

**Red River Nordic Ski Club Inc.**

*(Operating as Red River Nordic Ski and Biathlon Club)*

Financial Statements for the 5 Months Ended August 31, 2012

*With comparatives to the year ended March 31, 2012*

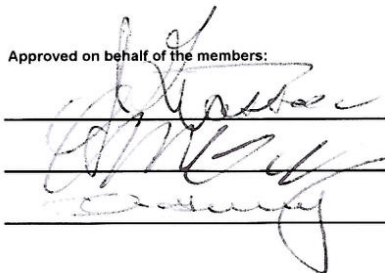
(Unaudited)

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

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

	August 31, 2012	March 31, 2012
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Short Term Investments - Unrestricted	\$ 15,459	\$ 20,305
Due from Member	173	
Restricted Cash - Race Team Fund	1,500	1,500
Restricted Cash - Biathlon Fund	1,000	1,500
<b>TOTAL ASSETS</b>	<b>\$ 18,132</b>	<b>\$ 23,305</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Current Liabilities</b>		
Bingo Liability (Note 7)	\$ 1,580	\$ 2,980
Due to Paralympic Program		500
Member Payable	100	100
<b>TOTAL LIABILITIES</b>	<b>\$ 1,680</b>	<b>\$ 3,580</b>
<b>Equity</b>		
General Fund, beginning of period	\$ 16,725	\$ 5,766
Excess (Deficiency) of Revenue over Expenditure:	- 2,773	10,959
<b>General Fund, end of period</b>	<b>\$ 13,952</b>	<b>\$ 16,725</b>
Biathlon Fund, beginning of period	\$ 1,500	\$ -
Grant Received, Biathlon Canada		1,000
Fundraising, Bingos		500
Biathlon Fund Expenditures	- 500	-
<b>Biathlon Fund, end of year</b>	<b>\$ 1,000</b>	<b>\$ 1,500</b>
Race Team Fund, beginning of year	\$ 1,500	\$ -
Fundraising, Bingos		1,500
Race Team Fund Expenditures	-	-
<b>Race Team Fund, end of year</b>	<b>\$ 1,500</b>	<b>\$ 1,500</b>
<b>TOTAL EQUITY, ALL FUNDS</b>	<b>\$ 16,452</b>	<b>\$ 19,725</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 18,132</b>	<b>\$ 23,305</b>

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.**

Operating as Red River Nordic Ski and Biathlon Club

## Statement of Operations

For the Period (Note 2)  
(Unaudited)

	April 1, 2012 to August 31, 2012	April 1, 2011 to March 31, 2012
<b>REVENUES</b>		
<b>Program Revenues (Net of Direct Program Expenditures - Note 4)</b>		
Biathlon Program	-\$ 43	\$ 1,275
Nordic Program		
Nordic Club Registration Fees, after CCSAM fees	\$ -	\$ 2,894
Adult Program	-	645
Jackrabbit Program	- 616	2,410
Junior Sidewinder Program	- 175	2,735
Junior Race Team Program	-	1,965
Race Team Nordic Program	25	1,940
Sidewinders Nordic Program	-	694
Total Nordic Program Revenues, net of Direct Program Expenditures	-\$ 766	\$ 11,895
<b>Total Program Revenues, net of Direct Program Expenditures</b>	<b>-\$ 809</b>	<b>\$ 13,170</b>
<b>Event Revenues (Net of Direct Event Expenditures - Note 5)</b>		
Birds Hill Training Camp	-\$ 236	\$ -
Falcon Races		207
Jackrabbit Jamboree	283	929
Provincial Sprints	-	1,491
Provincials	-	853
Wednesday Night Races	-	2,370
Lappe	-	513
Windup	- 320	987
Zone4 Processing Charges	- 35	986
<b>Total Event Revenues, net of Direct Event Expenditures</b>	<b>-\$ 308</b>	<b>-\$ 614</b>
<b>Other Revenues (Net of Direct Expenditures)</b>		
Club clothing sales, net of clothing purchases	-\$ 931	-\$ 426
Equipment Sales		25
Interest Income		52
<b>Total Other Revenues, net of Direct Expenditures</b>	<b>-\$ 931</b>	<b>-\$ 349</b>
<b>TOTAL REVENUES, net of Direct Expenditures</b>	<b>-\$ 2,048</b>	<b>\$ 12,207</b>
<b>EXPENDITURES</b>		
<b>Skiing-Related Expenditures</b>		
Equipment Expenditures	\$ 627	\$ 9,205
Less: Government of Manitoba First Sport Program Grant Received		8,956
	\$ 627	\$ 249
Coaching Certifications		\$ 475
Photos		150
Website		90
Visioning		
<b>Total Skiing-Related Expenditures</b>	<b>\$ -</b>	<b>\$ 715</b>
<b>Administrative Expenditures</b>		
Bank Charges	\$ 20	\$ 191
Office and Meeting Supplies	78	93
Donations		
<b>Total Administrative Expenditures</b>	<b>\$ 98</b>	<b>\$ 284</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 725</b>	<b>\$ 1,248</b>
<b>EXCESS REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE)</b>	<b>-\$ 2,773</b>	<b>\$ 10,959</b>

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 Period Ended August 31, 2012 (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 it 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**

RRN has 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. ***These financial statements represent the period April 1, 2012 – August 31, 2012.*** Comparatives for the period April 1, 2011 – August 31, 2011 are not readily available, and as such, comparatives are presented for the full year April 1, 2011 to March 31, 2012.

For the next financial statements, September 1, 2012 to August 31, 2013, comparatives will be presented for the 16<sup>th</sup> month period April 1, 2011 to August 31, 2012.

**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 and Events – Net Revenues and Expenditures***

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

**4. Program Revenues and Expenditures**

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

	April 1, 2012 to August 31, 2012	April 1, 2011 to March 31, 2012
<b>Biathlon Programs</b>		
Registration Revenue	\$	\$ 860
Ammunition Revenue	2,408	1,257
Range Fees Charged to Members	-	1,355
Coaching Honorariums	-	240
Biathlon Canada Fees	-	207
Range Fees Paid to Ranges	-	1,300
Ammunition Purchased	- 2,451	-
Travel	-	450
Total Biathlon Programs	<u>-\$ 43</u>	<u>\$ 1,275</u>

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Notes to the Financial Statements  
for the Period Ended August 31, 2012 (Unaudited)

**4. Program Revenues and Expenditures, continued**

**Nordic Programs April 1, 2012 – August 31, 2012**

	Revenues					Expenditures					Total
	Registration	Training Camp	Club Coaching	Manitoba Cup	CCSAM Trip		Coaching	Youth Lead	Trophies &		
Nordic Programs	Revenues		Grant	Grant	Grant	CCSAM Fees	Honorariums	Honorariums	Other Awards	Travel	
Nordic Registrations											-
Adult											-
Jackrabbits									616	-\$	616
Junior Sidewinders							175			-	175
Junior Race Team											-
Race Team	900						875				25
Sidewinders											-

**Nordic Programs April 1, 2011 – March 31, 2012**

	Revenues					Expenditures					Total
	Registration	Sponsorships	Club Coaching	Manitoba Cup	CCSAM Trip		Coaching	Youth Lead	Trophies &		
Nordic Programs	Revenues		Grant	Grant	Grant	CCSAM Fees	Honorariums	Honorariums	Other Awards	Travel	
Nordic Registrations	\$ 4,325					\$ 1,431					\$ 2,894
Adult	990						345				645
Jackrabbits	2,160	750					500				2,410
Junior Sidewinders	3,810						1,075				2,735
Junior Race Team	4,080						2,025		90		1,965
Race Team	3,865		1,625	500	500		2,360		90	2,100	1,940
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 Period Ended August 31, 2012 (Unaudited)

**5. Event Revenues and Expenditures, continued**

	April 1, 2012 to August 31, 2012	April 1, 2011 to March 31, 2011
<b><i>Birds Hill Training Camp</i></b>		
Event Revenues	\$ 660	
Event Expenses	- 896	
	<b><i>-\$ 236</i></b>	
<b><i>Falcon Races</i></b>		
Event Revenues		\$ 1,770
Grant Revenue		250
Event Expenses		- 2,227
		<b><i>-\$ 207</i></b>
<b><i>Jackrabbit Jamboree</i></b>		
Event Revenues	\$ -	\$ 895
Event Expenses (credits)	283	- 1,824
	<b><i>\$ 283</i></b>	<b><i>-\$ 929</i></b>
<b><i>Provincial Sprints</i></b>		
Event Revenues		\$ 1,903
Grant Revenue		250
Event Expenses		- 662
		<b><i>\$ 1,491</i></b>
<b><i>Provincials</i></b>		
Event Expenses		<b><i>-\$ 853</i></b>
<b><i>Wednesday Night Races</i></b>		
Event Revenues		\$ 2,970
Zone4 Expenses		- 600
		<b><i>\$ 2,370</i></b>
<b><i>Lappe</i></b>		
Participant Contributions		\$ 6,437
Grant Revenue		300
Event Expenses		- 7,250
		<b><i>-\$ 513</i></b>
<b><i>Windup</i></b>	<b><i>-\$ 320</i></b>	<b><i>-\$ 987</i></b>
<b><i>Zone4 Processing Charges</i></b>	<b><i>-\$ 35</i></b>	<b><i>-\$ 986</i></b>
<b>Total Event Revenues, net of Direct Event Expenses</b>	<b><i>-\$ 308</i></b>	<b><i>-\$ 614</i></b>

**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 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.

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**Notes to the Financial Statements  
for the Period Ended August 31, 2012 (Unaudited)**

**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.