

ONTARIO LACROSSE HALL OF FAME & MUSEUM

Financial Statements

Year Ended December 31, 2015

ONTARIO LACROSSE HALL OF FAME & MUSEUM

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Year Ended December 31, 2015**

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INDEPENDENT AUDITOR'S REPORT

To the Members of Ontario Lacrosse Hall of Fame & Museum

We have audited the accompanying financial statements of Ontario Lacrosse Hall of Fame & Museum, which comprise the statement of financial position as at December 31, 2015 and the statements of revenues and expenditures and changes in 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Ontario Lacrosse Hall of Fame & Museum derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Ontario Lacrosse Hall of Fame & Museum. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenditures and cash flows from operations for the year ended December 31, 2015, and current assets and net assets as at December 31, 2015.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Ontario Lacrosse Hall of Fame & Museum as at December 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Mississauga, Ontario
March 28, 2016

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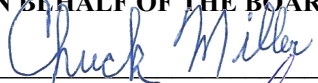
ONTARIO LACROSSE HALL OF FAME & MUSEUM


Statement of Financial Position

As at December 31, 2015

	Operating Fund	Bingo Fund	Trust Foundation	2015	2014
ASSETS					
Current					
Cash	\$ 12,860	\$ -	\$ 8,967	\$ 21,827	\$ 30,631
Short-term investments (Note 3)	37,000	-	85,003	122,003	65,408
Accounts receivable	30,870	-	-	30,870	-
Interest receivable	1,190	-	1,173	2,363	1,248
Harmonized sales tax receivable	627	-	-	627	836
	82,547	-	95,143	177,690	98,123
TANGIBLE CAPITAL ASSETS (Net of accumulated amortization) (Note 4)	2,264	-	-	2,264	3,146
LONG-TERM INVESTMENT (Note 3)	-	-	-	-	45,000
	\$ 84,811	\$ -	\$ 95,143	\$ 179,954	\$ 146,269
LIABILITIES					
Current					
Accounts payable and accrued liabilities	\$ 14,835	\$ -	\$ -	\$ 14,835	\$ 2,400
NET ASSETS					
Unrestricted net assets	69,976	-	-	69,976	54,052
Internally restricted net assets	-	-	95,143	95,143	89,817
	69,976	-	95,143	165,119	143,869
	\$ 84,811	\$ -	\$ 95,143	\$ 179,954	\$ 146,269

ON BEHALF OF THE BOARD

 _____ Director

 _____ Director

See notes to financial statements

ONTARIO LACROSSE HALL OF FAME & MUSEUM
Statement of Revenues and Expenditures and Changes in Net Assets
Year Ended December 31, 2015

	Operating Fund	Bingo Fund	Trust Foundation	2015	2014
REVENUES					
Fundraising	\$ 42,236	\$ -	\$ -	\$ 42,236	\$ 18,716
Donations	703	-	200	903	9,717
Investment income	1,284	-	467	1,751	1,248
Other income	695	-	-	695	1,103
	44,918	-	667	45,585	30,784
EXPENDITURES					
Amortization of tangible capital assets	882	-	-	882	1,238
Fundraising costs	17,595	-	-	17,595	9,033
Interest and bank charges	41	59	-	100	322
Museum display costs <i>(Note 5)</i>	2,724	-	-	2,724	2,869
Office and administration	872	-	-	872	1,099
Professional services	2,162	-	-	2,162	2,150
	24,276	59	-	24,335	16,711
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	20,642	(59)	667	21,250	14,073
NET ASSETS - BEGINNING OF YEAR	49,747	4,305	89,817	143,869	129,796
	70,389	4,246	90,484	165,119	143,869
TRANSFER FROM BINGO FUND <i>(Note 6)</i>	4,246	-	-	4,246	-
TRANSFER TO OPERATING FUND <i>(Note 6)</i>	-	(4,246)	-	(4,246)	-
TRANSFER TO TRUST FOUNDATION	(4,659)	-	-	(4,659)	-
TRANSFER FROM OPERATING FUND	-	-	4,659	4,659	-
NET ASSETS - END OF YEAR	\$ 69,976	\$ -	\$ 95,143	\$ 165,119	\$ 143,869

See notes to financial statements

ONTARIO LACROSSE HALL OF FAME & MUSEUM

Cash Flow Statement

Year Ended December 31, 2015

	Operating Fund	Bingo Fund	Trust Foundation	2015	2014
OPERATING ACTIVITIES					
Excess (deficiency) of revenues over expenditures	\$ 20,642	\$ (59)	\$ 667	\$ 21,250	\$ 14,073
Amortization of tangible capital assets	882	-	-	882	1,238
	21,524	(59)	667	22,132	15,311
Changes in non-cash working capital:					
Accounts receivable	(30,870)	-	-	(30,870)	-
Interest receivable	(944)	-	(171)	(1,115)	(1,248)
Harmonized sales tax receivable	209	-	-	209	196
Accounts payable and accrued liabilities	12,435	-	-	12,435	200
	(19,170)	-	(171)	(19,341)	(852)
Cash flow from (used by) operating activities	2,354	(59)	496	2,791	14,459
INVESTING ACTIVITIES					
Proceeds on disposal of short-term investments	34,341	-	31,067	65,408	-
Purchase of short-term investments	(37,000)	-	(40,003)	(77,003)	(65,408)
Purchase of long-term investments	-	-	-	-	(45,000)
Cash flow used by investing activities	(2,659)	-	(8,936)	(11,595)	(110,408)
FINANCING ACTIVITIES					
Interfund transfers in	4,246	-	4,659	8,906	-
Interfund transfers out	(4,659)	(4,246)	-	(8,906)	-
Cash flow from (used by) financing activities	(413)	(4,246)	4,659	-	-
DECREASE IN CASH	(718)	(4,305)	(3,781)	(8,804)	(95,949)
CASH - BEGINNING OF YEAR	13,578	4,305	12,748	30,631	126,580
CASH - END OF YEAR	\$ 12,860	\$ -	\$ 8,967	\$ 21,827	\$ 30,631

See notes to financial statements

ONTARIO LACROSSE HALL OF FAME & MUSEUM

Notes to Financial Statements Year Ended December 31, 2015

1. NATURE OF OPERATIONS

The Ontario Lacrosse Hall of Fame & Museum (the "organization") is a not-for-profit organization incorporated without share capital. As such, it is exempt from corporate income taxes under Section 149(1)(l) of the Income Tax Act.

The purpose and objectives of the organization are as follows:

1. To preserve our historical and cultural heritage by providing and operating a public museum and by offering education programmes, seminars and forums designed to increase the public's appreciation and awareness of Canada's official summer game, and its historical/cultural contribution to Canada.
2. To purchase, maintain and preserve historical and cultural artifacts related to Canada's official summer game, and to keep such artifacts available for viewing by the public.

2. SUMMARY OF ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund accounting

Revenues and expenditures related to general fundraising and administrative activities are reported in the Operating Fund. The Operating Fund and the Bingo Fund are unrestricted funds.

The organization occasionally approves inter-fund transfers between the unrestricted funds to meet their operational needs.

The Trust Foundation, described below, is a restricted fund.

Trust Foundation

The Trust Foundation was established by the organization to receive gift donations as "bequeathments" or "in honour" of players and builders of lacrosse. An application must be made to access the funds maintained in the Trust Foundation. Upon approval, support is provided in one of three areas:

1. Upgrading the museum in line with provincial museum standards;
2. Research on lacrosse to support the organization's research priorities; and/or
3. Humanitarian support for lacrosse in the province of Ontario.

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ONTARIO LACROSSE HALL OF FAME & MUSEUM

Notes to Financial Statements Year Ended December 31, 2015

2. SUMMARY OF ACCOUNTING POLICIES *(continued)*

Revenue recognition

The organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred.

Unrestricted contributions are recognized as revenue of the appropriate fund as follows:

- Donations received by the organization are recorded in the Operating Fund on a cash basis in the year of receipt. Revenues from fundraising events are recognized in the Operating Fund when the events have been held.
- Proceeds from charity bingo events are recognized in the Bingo Fund when the events have been held.

Measurement uncertainty

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the organization's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- the accrual of liabilities; and
- the useful lives of tangible capital assets.

Contributed materials

The organization records these contributions at fair value, where such value can be reasonably determined. Donated services have not been reflected in these statements since no objective basis is available to measure their value.

Tangible capital assets

Purchased tangible capital assets are recorded at cost. Tangible capital assets are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Display cases	20%
Touch screen kiosks	30%

Impairment of long-lived assets

The organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future undiscounted net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

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ONTARIO LACROSSE HALL OF FAME & MUSEUM

**Notes to Financial Statements
Year Ended December 31, 2015**

2. SUMMARY OF ACCOUNTING POLICIES (continued)

Financial instruments

Measurement

The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable, interest receivable, and short and long-term investments.

Financial liabilities measured at amortized cost includes accounts payable and accrued liabilities.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net assets.

3. SHORT AND LONG-TERM INVESTMENTS

	Operating Fund	Trust Foundation	2015	2014
<u>Short-term investments</u>				
The Bank of Nova Scotia, Cashable GIC, 0.95% p.a., maturing June 11, 2016, maturity value \$37,594	\$ 37,000	\$ -	\$ 37,000	\$ 34,341
The Bank of Nova Scotia, Cashable GIC, 0.95% p.a., maturing June 24, 2016, maturity value \$40,645	-	40,003	40,003	31,067
The Bank of Nova Scotia, Special rate GIC, 2.0% p.a., maturing August 19, 2016, maturity value \$47,285	-	45,000	45,000	-
	\$ 37,000	\$ 85,003	\$ 122,003	\$ 65,408
<u>Long-term investment</u>				
The Bank of Nova Scotia, Special rate GIC, 2.0% p.a., maturing August 19, 2016, maturity value \$47,285	\$ -	\$ -	\$ -	\$ 45,000

ONTARIO LACROSSE HALL OF FAME & MUSEUM

Notes to Financial Statements Year Ended December 31, 2015

4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2015 Net book value	2014 Net book value
Display cases	\$ 9,250	\$ 8,757	\$ 493	\$ 616
Touch screen kiosks	4,252	2,481	1,771	2,530
	\$ 13,502	\$ 11,238	\$ 2,264	\$ 3,146

5. MUSEUM DISPLAY COSTS

The organization purchases various memorabilia to include in their collection of historical and cultural artifacts held for public exhibition. These amounts and the the costs to maintain the displays are expensed as museum display costs.

6. BINGO FUND

During the year, the Board of Directors approved the closing of the Bingo Fund. All remaining funds were transferred to the Operating Fund.

7. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. In the opinion of the Board of Directors the organization is not exposed to significant interest rate, currency or credit risk from its financial instruments.