

Variety Club of Ontario - Tent 28

Financial Statements

(unaudited - see Notice to Reader)

For the Year Ended September 30, 2017



NOTICE TO READER

On the basis of information provided by management, we have compiled the statement of financial position of Variety Club of Ontario - Tent 28 as at September 30, 2017 and the statement of operations and changes in net assets for the year then ended.

We have not performed an audit or 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.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
December 20, 2017
Toronto, Ontario

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

Variety Club of Ontario - Tent 28
Statement of Financial Position
As at September 30, 2017
(unaudited - see Notice to Reader)

| | 2017 | 2016 |
|--|-----------------|----------------|
| Current asset | | |
| Cash | \$ 113 | \$ 102 |
| Due from related party (Note 2) | 2,030 | - |
| | <u>\$ 2,143</u> | <u>\$ 102</u> |
| Current liabilities | | |
| Accounts payable and accrued liabilities | \$ 2,141 | \$ 2,141 |
| Due to related party (Note 2) | - | 2,079 |
| | <u>2,141</u> | <u>4,220</u> |
| Net surplus (deficiency) | | |
| Unrestricted | <u>2</u> | <u>(4,118)</u> |
| | <u>\$ 2,143</u> | <u>\$ 102</u> |

Guarantee (Note 4)

Approved by the Board  
Chair Treasurer

Variety Club of Ontario - Tent 28
Statement of Operations and Changes in Net Assets
Year Ended September 30, 2017
(unaudited - see Notice to Reader)

| | 2017 | 2016 |
|--|----------------|-------------------|
| Revenue | | |
| Funding from Variety - The Children's Charity (Ontario) (note 2) | \$ 6,200 | \$ - |
| Expenses | | |
| Other | 2,080 | 2,083 |
| Excess of revenue over expenses (expenses over revenue) | 4,120 | (2,083) |
| Unrestricted net deficiency, beginning of year | (4,118) | (2,035) |
| Unrestricted net surplus (deficiency), end of year | \$ 2 | \$ (4,118) |

Variety Club of Ontario - Tent 28

Notes to Financial Statements

September 30, 2017

(unaudited - see Notice to Reader)

1. NATURE OF ORGANIZATION

Variety Club of Ontario - Tent 28 (the "Organization") is incorporated under the laws of Ontario without share capital. It is a not-for-profit organization and is exempt from income taxes, provided certain requirements are met.

Variety - The Children's Charity (Ontario) (the "Charity") controls the Organization by virtue of a common Board of Directors.

2. DUE TO RELATED PARTY AND RELATED PARTY TRANSACTIONS.

Contributions provided by the Charity for the year ended September 30, 2017 were \$6,200 (2016 - \$Nil).

These transactions are in normal course of operations and are measured at the exchange amount of consideration established and agreed to by the related parties.

3. CAPITAL ASSET OWNERSHIP

Specific capital assets including land and building at 3701 Danforth Avenue are nominally owned by the Organization. The Organization has no beneficial interest in the properties.

Given the intent for the beneficial ownership to rest with the Charity, the capital assets are recorded in the Charity.

4. GUARANTEE

The Charity has an established facility agreement at year end. At September 30, 2017 the loan balance is \$1,359,995 (2016 - \$2,487,476). There is also an outstanding letter of credit in the amount of \$35,000 (2016 - \$Nil). The facility is secured by the assets held by the Charity, and guaranteed by the Organization and Variety Village, which is also controlled by the Charity by virtue of a common Board of Directors, and through the Charity's control direction of resources.