

ATHABASCA REGIONAL MULTIPLEX SOCIETY

Athabasca, Alberta

FINANCIAL STATEMENTS

DECEMBER 31, 2016

ATHABASCA REGIONAL MULTIPLEX SOCIETY

Athabasca, Alberta

FINANCIAL STATEMENTS

December 31, 2016

CONTENTS

	<u>Page</u>
MANAGEMENT'S REPORT	3
INDEPENDENT AUDITORS' REPORT	4 - 5
FINANCIAL STATEMENTS	
Statement "1" Statement of Financial Position	6
Statement "2" Statement of Operations and Changes in Net Assets	7
Statement "3" Statement of Cash Flows	8
Schedule "1" Schedule of Operations	9
Notes to the Financial Statements	10 -13

ATHABASCA REGIONAL MULTIPLEX SOCIETY

December 31, 2016

MANAGEMENT'S REPORT

The accompanying Financial Statements and other information contained in this financial report are the responsibility of the management of the Athabasca Regional Multiplex Society.

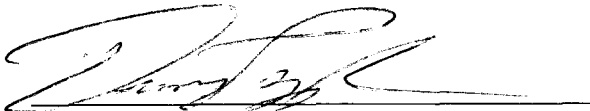
The Financial Statements have been prepared by management. Financial Statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the Financial Statements are presented fairly, in all material respects.

The Athabasca Regional Multiplex Society maintains systems of internal accounting and administrative controls that are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Athabasca Regional Multiplex Society's assets are properly accounted for and adequately safeguarded.

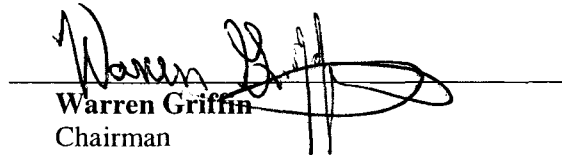
The members of the Athabasca Regional Multiplex Society are responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the Financial Statements.

The members meet annually with management and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, and to satisfy themselves that each party is properly discharging its responsibilities. The members consider the engagement or reappointment of the external auditors and also review monthly financial reports.

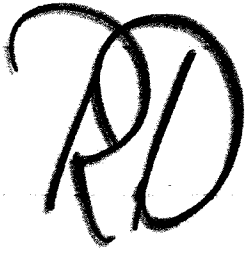
The Financial Statements have been audited by Rebryna Dana LLP, the external auditors, in accordance with Canadian auditing standards on behalf of the Board of the Athabasca Regional Multiplex Society. Rebryna Dana LLP, has full and free access to the Board.



Dustin Pysyk
General Manager
May 08, 2017



Warren Griffin
Chairman



Rebryna Dana LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
MANAGEMENT CONSULTANTS

Shane R. Rebryna* | Curtis A. Dana* | Gordon C. Ferguson* | Wayne L. MacIsaac
HBCom, CPA, CGA, MANAGING PARTNER BBA, CPA, CGA, PBA, PARTNER FCPA, FCGA, CFP, CAFM, ASSOCIATE BBA, PBA, ASSOCIATE

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of:
Athabasca Regional Multiplex Society

Report on the Financial Statements

We have audited the accompanying Financial Statements for **Athabasca Regional Multiplex Society**, which comprise the Statement of Financial Position as at December 31, 2016, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with Canadian auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making these risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Financial Statements.

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* * Denotes A Professional Corporation

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements present fairly, in all material respects, the financial position of Athabasca Regional Multiplex Society as at December 31, 2016 and the results of its operations and changes in its net assets and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.



Rebryna Dana LLP
Chartered Professional Accountants

Slave Lake, Alberta
May 08, 2017

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ATHABASCA REGIONAL MULTIPLEX SOCIETY

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2016

	2016	2015
ASSETS		
Current		
Cash and Cash Equivalents (Note 2)	\$ 212,580	\$ 34,341
Trade Receivables	92,423	81,549
Goods and Services Tax Receivables	10,417	7,744
Due from Local Governments (Note 4)	68,792	217,986
Inventory	5,423	5,850
TOTAL ASSETS	\$ 389,635	\$ 347,470
 LIABILITIES AND NET ASSETS		
Current		
Accounts Payable and Accrued Liabilities	\$ 179,418	\$ 162,777
Deferred Revenue	105,368	93,300
Due to Local Governments (Note 4)	104,849	91,393
Total Current Liabilities	389,635	347,470
 Net Assets		
Unrestricted Net Assets	-	-
TOTAL LIABILITIES AND NET ASSETS	\$ 389,635	\$ 347,470

ATHABASCA REGIONAL MULTIPLEX SOCIETY
STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2016

	BUDGET (Unaudited)	2016	2015
REVENUE			
User Fees	\$ 600,500	\$ 499,493	\$ 555,812
Rental Income	88,550	94,185	97,735
Grants	7,000	20,160	-
Fundraising and Donations	-	4,600	4,762
Contract Services	30,000	29,425	47,769
Advertising	64,000	35,458	29,931
Food Services	110,000	111,856	123,719
Lounge Sales	80,350	68,943	62,372
Other Revenues	21,800	11,575	3,344
	1,002,200	875,695	925,444
EXPENSES			
Advertising	22,500	17,419	10,686
Bank Charges	5,000	3,660	6,210
Computer Expenses	18,000	2,749	7,065
Contracted and General Services	240,350	182,258	160,237
Equipment Rental	5,000	1,514	2,101
Insurance	57,000	84,322	49,585
Professional and Bookkeeping fees	37,000	42,932	47,367
Purchases	103,750	100,513	118,936
Repairs and Maintenance	78,050	68,762	85,290
Salaries, Wages and Benefits	1,037,100	997,368	1,044,618
Supplies	41,450	28,062	37,425
Telephone	16,200	16,149	15,540
Utilities	351,900	317,919	341,716
	2,013,300	1,863,627	1,926,776
SHORTFALL OF REVENUE OVER EXPENSES			
BEFORE REQUISITIONS	(1,011,100)	(987,932)	(1,001,332)
Requisitions (Note 4)			
Requisitions during the year	1,011,100	1,000,000	1,094,632
Transferred from Deferred Revenue	-	93,300	-
Transferred to Deferred Revenue	-	(105,368)	(93,300)
	1,011,100	987,932	1,001,332
SHORTFALL OF REVENUE OVER EXPENSES			
	-	-	-
NET ASSETS, BEGINNING OF YEAR			
	-	-	-
NET ASSETS, END OF YEAR			
	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these Financial Statements
Rebryna Dana LLP, Chartered Professional Accountants

ATHABASCA REGIONAL MULTIPLEX SOCIETY

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net inflow (outflow) of cash related to the following activities:		
Excess of revenue over expenses	\$ -	\$ -
Net change in non-cash working capital balances:		
Trade and other receivables	(10,874)	83,793
Goods and services tax receivables	(2,673)	(4,441)
Due from local governments	149,194	435,830
Inventory	427	(5,850)
Accounts payable and accrued liabilities	16,641	26,720
Due to local governments	13,456	(562,423)
Deferred revenue	12,068	(46,791)
Cash flows from (used in) operating activities	178,239	(73,162)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	34,341	107,503
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 212,580	\$ 34,341

The accompanying notes are an integral part of these Financial Statements
Rebryna Dana LLP, Chartered Professional Accountants

ATHABASCA REGIONAL MULTIPLEX SOCIETY

SCHEDULE OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Administration	Arena	Field House	Curling Rink	Lounge	Programming	Swimming Pool	Food Services	Athabasca Performing Arts Centre & Others	2016	2015
REVENUE											
User Fees	\$ 103,880	\$ 161,801	\$ 50,412	\$ 44,853	\$ -	\$ 36,911	\$ 96,206	\$ -	\$ 5,430	\$ 499,493	\$ 555,812
Rental Income	30,583	-	-	-	-	-	27,308	-	36,294	94,185	97,735
Grants	-	-	-	-	-	20,160	-	-	-	20,160	-
Fundraising and Donations	4,100	-	-	-	-	-	500	-	-	4,600	4,762
Contract Services	26,992	-	-	-	-	-	2,433	-	-	29,425	47,769
Advertising	-	35,458	-	-	-	-	-	-	-	35,458	29,931
Food Services	-	-	-	-	-	-	-	111,856	-	111,856	123,719
Lounge Sales	-	-	-	-	68,943	-	-	-	-	68,943	62,372
Other Revenues	920	-	-	-	-	-	-	-	10,655	11,575	3,344
	166,475	197,259	50,412	44,853	68,943	57,071	126,447	111,856	52,379	875,695	925,444
EXPENSES											
Advertising	14,035	-	-	-	-	1,592	1,792	-	-	17,419	10,686
Bank Charges	3,660	-	-	-	-	-	-	-	-	3,660	6,210
Computer Expenses	2,749	-	-	-	-	-	-	-	-	2,749	7,065
Contracted and General Services	80,526	1,344	7,502	20,550	-	15,756	12,565	3,771	40,244	182,258	160,237
Equipment Rental	1,514	-	-	-	-	-	-	-	-	1,514	2,101
Insurance	69,850	-	-	-	-	-	3,717	-	10,755	84,322	49,585
Professional Fees	42,932	-	-	-	-	-	-	-	-	42,932	47,367
Purchases	-	-	-	-	30,659	-	347	69,507	-	100,513	118,936
Repairs and Maintenance	22,898	7,354	3,949	35	1,310	-	25,687	494	7,035	68,762	85,290
Salaries, Wages and Benefits	538,670	116,755	48,301	4,606	18,758	7,174	223,094	30,030	9,980	997,368	1,044,618
Supplies	-	6,957	1,036	538	-	-	13,586	105	5,840	28,062	37,425
Telephone	11,378	-	-	-	-	-	3,994	-	777	16,149	15,540
Utilities	215,828	-	-	-	871	-	76,201	-	25,019	317,919	341,716
	1,004,040	132,410	60,788	25,729	51,598	24,522	360,983	103,907	99,650	1,863,627	1,926,776
NET COST OF OPERATIONS	\$ (837,565)	\$ 64,849	\$ (10,376)	\$ 19,124	\$ 17,345	\$ 32,549	\$ (234,536)	\$ 7,949	\$ (47,271)	\$ (987,932)	\$ (1,001,332)

ATHABASCA REGIONAL MULTIPLEX SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

1. NATURE OF OPERATIONS

The Athabasca Regional Multiplex Society is a not-for-profit organization that is primarily responsible for the operation and promotion of recreation facilities in the Athabasca area. The Town of Athabasca and the Athabasca County are members of the Society. The Society is exempt from Income Taxes under the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Statements of the Athabasca Regional Multiplex Society are the representations of management prepared in accordance with Canadian accounting standards for not-for-profit organizations. Significant aspects of the accounting policies adopted by the Society are as follows:

(a) *Cash and Cash Equivalents*

Cash and cash equivalents consist of cash on hand and in bank.

(b) *Inventory*

Inventory is valued at the lower of cost or net realizable value.

(c) *Use of 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 disclosure of contingent assets and liabilities at the date of the Financial Statements, and the reported amounts of revenue and expenses during the year. Significant areas requiring the use of management estimates relate to the determination of fair value of non-cash donations and bad debts. Actual results could differ from those estimates.

(d) *Financial Instruments*

i) Measurement of Financial Instruments

The Society initially measures its financial assets and liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. The Society subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations in the period incurred.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

ATHABASCA REGIONAL MULTIPLEX SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

ii) Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized as an impairment loss in the statement of operations.

iii) Transaction Costs

The Society recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

(e) *Revenue Recognition*

Athabasca Regional Multiplex Society follows the accrual method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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. Grants received in advance are deferred and recorded as revenue in the period to which they relate.

f) *Contributed Goods and Services*

Athabasca Regional Multiplex Society benefits greatly from contributed goods and services in the form of sports clothing and volunteer work for various activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the Financial Statements.

3. NET ASSETS

The Society manages its capital to ensure that it will be able to continue as a going concern and to provide returns to its members while ensuring the consistent delivery of services. The Society's overall strategy remained unchanged.

4. RELATED PARTY TRANSACTIONS

Athabasca County and Town of Athabasca are members of the Society and, as such, have been identified as related parties.

Requisitions are based on the budgeted net operating costs of the Society and are allocated among the Society members based on a 50/50 split. The unused requisition in 2016 was transferred to deferred revenue. The deferred revenue in 2015 was recognized as requisitions revenue during the year.

ATHABASCA REGIONAL MULTIPLEX SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

Requisitions charged to Society members are as follows:

	2016	2015
Athabasca County	\$ 500,000	\$ 547,316
Town of Athabasca	500,000	547,316
Transferred to Deferred Revenue	1,000,000	1,094,632
Transferred from Deferred Revenue	(105,368)	(93,300)
	93,300	-
	\$ 987,932	\$ 1,001,332

Amounts due from Society members have arisen from the allocation of the deficit. Amounts due from Society members at the end of the year are as follows:

	2016	2015
Athabasca County	\$ -	\$ 51,107
Town of Athabasca	68,792	166,879
	\$ 68,792	\$ 217,986

The amounts due to Society members have no fixed terms of repayment and are as follows:

	2016	2015
Athabasca County	\$ 104,849	\$ 30,956
Town of Athabasca	-	60,437
	\$ 104,849	\$ 91,393

5. FINANCIAL RISKS

The Society is exposed to various risks through its financial instruments.

Credit Risk

Credit Risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Cash and Cash Equivalents - This risk is minimized as the cash and cash equivalents have been placed with a reputable financial institution. Concentration of credit risk exists as a significant amount is held at one financial institution; however, management believes the risk of loss to be remote.

ATHABASCA REGIONAL MULTIPLEX SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

Accounts Receivable - Concentration of credit risk exists as a significant amount is attributable to a few customers.

Liquidity Risk

Liquidity Risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Society's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

Market Risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Currency Risk, Interest Rate Risk, and Other Price Risk.

Interest Rate Risk

Interest Rate Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Society's exposure to interest rate risk arises from its interest bearing assets maintained with the bank. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of December 31, 2016. Future cash flows from interest income may be affected by interest rate fluctuations.

The Society manages its exposure to the interest rate risk of its cash by maximizing the interest income earned on excess funds while maintaining the liquidity necessary to conduct operations on a day to day basis. Fluctuations in market rates of interest on cash do not have a significant impact on the Society's results of operations.

6. BUDGET

The budget information disclosed in the Financial Statements is unaudited.

7. APPROVAL OF FINANCIAL STATEMENTS

The Society members and management have approved these Financial Statements.