

Red River Nordic Ski Club Inc.

(Operating as Red River Nordic Ski and Biathlon Club)

Financial Statements for the Year Ended August 31, 2016

With comparatives to the year ended August 31, 2015


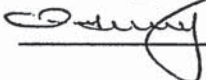
(Unaudited)

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

Statement of Financial Position
 As at August 31
 (Unaudited)

	<u>2016</u>	<u>2015</u>
ASSETS		
Current Assets		
Cash and Short Term Investments - Unrestricted	\$ 34,189	\$ 36,756
Restricted Cash - Junior Race Team	800	800
Restricted Cash - Race Team Fund	4,000	4,000
Restricted Cash - Biathlon Fund	1,416	1,500
Bingo Receivable (Note 6)	560	
TOTAL ASSETS	<u>\$ 40,965</u>	<u>\$ 43,056</u>
LIABILITIES & EQUITY		
Current Liabilities		
Bingo Liability (Note 6)		
Coaching Payable	\$ 1,000	\$ 1,500
Member Payable	335	115
Wednesday Night Race Deferred Revenue	-	1,800
TOTAL LIABILITIES	<u>\$ 1,335</u>	<u>\$ 3,415</u>
Equity		
General Fund, beginning of year	\$ 33,341	\$ 27,993
Excess (Deficiency) of Revenue over Expenditures	73	5,348
General Fund, end of year	<u>\$ 33,414</u>	<u>\$ 33,341</u>
Junior Race Team Fund, beginning of year	\$ 800	\$ 800
Fundraising, Bingos	-	-
Transfer from Operations	-	-
Junior Race Team Fund Expenditures	-	-
Junior Race Team Fund, end of year	<u>\$ 800</u>	<u>\$ 800</u>
Race Team Fund, beginning of year	\$ 4,000	\$ 3,500
Fundraising, Bingos		
Transfer from Operations		500
Race Team Fund Expenditures	-	-
Race Team Fund, end of year	<u>\$ 4,000</u>	<u>\$ 4,000</u>
Biathlon Fund, beginning of period	\$ 1,500	\$ 1,000
Fundraising, Bingos		500
Transfer from Operations		
Biathlon Fund Expenditures	84	
Biathlon Fund, end of year	<u>\$ 1,416</u>	<u>\$ 1,500</u>
TOTAL EQUITY, ALL FUNDS	<u>\$ 39,630</u>	<u>\$ 39,641</u>
TOTAL LIABILITIES & EQUITY	<u>\$ 40,965</u>	<u>\$ 43,056</u>

Approved on behalf of the members:

 President
 Treasurer

Red River Nordic Ski Club Inc.

Operating as Red River Nordic Ski and Biathlon Club

Statement of Operations

For the Year Ended August 31

(Unaudited)

	2016		2015
REVENUES			
Program Revenues (Net of Direct Program Expenditures - Note 3)			
Biathlon Program	\$ 612	\$	337
Nordic Program			
Nordic Club Registration Fees, after CCSAM fees	1,949		2,244
Nordic Grants Received	1,251		2,340
Adult Program	325		755
Jackrabbit Program	529		553
Track Attack Nordic Program	910	-	90
Junior Race Team Program	-	816	1,116
Race Team Nordic Program	-	4,937	2,277
Sidewinders Nordic Program	711		2,045
Radical Skier Nordic Program	-		20
Total Nordic Program Revenues, net of Direct Program Expenditures	-\$ 78	\$	11,260
Less Zone 4 Processing Charges	-	919	-
Total Program Revenues, net of Direct Program Expenditures	-\$ 385	\$	10,559
Event Revenues (Net of Direct Event Expenditures - Note 4)			
Biathlon Westerns	\$ 271		
Birds Hill Training Camp	1,048	-	81
Canmore	-	554	-
Falcon Races	533		300
Flin Flon Trip	275		
Grand Beach Camp	-	149	201
Jackrabbit Jamboree	-	86	519
Minneapolis	-	-	1,699
Provincials	-	-	15
Provincial Sprints	-	204	981
Wednesday Night Races	2,755		398
Windup	-	1,516	1,126
Total Event Revenues, net of Direct Event Expenditures	\$ 2,373	-\$	1,592
Other Revenues (Net of Direct Expenditures)			
Bingo Contributions	\$ 1,320	\$	1,710
Club clothing sales, net of clothing purchases	-	75	185
Equipment supply sales, net of purchases	105		645
Interest and Misc Income			-
Total Other Revenues, net of Direct Expenditures	\$ 1,350	\$	2,540
TOTAL REVENUES, net of Direct Expenditures	\$ 3,338	\$	11,507
EXPENDITURES			
Skiing-Related Expenditures			
Equipment, In-House Expenditures	2,163	\$	3,601
Facilities Rentals			
Coaching Certifications	910		2,085
Photos			100
Ski Patrol			250
Awards			79
Total Skiing-Related Expenditures	\$ 3,073	\$	6,115
Administrative Expenditures			
Accounting Service	112		
Bank Charges	-	191	325
Office and Meeting Supplies	271		369
Total Administrative Expenditures	\$ 192	\$	44
TOTAL EXPENDITURES	\$ 3,265	\$	6,159
EXCESS REVENUE OVER EXPENDITURES	\$ 73	\$	5,348

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, 2016
(Unaudited)

1. Purpose of Organization

Red River Nordic 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. 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 generally received and related expenditures are incurred in the same fiscal year. In the event that we carry forward registration revenue to a future year, it is recorded as a deferred revenue in current liabilities.

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.

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.

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, 2016
(Unaudited)

2. Significant Accounting Policies, continued

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 "Junior Race Team", "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. Ski trips and the sale of ski clothing and equipment are generally based on cost recovery, although the club may choose to absorb a portion of the costs.

3. Program Revenues and Expenditures

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

	September 1, 2015 to August 31, 2016	September 1, 2014 to August 31, 2015
Biathlon Programs		
Registration Revenue - Regular	\$ 900	\$ 1,100
Registration Revenue - Adult Skate	100	280
Ammunition Revenue		465
Range Fees Charged to Members	1,275	1,445
Coaching Honorariums	- 150	- 275
Biathlon Canada Fees	- 207	- 207
Range Fees Paid to Ranges	- 1,300	- 1,300
Ammunition Purchased	-	865
Supplies	- 6	- 306
Total Biathlon Programs	<u>612</u>	<u>337</u>

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, 2016
(Unaudited)

3. Program Revenues and Expenditures, continued

Nordic Programs September 1, 2015 – August 31, 2016

	Revenues		Expenditures					Total
	Registration Revenues	Direct Grants	CCSAM Fees	Coaching Honorariums	Youth Lead Honorariums	Trophies & Other Awards	Travel & Other	
Nordic Programs								
Nordic Registrations	\$ 3,662	\$ 1,251	\$ 1,713					\$ 3,200
Adult	1,125			800				325
Jackrabbits	1,800			900			371	529
Track Attack	2,500			1,000	525	65		910
Junior Race Team	4,500			4,280		65	971 -	816
Race Team	6,700			6,240		65	5,332 -	4,937
Sidewinders	2,100			600	725	64		711
Radical Skiers	-			-				-

Nordic Programs September 1, 2014 – August 31, 2015

	Revenues		Expenditures					Total
	Registration Revenues	Direct Grants	CCSAM Fees	Coaching Honorariums	Youth Lead Honorariums	Trophies & Other Awards	Travel & Other	
Nordic Programs								
Nordic Registrations	\$ 3,695	\$ 2,340	\$ 1,451					\$ 4,584
Adult	1,300			545				755
Jackrabbits	2,250			1,050	647			553
Track Attack	2,260			800	1,550		-	90
Junior Race Team	3,750			2,075			559	1,116
Race Team	8,380			5,830			273	2,277
Sidewinders	2,520			475				2,045
Radical Skiers	370			350				20

4. Event Revenues and Expenditures

Event revenues are shown net of directly related event expenditures. Additional details are shown below. Events that are intended as cost recovery only, or subsidized/cost recovery, are noted with an “*”.

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, 2016
(Unaudited)

4. Event Revenues and Expenditures, continued

	<u>September 1, 2015 to August 31, 2016</u>	<u>September 1, 2014 to August 31, 2015</u>
Biathlon Westerns		
Event Revenues	\$ 6,271	
Grant Revenue	2,000	
Transfer from Biathlon Fund	84	
Event Expenses	<u>- 8,084</u>	
	\$ 271	
Birds Hill Training Camp		
Event Revenues	\$ 1,625	\$ 1,175
Event Expenses	<u>- 577</u>	<u>- 1,256</u>
	\$ 1,048	-\$ 81
Canmore*		
Event Revenues	9,015	\$ 6,048
Event Expenses	<u>- 9,569</u>	<u>- 6,080</u>
	-\$ 554	-\$ 32
Falcon Races		
Event Revenues	1,770	\$ 300
Event Expenses	<u>- 1,237</u>	<u>-</u>
	\$ 533	\$ 300
Flin Flon Trip*		
Event Revenues	\$ 840	
Event Expenses	<u>- 565</u>	
	\$ 275	
Grand Beach Training Camp*		
Event Revenues	\$ 932	\$ 1,040
Event Expenses	<u>- 1,081</u>	<u>- 839</u>
	-\$ 149	\$ 201
Jackrabbit Jambouree*		
Event Revenues	\$ 612	\$ 735
Event Sponsorship	500	500
Event Expenses (credits)	<u>- 1,198</u>	<u>- 1,754</u>
	-\$ 86	-\$ 519
Minneapolis Trip*		
Event Revenues		\$ 3,871
Event Expenses		<u>- 5,570</u>
		-\$ 1,699
Provincials		
Event Revenues		\$ 4,261
Event Expenses		<u>-\$ 4,276</u>
		-\$ 15
Provincial Sprints		
Event Revenues		\$ 1,305
Grant Revenue		
Event Expenses	<u>- 204</u>	<u>- 324</u>
	-\$ 204	\$ 981
Wednesday Night Races		
Event Revenues	\$ 2,885	\$ 398
Zone4 Expenses	<u>- 130</u>	
	\$ 2,755	\$ 398
Windups*		
	-\$ 1,516	-\$ 1,126
Total Event Revenues, net of Direct Event Expenses	\$ 2,373	-\$ 1,592

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, 2016
(Unaudited)

5. 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 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.

6. Bingo Receivable / 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. If amounts are paid out to members before receipt from Sport Manitoba, we maintain a receivable from Sport Manitoba on our balance sheet. There is a bingo receivable of \$560 as at August 31, 2016 (August 31, 2015 - \$0).