



FINANCIAL STATEMENTS

FOR THE YEAR ENDED

JULY 31, 2017

**GARY J WESTFALL
CHARTERED PROFESSIONAL ACCOUNTANT
38 MALLARD CRESCENT
BRAMALEA, ONTARIO
L6S 2T6**

REVIEW ENGAGEMENT REPORT

To the Members, London Bridge Centre

I have reviewed the statement of financial position of The London Bridge Centre Inc. as at July 31, 2017 and the statements of revenue and expenses and net assets, restricted net assets and cash flows for the period 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 association.

A review does not constitute an audit and consequently I 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 generally accepted accounting principles.

Bramalea, Ontario

September 23, 2017

G.J. Westfall, CPA, C.A.

Licensed Public Accountant

LONDON BRIDGE CENTRE INC.
Statement of Financial Position
July 31, 2017
(Unaudited)

	2017	2016
	\$	\$
ASSETS		
Current Assets		
Cash	94,957	68,860
Accounts receivable	620	
Prepaid expenses	129	133
	<u>95,706</u>	<u>68,993</u>
Capital Assets (Note 2)	83,571	91,241
Other Assets	<u>4,371</u>	<u>4,371</u>
	<u>183,648</u>	<u>164,605</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	1,903	4,083
HST payable	301	307
Deferred revenue	1,500	1,500
	<u>3,704</u>	<u>5,890</u>
Promissory Notes (Note 3)	118,200	118,200
Net Assets		
Unrestricted net assets	<u>61,744</u>	<u>40,515</u>
	<u>183,648</u>	<u>164,605</u>

Approved on behalf of the Board of Directors:

President	<i>Dwight Bender</i>
Treasurer	<i>Susan Edwards</i>

The accompanying notes are an integral part of these financial statements.

LONDON BRIDGE CENTRE INC.
Statement of Revenue and Expenses and Net Assets
For the year ended July 31, 2017
(Unaudited)

	2017	2016 *
	\$	\$
REVENUE		
Game Fees	121,152	100,814
Membership Dues	12,390	11,956
Special Events Net Revenue (a)	1,495	3,928
Lesson Revenue	2,831	2,317
Room rental	1,486	1,104
Miscellaneous Revenue	1,187	361
	<u>140,541</u>	<u>120,480</u>
EXPENSES		
Facilities and Equipment (b)	79,314	64,320
Bridge Expenses (c)	39,049	34,209
Operations (d)	3,005	5,056
Member Expenses (e)	1,329	3,477
Interest Expense & Bank charges	495	688
Other Expenses	-	619
Contract Services	600	600
	<u>123,792</u>	<u>108,969</u>
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	16,749	11,511
DONATIONS	<u>4,480</u>	<u>29,004</u>
EXCESS OF REVENUE OVER EXPENSES	21,229	40,515
NET ASSETS, Beginning of Year	<u>40,515</u>	<u>-</u>
NET ASSETS, End of Year	<u><u>61,744</u></u>	<u><u>40,515</u></u>

** For the period from Incorporation on June 1, 2015 to July 31, 2016*

Notes:

- (a) LBIAD, Rookie Tournament, London Sectional
- (b) rent, depreciation, security, insurance, cleaning, utilities
- (c) directors' fees, ACBL fees, bridge supplies, Pianola
- (d) computer expense, office supplies, printing, telephone & internet
- (e) name tags, hospitality

The accompanying notes are an integral part of these financial statements.

LONDON BRIDGE CENTRE INC.
Statement of Cash Flows
For the year ended July 31, 2017
(Unaudited)

	2017	2016 *
	\$	\$
OPERATING ACTIVITIES		
Income from operations	21,229	40,515
Items not affecting cash		
Amortization of capital assets	<u>15,846</u>	<u>11,340</u>
	<u>37,075</u>	<u>51,855</u>
Changes in non-cash working capital		
Accounts receivable	(620)	
Prepaid expenses	4	(133)
Purchase Capital Assets	(8,176)	(102,581)
Other assets	0	(4,371)
Accounts payable	(2,180)	4,083
HST payable	(6)	307
Deferred revenue	<u>0</u>	<u>1,500</u>
	<u>(10,978)</u>	<u>(101,195)</u>
Cash flow from operating activities	<u>26,097</u>	<u>(49,340)</u>
INVESTING ACTIVITIES		
Promissory notes received		157,600
Repayments		<u>(39,400)</u>
		<u>118,200</u>
INCREASE IN CASH FLOW	26,097	68,860
CASH, Beginning of Period	<u>68,860</u>	<u>0</u>
CASH, End of Period	<u><u>94,957</u></u>	<u><u>68,860</u></u>

** For the period from Incorporation on June 1, 2015 to July 31, 2016*

The accompanying notes are an integral part of these financial statements.

LONDON BRIDGE CENTRE INC.

NOTES TO FINANCIAL STATEMENTS

Year ended July 31, 2017

(Unaudited)

London Bridge Centre Inc. was incorporated under the laws of Ontario on June 1, 2015.

The objectives of London Bridge Centre Inc. are as follows.

1. To promote interest in, and the playing of, the game of bridge.
2. To provide facilities for playing, teaching and introducing new players to the game of bridge; and such other complementary purposes not inconsistent with these objects.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations and reflect the following policies.

- a) London Bridge Centre Inc. follows the deferral method of fund accounting for revenue.
- b) The capital assets are being amortized on a straight-line basis.

Leasehold Improvements	10-year straight-line basis.
Furniture & Equipment	5-year straight-line basis.
Bridge & Computer Equipment	3-year straight-line basis.
- c) London Bridge Centre Inc. is a non-profit entity under the Income Act (Canada) and, as such, is exempt from income taxes under section 149(1)(l).
- d) The success of a member-run club depends on the contribution of services by its members. Because of the difficulty in determining their market value, contributed services are not recognized in the financial statements. However, it should be noted that the original plan for the operation of the bridge centre called for management fees of \$6,000 per annum. These fees have been declined by the volunteers carrying out these functions.

NOTE 2 – CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2017 Net Book Value</u>	<u>2016 Net Book Value</u>
Leasehold Improvements	\$ 75,531	\$ 12,646	\$ 62,885	\$ 64,245
Furniture & Equipment	20,083	5,810	14,273	15,543
Bridge & Computer Equip	15,143	8,730	6,413	11,453
TOTAL	\$ 110,757	\$ 27,186	\$ 83,571	\$ 91,241

NOTE 3 - PROMISSORY NOTES

The Promissory Notes are scheduled to be repaid prior to October 15, 2022. The Board of Directors has decided to repay 30% of the original Promissory Notes on October 15, 2017.

NOTE 3 - LONG TERM LEASE COMMITMENTS

The Centre has a lease commitment for the next 3 years as follows:

2018	\$ 46,125
2019	\$ 48,625
2020	\$ 53,000

These notes are an integral part of the financial statements.