

**McKenzie-Clearwater Fire Protection Corporation**  
**Financial Statements**  
*December 31, 2015*  
*(Unaudited - see Notice to Reader)*

## Notice To Reader

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On the basis of information provided by management, we have compiled the statement of financial position of McKenzie-Clearwater Fire Protection Corporation as at December 31, 2015 and the statements of operations and changes in net assets for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

The firm MNP is not independent of the Corporation as a Partner of MNP serves on the corporate Board of Directors.

Winnipeg, Manitoba

June 25, 2016

*MNP* **LLP**

Chartered Professional Accountants

# McKenzie-Clearwater Fire Protection Corporation

## Statement of Financial Position

As at December 31, 2015  
(Unaudited - see Notice to Reader)

	2015	2014
<b>Assets</b>		
<b>Current</b>		
Cash	29,175	29,176
Restricted cash	100,000	100,000
Accounts receivable	15,446	11,632
Inventory	5,230	5,580
Prepaid expenses and deposits	7,426	11,513
	157,277	157,901
<b>Capital assets (Note 4)</b>	<b>170,955</b>	169,804
	<b>328,232</b>	327,705
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	3,233	4,909
Deferred contributions related to capital assets	793	6,293
	4,026	11,202
<b>Net Assets</b>		
Unrestricted	224,206	216,503
Internally restricted (Note 3)	100,000	100,000
	324,206	316,503
	<b>328,232</b>	327,705

# McKenzie-Clearwater Fire Protection Corporation

## Statement of Operations

*For the year ended December 31, 2015  
(Unaudited - see Notice to Reader)*

	<b>2015</b>	<b>2014</b>
<b>Revenue</b>		
The KeeMan Local Services Board	114,200	103,500
Donations	2,070	10,875
Fundraising - Annual ball, cookbook, and rental	20,509	20,947
Interest	562	659
M.T.O. / M.N.R.	4,305	7,790
Sales	810	8,972
Amortization of deferred contributions	5,500	5,500
Lifetime Memberships	-	6,360
	<b>147,956</b>	<b>164,603</b>
<b>Expenses</b>		
Amortization	28,392	33,335
Bad debts	-	6,584
Bank charges and interest	168	950
Bookkeeping	3,145	4,605
Cost of sales	350	8,184
Dispatch	5,170	3,655
District 2 Station expense	6,410	4,944
Equipment	2,089	7,486
Fire truck repairs	4,060	2,042
Firefighters' Ball	7,916	8,704
Firefighters' expenses	25,961	18,039
Fuel	1,255	2,354
Insurance	26,261	22,543
Land lease	125	120
Mailing	1,961	1,911
Meals	1,677	2,491
Miscellaneous	552	1,654
Office expense	2,571	1,185
Professional fees	2,947	2,100
Repairs and maintenance - building	6,547	11,369
Telephone	2,722	2,774
Training	1,710	1,175
Travel	868	617
Utilities	7,396	9,311
	<b>140,253</b>	<b>158,132</b>
<b>Excess of revenues over expenses</b>	<b>7,703</b>	<b>6,471</b>

**McKenzie-Clearwater Fire Protection Corporation**  
**Statement of Changes in Net Assets**

*For the year ended December 31, 2015*  
*(Unaudited - see Notice to Reader)*

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	<i>Unrestricted</i>	<i>Internally restricted</i>	<b>2015</b>	<b>2014</b>
<b>Net assets, beginning of year</b>	<b>216,503</b>	<b>100,000</b>	<b>316,503</b>	310,032
<b>Excess of revenues over expenses</b>	<b>7,703</b>	-	<b>7,703</b>	6,471
<b>Net assets, end of year</b>	<b>224,206</b>	<b>100,000</b>	<b>324,206</b>	316,503

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# McKenzie-Clearwater Fire Protection Corporation

## Notes to the Financial Statements

For the year ended December 31, 2015  
(Unaudited - see Notice to Reader)

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### 1. Nature of the organization

McKenzie Clearwater Fire Corporation was incorporated as a not-for-profit, non-share capital corporation under the laws of Ontario. The Corporation provides support for the volunteer fire team, provides training, and promotes the development and maintenance of programs for relief of fire victims, community service programs and fire prevention and suppression training.

### 2. Significant accounting policies

#### ***Basis of presentation***

Accounting is presented on an accrual basis.

#### ***Capital assets***

Property and major equipment are initially recorded at cost. Minor equipment purchases are expensed in the year of acquisition. Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	<b>Years</b>
Building	25 years
Rescue Truck	10 years
Equipment	5 years
Vehicles	10 years
Fireboat	10 years
Dock	10 years
Tanker	20 years
Snow Rescue	5 years

#### ***Use of estimates***

In preparing the Company's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Amortization is based on the estimated useful lives of property and equipment.

#### ***Cash and cash equivalents***

Cash and cash equivalents include cash on hand and balances with banks.

### 3. Restricted Assets

The Corporation has internally restricted net assets for future replacement of firefighting equipment. At year end the internally restricted net asset balance was \$100,000. Use of these restricted funds must be approved by the board.

## McKenzie-Clearwater Fire Protection Corporation

### Notes to the Financial Statements

*For the year ended December 31, 2015  
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#### 4. Capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2015 Net book value</i>
Building	13,591	7,128	6,463
Rescue Truck	25,000	23,998	1,002
Equipment	74,903	48,145	26,758
Vehicles	3,463	3,463	-
Fireboat	10,626	10,626	-
Dock	25,072	18,165	6,907
Tanker	146,637	73,319	73,318
Snow Rescue	20,000	19,808	192
Fireboat #2	74,820	18,505	56,315
	<b>394,112</b>	<b>223,157</b>	<b>170,955</b>

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2014 Net book value</i>
Building	13,591	6,585	7,006
Rescue Truck	25,000	21,498	3,502
Equipment	45,361	44,631	730
Vehicles	3,463	3,146	317
Fireboat	10,626	10,430	196
Dock	25,072	15,658	9,414
Tanker	146,637	65,987	80,650
Snow Rescue	20,000	15,808	4,192
Fireboat #2	74,820	11,023	63,797
	<b>364,570</b>	<b>194,766</b>	<b>169,804</b>

The firehall building has not been recorded in these financial statements. It was constructed by volunteer labour and funding. It has an insured value of approximately \$208,200.