

**GARY J WESTFALL
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REVIEW ENGAGEMENT REPORT

To the Members

Ontario Unit 166 of the A.C.B.L.

I have reviewed the statement of financial position of Ontario Unit 166 of the A.C.B.L. as at August 31, 2016 and the statements of revenue and expenses and net assets, restricted net assets and cash flows for the year 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

January 7, 2017

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

Licensed Public Accountant

ONTARIO UNIT 166 OF THE A.C.B.L.

(Incorporated without share capital under the laws of Ontario)

Statement of Financial Position

as at August 31, 2016

(Unaudited)

	2016	2015
	\$	\$
ASSETS		
CURRENT		
Cash in Bank - Canadian	3,567	(2,308)
Cash in Bank - U.S.	14,413	2,341
Short term investments at market value (Note 2)	52,313	88,473
NABC 2017	10,000	10,000
Short term investments for Future Nationals	41,708	41,482
Accounts receivable	2,266	5,357
Sundry receivables	26,727	
HST receivable	-	723
Prepaid expenses	8,500	12,710
	159,494	158,778
CAPITAL ASSETS (Note 3)	5,455	12,216
	164,949	170,994
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	5,250	1,672
HST payable	150	-
Reserve funds - Associations (Note 4)	2,501	4,476
	7,901	6,148
NET ASSETS		
Restricted (Notes 5)	51,708	51,500
Unrestricted	105,340	113,346
	157,048	164,846
	164,949	170,994

Approved on behalf of the Board of Directors:

Director

Treasurer

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

ONTARIO UNIT 166 OF THE A.C.B.L.

Statement of Income and Expense and Net Assets

for the year ended August 31, 2016

(Unaudited)

	2016	2015
	\$	\$
REVENUE		
Gross income from tournaments (Schedule 1)	176,209	122,652
Memberships fees	13,348	13,285
Other units share of kibitzer costs	12,669	16,145
Kibitzer advertisements	2,797	5,685
STAC Fall	790	2,172
STAC Spring	1,172	1,734
Supplies	5,343	6,059
Interest	638	634
Miscellaneous	4,652	6,989
	217,618	175,355
EXPENSES		
Tournament expenses (Schedule 1)		
Directors	55,383	33,712
A.C.B.L.	27,048	16,088
Unit	4,093	3,283
Site	36,620	26,017
Administration	23,747	17,140
Hospitality	11,613	6,009
Parking	11,062	11,062
Committee	6,250	4,000
Transfer to District 2/CBF	7,063	4,260
	182,879	121,571
Directors meetings	2,775	3,552
Fees - Treasurer	1,200	1,200
- Executive Assistant	5,400	5,400
- Auditor	1,600	1,600
- Web master	1,100	1,100
- NABC Chair	2,000	
- Kibitzer Editor & Typesetting	10,000	10,000
Kibitzer printing and mailing	22,741	30,943
Kibitzer miscellaneous	120	160
Audrey Grant award	-	-
Kate Buckman award	1,015	-
Travel and hospitality grants	1,600	1,200
Novice promotion	3,958	2,234
Sundry	15,963	16,934
	252,351	195,894
Excess of income over expenses before extraordi	(34,733)	(20,539)
Extra ordinary item: Recovery of prior years' HS	26,727	
Excess of income over expenses	(8,006)	
Unrestricted Net Assets, beginning of period	113,346	132,569
Write off MTBA reserve funds		1,316
Revised Unrestricted Net Assets, Beginning	113,346	133,885
Unrestricted Net Assets, end of period	105,340	113,346

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

ONTARIO UNIT 166 OF THE A.C.B.L.

Statement of Cash Flows

For the year ended August 31, 2016

(Unaudited)

	2016	2015
	\$	\$
Cash flows from operating activities		
Excess of income over expenses	(8,006)	(20,744)
Amortization expense	6,761	6,764
Write off MTBA reserve to Net Assets		1,316
	(1,245)	(12,664)
Operating working capital		
Short term investments	36,160	(655)
Short term investments for Future Nationals	(226)	9,589
NABC 2017		(10,000)
Accounts receivable	3,091	1,529
HST receivable		735
Sundry receivables	(26,727)	
Prepaid expenses	4,210	(4,233)
Capital assets	-	(1,765)
Accounts payable	3,578	(3,128)
HST payable	873	
Reserve Funds	(1,975)	(1,295)
Restricted assets	208	429
	19,192	(8,794)
Net cash generated (used) through operating activities	17,947	(21,458)
Cash flows from financing and investment activities		
Increase (decrease) in cash	17,947	(21,458)
Cash, beginning of year	33	21,491
Cash, end of year	17,980	33
Represented by:		
Cash	17,980	33

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

ONTARIO UNIT 166 OF THE A.C.B.L.

Statement of Restricted Net Assets

for the year ended August 31, 2016

(Unaudited)

	2016	2015
	\$	\$
Balance, beginning of period		
Cash	10,000	10,000
Short term investments	41,500	41,071
	51,500	51,071
	-	-
Interest during the year	207	429
Balance, end of period	51,707	51,500

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

UNIT 166 OF THE A.C.B.L.
NOTES TO FINANCIAL STATEMENTS
August 31, 2016
(Unaudited)

The aims and objectives of the Unit are as follows:

- 1 To preserve and promote the best interests of competitive contract bridge.
- 2 To co-operate with and assist the A.C.B.L. in the promoting and conducting of bridge tournaments.
- 3 To prescribe rules of eligibility for participation in tournaments held under its auspices and to deal with reports of dishonest, unethical or improper conduct of participants in such tournaments and to take appropriate disciplinary action.
- 4 To promote the development and organization of affiliated clubs within the Unit.
- 5 To promote and support the A.C.B.L. education programme within the Unit.
- 6 To conduct such other activities as may be in keeping with its principle objectives.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies:

- a) Unit 166 of the A.C.B.L. follows the deferral method of fund accounting for revenue.
- b) Purchased capital assets are recorded at cost and are amortized on a straight-line basis over 5 years.
- c) Volunteers contribute services at all Unit run bridge tournaments. Because of the difficulty of determining their market value, contributed services are not recognized in the financial statements.
- d) There are no related party transactions.
- e) Unit 166 of the A.C.B.L. is a non-profit entity under the Income Tax Act (Canada) and, as such, is exempt from income taxes under section 149(1)(f).
- f) Liquidity risk is the risk that the Unit will encounter difficulty in meeting obligations associated with financial obligations. The Unit's financial instruments consist of cash, accounts receivable, short term GIC's and accounts payable. Unless otherwise noted, it is management's opinion that the Unit is not exposed to significant interest, currency or

credit risks on these financial instruments. The fair value of these financial instruments approximates their carrying value.

NOTE 2 - SHORT-TERM INVESTMENTS

The short-term investments consist of TD Canada Trust Guaranteed Investment Certificates that mature at various times from 3 months to 2 years.

NOTE 3 - CAPITAL ASSETS

	2016			2015		
	Original Cost	Accumulated Amortization	Net Book Value	Original Cost	Accumulated Amortization	Net Book Value
	\$	\$	\$	\$	\$	\$
Equipmen	33,828	28,373	5,455	33,828	21,608	12,220

NOTE 4 - ASSOCIATION RESERVES

In 1973 Unit 166 decided to establish a Reserve Fund into which the Associations in the Unit would deposit their excess surplus funds over an agreed amount. These funds are to be invested and held to credit of the various Associations. The Fund was established in 1974. At August 31 the fund was made up as follows;

	Balance August 31, 2015	Withdrawal	Interest Earned	Balance August 31, 2016
	\$	\$	\$	\$
Niagara District Bridge Association	4,389	2,000	25	2,414
Central Ontario Bridge Association	87	-	-	87
Metropolitan Toronto Bridge Association	-	-	###	-
TOTAL	4,476	2,000	25	2,501

NOTE 5 - RESTRICTED NET ASSETS

An amount of \$50,000 was invested in October 1986 to be used for Future Nationals. This account was previously called the Reserve for Future Nationals. The activity in this fund is as follows:

	2016	2015
	\$	\$
Opening balance	41,500	51,071
GIC redeemed		(10,000)
Interest earned during the year	207	429
TOTAL	41,707	41,500

These notes are an integral part of the financial statements.

ONTARIO UNIT 166 OF THE A.C.B.L.

SCHEDULE 1

Statement of Income and Expenses for the Tournaments for the year ended August 31, 2016
(Unaudited)

	January 2016 \$	January 2015 \$	Toronto 2016 \$	Regional 2015 \$	Toronto I/N 2016 \$	2015 \$
Income	22,332	21,649	76,368	78,541	4,901	5,926
Expenses						
Directors	5,178	5,072	21,552	23,042	955	844
A.C.B.L.	3,818	2,387	13,385	11,490	492	584
Unit	625	620	1,516	2,137	147	177
Site	9,658	8,552	9,080	9,537	2,125	1,972
Administration	2,129	2,503	10,608	12,032	863	990
Hospitality	-	-	2,734	119	630	705
Parking			11,062	11,062		
Committee	750	750	2,000	2,000	750	750
Transfer to Dist 2/CBF	-	-	3,782	4,260		
	22,158	19,884	75,719	75,679	5,962	6,022
Tournament surplus(deficit)	174	1,765	649	2,862	(1,061)	(96)

	Niagara Falls Regional 2015 \$	Labour Day 2015 \$	2014 \$	TOTAL 2016 \$	2015 \$
Income	56,708	15,900	16,536	176,209	122,652
Expenses					
Directors	22,945	4,753	4,754	55,383	33,712
A.C.B.L.	6,358	2,995	1,627	27,048	16,088
Unit	1,367	438	349	4,093	3,283
Site	9,571	6,186	5,956	36,620	26,017
Administration	9,113	1,034	1,615	23,747	17,140
Hospitality	5,947	2,302	5,185	11,613	6,009
Parking				11,062	11,062
Committee	2,000	750	500	6,250	4,000
Transfer to Dist 2/CBF	3,281			7,063	4,260
	60,582	18,458	19,986	182,879	121,571
Tournament surplus(deficit)	(3,874)	(2,558)	(3,450)	(6,670)	1,081

ONTARIO UNIT 166 OF THE A.C.B.L**SCHEDULE 2****Statement of income and Expense for The Kibitzer
for the year ended August 31, 2016****(Unaudited)**

	2016	2015
	\$	\$
INCOME		
Other units share of expenses	12,669	16,145
Advertisements and subscriptions	2,797	5,685
	15,466	21,830
EXPENSE		
Printing	12,639	18,084
Mailing	10,102	12,860
Editor & typesetting	10,000	10,000
Miscellaneous	120	160
	32,861	41,104
Excess of expenditures over income	17,395	19,274

Interest on Bonds and Notes**SCHEDULE 3**

Since 1975 the interest received has been allocated in proportion to funds on hand as follows:

Total interest earned	871	1,089
Credit to:		
Association Reserves	25	26
Income	638	658
Nationals Fund	208	405
	871	1,089

Sundry Expenses
for the year ended August 31, 2016
(Unaudited)

	2016	2015
	\$	\$
Office expenses	243	453
Amortization	6,761	6,764
Supplies to tournaments	5,086	6,299
Web page	215	265
Bridge supplies	-	-
Locker storage	1,152	1,152
Travel expenses	2,135	1,363
Bank charges	190	175
Miscellaneous	181	463
	15,963	16,934

2017 FUTURE NATIONALS FUND**SCHEDULE 5****INCOME**

Advance from Unit 166		10,000
Local fundraising		192
STAC - Summer	2015	2,448
	2016	2,538
		15,178

Expenses

Advertising		1,378
Travel & entertainment		1,265
Postage		222
Office		229
Meetings		112
Miscellaneous		79
		<u>3,285</u>

Balance, end of period		11,893
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ASSETS

Cash		10,392
Receivables		1,501
		<u>11,893</u>

LIABILITIES AND MEMBERS' EQUITY

Due to Unit 166		10,000
Members' Equity		1,893
		<u>11,893</u>