

Red River Nordic Ski Club Inc.

(Operating as Red River Nordic Ski and Biathlon Club)

Financial Statements for the Year Ended August 31, 2013

With comparatives to the 17 months ended August 31, 2012 (note 2)

(Unaudited)

Red River Nordic Ski Club Inc.
Operating as Red River Nordic Ski and Biathlon Club

Statement of Financial Position
 As at (Note 2)
 (Unaudited)

	<u>August 31, 2013</u>	<u>August 31, 2012</u>
ASSETS		
Current Assets		
Cash and Short Term Investments - Unrestricted	\$ 24,458	\$ 15,459
Due from Member		173
Restricted Cash - Race Team Fund	3,000	1,500
Restricted Cash - Biathlon Fund	500	1,000
TOTAL ASSETS	\$ 27,958	\$ 18,132
LIABILITIES & EQUITY		
Current Liabilities		
Bingo Liability (Note 7)	\$ -	\$ 1,580
Due to Paralympic Program		
Coaching Payable	3,000	
Member Payable	100	100
TOTAL LIABILITIES	\$ 3,100	\$ 1,680
Equity		
General Fund, beginning of period	\$ 13,952	\$ 5,766
Excess (Deficiency) of Revenue over Expenditure:	7,406	8,186
General Fund, end of period	\$ 21,358	\$ 13,952
Biathlon Fund, beginning of period	\$ 1,000	\$ 1,500
Grant Received, Biathlon Canada		
Fundraising, Bingos		
Biathlon Fund Expenditures	- 500	- 500
Biathlon Fund, end of year	\$ 500	\$ 1,000
Race Team Fund, beginning of year	\$ 1,500	\$ 1,500
Fundraising, Bingos	1,500	
Race Team Fund Expenditures	-	-
Race Team Fund, end of year	\$ 3,000	\$ 1,500
TOTAL EQUITY, ALL FUNDS	\$ 24,858	\$ 16,452
TOTAL LIABILITIES & EQUITY	\$ 27,958	\$ 18,132

Approved on behalf of the members:

Co-President

Co-President

Treasurer

The accompanying notes are an integral part of these financial statements.

Red River Nordic Ski Club Inc.
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 Statement of Operations
 For the Period (Note 2)
 (Unaudited)

	September 1, 2012 to August 31, 2013	April 1, 2011 to August 31, 2012
REVENUES		
Program Revenues (Net of Direct Program Expenditures - Note 4)		
Biathlon Program	-\$ 1,058	\$ 1,232
Nordic Program		
<i>Nordic Club Registration Fees, after CCSAM fees</i>	2,570	2,894
Adult Program	185	645
Jackrabbit Program	1,702	1,794
Junior Sidewinder Program	1,320	2,560
Junior Race Team Program	1,685	1,965
Race Team Nordic Program	141	1,965
Sidewinders Nordic Program	695	694
Total Nordic Program Revenues, net of Direct Program Expenditures	\$ 8,298	\$ 11,129
Total Program Revenues, net of Direct Program Expenditures	\$ 7,240	\$ 12,361
Event Revenues (Net of Direct Event Expenditures - Note 5)		
Banquet	-\$ 33	
Birds Hill Training Camp	343	236
Falcon Races		207
Grand Beach Training Camp	256	
Jackrabbit Jamboree	825	846
Lappe	179	513
Provincial Sprints		1,491
Provincials		853
Saskman	1,346	
Wednesday Night Races	3,435	2,370
Windup	1,410	1,307
Zone4 Processing Charges	1,395	1,021
Total Event Revenues, net of Direct Event Expenditures	\$ 1,538	-\$ 922
Other Revenues (Net of Direct Expenditures)		
Club clothing sales, net of clothing purchases	1,783	-\$ 1,357
Equipment supply sales, net of purchases	75	25
Interest and Misc Income	1,635	52
Total Other Revenues, net of Direct Expenditures	\$ 3,343	-\$ 1,280
TOTAL REVENUES, net of Direct Expenditures	\$ 12,121	\$ 10,159
EXPENDITURES		
Skilling-Related Expenditures		
Equipment, in-House Expenditures	\$ 2,244	\$ 9,832
Less: Government of MB Sport Grant Received		8,956
	\$ 2,244	\$ 876
Coaching Certifications	935	475
In Classroom Expert Training Sessions	265	
Photos	928	150
Website		90
Total Skilling-Related Expenditures	\$ 4,372	\$ 1,591
Administrative Expenditures		
Bank Charges	156	211
Office and Meeting Supplies	187	171
Total Administrative Expenditures	\$ 343	\$ 382
TOTAL EXPENDITURES	\$ 4,715	\$ 1,973
EXCESS REVENUE OVER EXPENDITURES	\$ 7,406	\$ 8,186

The accompanying notes are an integral part of these financial statements.

Red River Nordic Ski Club Inc.
(Operating as Red River Nordic Ski and Biathlon Club)

Notes to the Financial Statements
for the Year Ended August 31, 2013 (Unaudited)

1. Purpose of Organization

Red River Nordic Ski Club Inc ("RRN Inc.") is a non-profit sports organization based in Winnipeg, Manitoba, operating Nordic ski and biathlon programs. RRN Inc operates a series of programs to train children and adults to ski, runs specific ski racing programs for young athletes with the skills and desire to improve their skiing and racing abilities, runs biathlon training programs, and runs a series of ski races, biathlon races and ski-related events throughout the winter. Fitness and conditioning programs for racing team participants are run through the summer. RRN Inc. is incorporated in Manitoba as a not-for-profit organization.

RRN Inc earns most of its revenue from membership fees paid directly by the members, supplemented through grants and fundraising activities, and expends its funds on ski-related, biathlon-related and club activities.

RRN Inc operates under the name of Red River Ski and Biathlon Club.

2. Change in Reporting Year

In 2012, RRN Inc. changed its fiscal and reporting year from April 1 – March 31 to September 1 – August 31 to more accurately reflect the training and planning yearly cycle. ***The comparative amounts in these financial statements are from April 1, 2011 – August 31, 2012.*** Comparatives for the period August 31, 2011 – August 31, 2012 are not readily available, and as such, comparatives are presented for the 17 month period April 1, 2011 to August 31, 2012.

For the next financial statements, September 1, 2013 to August 31, 2014, comparatives will be presented for the year September 1, 2012 to August 31, 2013.

3. Significant Accounting Policies

Basis of Reporting

The financial statements of RRN Inc are based on a modified form of non-profit accounting and fund accounting guidelines, and are prepared for the use of the membership in the management of the organization. They do not necessarily follow all aspects of generally accepted accounting principles.

Revenue Recognition

Membership fee revenues, program registration fee revenues, and event fee revenues are all received and related expenditures are incurred in the same fiscal year. No such revenues and matching expenditures are incurred in different fiscal years.

Equipment (Capital Assets)

Equipment is recorded at cost and depreciated over the estimated life of the asset. Any equipment with a purchase cost of less than \$5000 is expensed in year. Assets purchased greater than \$5000, generally race electronics, are amortized over the estimated useful life of 3 years. All such assets at the end of year are fully depreciated. RRN Inc. owns no building or land.

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Notes to the Financial Statements
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3. Significant Accounting Policies, continued

Contributed Services

Volunteers contribute thousands of hours annually to assist with events, training, club organization and other related activities. Sport Manitoba, through the Cross Country Ski Association of Manitoba and Biathlon Manitoba, provides selected administrative services, race coordination services, meeting space, and significant other services that vary from year to year. Because of the difficulty in determining the value, contributed services are not recognized in the financial statements.

Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of certain financial resources, the accounts of RRN Inc. are maintained in accordance with the principles of fund accounting. The funds restricted in use to certain race team and biathlon activities have been classified into separate "Race Team" and "Biathlon" funds. These funds may only be utilized in accordance with the purposes established by RRN Inc. members tasked with fundraising and utilization of such funds and are in contrast with the unrestricted "General Fund" over which the Board retains full control to use in achieving its purposes. Restricted gifts, grants, and other restricted resources are accounted for in the appropriate restricted funds. Revenues from current restricted funds are recognized when expenditures are incurred for current operating purposes. The excess of restricted receipts over amounts expended for restricted purposes is recognized as a fund balance addition to current restricted funds.

Program, Events and Clothing and Equipment – Net Revenues and Expenditures

RRN Inc. presents revenues and expenditures for programs, events, and clothing and equipment for sale to members as net, to reflect the manner in which the programs, events and sales are run as distinct activities, and to give a fairer presentation of the financial results of each program, event and sale.

4. Program Revenues and Expenditures

Program revenues are shown net of directly related program expenditures. Additional details are shown below:

	September 1, 2012 to August 31, 2013	April 1, 2011 to August 31, 2012
Biathlon Programs		
Registration Revenue	\$ 950	\$ 860
Ammunition Revenue	3,339	3,665
Range Fees Charged to Members	1,445	1,355
Coaching Honorariums	-	240
Biathlon Canada Fees	-	207
Range Fees Paid to Ranges	-	1,300
Ammunition Purchased	-	2,451
Misc Expenses	-	106
Travel	-	450
Total Biathlon Programs	<u>1,058</u>	<u>1,232</u>

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Notes to the Financial Statements
for the Year Ended August 31, 2013 (Unaudited)

4. Program Revenues and Expenditures, continued

Nordic Programs September 1, 2012 – August 31, 2013

	Revenues					Expenditures					Total
	Registration Revenues	Training Camp	Club Coaching	Manitoba Cup	CCSAM Trip	CCSAM Fees	Coaching Honorariums	Youth Lead Honorariums	Trophies & Other Awards	Travel	
Nordic Programs			Dev Grant	Grant	Grant						
Nordic Registrations	\$ 3,900					\$ 1,330					\$ 2,570
Adult	665						480				185
Jackrabbits	2,235						493		40		1,702
Junior Sidewinders	3,195						1,000	875			1,320
Junior Race Team	3,760						2,075				1,685
Race Team	4,800		1,975				4,760			1,874	141
Sidewinders	3,070						1,600	775			695

Nordic Programs April 1, 2012 – August 31, 2012

	Revenues					Expenditures					Total
	Registration Revenues	Sponsorships	Club Coaching	Manitoba Cup	CCSAM Trip	CCSAM Fees	Coaching Honorariums	Youth Lead Honorariums	Trophies & Other Awards	Travel	
Nordic Programs			Grant	Grant	Grant						
Nordic Registrations	\$ 4,325					\$ 1,431					\$ 2,894
Adult	990						345				645
Jackrabbits	2,160	750					500		616		1,794
Junior Sidewinders	3,810						1,250				2,560
Junior Race Team	4,080						2,025		90		1,965
Race Team	4,765		1,625	500	500		3,235		90	2,100	1,965
Sidewinders	1,960						1,600	965	89		694

5. Event Revenues and Expenditures

Event revenues are shown net of directly related event expenditures. Additional details are shown below:

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Notes to the Financial Statements
for the Year Ended August 31, 2013 (Unaudited)

5. Event Revenues and Expenditures, continued

	September 1, 2012 to August 31, 2013	April 1, 2011 to August 31, 2012
<i>Ski Banquet</i>		
Event Expenses	33	
<i>Birds Hill Training Camp</i>		
Event Revenues	\$ 1,584	\$ 660
Event Expenses	1,241	896
	\$ 343	-\$ 236
<i>Falcon Races</i>		
Event Revenues		\$ 1,770
Grant Revenue		250
Event Expenses		2,227
		-\$ 207
<i>Grand Beach Training Camp</i>		
Event Revenues	\$ 1,450	
Event Expenses	-\$ 1,194	
	\$ 256	
<i>Jackrabbit Jamboree</i>		
Event Revenues	\$ 1,439	\$ 895
Event Expenses (credits)	-\$ 2,264	-\$ 1,541
	-\$ 825	-\$ 646
<i>Lappe</i>		
Participant Contributions	\$ 9,557	\$ 6,437
Grant Revenue		300
Event Expenses	9,736	7,150
	-\$ 179	-\$ 513
<i>Provincial Sprints</i>		
Event Revenues		\$ 1,903
Grant Revenue		250
Event Expenses		662
		\$ 1,491
<i>Provincials</i>		
Event Expenses		-\$ 853
<i>Saskman</i>		
Event Revenues	\$ 12,972	
Event Expenses	11,626	
	\$ 1,346	
<i>Wednesday Night Races</i>		
Event Revenues	\$ 3,611	\$ 2,970
Zone4 Expenses	176	600
	\$ 3,435	\$ 2,370
<i>Windup</i>	-\$ 1,410	-\$ 1,307
<i>Zone4 Processing Charges</i>	-\$ 1,395	-\$ 1,021
Total Event Revenues, net of Direct Event Expenses	\$ 1,538	-\$ 922

6. Grants

RRN Inc. applies for and receives generous grants from the Cross Country Ski Association of Manitoba (CCSAM) to support coaching provided to young cross country ski athletes and for ongoing development

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of club programs. These grants are listed within the financial statements or related notes and are recorded when notifications are received from CCSAM regarding these grants.

RRN Inc. also receives grants from other parties based on successful grant applications and other community initiatives. These grants are listed within the financial statements or related notes and are recorded when RRN Inc. feels comfortable that all requirements of the grant have been fulfilled and collection is reasonably certain.

There are no outstanding grants receivable at the end of the fiscal year.

7. Bingo Liability

Members of RRN Inc. are given the opportunity by CCSAM to work at Sport Manitoba bingos, and Sport Manitoba provides funding to RRN Inc. in exchange for volunteer activities provided at the bingos. For certain bingos, RRN Inc. allows those members who volunteer at Sport Manitoba bingos to apply credits earned at bingos against registration fees and other ski-related expenses. Amounts received from CCSAM and Sport Manitoba are treated as liabilities until credits are requested by the members or payout initiated by the Board. There is no bingo liability as at August 31, 2013 (August 31, 2012 - \$1,580).