

LAWRENCE PARK TENNIS CLUB
FINANCIAL STATEMENTS
(unaudited)
October 31, 2019

TABLE OF CONTENTS

Independent practitioner's review engagement report.....	1 - 2
Statement of financial position.....	3
Statement of operations and changes in net assets.....	4
Statement of cash flows.....	5
Notes to the financial statements.....	6 - 8



Chartered Professional Accountants
Private Client Services

Independent Practitioner's Review Engagement Report

To the Members of
Lawrence Park Tennis Club

We have reviewed the accompanying financial statements of Lawrence Park Tennis Club, that comprise the statement of financial position as at October 31, 2019, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Independent Practitioner's Review Engagement Report, continued

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Lawrence Park Tennis Club as at October 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Brampton, Ontario
November 14, 2019

Pinnacle CPAs Professional Corporation

Chartered Professional Accountants
Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

LAWRENCE PARK TENNIS CLUB

STATEMENT OF FINANCIAL POSITION

(unaudited)

October 31, 2019

	2019	2018
	\$	\$
ASSETS		
Current		
Cash	4,012	45,646
Term deposits (note 3)	122,810	71,169
Accounts receivable	5,631	209
Prepaid expenses	88	480
HST receivable	665	2,688
	133,206	120,192
Property, plant and equipment		
Lighting system	13,060	13,060
Sprinkler system	27,147	27,147
	40,207	40,207
Less accumulated amortization	(16,083)	(8,042)
	24,124	32,165
	157,330	152,357
LIABILITY		
Current		
Accounts payable and accrued liabilities	1,315	3,727
NET ASSETS (note 4)	156,015	148,630
	157,330	152,357

Approved on behalf of the board

(David Douglas)
Director

(Karen Brown)
Director

See notes to the financial statements

LAWRENCE PARK TENNIS CLUB

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

(unaudited)

Year ended October 31, 2019	2019	2018
	\$	\$
Revenues		
Adult and intermediate fees	58,159	58,829
Junior fees	8,160	7,449
Miscellaneous fees and charges	3,072	5,494
Interest income	1,667	1,169
	71,058	72,941
Expenditures		
Court supervisor	11,950	10,296
Court maintenance	11,824	15,508
Amortization	8,041	8,041
Social events	6,747	5,220
Games	5,338	4,722
Ontario Tennis Association	3,750	3,750
Tennis professional fees	3,000	3,000
Subscriptions, permits and licenses	1,960	1,884
Interest and bank charges	1,955	2,213
Telephone and utilities	1,778	1,698
Memberships	1,513	834
Professional fees	1,500	1,500
Secretarial services	1,375	1,459
Clubhouse	1,198	2,000
Insurance	1,150	1,073
Advertising and promotion	541	828
Junior program costs	53	812
	63,673	64,838
Excess of revenues over expenditures	7,385	8,103
Net assets, beginning of year	148,630	140,527
Net assets, end of year	156,015	148,630

See notes to the financial statements

LAWRENCE PARK TENNIS CLUB

STATEMENT OF CASH FLOWS

(unaudited)

Year ended October 31, 2019

	2019	2018
	\$	\$
Operating activities		
Excess of revenues over expenditures	7,385	8,103
Adjustment for Amortization	8,041	8,041
	15,426	16,144
Change in non-cash working capital items		
Accounts receivable	(5,422)	461
Prepaid expenses	392	68
HST receivable	2,023	(268)
Accounts payable and accrued liabilities	(2,412)	(6,908)
	10,007	9,497
Investing activity		
Purchase of property, plant and equipment, net	-	(39,573)
Increase (decrease) in cash	10,007	(30,076)
Cash, beginning of year	116,815	146,891
Cash, end of year	126,822	116,815
Cash consists of:		
Cash	4,012	45,646
Term deposits	122,810	71,169
	126,822	116,815

See notes to the financial statements

LAWRENCE PARK TENNIS CLUB

NOTES TO THE FINANCIAL STATEMENTS

(unaudited)

October 31, 2019

1. Nature of operations

Lawrence Park Tennis Club is a not-for-profit organization incorporated under The Corporations Act, Ontario. The organization is exempt from tax under provisions of the Income Tax Act (Canada).

2. Accounting policies

The financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

The significant accounting policies used are as follows:

(a) Property, plant and equipment

Property, plant and equipment are recorded at cost and are being amortized over their estimated useful lives on a straight-line method. No amortization is recorded in the year of disposal. The annual amortization rates are as follows:

Sprinkler system - 5 years straight line
Court lighting system - 5 years straight line

The estimated useful lives of assets are reviewed by management and adjusted if necessary.

(b) Capital management

The organization manages its capital to ensure that it will be able to continue as a going concern while providing a return to its stakeholders. The organization's overall strategy remains unchanged from 2018.

The capital structure of the business consists of equity attributable to net assets restricted to capital expenditures and to unrestricted net assets.

The organization is not subject to externally imposed capital requirements.

(c) Cash equivalents

The organization considers all investments with maturities of three months or less and demand bank loans that are utilized periodically for day to day operations to be cash equivalents.

(d) Contributed services

Directors, committee members and owners volunteer their time to assist in the corporation's activities. While these services benefit the corporation considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

LAWRENCE PARK TENNIS CLUB

NOTES TO THE FINANCIAL STATEMENTS

(unaudited)

October 31, 2019

2. Accounting policies, continued

(e) Financial instruments

The organization's financial instruments consist of cash, term deposits, accounts receivable, and accounts payable and accrued liabilities. Unless otherwise noted it is management's opinion that the organization is not exposed to significant interest, currency or credit risks.

(f) Fund accounting deferred

The organization follows the deferral method of accounting for contributions which includes grants and donations. Contributions of property and equipment are included as deferred contributions and are amortized to revenue at the same rate and on the same basis as amortization of the related property and equipment.

Restricted contributions are recognized as revenue in the year in which the related expenses are made. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions are recognized as direct increases in net assets.

(g) Management estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3. Term deposits

	2019
	\$
TD 2.10% GIC due February 22, 2020	71,371
TD 1.50% GIC due August 13, 2020	50,000
accrued interest	1,439
	<hr/>
	122,810

LAWRENCE PARK TENNIS CLUB

NOTES TO THE FINANCIAL STATEMENTS

(unaudited)

October 31, 2019

4. Net assets

Net assets are comprised of the following balances

	2019	2018
	\$	\$
Unrestricted net assets	131,891	116,465
Invested in capital assets	24,124	32,165
	156,015	148,630

5. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates.