



McKenzie-Clearwater Film Project



Notice To Reader

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, 2013 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 18, 2014

MNP *LLP*
Chartered Accountants

McKenzie-Clearwater Fire Protection Corporation
Statement of Financial Position

As at December 31, 2013
(Unaudited - see Notice to Reader)

	<i>2013</i>	<i>2012</i>
Assets		
Current		
Cash	15,162	13,365
Restricted cash	100,000	75,000
Accounts receivable	22,004	9,835
Inventory	14,508	-
Prepaid expenses and deposits	8,955	8,955
	160,629	107,155
Capital assets (Note 4)	175,537	147,397
	336,166	254,552
Liabilities		
Current		
Accounts payable and accruals	14,340	8,024
Deferred contributions related to capital assets	11,794	15,385
	26,134	23,409
Net Assets		
Unrestricted	210,032	156,143
Internally restricted (Note 3)	100,000	75,000
	310,032	231,143
	336,166	254,552

McKenzie-Clearwater Fire Protection Corporation

Statement of Operations

For the year ended December 31, 2013

(Unaudited - see Notice to Reader)

	2013	2012
Revenue		
The KeeMan Local Services Board	102,500	103,100
Donations	51,801	1,975
Fundraising - Annual ball, cookbook, and rental	16,022	19,962
Interest	1,075	-
M.T.O. / M.N.R.	25,625	33,742
Sales	5,835	-
Amortization of deferred contributions	3,592	4,765
Lifetime Memberships	7,880	15,560
	214,330	179,104
Expenses		
Amortization	19,077	17,917
Bank charges and interest	51	46
Bookkeeping	5,595	5,490
Central dispatch	1,559	2,971
Cost of sales and inventory impairment	21,948	-
Dispatch	1,120	2,520
District 2 Station expense	4,826	3,564
Equipment	4,795	13,667
Fire truck repairs	2,375	4,867
Firefighters' Ball	6,027	6,874
Firefighters' expenses	13,988	26,856
Fuel	2,168	1,954
Insurance	22,494	19,745
Land lease	125	120
Mailing	2,953	2,173
Meals	794	1,142
Miscellaneous	1,340	1,747
Office expense	2,088	1,214
Pancake Breakfast	-	217
Professional fees	1,633	1,369
Repairs and maintenance - building	1,197	271
Telephone	2,585	2,789
Training	6,116	1,315
Travel	1,447	993
Utilities	9,140	6,303
	135,441	126,124
Excess of revenues over expenses	78,889	52,980

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

For the year ended December 31, 2013
(Unaudited - see Notice to Reader)

	<i>Unrestricted</i>	<i>Internally restricted</i>	2013	2012
Net assets, beginning of year	156,143	75,000	231,143	178,163
Excess of revenues over expenses	78,889	-	78,889	52,980
Purchase of capital property	51,330	(51,330)	-	-
Contribution to restricted net assets	(76,330)	76,330	-	-
Net assets, end of year	210,032	100,000	310,032	231,143

McKenzie-Clearwater Fire Protection Corporation

Notes to the Financial Statements

For the year ended December 31, 2013
(Unaudited - see Notice to Reader)

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 following methods at rates intended to amortize the cost of assets over their estimated useful lives.

	<i>Method</i>	<i>Rate</i>
Building	declining balance	4 %
Rescue Truck	declining balance	30 %
Equipment	declining balance	20 %
Vehicles	declining balance	30 %
Fireboat	declining balance	15 %
Dock	declining balance	5 %
Tanker	straight-line	20 years
Snow Rescue	declining balance	20 %

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. During the year \$51,330 was used for new equipment additions and \$76,330 was transferred into internally restricted net assets from the current year operations. 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, 2013
(Unaudited - see Notice to Reader)

4. Capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2013 Net book value</i>
Building	13,591	6,041	7,550
Rescue Truck	25,000	18,998	6,002
Equipment	45,361	37,416	7,945
Vehicles	3,463	2,453	1,010
Fireboat	10,626	9,367	1,259
Dock	25,072	13,151	11,921
Tanker	146,637	58,655	87,982
Snow Rescue	20,000	11,808	8,192
Fireboat #2	47,217	3,541	43,676
	336,967	161,430	175,537

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2012 Net book value</i>
Building	13,591	5,726	7,865
Rescue Truck	25,000	16,425	8,575
Equipment	45,361	35,430	9,931
Vehicles	3,463	2,021	1,442
Fireboat	10,626	9,145	1,481
Dock	25,072	12,523	12,549
Tanker	146,637	51,323	95,314
Snow Rescue	20,000	9,760	10,240
	289,750	142,353	147,397

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 (2012 - \$204,160).