,287
	LIABILITIES	
Current liabilities		
Accounts payable and accrued liabilities	\$ 4,899	\$ 5,043
Deferred revenue - Legacy project	153,532	1,200
	158,431	6,243
	NET ASSETS	
Unrestricted surplus	48,011	63,044
	\$ 206,442	\$ 69,287

See accompanying notes to the financial statements.

APPROVED BY:

_____ Director

_____ Director

REGINA ROTARY CLUB COMMUNITY FUND INC.
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
(unaudited)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2016
(with comparative figures for the year ended June 30, 2016)

	December 31, <u>2016</u>	June 30, <u>2016</u>
Revenue		
Donations:		
Legacy Project	\$ 1,774	\$ -
General	921	7,059
Paul Harris Foundation	-	1,000
Polio Plus	286	360
Shelterbox Canada	-	2,400
Fundraising projects:		
Bingo	2,752	6,978
Carol festival	18,554	25,141
Other	1,019	3,326
SLGA rebate	530	2,417
	<u>25,836</u>	<u>48,681</u>
Expenses		
Administration	3,012	5,296
Community services:		
Carol festival donations	14,009	10,000
Other community programs	10,000	725
Fundraising:		
Bingo	140 /	194
Carol festival	7,164 /	15,398
Other	-	1,110
International services:		
Paul Harris Foundation	-	1,000
Polio Plus	435	360
Other	3,085	425
Shelterbox Canada	-	2,400
Tanzania project	-	5,000
Legacy project	1,774	-
Vocational services	1,250	1,689
	<u>40,869</u>	<u>43,597</u>
Excess (deficiency) of revenue over expenses	(15,033)	5,084
Unrestricted surplus - beginning of period	<u>63,044</u>	<u>57,960</u>
Unrestricted surplus - end of period	<u>\$ 48,011</u>	<u>\$ 63,044</u>

See accompanying notes to the financial statements.

REGINA ROTARY CLUB COMMUNITY FUND INC.
STATEMENT OF CASH FLOWS
(unaudited)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2016
(with comparative figures for the year ended June 30, 2016)

	December 31, 2016	June 30, 2016
Cash provided by (used in) operating activities:		
Excess (deficiency) of revenue over expenses	\$ (15,033)	\$ 5,084
Non-cash operating working capital (Note 3)	154,114	5,633
	<u>139,081</u>	<u>10,717</u>
Cash provided by (used in) investing activities:		
Increase in due from Regina Rotary Club	<u>(402)</u>	<u>(360)</u>
Increase in cash	138,679	10,357
Cash position - beginning of period	<u>64,052</u>	<u>53,695</u>
Cash position - end of period	<u>\$ 202,731</u>	<u>\$ 64,052</u>

See accompanying notes to the financial statements.

REGINA ROTARY CLUB COMMUNITY FUND INC.
NOTES TO THE FINANCIAL STATEMENTS
(unaudited)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2016
(with comparative figures for the year ended June 30, 2016)

1. **Nature of operations**

Regina Rotary Club Community Fund Inc. (the "Organization") was incorporated under *The Non-Profit Corporations Act, 1995* in the province of Saskatchewan. The Organization administers and manages funds raised by the Rotary Club of Regina for community and charitable activities. The Organization is a registered charity within the meaning of section 149(1)(f) of *The Income Tax Act (Canada)* and as such, is exempt from income taxes.

2. **Summary of significant accounting policies**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations which required management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known. The financial statements reflect the following policies:

Financial instruments

Financial assets and financial liabilities are recorded on the statement of financial position when the Organization becomes party to the contractual provisions of the financial instrument. The Organization initially measures its financial assets and financial liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The Organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of these financial instruments are recognized in net income. Fair value is the amount at which a financial instrument could be exchanged at arm's length between willing, unrelated parties in an open market.

Revenue recognition

Donation and fundraising revenues are recognized in the year to which they relate and when collection of the revenue is reasonably assured. Legacy Project donations are recognized as the related expenses are incurred.

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collected is reasonably assured.

REGINA ROTARY CLUB COMMUNITY FUND INC.
NOTES TO THE FINANCIAL STATEMENTS
(unaudited)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2016
(with comparative figures for the year ended June 30, 2016)

3. Non-cash operating working capital

Details of net change in each element of working capital relating to operations excluding cash are as follows:

	December 31, 2016	June 30, 2016
(Increase) decrease in current assets:		
Accounts receivable	\$ 1,926	\$ (610)
Increase (decrease) in current liabilities:		
Accounts payable and accrued liabilities	(144)	5,043
Deferred revenue - Legacy project	152,332	1,200
	152,188	6,243
	\$ 154,114	\$ 5,633

4. Financial risk management

The Organization has a risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The significant financial risks to which the Organization is exposed are:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is exposed to credit risk on the accounts receivable from its customers, however, does not have a significant exposure to any individual customer or counterpart. The Organization's customers are mainly members.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization's exposure to liquidity risk is dependent on the receipt of funds from its operations, external borrowings and other related sources. Funds from these sources are primarily used to finance working capital and capital expenditure requirements, and are considered adequate to meet the Organization's financial obligations.