

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

Financial Statements for the Year Ended August 31, 2014
With comparatives to the year ended August 31, 2013

(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>2014</u>	<u>2013</u>
ASSETS		
Current Assets		
Cash and Short Term Investments - Unrestricted	\$ 30,778	\$ 24,458
Restricted Cash - Junior Race Team	800	
Restricted Cash - Race Team Fund	3,500	3,000
Restricted Cash - Biathlon Fund	1,000	500
TOTAL ASSETS	\$ 36,078	\$ 27,958
LIABILITIES & EQUITY		
Current Liabilities		
Bingo Liability (Note 6)	\$ 100	\$ -
Coaching Payable		3,000
Member Payable	2,685	100
TOTAL LIABILITIES	\$ 2,785	\$ 3,100
Equity		
General Fund, beginning of year	\$ 21,358	\$ 13,952
Excess (Deficiency) of Revenue over Expenditures	6,635	7,406
General Fund, end of year	\$ 27,993	\$ 21,358
Junior Race Team Fund, beginning of year	\$ -	
Fundraising, Bingos	-	
Transfer from Operations	800	
Junior Race Team Fund Expenditures	-	
Junior Race Team Fund, end of year	\$ 800	\$ -
Race Team Fund, beginning of year	\$ 3,000	\$ 1,500
Fundraising, Bingos		1,500
Transfer from Operations	500	
Race Team Fund Expenditures	-	
Race Team Fund, end of year	\$ 3,500	\$ 3,000
Biathlon Fund, beginning of period	\$ 500	\$ 1,000
Fundraising, Bingos	500	
Transfer from Operations		
Biathlon Fund Expenditures		500
Biathlon Fund, end of year	\$ 1,000	\$ 500
TOTAL EQUITY, ALL FUNDS	\$ 33,293	\$ 24,858
TOTAL LIABILITIES & EQUITY	\$ 36,078	\$ 27,958

Approved on behalf of the members:

Co-President

Co-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)

	2014	2013
REVENUES		
Program Revenues (Net of Direct Program Expenditures - Note 3)		
Club Grants Received	\$ 583	
Biathlon Program	2,796	1,058
Nordic Program		
Nordic Club Registration Fees, after CCSAM fees	2,125	2,570
Nordic Grants Received	5,250	
Adult Program	15	185
Jackrabbit Program	1,537	1,702
Track Attack (2013 -Junior Sidewinder) Nordic Program	755	1,320
Junior Race Team Program	1,377	1,685
Race Team Nordic Program	3,038	141
Sidewinders Nordic Program	410	695
Radical Skier Nordic Program	195	
Total Nordic Program Revenues, net of Direct Program Expenditures	\$ 12,772	\$ 8,298
Less Zone 4 Processing Charges	970	
Total Program Revenues, net of Direct Program Expenditures	\$ 15,181	\$ 7,240
Event Revenues (Net of Direct Event Expenditures - Note 4)		
Banquet	-\$ 30	-\$ 33
Birds Hill Training Camp	539	343
Canmore	923	
Falcon Races	104	
Grand Beach Classic	727	
Grand Beach Training Camp	246	256
Jackrabbit Jambouree	111	825
Lappe		179
Manitoba Games	22	
Provincial Sprints	1,083	
Saskman		1,346
Wednesday Night Races	2,920	3,435
Windup	1,692	1,410
Zone4 Processing Charges		1,395
Total Event Revenues, net of Direct Event Expenditures	\$ 309	\$ 1,538
Other Revenues (Net of Direct Expenditures)		
Bingo Contributions	\$ 480	
Club clothing sales, net of clothing purchases	1,040	1,783
Equipment supply sales, net of purchases		75
Interest and Misc Income	5	1,635
Total Other Revenues, net of Direct Expenditures	-\$ 555	\$ 3,343
TOTAL REVENUES, net of Direct Expenditures	\$ 14,935	\$ 12,121
EXPENDITURES		
Skiing-Related Expenditures		
Equipment, In-House Expenditures	\$ 4,100	\$ 2,244
Facilities Rentals	285	
Coaching Certifications	2,470	935
In Classroom Expert Training Sessions	285	265
Photos	150	928
Website	210	
Total Skiing-Related Expenditures	\$ 7,500	\$ 4,372
Administrative Expenditures		
Bank Charges	351	156
Office and Meeting Supplies	449	187
Total Administrative Expenditures	\$ 800	\$ 343
TOTAL EXPENDITURES	\$ 8,300	\$ 4,715
EXCESS REVENUE OVER EXPENDITURES	\$ 6,635	\$ 7,406

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

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. 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.

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.

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Notes to the Financial Statements
for the Year Ended August 31, 2014
(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, 2013 to August 31, 2014	September 1, 2012 to August 31, 2013
Biathlon Programs		
Registration Revenue	\$ 4,240	\$ 950
Ammunition Revenue	701	3,339
Range Fees Charged to Members	1,540	1,445
Coaching Honorariums	- 1,635	- 674
Biathlon Canada Fees	- 207	- 207
Range Fees Paid to Ranges	- 1,300	- 1,300
Ammunition Purchased	-	4,404
Misc Expenses	- 318	- 106
Travel	- 225	- 101
Total Biathlon Programs	<u>2,796</u>	<u>- 1,058</u>

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Notes to the Financial Statements
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3. Program Revenues and Expenditures, continued

Nordic Programs September 1, 2013 – August 31, 2014

	Revenues		Expenditures					Total
	Registration Revenues	Direct Grants	CCSAM Fees	Coaching Honorariums	Youth Lead Honorariums	Trophies & Other Awards	Travel & Other	
Nordic Registrations	\$ 3,570		\$ 1,445					\$ 2,125
Adult	345			360				15
Jackrabbits	3,075			450		546	542	1,537
Track Attack	1,430			1,025	1,300	140		755
Junior Race Team	3,928			1,475			1,076	1,377
Race Team	6,734			3,165		31	500	3,038
Sidewinders	1,260			700	150			410
Radical Skiers	630			825				195

Nordic Programs September 1, 2012 – August 31, 2013

	Revenues		Expenditures					Total
	Registration Revenues	Club Coaching Dev Grant	CCSAM Fees	Coaching Honorariums	Youth Lead Honorariums	Trophies & Other Awards	Travel	
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

4. Event Revenues and Expenditures

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

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4. Event Revenues and Expenditures, continued

	September 1, 2013 to August 31, 2014	September 1, 2012 to August 31, 2013
<i>Ski Banquet</i>		
Event Expenses	-\$ 30	-\$ 33
<i>Birds Hill Training Camp</i>		
Event Revenues	\$ -	\$ 1,584
Event Expenses	- 539	- 1,241
	-\$ 539	\$ 343
<i>Canmore</i>		
Event Revenues	\$ 12,150	
Event Expenses	- 13,073	
	-\$ 923	
<i>Falcon Races</i>		
Event Revenues	\$ 1,300	
Event Expenses	- 1,196	
	\$ 104	
<i>Grand Beach Classic</i>		
Event Revenues	\$ 345	
Event Expenses	- 1,072	
	-\$ 727	
<i>Grand Beach Training Camp</i>		
Event Revenues	\$ 1,180	\$ 1,450
Event Expenses	- 934	- 1,194
	\$ 246	\$ 256
<i>Jackrabbit Jamboree</i>		
Event Revenues	\$ 917	\$ 939
Event Sponsorship	500	500
Event Expenses (credits)	- 1,528	- 2,264
	-\$ 111	-\$ 825
<i>Lappe</i>		
Participant Contributions		\$ 9,557
Event Expenses		- 9,736
		-\$ 179
<i>Provincial Sprints</i>		
Event Revenues	\$ 1,435	
Grant Revenue	250	
Event Expenses	- 602	
	\$ 1,083	
<i>Saskman</i>		
Event Revenues		\$ 12,972
Event Expenses		- 11,626
		\$ 1,346
<i>Wednesday Night Races</i>		
Event Revenues	\$ 3,494	\$ 3,611
Zone4 Expenses	- 574	- 176
	\$ 2,920	\$ 3,435
<i>Windups</i>		
	-\$ 1,692	-\$ 1,410
<i>Zone4 Processing Charges</i>		
		-\$ 1,395
Total Event Revenues, net of Direct Event Expenses	\$ 331	\$ 1,538

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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 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 \$100 bingo liability as at August 31, 2014 (August 31, 2013 - \$0).