



FINANCIAL STATEMENTS

FOR THE YEAR ENDED

JULY 31, 2019

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

REVIEW ENGAGEMENT REPORT

**To the Members
London Bridge Centre Inc.**

I have reviewed the accompanying financial statements of London Bridge Centre Inc. that comprise the Statement of Financial Position as at July 31, 2019, and the Statements of Revenue and Expenses and 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.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of London Bridge Centre Inc. as at July 31, 2019, and the results of its operations and its cash flows for the year ended in accordance with Canadian accounting standards for not for profit organizations.

Brampton, Ontario

September 21, 2019

 CPA CA

G J Westfall CPA CA Licensed Public Accountant

LONDON BRIDGE CENTRE INC.
Statement of Financial Position
July 31, 2019
(Unaudited)

	2019	2018
	\$	\$
ASSETS		
Current Assets		
Cash	43,063	83,464
Accounts receivable	135	
Prepaid expenses	272	264
	<u>43,470</u>	<u>83,728</u>
Capital Assets (Note 2)	59,720	73,836
Other Assets	<u>4,302</u>	<u>4,252</u>
	<u><u>107,492</u></u>	<u><u>161,816</u></u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	2,515	5,676
HST payable	608	387
Deferred revenue	1,580	1,500
	<u>4,703</u>	<u>7,563</u>
Promissory Notes (Note 3)		70,470
Net Assets		
Unrestricted net assets	<u>102,789</u>	<u>83,783</u>
	<u><u>107,492</u></u>	<u><u>161,816</u></u>

Approved on behalf of the Board of Directors:

President	<i>Al Edwards</i>
Treasurer	<i>Tom Jolliffe</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, 2019
(Unaudited)

	2019	2018
	\$	\$
REVENUE		
Game Fees	121,541	121,987
Membership Dues	11,903	12,453
Special Events Net Revenue (a)	1,477	2,239
Lesson Revenue	2,529	3,757
Room rental	1,003	1,343
Miscellaneous Revenue	1,062	1,173
	<u>139,515</u>	<u>142,952</u>
EXPENSES		
Facilities and Equipment (b)	79,743	77,315
Bridge Expenses (c)	37,469	40,563
Operations (d)	3,586	4,404
Member Expenses (e)	1,230	1,115
Interest Expense & Bank charges	310	382
	<u>122,338</u>	<u>123,779</u>
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	17,177	19,173
DONATIONS	<u>1,829</u>	<u>2,866</u>
EXCESS OF REVENUE OVER EXPENSES	19,006	22,039
NET ASSETS, Beginning of Year	<u>83,783</u>	<u>61,744</u>
NET ASSETS, End of Year	<u><u>102,789</u></u>	<u><u>83,783</u></u>

Notes:

- (a) Audrey Grant, Barbara Seagram, London Sectional
- (b) rent, amortization, security, insurance, cleaning, utilities
- (c) directors' fees, ACBL fees, bridge supplies, amortization, 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, 2019
(Unaudited)

	2019	2018
	\$	\$
OPERATING ACTIVITIES		
Income from operations	19,006	22,039
Items not affecting cash		
Amortization of capital assets	14,116	16,932
Donation of balance of Promissory Note	(100)	(450)
	<u>33,022</u>	<u>38,521</u>
Changes in non-cash working capital		
Accounts receivable	(135)	620
Prepaid expenses	(8)	(135)
Purchase Capital Assets		(7,196)
Other assets	(50)	119
Accounts payable	(3,161)	3,772
HST payable	221	86
Deferred Revenue	80	
	<u>(3,053)</u>	<u>(2,734)</u>
Cash flow from operating activities	<u>29,969</u>	<u>35,787</u>
INVESTING ACTIVITIES		
Promissory notes repayments	<u>(70,370)</u>	<u>(47,280)</u>
INCREASE IN CASH FLOW	(40,401)	(11,493)
CASH, Beginning of Period	<u>83,464</u>	<u>94,957</u>
CASH, End of Period	<u><u>43,063</u></u>	<u><u>83,464</u></u>

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

LONDON BRIDGE CENTRE INC.

NOTES TO FINANCIAL STATEMENTS

Year ended July 31, 2019

(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 Tax 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>2019 Net Book Value</u>	<u>2018 Net Book Value</u>
Leasehold Improvements	\$ 81,017	\$ 28,521	\$ 52,496	\$ 60,643
Furniture & Equipment	20,083	13,850	6,233	10,253
Bridge & Computer Equip	16,854	15,863	991	2,940
TOTAL	\$ 117,954	\$ 58,234	\$ 59,720	\$ 73,836

NOTE 3 - PROMISSORY NOTES

The Promissory Notes were repaid in full during the current year.

NOTE 4 - LONG TERM LEASE COMMITMENTS

London Bridge Centre has a lease commitment for the next year as follows:

2020 \$ 53,000

The current lease term will end on October 31, 2020. London Bridge Centre Inc. has a contractual option to extend the lease for up to 3 additional terms of 5 years each with rent set at the fair market value rate for comparable premises in the area.

These notes are an integral part of the financial statements.