

**McKenzie-Clearwater Fire Protection Corporation**  
**Financial Statements**  
*December 31, 2014*  
*(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, 2014 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 22, 2015

*MNP* **LLP**  
Chartered Accountants

# McKenzie-Clearwater Fire Protection Corporation

## Statement of Financial Position

As at December 31, 2014  
(Unaudited - see Notice to Reader)

	2014	2013
<b>Assets</b>		
<b>Current</b>		
Cash	29,176	15,162
Restricted cash	100,000	100,000
Accounts receivable	11,632	22,004
Inventory	5,580	14,508
Prepaid expenses and deposits	11,513	8,955
	157,901	160,629
<b>Capital assets (Note 4)</b>	169,804	175,537
	327,705	336,166
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	4,909	14,340
<b>Deferred contributions related to capital assets</b>	6,293	11,794
	11,202	26,134
<b>Net Assets</b>		
Unrestricted	216,503	210,032
Internally restricted (Note 3)	100,000	100,000
	316,503	310,032
	327,705	336,166

# McKenzie-Clearwater Fire Protection Corporation

## Statement of Operations

*For the year ended December 31, 2014  
(Unaudited - see Notice to Reader)*

	<b>2014</b>	<b>2013</b>
<b>Revenue</b>		
The KeeMan Local Services Board	103,500	102,500
Donations	10,875	51,801
Fundraising - Annual ball, cookbook, and rental	20,947	16,022
Interest	659	1,075
M.T.O. / M.N.R.	7,790	25,625
Sales	8,972	5,835
Amortization of deferred contributions	5,500	3,592
Lifetime Memberships	6,360	7,880
	<b>164,603</b>	<b>214,330</b>
<b>Expenses</b>		
Amortization	33,335	19,077
Bad debts	6,584	-
Bank charges and interest	950	51
Bookkeeping	4,605	5,595
Cost of sales and inventory impairment	8,184	21,948
Dispatch	3,655	2,679
District 2 Station expense	4,944	4,826
Equipment	7,486	5,307
Fire truck repairs	2,042	2,375
Firefighters' Ball	8,704	6,027
Firefighters' expenses	18,039	13,988
Fuel	2,354	2,168
Insurance	22,543	22,494
Land lease	120	125
Mailing	1,911	2,953
Meals	2,491	794
Miscellaneous	1,654	828
Office expense	1,185	2,088
Professional fees	2,100	1,633
Repairs and maintenance - building	11,369	1,197
Telephone	2,774	2,585
Training	1,175	6,116
Travel	617	1,447
Utilities	9,311	9,140
	<b>158,132</b>	<b>135,441</b>
<b>Excess of revenues over expenses</b>	<b>6,471</b>	<b>78,889</b>

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

*For the year ended December 31, 2014*  
*(Unaudited - see Notice to Reader)*

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	<i>Unrestricted</i>	<i>Internally restricted</i>	<b>2014</b>	<b>2013</b>
<b>Net assets, beginning of year</b>	<b>210,032</b>	<b>100,000</b>	<b>310,032</b>	231,143
<b>Excess of revenues over expenses</b>	<b>6,471</b>	-	<b>6,471</b>	78,889
<b>Net assets, end of year</b>	<b>216,503</b>	<b>100,000</b>	<b>316,503</b>	310,032

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# McKenzie-Clearwater Fire Protection Corporation

## Notes to the Financial Statements

For the year ended December 31, 2014  
(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, 2014  
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#### 4. Capital assets

	<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>

	<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
	<b>336,967</b>	<b>161,430</b>	<b>175,537</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.