

On Dec. 8 Taco informed Board members by email that the 2021 audited financial statements (attached), which were completed by Wilkinson & Company LLP in November after the AGM, had to be approved by the Board.

By Dec. 8 email vote, moved by Taco, seconded by Gary: To accept the 2021 audited financial statements. Carried.

**Minutes of KTC Executive Meeting**  
**Jan. 13, 2021, 7:00 p.m.**  
**Zoom**

**Present:** Tracey Corrigan, Bob Goddard, Isaac Jones, Donna Lounsbury, Taco Meuter, Nerissa Mulligan (joined at 8:20), Simon van der Plas, Jason Taylor, Alma Thayer (Chair), Gary Wilson (Secretary), Zaoting Zhang, Asia Zolnierczyk

**Chaired by: Alma Thayer: Meeting** opened at 7:05 p.m.

1. **Agenda approved** with Tennis Clubs of Canada to be discussed under Finance and Treasurer's Report.

2. **Nov. 10 minutes** approved.

3. **Clubhouse and Courts Project**

a. Bob reported after the two-week delay in beginning construction things are now proceeding with no further delays. It's still a guess when the project will be completed but Doug, our point person in dealing with Anglin, expects to have firmer estimates late winter/early spring.

Jason emphasized the need for caution planning events up till mid-June since we can't be certain when construction will be completed and know condition of courts 1 and 7.

b. Updated clubhouse project drawings are not yet ready.

c. Update on Fundraising: Donna reported about \$184,000 has been pledged, \$155,000 received with remainder pledges made over two years. Committee is also working on honouring donors with a donor wall (+\$2,000) and clubhouse naming opportunities (+\$10,000).

Donations were received from over 100 members, which is considered an excellent response from around 450 non-junior members.

4. **Committee Reports**

Programs (Isaac, Yaoting)

Tournament schedule for this season is in place except for KTC Cup which, while ideally the beginning tournament, might not be playable till the fall because of uncertainty of when construction will be complete.

Last year there were about 60 entries for the singles tournament. With that number it might be advisable to start the matches on Wednesday to ease pressure on the weekend. Also, to speed things up earlier matches might use no-ad scoring and a 10-point tie break for the third set. Court time for members not competing must be kept in mind.

A focus group consisting of experienced competitors as well as members not planning to play in tournaments will be struck to discuss outstanding issues. Tony Roth will also be consulted. It's hoped too that a tournament director can be found.

Regarding camps, this year the goal is with Tony's advice to make them more progressive so kids won't be bored. Tristan will be back as Director.

Like last year, Tristan will instruct with David Corrigan, who's also returning. Tony is in touch with a lot of potential pros and might be able to arrange for a third instructor.

Alma will invite Tony to the next Board meeting for a discussion about Tony's role at the club this season. The challenge will be to find ways for our club and the Noble Tennis School can work together for our mutual benefit. Also, we value Tony's tennis expertise and hope to be able to continue to draw on it.

Attention was drawn to the lack of female camp instructors and the need to find ways to recruit them. One suggestion was to create volunteer positions to give girls an opportunity to gain experience working with tennis campers.

#### Membership (Asia)

Asia reported the committee intends to run the usual activities like ladders and drop in doubles. This year there will be a gala celebration marking the completion of the clubhouse renovation and acknowledgement of a past and hoped for future Ontario Trillium Foundation grant.

This event to be held at the club would feature games and activities for members and would include a semi-formal. Local leaders would be invited.

Saturday June 25 is a possible date since construction should be over by then, it doesn't interfere with tournaments and July's activities haven't started. Membership committee will work with Communications cttee to ensure promotion.

A members' talent show in May is a possibility (need to protect courts noted).

A volunteer coordinator would be a great asset and the position should be advertised in the newsletter. Since so many volunteers are needed to help run the club, perhaps a volunteer sub-committee should be struck.

#### Governance (Bob)

Continue work on orientation manual for Board members as well as a separate manual for the committees. The committee's manual already exists in skeleton form, but it is hoped a collaborative approach between our committee and members of the other committees will flesh out the descriptions to show how the committees operate.

New legislation – Ontario's Not-for-Profit Corporations Act (ONCA) means we have three years to bring our government documents (letters patent and by-laws) into compliance. Work on this might include the services of the Queen's Business Law Clinic.

Investigating storage for club documents, including purchasing space in the cloud, and succession planning are also on the Governance agenda.

**Moved** by Bob, seconded by Tracy: that Andy Bickle be appointed to the Governance committee. **Carried.**

#### Finance and Treasurer's report (Taco)

Partly because of increased costs, it was decided to raise rates by 7%. Also taken into account was the unavailability of courts 1 and 2 at the beginning of the season.

Discussion centred on the family fee and whether it might be higher. It was pointed out families tend to play as a group so use less court time than individual players. Also, it's been a long-time club policy to encourage children to take up tennis and playing with family members is a very good foundation for playing as an adult. **Moved** by Taco, seconded by Donna: that the fees for 2022 be the following: **Carried**.

## Announcing 2022 Membership Fees

Category	Early Bird	Regular	Fall
Adult	\$360	\$420	\$180
Couple	\$540	\$630	\$270
Family	\$720	\$840	\$360
Student	\$225	\$260	\$115
Junior	\$225	\$260	\$115

**Early Bird Rate:** Sign-up by March 31

**Regular Rate:** Sign-up between March 31 and August 31

**Fall Rate:** Sign-up after September 1

Taco reported we're about to submit an application for a Summer Jobs Canada subsidy to help pay for our stewards and camp instructors. We should hear in April whether it's successful.

Finance cttee members met with officials from Tennis Club of Canada (to be called Kingston Racquet Centre) to investigate reduced fees for KTC members to use new facility's courts. Negotiations are to continue at a future meeting.

Facilities and Infrastructure (Gary)

Committee discussed preparing for this year's season when end date for construction isn't known and how stewards so their jobs will be affected. Also inventories of equipment like nets and windscreens will have to be confirmed.

Court cancellations and no-shows have been a problem in past years, especially with the high demand last year.

There are procedures in the stewards handbook that deal with these issues and we should work with the stewards to ensure the policy regarding cancellations and no-shows is applied consistently.

Our newsletter should remind members of the need to cancel bookings promptly, and how we'll have to penalize repeat offenders. Also, the goal of zero waste – bring home what you bring to or purchase at the club – should be a regular reminder in the newsletter.

Communications (Tracey)

Tracey encouraged committees to let Communications know what their priorities are so the members can be informed. The website will be kept up-to-date and social media will also be used through the "enter once publish often" system.

A major priority is to replace our management system software that might help with the cancellation and no-show issues but will certainly make the treasurer's job easier by providing point of sale reconciliation.

**Moved** by Tracey, seconded by Gary: that a sub-committee be struck to acquire and implement new management system software. **Carried.**

Date of next meeting: Wednesday, Feb. 16.

Meeting adjourned at 9:25.

**KINGSTON TENNIS CLUB  
FINANCIAL STATEMENTS  
AS AT SEPTEMBER 30, 2021**

*Draft - for discussion purposes only November 16, 2021 11:28:10 AM*

**KINGSTON TENNIS CLUB TABLE  
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## INDEPENDENT AUDITOR'S REPORT

To the Members

### **Opinion**

We have audited the financial statements of Kingston Tennis Club (the Company), which comprise the statement of financial position as at September 30, 2021 and the statements of changes in net assets, revenue and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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.

In preparing these financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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## INDEPENDENT AUDITOR'S REPORT (CONT'D)

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KINGSTON, Canada

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Chartered Professional Accountants

Licensed Public Accountants

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**KINGSTON TENNIS CLUB**

**STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2021**

	2021	2020
	\$	\$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	441,444	100,192
Investments - Note 5	45,585	301,377
Accounts receivable	1,973	12,516
Prepaid expenses	4,995	4,907
Inventory - Note 8	3,157	675
HST receivable	2,061	
	499,215	419,667
<b>LONG-TERM</b>		
Tangible capital assets - Note 7	615,661	592,477
	1,114,876	1,012,144
<b>NET ASSETS</b>		
	<u>951,781</u>	<u>859,689</u>

**LIABILITIES**

The accompanying notes form an integral part of these financial statements

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**KINGSTON TENNIS CLUB**

**CURRENT**

Accounts payable and accrued liabilities	42,406	8,118
HST payable		4,391
Government remittances payable	2,985	711

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	45,391	13,220
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**LONG-TERM**

Deferred capital contributions - Note 9	117,704	139,235
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	163,095	152,455
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**UNRESTRICTED**

**APPROVED ON BEHALF OF THE BOARD**

	Director, President
	Director, Treasurer

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	1,114,876	1,012,144
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**STATEMENT OF CHANGES IN NET ASSETS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**2021**

2020

The accompanying notes form an integral part of these financial statements

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**KINGSTON TENNIS CLUB**

	\$	\$
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>859,689</b>	868,839
<b>EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER EXPENSES) FOR YEAR</b>	<b>92,092</b>	(9,150)
<b><u>NET ASSETS - END OF YEAR</u></b>	<b><u>951,781</u></b>	<u>859,689</u>

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**KINGSTON TENNIS CLUB**

**STATEMENT OF REVENUE AND EXPENDITURES  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	2021	2020
	\$	\$
<b>REVENUE</b>		
Canteen and merchandise revenue	7,939	2,574
Court rental fees	2,716	2,551
Donations and other contributions	4,129	4,025
Interest	2,459	8,137
Junior camp	102,969	
Lessons	14,662	9,697
Membership fees	139,971	105,075
Parking revenue	1,410	1,385
Trillium grant - Note 9	21,531	10,765
<b>EXPENDITURES</b>		
Advertising	1,821	225
	41,261	24,041
	1,443	2,938
	6,748	3,094
	200	5,587
HST expense	15,441	12,292
Insurance	2,340	2,138
Building development costs	677	40,484
OTA fees	1,236	773
Office	14,480	5,570
Parking expense	2,671	2,753
Professional fees	5,670	5,100
Property taxes	14,755	13,984
Repairs and maintenance	5,170	4,980
Social and tournaments	3,593	3,595
Software expense	3,406	3,253
Utilities and communication	5,223	4,191
<u>Wages</u>	<u>82,815</u>	<u>34,022</u>
	<b>208,950</b>	<b>169,020</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>		
<b>(EXPENDITURES OVER EXPENSES) FOR YEAR</b>	<b>92,092</b>	<b>(9,150)</b>

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## KINGSTON TENNIS CLUB

Government assistance - Note 4	12,516	
Social and tournaments	<b>3,256</b>	3,145
	<b>301,042</b>	159,870

Amortization  
Bank charges  
Canteen and merchandise expense  
Contract services

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED SEPTEMBER 30, 2021

	2021	2020
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures for year Adjustment for items which do not affect cash	<b>92,092</b>	(9,150)
Amortization of equipment	<b>41,261</b>	24,041
Building development cost		40,484
Net change in non-cash working capital balances related to operations -		
<b><u>FINANCING ACTIVITIES</u></b>		
<b>FINANCING ACTIVITIES</b>		
Deferred capital contributions	<b>(21,531)</b>	139,235
<b>INCREASE (DECREASE) IN CASH AND EQUIVALENTS FOR YEAR</b>	<b>341,252</b>	(106,530)
<b><u>CASH AND EQUIVALENTS BEGINNING OF YEAR</u></b>	<b><u>100,192</u></b>	<b><u>206,722</u></b>
<b><u>CASH AND EQUIVALENTS END OF YEAR</u></b>	<b><u>441,444</u></b>	<b><u>100,192</u></b>
<b>REPRESENTED BY:</b>		
Cash	<b>441,444</b>	100,192
<u>Note 11</u>	<b><u>38,083</u></b>	<u>(7,606)</u>

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**KINGSTON TENNIS CLUB**

<b><u>CASH FLOWS PROVIDED FROM OPERATING ACTIVITIES</u></b>	<b><u>171,436</u></b>	<b><u>47,769</u></b>
<b>INVESTING AND FINANCING ACTIVITIES</b>		
Purchase of tangible capital assets	<b>(64,445)</b>	(282,691)
<u>Redemption (purchase) of investments</u>	<b><u>255,792</u></b>	<u>(10,843)</u>
<b>CASH FLOWS PROVIDED FROM (USED IN) INVESTING AND</b>	<b><u>191,347</u></b>	<b><u>(293,534)</u></b>

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**KINGSTON TENNIS CLUB  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**1. NATURE OF OPERATION**

The Kingston Tennis Club is incorporated without share capital under the *Ontario Business Corporations Act*. Its principal activities are to foster, develop and promote the game of tennis in Kingston, Ontario.

**2. IMPACT OF COVID**

Since the beginning of 2020, the coronavirus disease COVID-19 has had considerable impact, both globally and locally, which has the potential to create financial stress on the economy and the organization.

Summer camps were cancelled in 2020 but were able to operate in 2021. Also, the global investment markets have experienced substantial volatility and downward valuation due to the economic concerns at this time, which could impact the organization's investment portfolio.

At the time that these financial statements were finalized, the amount of all potential financial impacts on the organization could not be determined.

**3. ACCOUNTING POLICIES**

Outlined below are those accounting policies adopted by the corporation considered to be particularly significant:

**(a) Basis of Accounting**

These financial statements are prepared in accordance with Canadian accounting standards for notfor-profit organizations.

**(b) Accounting Estimates**

The preparation of financial statements in conformity with Canadian accounting standards for notfor-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include valuation of accounts receivable. Actual results could differ from those estimates.

**(c) Investments**

Investments are recorded at fair value.

**3. ACCOUNTING POLICIES - Cont'd**

**(d) Tangible Capital Assets**

**KINGSTON TENNIS CLUB  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

The tangible capital assets are stated at acquisition cost. Gains and losses on the disposal of individual assets are recognized in earnings in the year of disposal. Amortization of tangible capital assets, which is based on estimated useful life, is calculated on the following bases and at the rate set out below:

<b>Asset</b>	<b>Basis</b>	<b>Rate</b>
Lights	Declining balance	20%
Buildings	Declining balance	4%
Equipment	Declining balance	20%
Computer Equipment	Declining balance	55%
Fence	Declining balance	10%
Courts	Declining balance	8%

Membership, subsidies, lessons, camp, social and tournament fees and parking revenue are recorded as revenue in the period to which the services relate. Clubhouse sales, guest fees, other contributions, interest and other income are recorded as revenue when earned.

**(f) Deferred Revenue Relating to Tangible Capital Assets**

Revenue received for the purpose of purchasing tangible capital assets is deferred and amortized into revenue at a rate corresponding with the amortization rate for the related assets, which is a declining basis of 8%, 10%, and 20%.

The Association did not apply for any government assistance in the current fiscal year.

**KINGSTON TENNIS CLUB  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**(e) Revenue Recognition**

**4. GOVERNMENT ASSISTANCE**

**5. INVESTMENTS**

Investments held at year-end comprise of the following:.

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Equitable Bank GIC, 2.750%, maturing November 22, 2021	<b>45,491</b>	
Home Trust Company GIC, 2.09% maturing February 25, 2021		80,000
BMO Mortgage Corp GIC, 1.16% maturing June 10, 2021		82,746
Bank of Montreal GIC, 1.16% maturing June 10, 2021		82,747
Equitable Bank GIC, 1.02% maturing June 25, 2021		54,148
Accrued interest	<b>94</b>	1,736
	<b>45,585</b>	30

**6.**

**ONTARIO SPORTS NETWORK**

During the year, the club solicited donations in the amount of approximately \$123,800, net of administration fees, through the Ontario Sports Network to fund club renovations which commenced after year-end. This balance is not currently an asset of the club, as there is no guarantee that these funds will go to the organization. If for some reason the planned project were cancelled or changed, the funds could be allocated elsewhere by the Charity.

**7. TANGIBLE CAPITAL ASSETS**

**2021**

2020



**KINGSTON TENNIS CLUB  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Cost	Accumulated Cost	Cost	Accumulated amortization
	\$	\$	\$	\$
Land	283,910		283,910	
Building	113,723	43,032	55,408	42,516
Equipment	10,705	4,153	4,575	3,281
Computer equipment	1,906	1,898	1,906	1,889
Fence	86,766	17,307	86,766	9,589
Lights	136,769	38,295	136,769	13,677
Courts	110,974	24,407	110,974	16,879
	<b>744,753</b>	<b>129,092</b>	680,308	87,831
Cost less accumulated amortization	<b>\$ 615,661</b>		\$ 592,477	

**KINGSTON TENNIS CLUB  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**8. INVENTORY**

Inventory held at year-end is recorded at cost and consists of tennis balls, water bottles, face masks, and apparel.

**9. DEFERRED CAPITAL CONTRIBUTIONS**

In 2020, the Club received \$150,000 from Ontario Trillium Foundation for the purpose of installation of LED lights, replace the fence and upgrade tennis courts.

The deferred contributions represent the unamortized portion of contributions related to these purchases. The deferred contributions are being amortized over the estimated useful life of the related purchases.

	<b>2021</b>	2020
	\$	
Beginning of year	139,235	NIL
Contribution received		150,000
Amortization of deferred capital contributions	<b>(21,531)</b>	(10,765)
End of year	<b>117,704</b>	139,235

**10. FUND ACCUMULATION**

The Kingston Tennis Club, at a special general meeting on November 14, 2012, approved the resolution:  
*"Demolish the existing clubhouse structure in order to construct an additional tennis court between Court 1 and Court 7; the new clubhouse is to be built within the space currently occupied by the front lawn adjacent to*

**KINGSTON TENNIS CLUB  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

*Court 3.*" To that end the Club has been accumulating funds in excess of normal operating needs to contribute towards the planning and construction phases of the capital project. A detailed plan was presented for a membership vote in November, 2015 but the results were deemed too close to proceed with the scope of the project as defined at that time. The Board subsequently reduced the planned size of the clubhouse and evaluated several options for court improvements and lighting. In the 2020 fiscal year, the Board did a financial analysis comparing seven different clubhouse improvement options, from a simple renovation to two renovation/expansions to a new clubhouse in one of three location on the property. Subsequently, the Board commissioned an independent survey and business analysis, that concluded with the recommendation to renovate and expand the existing clubhouse. The Board's financial analysis has estimated this option to have significant savings over the building of a new clubhouse. The Board started with the renovation/expansion subsequent to the end of the fiscal year.

The Kingston Tennis Club currently has no debt and has significant invested savings. The club is planning to assume a mortgage to finance the improvements.

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**KINGSTON TENNIS CLUB  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**11. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS**

Cash provided from (used in) non-cash working capital is compiled as follows:

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>(INCREASE) DECREASE IN CURRENT ASSETS</b>		
Accounts receivable	<b>10,543</b>	(12,516)
Inventory	<b>(2,482)</b>	324
HST recoverable	<b>(2,061)</b>	1,134
Prepaid expenses	<b>(88)</b>	(490)
	<b>5,912</b>	(11,548)
<b>INCREASE (DECREASE) IN CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	<b>34,288</b>	(630)
Government remittances payable	<b>2,274</b>	181
HST payable	<b>(4,391)</b>	4,391
	<b>32,171</b>	3,942
<b>NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS</b>		
	<b>38,083</b>	(7,606)

**12. FINANCIAL INSTRUMENTS**

The fair value of the corporation's cash, assessments receivable and accounts payable and accrued liabilities approximate their carrying amounts due to the immediate and short term nature of these financial instruments.

**KINGSTON TENNIS CLUB**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

The corporation has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. There have been no significant changes from the previous period in the exposure to risk or policies, procedures and methods used to measure the risk. The risks that arise from transacting financial instruments are as follows:

**(a) Liquidity Risk:**

Liquidity risk is the risk that the corporation will not be able to meet all cash outflow obligations as they come due. The corporation's exposure to liquidity risk is dependent on the receipt of funds from its operations.

**(b) Credit Risk:**

Credit risk is the risk of financial loss to the corporation if a debtor fails to make payments when due. The corporation is exposed to this risk, however it has practices in place to ensure collectibility of outstanding accounts receivable.

### 13. CAPITAL DISCLOSURE

The corporation's objectives with respect to capital management are to maintain a minimum capital base that allows the corporation to continue with and execute its overall purpose as outlined in Note 1. The corporation's Board of Directors performs periodic reviews of the corporation's capital needs to ensure they remain consistent with the risk tolerance that is acceptable to the corporation.