

CITY KIDZ-REGINA MINISTRY INCORPORATED
Financial Statements

Year Ended December 31, 2016

(Unaudited)

Review Engagement Report

To the Directors of
CITY KIDZ-REGINA MINISTRY INCORPORATED

I have reviewed the statement of financial position of CITY KIDZ-REGINA MINISTRY INCORPORATED, as at December 31, 2016 and the statements of operations, net assets, and cash flow for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures, and discussion related to information supplied to me by the organization

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.



Regina, Saskatchewan
February 11, 2017

Sandra Jackson CPA Prof. Corp

CITY KIDZ-REGINA MINISTRY INCORPORATED

Statement of Financial Position as at December 31, 2016

(Unaudited)

	Operating Fund	Invested in Capital Assets	Reserve Fund	2016	2015
ASSETS					
Current					
Cash	\$ 24,264	\$ -	\$ 10,058	\$ 34,322	\$ 33,168
Accounts receivable	4,645	-	-	4,645	3,546
	<u>28,909</u>	<u>-</u>	<u>10,058</u>	<u>38,967</u>	<u>36,714</u>
Tangible capital assets (note 3)	-	4,069	-	4,069	6,485
	<u>\$ 28,909</u>	<u>\$ 4,069</u>	<u>\$ 10,058</u>	<u>\$ 43,036</u>	<u>\$ 43,199</u>
LIABILITIES AND FUND BALANCES					
Current liabilities					
Accounts payable and accrued liabilities (note 4)	7,903	-	-	7,903	6,330
	<u>7,903</u>	<u>-</u>	<u>-</u>	<u>7,903</u>	<u>6,330</u>
Fund balances					
Invested in capital assets	-	4,069	-	4,069	6,485
Fund balances	21,006	-	10,058	31,064	30,384
	<u>21,006</u>	<u>4,069</u>	<u>10,058</u>	<u>35,133</u>	<u>36,869</u>
	<u>\$ 28,909</u>	<u>\$ 4,069</u>	<u>\$ 10,058</u>	<u>\$ 43,036</u>	<u>\$ 43,199</u>

See accompanying notes to the financial statements

Approved by:

Director: _____

Director: _____

CITY KIDZ-REGINA MINISTRY INCORPORATED

Statement of Net Assets for the year ended December 31, 2016

(Unaudited)

	Operating Fund		Invested in Capital Assets		Reserve Fund	
	2016	2015	2016	2015	2016	2015
Fund balances, beginning of year	\$ 20,356	\$ 20,451	\$ 6,485	\$ 5,969	\$ 10,028	\$ -
Excess (deficiency) of revenues over expenses	(750)	10,726	(1,016)	(305)	30	28
Capital asset additions	1,400	(821)	(1,400)	821	-	-
Interfund transfers	-	(10,000)	-	-	-	10,000
Fund balances, end of year	\$ 21,006	\$ 20,356	\$ 4,069	\$ 6,485	\$ 10,058	\$ 10,028

See accompanying notes to the financial statements

CITY KIDZ-REGINA MINISTRY INCORPORATED

Statement of Operations for the year ended December 31, 2016
(Unaudited)

	Operating Fund		Invested in Capital Assets		Reserve Fund	
	2016	2015	2016	2015	2016	2015
Revenues						
Fundraising	\$ 2,500	\$ 2,500	\$ -	\$ -	-	-
Grants	32,000	41,750	-	-	-	-
Donations	12,651	11,203	-	-	-	-
Sponsorships	49,611	40,424	-	-	-	-
Head Office Funding	2,208	5,641	-	-	-	-
Interest income	-	-	-	-	30	28
Gains/(losses) on disposal of assets	-	-	(762)	-	-	-
	<u>98,970</u>	<u>101,518</u>	<u>(762)</u>	<u>-</u>	<u>30</u>	<u>28</u>
Expenses						
Advertising and promotion	5,345	1,321	-	-	-	-
Amortization of tangible assets	-	-	254	305	-	-
Program expenses	28,183	28,198	-	-	-	-
Insurance	2,557	2,603	-	-	-	-
Interest and bank charges	699	296	-	-	-	-
Memberships and licenses	3,000	3,050	-	-	-	-
Office expenses	1,521	967	-	-	-	-
Other operating expenses	612	469	-	-	-	-
Professional fees	693	683	-	-	-	-
Salaries and wages	48,565	45,466	-	-	-	-
Supplies	1,170	1,231	-	-	-	-
Tithes	3,894	3,994	-	-	-	-
Training	3,481	2,514	-	-	-	-
	<u>99,720</u>	<u>90,792</u>	<u>254</u>	<u>305</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenses	<u>\$ (750)</u>	<u>\$ 10,726</u>	<u>\$ (1,016)</u>	<u>\$ (305)</u>	<u>\$ 30</u>	<u>\$ 28</u>

See accompanying notes to the financial statements

CITY KIDZ-REGINA MINISTRY INCORPORATED

Statement of Cash Flows for the year ended December 31, 2016

(Unaudited)

	Operating Fund	Invested in Capital Assets	Reserve Fund	Total	
				2016	2015
Cash flows from operating activities					
Excess (deficiency) of revenues over expenses	\$ (750)	\$ (1,016)	\$ 30	\$ (1,736)	\$ 10,449
Items not affecting cash:					
Amortization of tangible assets	-	254	-	254	305
Gains/(losses) on disposal of assets	-	762	-	762	-
Changes in non-cash working capital:					
Accounts and notes receivable				(1,098)	(2,097)
Accounts payable and accrued liabilities				1,572	(333)
Net cash provided by (used in) operating activities	(750)	-	30	(246)	8,324
Cash flows from investing activities					
Purchase of tangible capital assets	-	-	-	-	(823)
Proceeds from sale of tangible capital assets	-	1,400	-	1,400	-
Net cash provided by (used in) investing activities	-	1,400	-	1,400	(823)
Cash flows from financing activities					
Net increase (decrease) in cash	(750)	1,400	30	1,154	7,501
Cash at the beginning of the year	23,140	-	10,028	33,168	25,667
Cash at the end of the year	\$ 22,390	\$ 1,400	\$ 10,058	\$ 34,322	\$ 33,168

CITY KIDZ-REGINA MINISTRY INCORPORATED

Notes to Financial Statements
Year Ended December 31, 2016
(Unaudited)

1. PURPOSE OF THE ORGANIZATION

The organization operates a children's faith based outreach program for low-income families. The Organization is incorporated under the Saskatchewan Non-Profit Corporations Act, 1995 and is exempt from income tax. As a registered charity under the *Income Tax Act*, the organization may issue charitable donation receipts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The Organization prepares its financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Fund accounting

The Organization follows the restricted fund method of accounting for contributions.

The Operating Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Reserve Fund created for emergency situations. The Board authorization is required to access the funds.

The Invested in Capital Assets reports the assets, liabilities, revenues, and expenses related to the Association's capital asset expansion campaign.

Cash and cash equivalents

Cash equivalents are comprised of highly liquid term deposits that are readily convertible to cash with maturities that are less than three months from the date of acquisition.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is taken on a declining balance basis at the rate of 5%.

Revenue recognition

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be recorded can be reasonably estimated and collection is reasonably assured.

Contributed services

Volunteers contribute hours per year to assist the Association in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

CITY KIDZ-REGINA MINISTRY INCORPORATED

Notes to Financial Statements
Year Ended December 31, 2016
(Unaudited)

3 CAPITAL ASSETS

	Cost	Accumulated Amortization	2016 Net Book Value	2015 Net Book Value
Equipment	3,987	969	3,018	3,177
Computer equipment	821	48	773	814
Furniture and fixtures	444	167	277	2,493
	<u>\$ 5,252</u>	<u>\$ 1,184</u>	<u>\$ 4,068</u>	<u>\$ 6,484</u>

4 ACCOUNTS PAYABLE

	2016	2015
Accounts payable and accrued liabilities	\$ 4,764	\$ 5,189
Employee deductions payable	3,141	1,142
	<u>\$ 7,905</u>	<u>\$ 6,331</u>

5. FINANCIAL INSTRUMENTS

The Organization uses risk management to monitor and manage its risk arising from financial instruments. These risks include credit risk, interest rate risk, liquidity risk and market risk.

The Organization does not use any derivative financial instruments to mitigate these risks.

Credit risk

Credit risks arise from two sources: cash and cash equivalents and accounts receivable. Cash and cash equivalents are deposited with reputable, major financial institutions to limit the credit risk exposure. The credit risk from counter parties not paying accounts receivable is not considered to be significant.

Liquidity risk

Liquidity risk exposure is dependent on the receipt of funds from head office, donations and other sources to enable the Organization to pay its liabilities as they become due.