



# Feasibility Study, Business & Concept Plan **APM Centre, Cornwall, PEI**

**Developed for Communities 13**

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## Disclaimer

The information contained in this document is based on the experience and knowledge of the authors and contains estimates and assumptions based on these factors and others. While the authors stand behind their projections, *and believe them to be accurate at this time based on current conditions*, there is no guarantee that these projections can be achieved for certain. Many factors, financial and qualitative, can influence and may dramatically change the results projected.

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## EXECUTIVE SUMMARY

APM Centre is an established facility that supports a strong user base with a wide variety of community programming. It cannot meet some of the needs of the existing customers or introduce new programs due to unavailability of prime-time ice in the fall/winter. This report examines current conditions and feasibility of expansion of this facility. The recommendations for an operating plan, facility preliminary capital costs follow this feasibility analysis.

The APM Centre was built in 2002 to meet the needs of the surrounding communities who lacked ice time due to a rink closure. The market area and the entire Island has a strong history of ice sports and has developed a number of user groups that exceed the capacity of the available prime time ice at this rink. The North River Minor Hockey Association (NRMHA) is the primary user of ice in this facility. They have expressed the need for additional time immediately, and cannot find it within the parameters of distance and time of day. Other users, such as Charlottetown Ringette, would like additional ice times that may attract more users so they can continue to expand. The addition of an ice sheet has been determined to ease the demand on prime-time ice and would allow for future growth of both organizations.

The proposed expansion would offer more amenities to existing users, including 6 additional locker rooms, combined lobby and Zamboni areas, and seating for 150 people. It would allow APM Centre the ability to offer more programming for the community and host larger events such as tournaments and figure skating competitions. With a modest increase in user fees, improved operating efficiencies through expansion and increased revenue generating potential, the expanded facility has the opportunity to be successful in Year 1. In the year 2, revenues are projected to rise to over \$900,000, with a net operating income of \$180,000. The net income would provide needed capital reserves to maintain the facility and provide a self-sustaining model of operations. Capital costs for this facility are estimated just over \$13.5 M, including 15% contingency.

The Feasibility, Business and Concept plan for the development of the next phase of the Arena and supporting spaces should be discussed within the following framework.

- 1. Ownership:** the ownership must be structured in a way where financing debt is possible. Options may include 13 communities, Town of Cornwall.
- 2. Government:** Federal, provincial and local funding must be secured. For example \$15 million shared 1/3 by each level of government.
- 3. Sponsorship and Fundraising:** The local business and corporate contribution should be a significant amount to ensure debt is manageable.
- 4. Operations:** Users must be paying high enough fees to cover operating costs in the expanded building.

It is essential that stakeholders agree to take this approach, or similar, to fully develop the business plan given the challenges of funding projects in the current environment.



# Project Scope

The APM Centre is owned by Communities 13, Inc. The board of this organization is evaluating the market demand and feasibility of constructing an additional ice surface to meet the needs of the existing users and allow for growth. This expanded facility would serve the growing population in the area, and allow the youth hockey organization to consolidate to one facility. This report summarizes the market demographics and current and potential users of the ice facility. Based on this information, financial projections for revenue and expenses of this expanded facility were developed, as well as preliminary projections of capital costs.

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## Current Conditions

The APM Centre opened in 2002 to serve thirteen local communities. Since its opening, it has been the home to the North River Minor Hockey Association (NRMHA), the second largest hockey program on the Island, offering both boys and girls hockey programming U7 to U18 as well as the Mid Isle Wildcats and Mid Isle Matrix Hockey Associations. In addition to the ice rink, the facility contains a fitness center, gymnasium, walking track, meeting room and concession. It is used by many community organizations and is home to a variety of community and provincial events. The users of this facility identify the following as concerns:

- Insufficient ice time for youth hockey program expansion
- Insufficient ice times for other programs -ringette
- No opportunity for large tournaments or larger competitions

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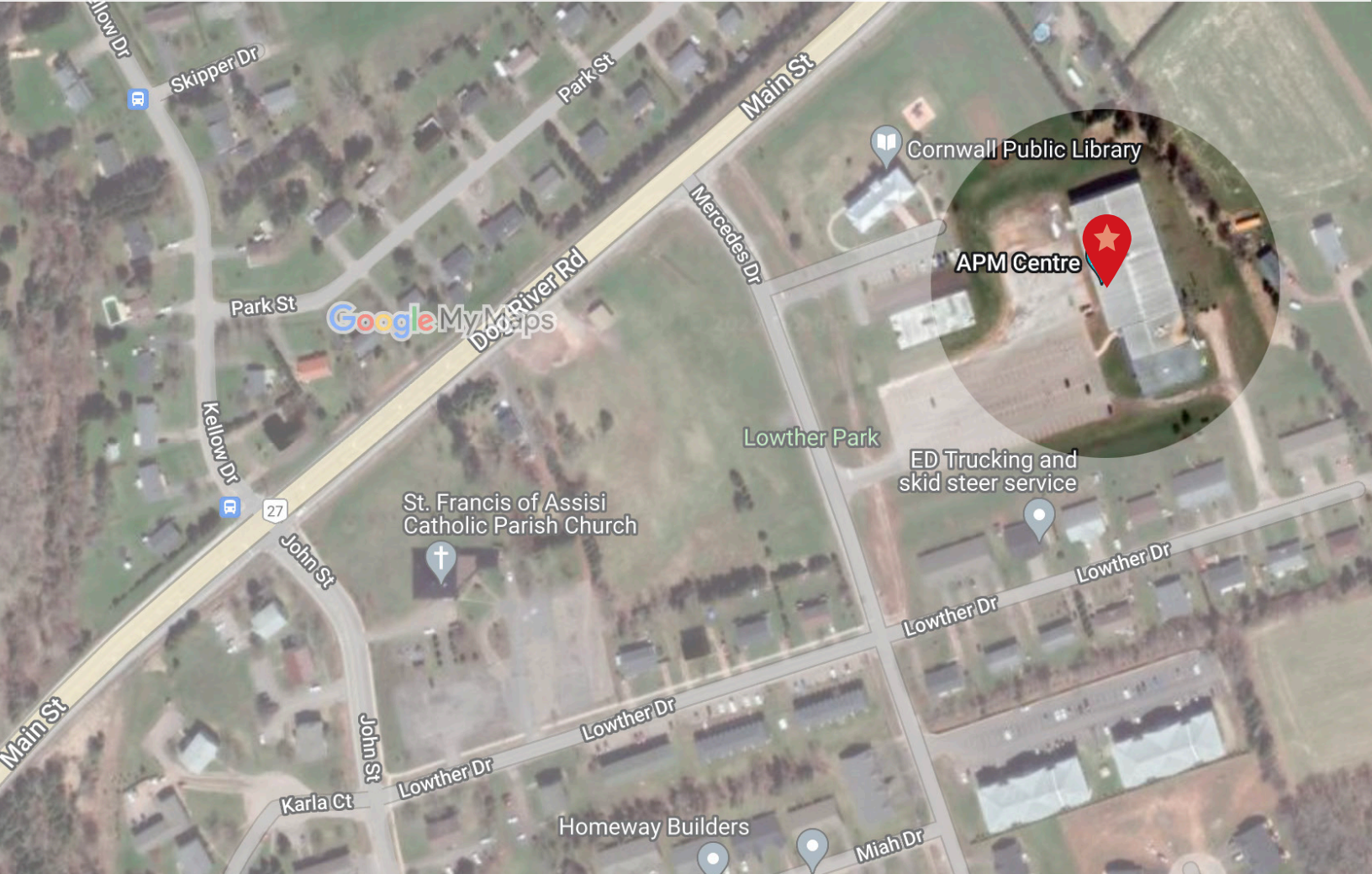
## Expansion Opportunities

An expansion to the facility would create an opportunity to enhance community recreation space for activities including but not limited to, basketball, pickleball, badminton, indoor soccer, fitness classes, meeting space, and special events by renovating the gymnasium portion of the facility. The expansion of the facility would also provide an opportunity to host community and cultural events.

The facility currently serves the fastest-growing community in Atlantic Canada with the second-largest minor hockey association in the province. The expansion of the facility has the potential to be financially viable and is necessary to meet the recreation demands of the growing population.

# Site Map

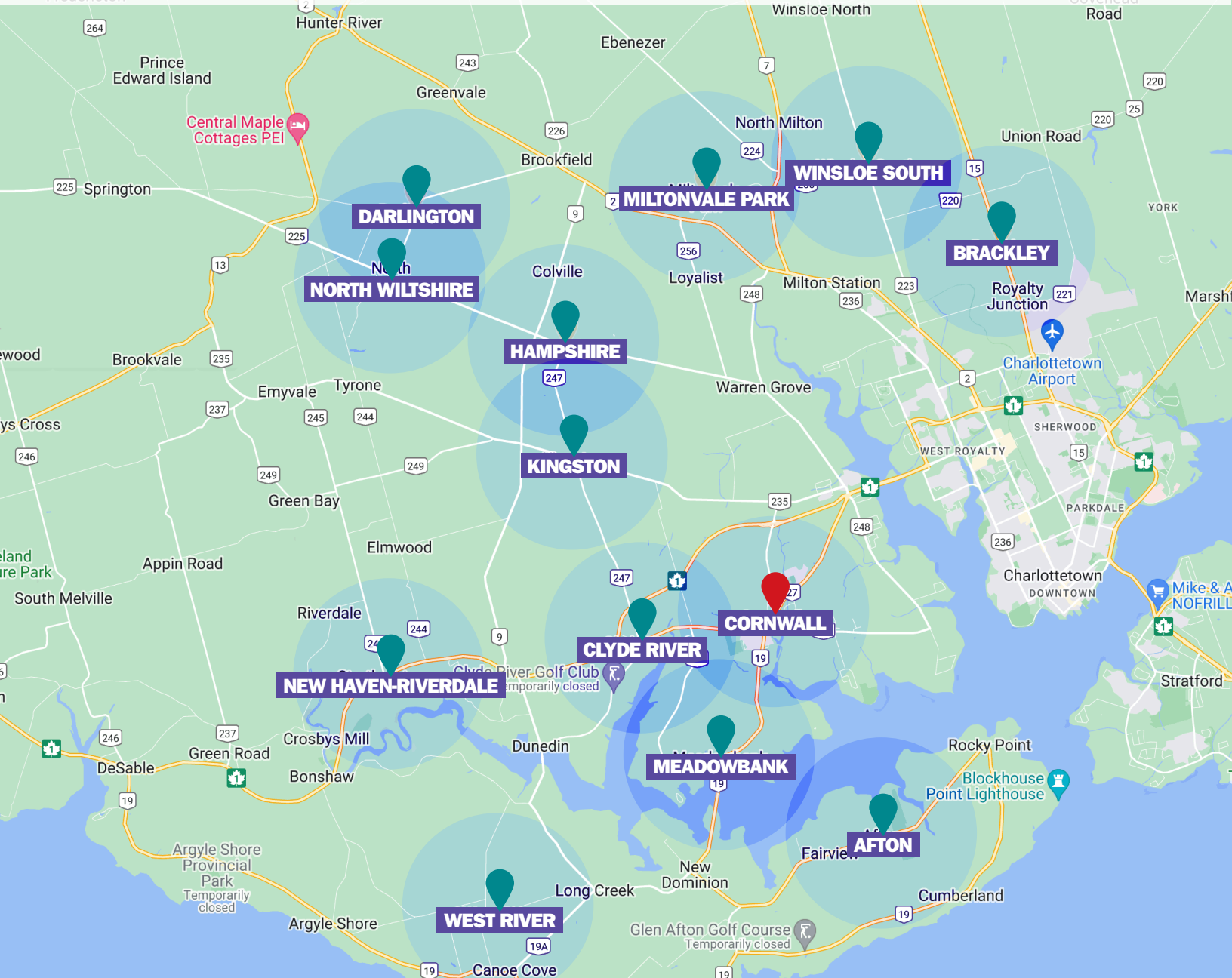
**APM Centre is located in the town of Cornwall, just outside of Charlottetown, PEI in a growing community. The facility opened in September 2002, constructed to meet the needs of the closest thirteen communities impacted from the North River rink closure.**



# Communities 13

**APM Centre serves 13 local communities that feed the North River Minor Hockey Association. It consists of the following communities: Afton, Brackley, Clyde River, Cornwall, Darlington, Hampshire, Kingston, Meadowbank, Miltonvale Park, New Haven/Riverdale, North Wiltshire, West River\*, and Winsloe South.\*\***

\*West River is now made up of Afton, Meadowbank, New Haven/Riverdale, West River  
\*\*Winsloe South is now part of Brackley



## Programming Summary

The APM Centre consists of a rink, gymnasium/community room, a walking track, and a fitness/weight room. The rink has an ice surface 85 by 200 and seating for about 600 people. The arena has 6 - 450 sq. foot dressing rooms. The gymnasium is the same size as a high school gymnasium and is capable of seating 350 people for community events. The walking track circles above the gymnasium. The fitness/weight room is approximately 1200 square feet. A male and female changing room with lockers is available for the walking and gym area. There is also a large board room for meetings and a 1200 square foot multi-purpose room with a view of the ice surface. The facility has both a canteen and kitchen. There is parking for 250 cars and the facility is completely wheelchair accessible.

The facility is home to North River Minor Hockey Association, which rents nearly all the primetime ice in the fall/winter season. In the spring and summer the ice has been used by Ringette groups, Charlottetown Figure Skating, Andrews Hockey and various clinics, camps, and tournaments. The ice is removed in late May through mid-August. A variety of events take place on the arena floor – ball hockey, dances and community events.

The gym is used primarily for community sports and meetings as well as off-ice space for hockey teams. The weight room has average of 100 members annually , another 100 members have separate memberships for use of the gym, weight room, aerobic classes or the walking track.

### North River Minor Hockey Association

The North River Minor Hockey Association (NRMHA) is the primary ice user at the APM Centre. The NRMHA is the governing body of minor hockey within the territorial boundaries defined by Hockey PEI (HPEI). It is the second largest of twenty minor hockey associations on Prince Edward Island, with teams from U7 to U18 in boys and girls, A, AA, and AAA.

In the 2021-22 season, the NRMHA fielded 36 teams at the following levels:

Boys	
1st yr U7	3
2nd yr U7	3
U9 AA	1
U9 A	2
U11A	2
U11 AA	1
U13 AAA	1
U13AA	1
U13 A	3
U15 AAA	1
U15 AA	1
U15 A	3
U18 AAA	1
U18 AA	1
U18 A	2

Girls	
U9 A girls	2
U11 AA girls	1
U11 A girls	2
U13 AAA girls	1
U13 A girls	2
U15 AAA girls	1
U15 A girls	1
U18 AAA girls	1
U18 A girls	1

NRMHA currently rents ice time at APM Centre (avg 50h/wk) and South Shore ActiPLEX (avg 10h/wk). They are in need of additional ice to provide teams more ice time- estimated 8h/wk for the fall/winter season.



# Current Ice Schedule - Fall/Winter

	MON	TUE	WED	THU	FRI	SAT	SUN
6AM	NRMHA U11-U15 AA	NRMHA U11-U15 AA	NRMHA U11-U15 AA	NRMHA U11-U15 AA			
7AM						NRMHA U9	
8AM						NRMHA U7	
9AM						NRMHA U7	
10AM						NRMHA U11	
11AM						NRMHA U11 A	NRMHA Development
12PM						NRMHA U13 Girls	
1PM						NRMHA U11 Girls	NRMHA U9 AA
2PM						NRMHA U11 Matrix	NRMHA U9 Girls
3PM						NRMHA U13 A	NRMHA U13 A
4PM	NRMHA U13A T1 & T2	NRMHA U11 Girls	NRMHA U7	NRMHA U11	NRMHA Development	NRMHA U15 Girls	NRMHA U11
5PM	NRMHA U9 A	NRMHA U11 Matrix	NRMHA U7	NRMHA U9 A	NRMHA U11 Girls	NRMHA U15 A	NRMHA U13 A Girls
6PM	NRMHA U13AA	NRMHA U15 A	NRMHA U15 AAA	NRMHA U15 A	NRMHA U13 A		NRMHA U18 A Boys
7PM	NRMHA U18 Girls	NRMHA U18 A		NRMHA U18 AA	NRMHA U18 AAA		
8PM	NRMHA U18 A	NRMHA JR C	NRMHA U15 AA				
9PM							
10PM							

# Financial Review

A review of the last 5 years financial reports show revenues remain steady over \$500,000 approaching \$600,000 in 2019. Revenues were impacted in 2020 and 2021 by the COVID-19 pandemic closures. Expenses average \$500,000 in most years pre-pandemic. The net income in the last 5 years ranged, but is stable at approximately \$50,000 - \$75,000 without pandemic funding or operational impacts.

Profit & Loss (actual)	2017	2018	2019	2020	2021
<b>Revenues</b>					
Rentals	353,666	329,303	377,099	299,469	322,428
Memberships	65,585	61,850	69,983	55,048	67,306
Arena signage	21,670	23,170	23,861	24,461	15,257
Wage subsidies	19,925	14,314	14,621	55,387	90,198
Arena grant	8,500	8,500	8,500	8,500	8,500
Miscellaneous	4,069	2,786	3,523	3,735	453
Events	1,378	1,312	2,852	1,671	-
Food Service	92,740	82,376	87,096	75,657	3,733
Other Revenues	7,300	100	5,326	5,200	23,075
<b>Total Revenue</b>	<b>574,833</b>	<b>523,711</b>	<b>592,861</b>	<b>529,128</b>	<b>530,950</b>
<b>Cost of Sales</b>					
Food Service	47,880	42,171	45,001	38,395	2,475
<b>Gross Profit</b>	<b>526,953</b>	<b>481,540</b>	<b>547,860</b>	<b>490,733</b>	<b>528,475</b>
<b>Expenditures</b>					
Advertising & promotion	3,182	3,498	3,720	3,841	681
Bad debts (recovery)	3,677	(193)	(68)	-	176
Dues and fees	1,570	1,570	1,290	469	1,034
Electricity	85,822	83,909	92,601	72,744	77,931
Events				1,322	-
Heat	18,212	22,699	1,385	19,593	12,933
Ice making	21,039	18,001	26,259	16,301	38,883
Insurance	10,162	10,750	44,824	13,129	14,277
Interest & bank charges	913	754	828	592	454
Memberships	1,837	1,967	1,587	605	1,060
Municipal property tax	2,559	2,553	2,447	2,447	2,616
Office	3,196	4,229	4,355	4,380	6,174
Professional fees	3,145	3,170	3,190	3,195	5,390
Propane	8,890	9,463	9,858	6,906	5,130
Repairs & maintenance	22,336	23,269	20,481	17,081	18,447
Snow & garbage removal	10,104	10,628	11,055	10,884	10,905
Supplies	9,831	8,948	10,156	8,573	7,144
Telephone	3,643	3,814	4,354	4,174	4,163
Travel	1,976	1,709	2,451	907	1,295
Wages and wage levies	259,274	252,786	266,377	260,759	238,161
Water and sewer	7,835	8,161	9,467	10,600	10,802
Other expenditures	24,492	22,044	(25,198)	(23,654)	(18,235)
<b>Total expenditures</b>	<b>503,695</b>	<b>493,729</b>	<b>491,419</b>	<b>431,007</b>	<b>439,421</b>
<b>Net income</b>	<b>23,258</b>	<b>(12,189)</b>	<b>56,441</b>	<b>59,726</b>	<b>89,054</b>

# FEASIBILITY STUDY

## Population

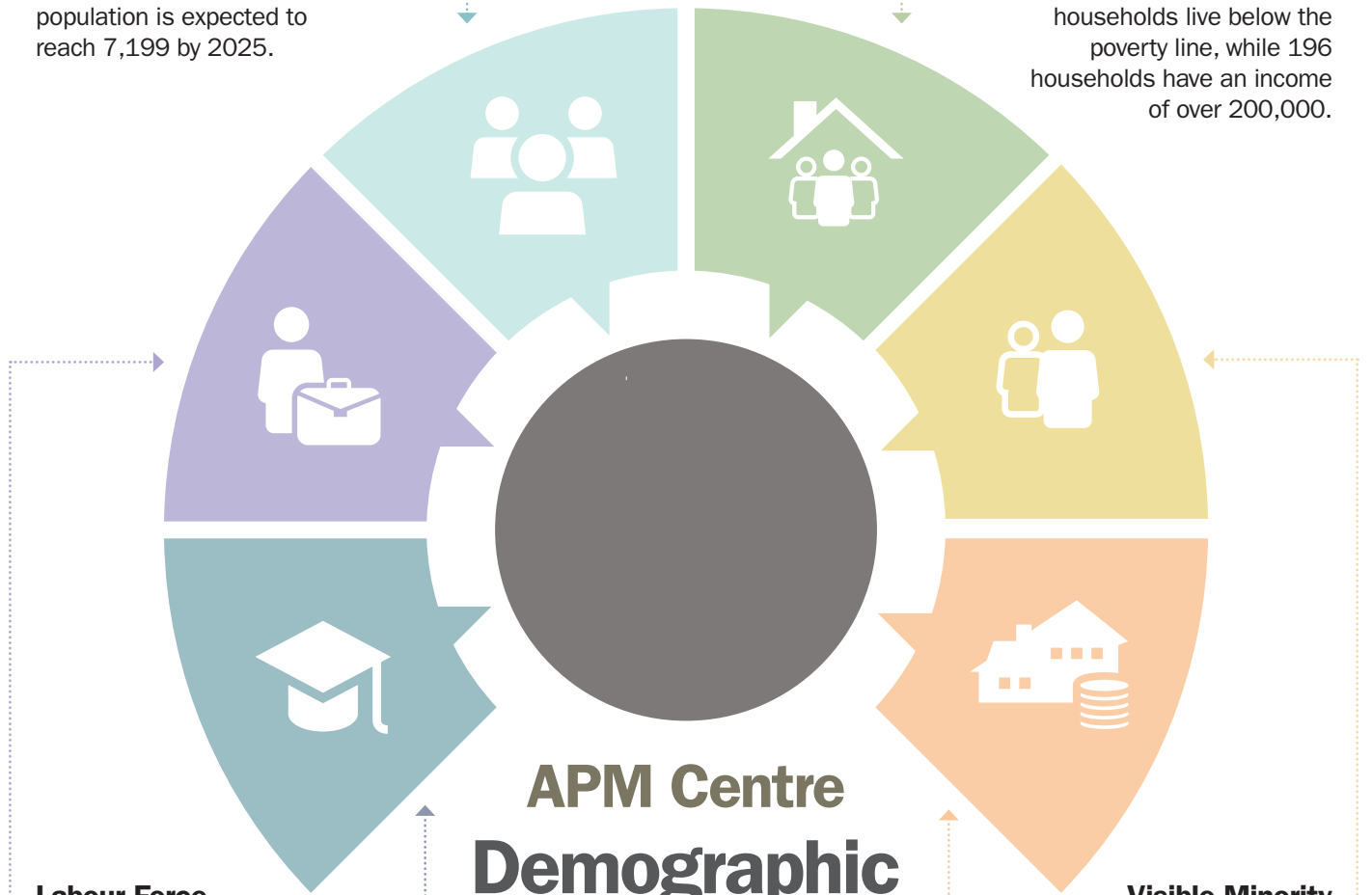
**6,482**

With growth of 717, the population is expected to reach 7,199 by 2025.

## Households

**2,338**

An estimated 419 households live below the poverty line, while 196 households have an income of over 200,000.



## APM Centre Demographic Analysis

Drive time of 5 minutes

Source: Evironics Analytics 2022, 2027, based on data collected by Statistics Canada for the current Canadian Census.

## Labour Force

**3,627**

There are 300 self-employed individuals, and 391 working from home.

## Visible Minority

**245**

There are 501 first generation immigrant population, and 137 immigrating to Canada since 2017.

## University Degree or Higher

**1,442**

596 have no High School Diploma, 1,300 are High School Graduates, and 1,327 have college.

## Median Household Income

**\$89,124**

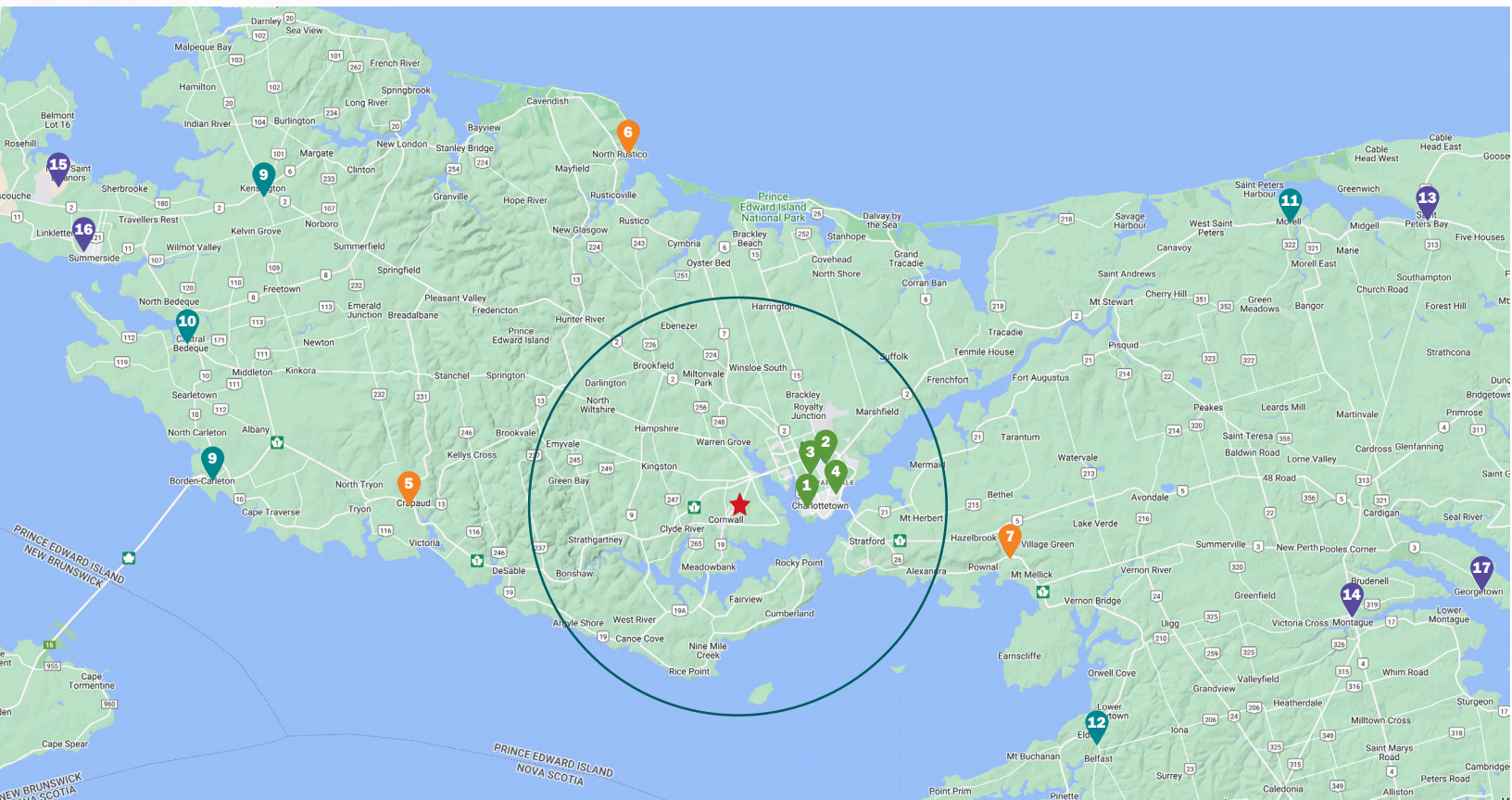
With an average of 2.8 people per household, the average household income is 103, 237.




# Competitive Market Review

APM Centre is used primarily by communities within a thirty minute drive. There are seven ice rinks within this drive-time radius. Not all of these facilities are at capacity, however, not all offer the same amenities or level of hockey programming. Customers will drive from 45-60 minutes to be part of hockey programming not available to them in their closest facility.

The list that follows shows the facilities within 15, 30, 45 and 60 minute ranges. The facility is centrally located on the Island, making it a good choice for tournaments and provincial events.



NO.	ARENA	MINUTES	KM	TOWN/CITY	SHEETS
	<b>APM Centre</b>			<b>Cornwall</b>	<b>1</b>

 **Within a 15 minute drive**

1	Simmons Sports Arena	13 min	8.7 km	Charlottetown	1
2	Cody Banks Arena	13 min	11 km	Sherwood	1
3	MacLauchlan Arena	15 min	8.3 km	Charlottetown	2
4	Eastlink Centre	15 min	14 km	Charlottetown	1

 **Within a 30 minute drive**

5	South Shore Actiplex	21 min	29 km	Crapaud	1
6	North Star Arena	29 min	32 km	North Rustico	1
7	Pownal Sports Center	29 min	30 km	Pownal	2

 **Within a 45 minute drive**

8	Gateway Arena	33 min	46 km	Borden Carleton	1
9	Credit Union Centre	34 min	46 km	Kensington	1
10	Bedeque Area Recreation Center	35 min	50 km	Bedeque	1
11	Morell Community Rink	40 min	49 km	Morell	1
12	Belfast Rec Center	43 min	51 km	Belfast	1

 **Within a 60 minute drive**

13	St. Peter's Area Rink and Recreational Club	47 min	60 km	St. Peter's Bay	1
14	Cavendish Farms Wellness Center	49 min	59 km	Montague	1
15	Slemon Park Plex	49 min	63 km	Slemon Park	1
16	Credit Union Place	49 min	63 km	Summerside	2
17	Three Rivers Sportsplex	53 min	66 km	Georgetown	1

**Over 60 minute drive**

	Northumberland Arena	63min	67km	Murray River	1
	Evangeline	63min	84km	Abrams Village	1
	Eastern Kings Sportsplex	68min	91km	Souris	1
	Tyne Valley Community Sports Centre	68min	90km	Tyne Valley	1
	O'Leary Community Sports Centre	83min	118km	O'Leary	1
	Jacques Cartier Memorial Arena	97min	124km	Alberton	1
	Tignish Centennial Arena	100min	142km	Tignish	1

\*Registrations per ice sheet data provided by Communities 13 Inc Facility Expansion Committee.

# Minor Hockey Registration - 2019/2020

2019-20	PLAYER REGISTRATIONS	# OF ICE SURFACES FOR THE ASSOCIATION	PLAYER REGISTRATIONS PER ICE SURFACE
Bedeque	40	1	40 per rink
Belfast	48	1	48 per rink
Northumberland	62	1	62 per rink
Kings County	69		
Mid Isle Matrix	70		
Georgetown	81	1	81 per rink
Evangeline	104	1	104 per rink
Morell	109	1	109 per rink
Souris	122	1	122 per rink
North Star	141	1	141 per rink
Alberton	157	1	157 per rink
Kensington	161	1	161 per rink
Tyne Valley	180	1	180 per rink
Oleary	191	1	191 per rink
Tignish	201	1	201 per rink
Southside	213	1	213 per rink
Montague	214	1	214 per rink
Charlottetown	416	4	104 per rink
Summerside	419	3	140 per rink
Sherwood	421	1	421 per rink
<b>North River</b>	<b>500</b>	<b>1</b>	<b>500 per rink</b>
Pownal	804	2	402 per rink
<b>Total</b>	<b>4723</b>	<b>26</b>	



## BUSINESS PLAN

# Revenue & Expense Summary

The APM Centre is at full capacity in the prime time hours of the fall/winter months. New or expanded facilities typically take 3 years to ramp up to full utilization. The additional surface would add over 50 hours of weekly prime-time ice. With an existing user base of NRMHA, the Mid Isle Matrix and Mid Isle Wildcats, this facility will open with higher utilization for the fall/winter season. The first season of operations is projected at \$867,000, increasing to \$943,000 in Year 3. Revenues are projected to increase 3-5% in years 2, 3 and expenses increase 5% annually over the same time period.

In 2019, The APM Centre had an operating surplus of \$56,000 before capital expenditures.

Moving forward, operating surpluses are projected to increase as a result of the facility expansion. Starting in Year 1, there will be an operating surplus or net income of \$180,000 to contribute to capital reserves.

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### Revenues

1. **Rentals:** these include all revenues from all ice rental groups - a detailed explanation of these activities is contained in the upcoming section.
2. **Memberships:** these include all revenues from weight room, gymnasium and walking track
3. **Arena signage:** revenues from signage displayed at the facility
4. **Wage subsidies:** monies received from government programs to support wages
5. **Arena grant:** revenues from annual arena grant
6. **Miscellaneous:** revenues collected from miscellaneous sources
7. **Events:** rental income from non-ice events
8. **Food Service:** revenues from canteen sales
9. **Other Revenues:** non-operating – charitable donations

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### Cost of Goods Sold

1. **Food Services Costs:** based on percentages of revenues; food costs average 50%; labor is included in wages expense.

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## Expenses

Following is a description of some of the main line items in the operating expense section of the projections.

1. **Advertising:** signage production costs, advertising costs.
2. **Electricity:** electricity use will increase with the addition of an additional ice sheet. 60% increase over existing.
3. **Heat:** heating costs.
4. **Ice Making:** costs for repainting and installing ice surface for the season.
5. **Insurance:** property and general liability insurance, estimated 20-25% increase in expanded facility.
6. **Propane:** resurfacer propane, estimate to double over existing with additional resurface needs.
7. **Repair and Maintenance:** general repairs of the facility, estimate to increase by 30%
8. **Wages:** all wages for management, part-time staff of the facility. Increases in part-time cleaning and drivers hours will increase wages nearly 30% over existing.
9. **Water and Sewer:** water and sewer charges are expected to increase over 30% with additional needs of the expanded facility.
10. **Other expenditures:** non-operating- amortization and sponsorship.



# Financial Summary

## Profit and Loss

	2019	Projection		
		2024-25	2025-26	2026-27
<b>Revenues</b>				
Rentals	\$377,099	\$685,725	\$720,011	\$751,051
Memberships	\$69,983	\$72,082	\$74,245	\$76,472
Arena signage	\$23,861	\$25,000	\$25,750	\$26,523
Wage subsidies	\$14,621	\$15,000	\$15,450	\$15,914
Arena grant	\$8,500	\$8,500	\$8,500	\$8,500
Miscellaneous	\$3,523	\$3,500	\$3,605	\$3,713
Events	\$2,852	\$3,000	\$3,090	\$3,183
Food Service	\$87,096	\$100,160	\$103,165	\$106,260
Other Revenues	\$5,326	\$5,500	\$5,665	\$5,835
<b>Total Revenue</b>	<b>\$592,861</b>	<b>\$918,468</b>	<b>\$959,481</b>	<b>\$997,450</b>
<b>Cost of Sales</b>				
Food Service	\$45,001	\$51,082	\$52,614	\$54,193
<b>Gross Profit</b>	<b>\$547,860</b>	<b>\$867,386</b>	<b>\$906,867</b>	<b>\$943,257</b>
<b>Expenditures</b>				
Advertising and promotion	\$3,720	\$3,906	\$4,101	\$4,306
Bad debts (recovery)	\$(68)			
Dues and fees	\$1,290	\$1,355	\$1,422	\$1,493
Electricity	\$92,601	\$155,570	\$163,348	\$171,516
Events				
Heat	\$1,385	\$1,454	\$1,527	\$1,603
Ice making	\$26,259	\$27,572	\$28,951	\$30,398
Insurance	\$44,824	\$56,030	\$58,832	\$61,773
Interest and bank charges	\$828	\$869	\$913	\$959
Memberships	\$1,587	\$1,666	\$1,750	\$1,837
Municipal property tax	\$2,447	\$2,447	\$2,447	\$2,447
Office	\$4,355	\$4,573	\$4,801	\$5,041
Professional fees	\$3,190	\$3,350	\$3,517	\$3,693
Propane	\$9,858	\$20,702	\$21,737	\$22,824
Repairs and maintenance	\$20,481	\$30,000	\$31,500	\$33,075
Snow and garbage removal	\$11,055	\$11,608	\$12,188	\$12,798
Supplies	\$10,156	\$10,664	\$11,197	\$11,757
Telephone	\$4,354	\$4,572	\$4,800	\$5,040
Travel	\$2,451	\$2,574	\$2,702	\$2,837
Wages and wage levies	\$266,377	\$340,120	\$357,126	\$374,982
Water and sewer	\$9,467	\$12,922	\$13,569	\$14,247
Other expenditures	\$(25,198)			
<b>Total expenditures</b>	<b>\$491,419</b>	<b>\$691,952</b>	<b>\$726,428</b>	<b>\$762,627</b>
<b>Net income</b>	<b>\$56,441</b>	<b>\$175,434</b>	<b>\$180,439</b>	<b>\$180,630</b>

## Ice Rental Revenue

Ice Rental	Current	Projected					
	2021	2024-25		2025-26		2026-27	
		Hours	Revenue	Hours	Revenue	Hours	Revenue
NRMHA Sept - Apr (est 28 weeks)	1316	1820	\$382,200	1820	\$401,310	1820	\$421,376
Fall/Winter other	515	795	\$155,025	795	\$162,776	795	\$170,915
Spring/Summer other	608	900	\$148,500	900	\$155,925	900	\$158,760
<b>Total</b>	<b>2439</b>	<b>3515</b>	<b>\$685,725</b>	<b>3515</b>	<b>\$720,011</b>	<b>3515</b>	<b>\$751,051</b>

## Ice Rental Rates

Rental Rates	Actual				Projected		
	2018-19	2019-20	2020-21	2021-22	2024-25	2025-26	2026-27
Regular rate: prime	\$156.52	\$158.26	\$160.87	\$162.61	\$210	\$221	\$232
Regular: non-prime	\$121.74	\$121.74	\$121.74	\$121.74	\$165	\$173	\$182
Other rate: non profit prime	\$150.43	\$152.17	\$152.17	\$156.52	\$195	\$205	\$215
Other rate: non-profit non-prime	\$73.91	\$121.74	\$121.74	\$121.74	\$160	\$168	\$176
APM minor sport: prime	\$147.83	\$150.43	\$152.17	\$153.91	\$195	\$205	\$215
APM minor sport: non-prime	\$116.52	\$116.52	\$117.39	\$119.13	\$160	\$168	\$176
NRMHA rate: prime	\$142.61	\$144.35	\$146.96	\$148.7	\$180	\$189	\$198
NRMHA rate: non-prime	\$116.52	\$116.52	\$117.39	\$117.39	\$150	\$158	\$165
East Wiltshire Academy	\$65.22	\$66.96	\$67.83	\$69.57			
Arena floor rentals: off season/hr	\$45.22	\$47.83	\$47.83	\$47.83	\$60	\$63	\$66
Arena floor rentals: off season/day	\$525	\$530	\$530	\$530	\$700	\$735	\$772
Gymnasium rental: prime	\$40.87	\$40.87	\$40.87	\$40.87	\$45	\$47	\$50
Gymnasium rental: non-prime	\$28.70	\$28.70	\$28.70	\$28.70	\$30	\$32	\$33
Gymnasium rental: daily	\$285	\$290	\$290	\$300	\$315	\$331	\$347

\*1% annual ice rental increase- 2018-2022

\*\*5% annual ice rental increase 2025-2027

# Proposed Ice Template

	MON		TUE		WED		THU		FRI		SAT		SUN	
	RINK 1	RINK 2	RINK 1	RINK 2	RINK 1	RINK 2	RINK 1	RINK 2	RINK 1	RINK 2	RINK 1	RINK 2	RINK 1	RINK 2
6AM	NRMHA U11-U15 AA		NRMHA U11-U15 AA		NRMHA U11-U15 AA		NRMHA U11-U15 AA		NRMHA U11-U15 AA					
7AM											NRMHA U9			
8AM											Rental		Rental	Rental
9AM											NRMHA U7	Rental	Rental	Rental
10AM											NRMHA U11	Rental	Rental	Rental
11AM											NRMHA U11 A	Charlottetown Ringette	NRMHA Development	Rental
12PM											NRMHA U13 Girls	Charlottetown Ringette	NRMHA	Rental
1PM											NRMHA U11 Girls	Rental		Rental
2PM											NRMHA U11 Matrix	Rental	NRMHA U9 AA	NRMHA U7
3PM											NRMHA U13 A	Charlottetown Ringette	NRMHA U9 Girls	NRMHA U9
4PM	NRMHA U13 A T1+T2	Charlottetown Ringette	NRMHA U11 Girls	NRMHA TBD	NRMHA U7	NRMHA U13 A Girls	NRMHA U11	NRMHA U13 A	NRMHA Development	Charlottetown Ringette	NRMHA U13 A	Charlottetown Ringette	NRMHA U13 A	Rental
5PM	NRMHA U9 Girls	NRMHA TBD	NRMHA U11 Matrix	NRMHA U9 A	NRMHA U7	Charlottetown Ringette	NRMHA U9 A	NRMHA U18 A	NRMHA U11 Girls	NRMHA TBD	NRMHA U15 Girls	Charlottetown Ringette	NRMHA U11	Rental
6PM	NRMHA U13 AAA	NRMHA TBD	NRMHA U15 A	NRMHA U15 + U18 Girls	NRMHA U15 AAA	NRMHA TBD	NRMHA U15 A	NRMHA U13 A	NRMHA U13 A	Charlottetown Ringette	NRMHA U15 A	Charlottetown Ringette	Rental	NRMHA U13 A Girls
7PM	NRMHA U18 Girls	NRMHA U15 A	NRMHA U18 A	Charlottetown Ringette	NRMHA U15 AAA	NRMHA U18 A	NRMHA U18 AA	NRMHA TBD	NRMHA U18 AAA	Charlottetown Ringette	Charlottetown Ringette	Charlottetown Ringette	Rental	NRMHA U15
8PM	NRMHA U18 A	Charlottetown Ringette	NRMHA JR C	NRMHA TBD	Rental	Charlottetown Ringette	Rental	NRMHA TBD	Rental	Rental	Rental	Rental	Rental	NRMHA U18 Boys
9PM	Rental		Rental											Rental
10PM														

## Facility Rendering



## Capital Cost

### **Addition of Ice Surface**

*Add 33,600 square feet at \$355 sq/ft*

**Total capital cost:** \$11,928,000

**Contingency 15%:** \$1,789,200

**Total hard & soft costs:** \$13,717,200

### **Expanded Building Description**

- 85x200 NHL size rink
- 150 seats
- 6 team dressing rooms
- Front lobby to integrate areas
- Back operations area to integrate refrigeration room
- Zamboni areas to accommodate two machines and service both rinks.



## Capital Cost Funding Sources

# Appendix 1 – Company Profile

**Firland Management is an experienced, hands-on team of consultants who have extensive experience in the recreation and specifically ice rink industry.**

## **Firland**Management

**SPECIALIZING  
IN THE DESIGN,  
DEVELOPMENT,  
CONSTRUCTION,  
MARKETING AND  
MANAGEMENT OF  
ICE RINKS AND  
MULTI-PURPOSE  
RECREATIONAL  
FACILITIES.**

Firland personnel have been working in the ice rink industry in North America for almost fifty years. Our projects range from consulting to full day-to-day management at facilities across the United States and Canada. Firland is the best choice for advice on new construction and development, ongoing operations, facility sale and more.

With a proven reputation for bringing failing facilities to profitability, Firland specializes in turnaround situations, the biggest challenge facing the industry today. Firland has brought facilities out of bankruptcy, assisted in re-financing debt for facilities on the verge, and has guided many facilities to financial improvements.

The most important step for many potential ice rink projects is the research and planning completed before the actual construction takes place. Firland has extensive experience in this area of feasibility studies and project planning – a critical phase that can set your project on a path to financial stability.

Firland has worked with private and public clients, from universities and colleges, local governments, private investors to the National Hockey League. Our expertise can be applied to any project.

Firland Management was formed in 1999 by Jim Cain, a consultant with over forty years experience in recreation and ice facilities. It is owned by Jim Cain and Kelly Kryukov. Firland has offices in Washington, DC; Fort Wayne, where it also owns Sportone Parkview Icehouse as well as Eastern Canada.

## KEY PERSONNEL + QUALIFICATIONS



### **JAMES CAIN | PRESIDENT & OWNER**

Mr. Cain has over forty years experience in the field of design and management of recreation facilities and programs. Mr. Cain has served as General Manager for various athletic and recreational facilities in Canada. The largest of these facilities, the Ottawa RA Centre encompassed over 250,000 square feet and earned more than \$17 million in revenues. At that time it was the largest public multi-purpose facility in North America.

Mr. Cain was employed by Signature Sports to design, develop, build and manage a joint project with the National Hockey League which would be the prototype used by the NHL for numerous future facilities.

Currently, Jim Cain owns his own consulting company, Firland Management, which owns, manages and consults on ice arenas and other recreation facilities in both the United States and Canada. Prior to establishing Firland Management in the U.S., Jim was involved in the design and development of more than 40 Canadian Arenas. With more recent and relevant design experience at St. Francis Xavier University, Nova Scotia; South Kent School, Connecticut, Cornerstone Ice Arena, New York and Skating Club of Boston, Massachusetts.

With experience in all aspects of the recreation industry, from golf to health and fitness to ice skating facilities, Jim Cain is a valuable asset to employ in almost any capacity—whether it be analysis and operation of existing operational systems or the design and development of new facilities.



### **KELLY KRYUKOV | VICE PRESIDENT OF FINANCE & OWNER**

Kelly Kryukov brings a wealth of ice programming, sales and marketing experience to the Firland team. Earning her business degree in Ottawa, Canada, Ms. Kryukov worked as a manager for a golf and fitness center in addition to coaching and competing at a high level in figure skating. Ms. Kryukov worked for the Ottawa Senators of the National Hockey League in customer service and sales positions before relocating to the U.S.

For over 20 years, Kelly has worked with Firland consulting clients in areas of budgeting, feasibility and business planning and operational reviews. On Firland's owned and managed facilities, she oversees finance and human resources. Ms. Kryukov is also responsible for on-site implementation of operational planning from all areas including marketing, programming, and day-to-day management.

With strengths in finance, facility management, marketing and programming for ice rinks and other recreational facilities, Ms. Kryukov can use her strengths to ensure that facilities operate successfully

# PROJECT EXPERIENCE

## FACILITY MANAGEMENT EXPERIENCE

The Androscoggin Bank Colisée  
LEWISTON, MAINE

Flint Iceland Arenas  
FLINT, MICHIGAN

Montclair State University Arena  
MONTCLAIR, NEW JERSEY

Sportone Parkview Icehouse  
FORT WAYNE, INDIANA

Batavia Ice Arena  
BATAVIA, NEW YORK

Fort Worth Ice  
FORT WORTH, TEXAS

New England Sports Village  
ATTELBORO, MASSACHUSETTS

The Summit & Aim High Sports  
LANSING, MICHIGAN

Churchill Rink  
DURHAM, NJ

Fox Valley Ice Arena  
CHICAGO, ILLINOIS

Planet Ice USA  
JOHNSTOWN, PENNSYLVANIA

Sunshine Park Ice Arena  
SOUTH DAYTONA, FLORIDA

Dort Federal Event Center  
FLINT, MICHIGAN

Louisiana Hockeyplex  
CARENCRO, LOUISIANA

Skylands Ice World  
STOCKHOLM, NEW JERSEY

Time Warner Classic Rink  
EAST AURORA, NEW YORK

## FEASIBILITY STUDIES & BUSINESS PLANS

Aurora Ice Association  
EAST AURORA, NEW YORK

Danville Wings Junior A Hockey  
DANVILLE, ILLINOIS

Jefferson City Parks & Rec  
JEFFERSON CITY, MISSOURI

Membertou First Nation  
SYDNEY, NOVA SCOTIA

North Florida Sports Complex  
JACKSONVILLE, FLORIDA

The Town of Norwood  
NORWOOD, MASSACHUSETTS

Buffalo Sabres  
BUFFALO, NEW YORK

Derry Heights Sports Complex  
LEWISTOWN, PENNSYLVANIA

Lattitude 39 Iceplex  
MASON, OHIO

Montclair State University Arena  
MONTCLAIR, NEW JERSEY

Raleigh Youth Hockey Association  
RALEIGH, NORTH CAROLINA

Westfield Winter Pavilion  
WESTFIELD, INDIANA

Central Valley Community Center  
FRESNO, CALIFORNIA

Greenwood Sportsplex  
GREENWOOD, INDIANA

Lennox Island First Nation  
PRINCE EDWARD ISLAND, CANADA

Morgantown Ice Arena  
MORGANTOWN, WEST VIRGINIA

The Skating Club of Boston  
BOSTON, MASSACHUSETTS

City of Stamford  
STAMFORD, CONNECTICUT

Jackson Square Recreation Center  
ROXBURY, MASSACHUSETTS

Lockport Ice Arena  
LOCKPORT, NEW YORK

Nichols College  
DUDLEY, MASSACHUSETTS

State of Massachusetts, DCAMM  
SOUTHSHORE, MASSACHUSETTS

## NEW FACILITY DEVELOPMENT/CONSTRUCTION CONSULTING/ENERGY AUDITS

Brambleton Town Centre  
BRAMBLETON, VIRGINIA

Northside Civic Centre  
NORTH SYDNEY, NOVA SCOTIA

St. Francis Xavier University  
ANTIGONISH, NOVA SCOTIA

The Colisee  
LEWISTON, MAINE

Northstar Ice Arena  
NORTH RUSTICO, PEI

Tignish Credit Union  
TIGNISH, PRINCE EDWARD ISLAND

Evangeline Recreation Centre  
ABRAMS VILLAGE, PEI

Powerade Iceport  
CUDAHY, WISCONSIN

Tyne Valley Community Sports Center  
TYNE VALLEY, PEI

Cornerstone Ice Arena  
LOCKPORT, NEW YORK

South Kent School  
SOUTH KENT, CONNECTICUT

University of Maine  
ORONO, MAINE

## OPERATIONS REVIEW & CONSULTING

Belmont Complex  
ARMSTRONG COUNTY, PENNSYLVANIA

City of Dover  
DOVER, NEW HAMPSHIRE

Greenwood Sportsplex  
GREENWOOD, INDIANA

Las Vegas Sportspark  
LAS VEGAS NEVADA

Nashoba Valley Olympia  
BOXBOROUGH, MASSACHUSETTS

Robert Morris University  
PITTSBURGH, PENNSYLVANIA

Ulin Memorial Rink  
MILTON, MASSACHUSETTS

Bladerunners South Ice Arena  
BETHEL PARK, PENNSYLVANIA

Floyd Hall Arena  
MONTCLAIR, NEW JERSEY

The Indy Fuel Tank  
FISHERS, INDIANA

Walker Arena/Muskegon Lumberjacks  
MUSKEGON, MICHIGAN

New England Sports Village  
ATTELBORO, MASSACHUSETTS

Skylands Ice World  
STOCKHOLM, NEW JERSEY

Westfield Winter Pavilion  
WESTFIELD, INDIANA

Cattaraugus Community Center  
IRVING, NEW YORK

The Forum at Fishers  
FISHERS, INDIANA

Indiana Ice Arenas  
FISHERS, INDIANA

Montclair State University Arena  
MONTCLAIR, NEW JERSEY

Ray Friel Centre  
OTTAWA, ONTARIO

The Summit & Aim High Sports  
LANSING, MICHIGAN

Chenango Ice Rink  
CHENANGO BRIDGE, NEW YORK

Fredericksburg Ice Park  
FREDERICKSBURG, VIRGINIA

Jackson Square Recreation Center  
ROXBURY, MASSACHUSETTS

Municipality of Mt. Lebanon  
PITTSBURGH, PENNSYLVANIA

The Rinks at Exeter  
EXETER, NEW HAMPSHIRE

Tri Town Ice Arena  
HOOKSET, NEW HAMPSHIRE

## FACILITY ACQUISITION/SALE

Bank of America Commercial Finance  
Skylands Ice World

CATIC  
StanCorp Mortgage Investors

CIT Small Business Lending  
Sheldon Good & Company

PNL Companies



# Appendix 2 – Accountants Year End Financials

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Financial Statements**  
**June 30, 2018**

**M|R|S|B**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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### To the Members of Communities 13 Inc. (Operating as APM Centre)

We have reviewed the accompanying financial statements of Communities 13 Inc., (Operating as APM Centre), that comprise the statement of financial position as at June 30, 2018 and the statements of changes in net assets, operations and cash flow 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

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant 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 performed 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, we do not express an audit opinion on these financial statements.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Communities 13 Inc. (operating as APM Centre), as at June 30, 2018, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian Accounting Standards for Not-for-Profit Organizations.

*MRSB Chartered Professional Accountants*

MRSB CHARTERED PROFESSIONAL ACCOUNTANTS

Charlottetown, PE  
(continues)

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Financial Position**  
**June 30, 2018**

	2018	2017
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 54,108	\$ 67,331
Restricted cash	176,160	131,849
Accounts receivable (Note 4)	9,819	9,739
Inventory	11,461	10,613
Prepaid expense	9,102	8,958
	<u>260,650</u>	<u>228,490</u>
<b>Property and equipment (Note 5)</b>	<u>2,145,377</u>	<u>2,247,896</u>
	<u>\$ 2,406,027</u>	<u>\$ 2,476,386</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 59,892	\$ 68,723
Government remittances payable	6,616	6,820
Deferred revenue (Note 6)	29,912	42,883
	<u>96,420</u>	<u>118,426</u>
<b>Deferred contributions (Note 7)</b>	<u>1,766,489</u>	<u>1,846,964</u>
	<u>1,862,909</u>	<u>1,965,390</u>
<b>NET ASSETS</b>		
<b>Unrestricted net assets (Statement 3)</b>	<u>366,958</u>	<u>379,147</u>
<b>Capital fund (Statement 3)</b>	<u>176,160</u>	<u>131,849</u>
	<u>543,118</u>	<u>510,996</u>
	<u>\$ 2,406,027</u>	<u>\$ 2,476,386</u>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Changes in Net Assets**  
**Year Ended June 30, 2018**

	Unrestricted net assets	Capital fund	<b>2018</b>	2017
<b>Unrestricted net assets - beginning of year</b>	\$ 379,147	\$ 131,849	\$ <b>510,996</b>	\$ 464,543
Excess (deficiency) of revenues over expenditures (Statement 4)	(12,189)	-	<b>(12,189)</b>	23,198
Contributions to capital fund	-	44,311	<b>44,311</b>	43,016
Expenditures from capital fund	-	-	-	(19,761)
<b>Unrestricted net assets - end of year</b>	<b>\$ 366,958</b>	<b>\$ 176,160</b>	<b>\$ 543,118</b>	<b>\$ 510,996</b>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Operations**  
**Year Ended June 30, 2018**

	2018	2017
<b>Revenues</b>		
Sales	\$ 82,376	\$ 92,740
Cost of sales (Note 8)	<u>42,171</u>	47,880
Gross margin	40,205	44,860
<b>Other (Note 9)</b>	<u>441,235</u>	474,793
	<u>481,440</u>	<u>519,653</u>
<b>Expenditures</b>		
Advertising and promotion	3,498	3,182
Bad debts (recovery)	(193)	3,677
Dues and fees	1,570	1,570
Electricity	83,909	85,882
Heat	22,699	18,212
Ice making	18,001	21,039
Insurance	10,750	10,162
Interest and bank charges	754	913
Memberships	1,967	1,837
Municipal property tax	2,553	2,559
Office	4,229	3,196
Professional fees	3,170	3,145
Propane	9,463	8,890
Repairs and maintenance	23,269	22,336
Snow and garbage removal	10,628	10,104
Supplies	8,948	9,831
Telephone	3,814	3,643
Travel	1,709	1,976
Wages and wage levies	252,786	259,274
Water and sewer	<u>8,161</u>	<u>7,835</u>
	<u>471,685</u>	<u>479,263</u>
<b>Excess of revenues over expenditures from operations</b>	<u>9,755</u>	40,390
<b>Other income</b>		
Non-operating revenues (Schedule 1)	100	7,300
Non-operating expenditures (Schedule 1)	<u>(22,044)</u>	<u>(24,492)</u>
	<u>(21,944)</u>	<u>(17,192)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>\$ (12,189)</u>	<u>\$ 23,198</u>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Cash Flow**  
**Year Ended June 30, 2018**

	2018	2017
<b>Cash flows from operating activities</b>		
Excess (deficiency) of revenues over expenditures	\$ (12,189)	\$ 23,198
Item not affecting cash:		
Amortization of property and equipment	22,044	24,088
	<u>9,855</u>	<u>47,286</u>
Changes in non-cash working capital:		
Accounts receivable	(80)	5,296
Inventory	(848)	181
Prepaid expense	(144)	(345)
Accounts payable and accrued liabilities	(8,831)	(515)
Deferred revenue	(12,971)	(24,082)
Government remittances payable	(204)	555
	<u>(23,078)</u>	<u>(18,910)</u>
	<u>(13,223)</u>	<u>28,376</u>
<b>Cash flows from investing activity</b>		
Purchase of property and equipment	-	(20,399)
<b>Cash flows from financing activities</b>		
Increase in capital fund	44,311	23,256
Repayment of long term debt	-	(33,600)
	<u>44,311</u>	<u>(10,344)</u>
<b>Increase (decrease) in cash</b>	<b>31,088</b>	<b>(2,367)</b>
<b>Cash - beginning of year</b>	<b>199,180</b>	<b>201,547</b>
<b>Cash - end of year</b>	<b>\$ 230,268</b>	<b>\$ 199,180</b>
<b>Cash consists of:</b>		
Cash	\$ 54,108	\$ 67,331
Restricted cash	176,160	131,849
	<u>\$ 230,268</u>	<u>\$ 199,180</u>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2018**

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**1. DESCRIPTION OF BUSINESS**

Communities 13 Inc. (operating as APM Centre) was incorporated under Part II of the Prince Edward Island Companies Act on May 31, 2001 as a not-for-profit entity and is a registered charity for federal income tax purposes. Incorporating in this manner exempts the organization from income taxes providing ongoing compliance requirements are met. The objective and purpose of the organization is to operate and maintain a recreational facility serving residents of thirteen communities in and around Cornwall, Prince Edward Island.

**2. BASIS OF PRESENTATION**

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNFPO).

**3. SIGNIFICANT ACCOUNTING POLICIES**

Cash

Cash is comprised of cash on hand and cash in banks.

Accounts receivable

Accounts receivable arise from trade sales. An allowance for bad debts has been calculated through discussions with management, assessment of the other circumstances influencing the collectibility of amounts, and using historical loss experience. Amounts deemed uncollectible are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

Inventory

Inventories are stated at the lower of cost and net realizable value. Cost includes the costs to purchase and other costs directly attributable to the inventories. Cost is determined using the first in, first out method. Net realizable value represents the amount that may be realized from the sale of an inventory item under normal business conditions. When inventories are sold, the carrying amount of those inventories are recognized as an expense in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognized as an expense in the period the loss or write-down occurs. The amount of reversal of any write-downs, arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

*(continues)*

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2018**

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Property and equipment

Property and equipment is stated at cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates:

Building	4%
Parking and roadway	8%
Furniture and equipment	20%
Zamboni	30%
Computer hardware	30%
Computer software	100%
Signage	20%
Small tools and supplies	100%

One-half of the annual rate is recorded in the year of acquisition; no amortization is recorded in the year of disposal.

Revenue recognition

Communities 13 Inc. 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 when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Financial instruments

The organization initially measures its financial assets and financial liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The organization subsequently measures all of its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of these financial instruments are recognized in excess of revenues over expenditures.

Financial assets measured at amortized cost on a straight-line basis include cash, restricted cash and accounts receivable.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities.

Transaction costs on the acquisition, sale, or issue of financial instruments that are subsequently measured at amortized cost are shown as an adjustment to the carrying value of the related financial instrument.

*(continues)*



**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2018**

**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Government assistance

Government assistance for current expenditures is included in other revenues. During the year, the organization received \$14,314 (2017 - \$19,925) from the Province of P.E.I. relating to wage subsidies as well as \$8,500 (2017 - \$8,500) from the Province of P.E.I. for an arena grant.

Government assistance for acquiring property and equipment is recorded as deferred contributions and is amortized on the same basis and at the same rates as the related assets. As well, included in capital fund contributions is \$44,311 (2017 - \$43,016) from local municipalities to assist with major capital projects.

Government grants are recorded when there is a reasonable assurance that the organization has complied with and will continue to comply with, all the necessary conditions to obtain the grants.

Contributed services

The operations of the organization depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Measurement uncertainty

When preparing financial statements according to Canadian ASNFPO, management makes estimates and assumptions relating to:

- reported amounts of revenues and expenditures
- reported amounts of assets and liabilities
- disclosure of contingent assets and liabilities.

Estimates are based on a number of factors including historical experience, current events and actions that the organization may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ. In particular, estimates are used in accounting for certain items such as revenues, allowance for doubtful accounts, useful lives of capital assets, asset impairments, and legal and tax contingencies.

**4. ACCOUNTS RECEIVABLE**

	<b>2018</b>	<b>2017</b>
Accounts receivable	<b>\$ 10,028</b>	\$ 9,739
Allowance for doubtful accounts	<b>(209)</b>	-
	<b>\$ 9,819</b>	\$ 9,739

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2018**

**5. PROPERTY AND EQUIPMENT**

	Cost	Accumulated amortization	<b>2018 Net book value</b>	2017 Net book value
Land	\$ 1	\$ -	\$ 1	\$ 1
Building	3,772,642	1,726,314	<b>2,046,328</b>	2,131,591
Parking and roadway	236,963	175,173	<b>61,790</b>	67,163
Furniture and equipment	239,025	216,145	<b>22,880</b>	28,600
Zamboni	94,480	80,983	<b>13,497</b>	19,282
Computer hardware	5,387	4,506	<b>881</b>	1,259
Computer software	1,869	1,869	-	-
Signage	298	298	-	-
Small tools and supplies	2,002	2,002	-	-
	<b>\$ 4,352,667</b>	<b>\$ 2,207,290</b>	<b>\$ 2,145,377</b>	<b>\$ 2,247,896</b>

**6. DEFERRED REVENUE**

	<b>2018</b>	2017
Memberships	\$ 14,469	\$ 14,575
Capital funds	<b>14,072</b>	27,403
Customer deposits	<b>1,371</b>	905
	<b>\$ 29,912</b>	<b>\$ 42,883</b>

**7. DEFERRED CONTRIBUTIONS**

	<b>2018</b>	2017
Contributions from communities	\$ 1,168,415	\$ 1,168,415
Contribution from Canada/Prince Edward Island Infrastructure	<b>2,223,305</b>	2,223,305
	<b>3,391,720</b>	3,391,720
Accumulated amortization	<b>(1,625,231)</b>	(1,544,756)
	<b>\$ 1,766,489</b>	<b>\$ 1,846,964</b>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2018**

**8. COST OF SALES**

	<b>2018</b>	<b>2017</b>
Opening inventory	\$ 10,613	\$ 10,794
Purchases	<b>43,019</b>	47,699
	<b>53,632</b>	58,493
Closing inventory	<b>(11,461)</b>	(10,613)
	<b>\$ 42,171</b>	\$ 47,880

**9. OTHER REVENUES**

	<b>2018</b>	<b>2017</b>
Rentals	\$ 329,303	\$ 353,666
Memberships	<b>61,850</b>	65,585
Arena signage	<b>23,170</b>	21,670
Wage subsidies	<b>14,314</b>	19,925
Arena grant	<b>8,500</b>	8,500
Miscellaneous	<b>2,786</b>	4,069
Events	<b>1,312</b>	1,378
	<b>\$ 441,235</b>	\$ 474,793

**10. LINE OF CREDIT AVAILABILITY**

The organization has an approved line of credit with Provincial Credit Union Limited of \$120,000, with an interest rate of prime plus 1.50%. The line of credit is secured by a general security agreement over assets with a carrying value of \$2,166,658 and is due for renewal on January 5, 2019.

**11. FINANCIAL INSTRUMENTS**

The organization's financial instruments consist of cash, restricted cash, accounts receivable, and accounts payable and accrued liabilities.

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. The following analysis provides information about the organization's risk exposure and concentration as of June 30, 2018.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

*(continues)*

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2018**

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**11. FINANCIAL INSTRUMENTS (continued)**

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, and accounts payable.

(c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate and credit facilities.

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Schedule to Financial Statements**  
**Year Ended June 30, 2018**

**(Schedule 1)**

	<b>2018</b>	<b>2017</b>
<b>Non-operating revenues</b>		
Charitable donations	\$ 100	\$ 300
Sponsorships	-	7,000
	<b>\$ 100</b>	<b>\$ 7,300</b>
<b>Non-operating expenditures</b>		
Amortization of property and equipment - net	\$ 22,044	\$ 24,088
Interest on long term debt	-	404
	<b>\$ 22,044</b>	<b>\$ 24,492</b>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Financial Statements**  
**June 30, 2019**

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Index to Financial Statements**  
**June 30, 2019**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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### To the Members of Communities 13 Inc. (Operating as APM Centre)

We have reviewed the accompanying financial statements of Communities 13 Inc., (Operating as APM Centre) which comprise the statement of financial position as at June 30, 2019 and the statements of changes in net assets, operations and cash flow 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 for the Financial Statements

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant 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 performed 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, we do not express an audit opinion on these financial statements.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Communities 13 Inc. as at June 30, 2019, 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.

*MRSB Chartered Professional Accountants Inc.*

MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

Charlottetown, PE

September 25, 2019



**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Financial Position**  
**June 30, 2019**

	2019	2018
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 88,434	\$ 54,108
Restricted cash	201,623	176,160
Accounts receivable (Note 4)	2,445	9,819
Inventory	10,647	11,461
Prepaid expense	10,566	9,102
	<u>313,715</u>	260,650
<b>Property and equipment (Note 5)</b>	<u>2,068,469</u>	2,145,377
	<u><b>\$ 2,382,184</b></u>	<u>\$ 2,406,027</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 83,629	\$ 59,892
Government remittances payable	5,169	6,616
Deferred revenue (Note 6)	22,111	29,912
	<u>110,909</u>	96,420
<b>Deferred contributions (Note 7)</b>	<u>1,708,119</u>	1,766,489
	<u>1,819,028</u>	1,862,909
<b>NET ASSETS</b>		
<b>Unrestricted net assets (Statement 3)</b>	361,533	366,958
<b>Capital fund (Statement 3)</b>	201,623	176,160
	<u>563,156</u>	543,118
	<u><b>\$ 2,382,184</b></u>	<u>\$ 2,406,027</u>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Changes in Net Assets**  
**Year Ended June 30, 2019**

	Unrestricted net assets	Capital fund	<b>2019</b>	2018
<b>Unrestricted net assets - beginning of year</b>	\$ 366,958	\$ 176,160	<b>\$ 543,118</b>	\$ 510,996
Deficiency of revenues over expenditures (Statement 4)	(5,425)	-	<b>(5,425)</b>	(12,189)
Net contributions to capital fund	-	25,463	<b>25,463</b>	44,311
<b>Unrestricted net assets - end of year</b>	<b>\$ 361,533</b>	<b>\$ 201,623</b>	<b>\$ 563,156</b>	<b>\$ 543,118</b>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Operations**  
**Year Ended June 30, 2019**

	2019	2018
<b>Revenues</b>		
Sales	\$ 87,096	\$ 82,376
Cost of sales (Note 8)	<u>45,001</u>	<u>42,171</u>
Gross margin	42,095	40,205
<b>Other (Note 9)</b>	<u>500,439</u>	<u>441,235</u>
	<u>542,534</u>	<u>481,440</u>
<b>Expenditures</b>		
Advertising and promotion	3,720	3,498
Bad debt recovery	(68)	(193)
Dues and fees	1,290	1,570
Electricity	92,601	83,909
Events	1,385	-
Heat	26,259	22,699
Ice making	44,824	18,001
Insurance	11,470	10,750
Interest and bank charges	828	754
Memberships	1,587	1,967
Municipal property tax	2,447	2,553
Office	4,355	4,229
Professional fees	3,190	3,170
Propane	9,858	9,463
Repairs and maintenance	20,481	23,269
Snow and garbage removal	11,055	10,628
Supplies	10,156	8,948
Telephone	4,354	3,814
Travel	2,451	1,709
Wages and wage levies	266,377	252,786
Water and sewer	<u>9,467</u>	<u>8,161</u>
	<u>528,087</u>	<u>471,685</u>
<b>Excess of revenues over expenditures from operations</b>	<u>14,447</u>	<u>9,755</u>
<b>Other income</b>		
Non-operating revenues (Schedule 1)	5,326	100
Non-operating expenditures (Schedule 1)	<u>(25,198)</u>	<u>(22,044)</u>
	<u>(19,872)</u>	<u>(21,944)</u>
<b>Deficiency of revenues over expenditures</b>	<u>\$ (5,425)</u>	<u>\$ (12,189)</u>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Cash Flow**  
**Year Ended June 30, 2019**

	2019	2018
<b>Cash flows from operating activities</b>		
Deficiency of revenues over expenditures	\$ (5,425)	\$ (12,189)
Item not affecting cash:		
Amortization of property and equipment	20,198	22,044
	<u>14,773</u>	<u>9,855</u>
Changes in non-cash working capital:		
Accounts receivable	7,374	(80)
Inventory	814	(848)
Prepaid expense	(1,464)	(144)
Accounts payable and accrued liabilities	23,736	(8,831)
Deferred revenue	(7,801)	(12,971)
Government remittances payable	(1,447)	(204)
	<u>21,212</u>	<u>(23,078)</u>
	<u>35,985</u>	<u>(13,223)</u>
<b>Cash flows from investing activity</b>		
Purchase of property and equipment	<u>(19,381)</u>	-
<b>Cash flows from financing activity</b>		
Contribution to capital fund	<u>43,185</u>	44,311
<b>Increase in cash</b>	<b>59,789</b>	<b>31,088</b>
<b>Cash - beginning of year</b>	<u>230,268</u>	199,180
<b>Cash - end of year</b>	<u>\$ 290,057</u>	<u>\$ 230,268</u>
<b>Cash consists of:</b>		
Cash	\$ 88,434	\$ 54,108
Restricted cash	<u>201,623</u>	<u>176,160</u>
	<u>\$ 290,057</u>	<u>\$ 230,268</u>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2019**

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**1. DESCRIPTION OF BUSINESS**

Communities 13 Inc. (operating as APM Centre) was incorporated under Part II of the Prince Edward Island Companies Act on May 31, 2001 as a not-for-profit entity and is a registered charity for federal income tax purposes. Incorporating in this manner exempts the organization from income taxes providing ongoing compliance requirements are met. The objective and purpose of the organization is to operate and maintain a recreational facility serving residents of thirteen communities in and around Cornwall, Prince Edward Island.

**2. BASIS OF PRESENTATION**

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNFPPO).

**3. SIGNIFICANT ACCOUNTING POLICIES**

Cash

Cash is comprised of cash on hand and cash in banks.

Accounts receivable

Accounts receivable arise from trade sales and Harmonized Sales Taxes receivable. An allowance for bad debts has been calculated through discussions with management, assessment of the other circumstances influencing the collectibility of amounts, and using historical loss experience. Amounts deemed uncollectible are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

Inventory

Inventories are stated at the lower of cost and net realizable value. Cost includes the costs to purchase and other costs directly attributable to the inventories. Cost is determined using the first in, first out method. Net realizable value represents the amount that may be realized from the sale of an inventory item under normal business conditions. When inventories are sold, the carrying amount of those inventories are recognized as an expense in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognized as an expense in the period the loss or write-down occurs. The amount of reversal of any write-downs, arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

*(continues)*

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2019**

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Property and equipment

Property and equipment is stated at cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates:

Building	4%
Parking and roadway	8%
Furniture and equipment	20%
Zamboni	30%
Computer hardware	30%
Computer software	100%
Signage	20%
Small tools and supplies	100%

One-half of the annual rate is recorded in the year of acquisition; no amortization is recorded in the year of disposal.

Revenue recognition

Communities 13 Inc. 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 when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Financial instruments

The organization initially measures its financial assets and financial liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The organization subsequently measures all of its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of these financial instruments are recognized in excess of revenues over expenditures.

Financial assets measured at amortized cost on a straight-line basis include cash, restricted cash and accounts receivable.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities.

Transaction costs on the acquisition, sale, or issue of financial instruments that are subsequently measured at amortized cost are shown as an adjustment to the carrying value of the related financial instrument.

*(continues)*

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2019**

**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Government assistance

Government assistance for current expenditures is included in other revenues. During the year, the organization received \$12,618 (2018 - \$14,314) from the Province of P.E.I. relating to wage subsidies, \$3,465 (2018 - \$Nil) from HRDC for wage subsidies as well as \$8,500 (2018 - \$8,500) from the Province of P.E.I. for an arena grant.

Government assistance for acquiring property and equipment is recorded as deferred contributions and is amortized on the same basis and at the same rates as the related assets. As well, included in capital fund contributions is \$27,872 (2018 - \$16,819) from local municipalities to assist with major capital projects.

Government grants are recorded when there is a reasonable assurance that the organization has complied with and will continue to comply with, all the necessary conditions to obtain the grants.

Contributed services

The operations of the organization depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Measurement uncertainty

When preparing financial statements according to Canadian ASNFPO, management makes estimates and assumptions relating to:

- reported amounts of revenues and expenditures
- reported amounts of assets and liabilities
- disclosure of contingent assets and liabilities.

Estimates are based on a number of factors including historical experience, current events and actions that the organization may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ. In particular, estimates are used in accounting for certain items such as revenues, allowance for doubtful accounts, useful lives of capital assets, asset impairments, and legal and tax contingencies.

**4. ACCOUNTS RECEIVABLE**

	2019	2018
Trade receivables	\$ 2,346	\$ 10,028
HST receivable	99	-
	2,445	10,028
Allowance for doubtful accounts	-	(209)
	\$ 2,445	\$ 9,819

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2019**

**5. PROPERTY AND EQUIPMENT**

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Land	\$ 1	\$ -	\$ 1	\$ 1
Building	3,790,364	1,808,522	1,981,842	2,046,328
Parking and roadway	236,963	180,116	56,847	61,790
Furniture and equipment	239,025	220,721	18,304	22,880
Zamboni	94,480	85,032	9,448	13,497
Computer hardware	7,046	5,019	2,027	881
Computer software	1,869	1,869	-	-
Signage	298	298	-	-
Small tools and supplies	2,002	2,002	-	-
	<b>\$ 4,372,048</b>	<b>\$ 2,303,579</b>	<b>\$ 2,068,469</b>	<b>\$ 2,145,377</b>

**6. DEFERRED REVENUE**

	2019	2018
Memberships	\$ 15,643	\$ 14,469
Capital funds	3,685	14,072
Wage subsidy	1,462	-
Customer deposits	1,321	1,371
	<b>\$ 22,111</b>	<b>\$ 29,912</b>

**7. DEFERRED CONTRIBUTIONS**

	2019	2018
Contributions from communities	\$ 1,186,136	\$ 1,168,415
Contribution from Canada/Prince Edward Island Infrastructure	2,223,305	2,223,305
	<b>3,409,441</b>	3,391,720
Accumulated amortization	<b>(1,701,322)</b>	<b>(1,625,231)</b>
	<b>\$ 1,708,119</b>	<b>\$ 1,766,489</b>



**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2019**

**8. COST OF SALES**

	<b>2019</b>	<b>2018</b>
Opening inventory	\$ 11,461	\$ 10,613
Purchases	44,187	43,019
	55,648	53,632
Closing inventory	(10,647)	(11,461)
	\$ 45,001	\$ 42,171

**9. OTHER REVENUES**

	<b>2019</b>	<b>2018</b>
Rentals	\$ 377,099	\$ 329,303
Memberships	69,983	61,850
Arena signage	23,861	23,170
Wage subsidies	14,621	14,314
Arena grant	8,500	8,500
Miscellaneous	3,523	2,786
Events	2,852	1,312
	\$ 500,439	\$ 441,235

**10. LINE OF CREDIT AVAILABILITY**

The organization has an approved line of credit with Provincial Credit Union Limited of \$120,000, with an interest rate of prime plus 1.50%. The line of credit is secured by a general security agreement over assets with a carrying value of \$2,081,561 and is due for renewal on January 5, 2020.

**11. FINANCIAL INSTRUMENTS**

The organization's financial instruments consist of cash, restricted cash, accounts receivable, and accounts payable and accrued liabilities.

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. The following analysis provides information about the organization's risk exposure and concentration as of June 30, 2019.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

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**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2019**

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**11. FINANCIAL INSTRUMENTS (continued)**

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, and accounts payable.

(c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate and credit facilities.

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Schedule to Financial Statements**  
**Year Ended June 30, 2019**

**(Schedule 1)**

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	<b>2019</b>	<b>2018</b>
<b>Non-operating revenues</b>		
Charitable donations	<b>\$ 5,326</b>	<b>\$ 100</b>
<b>Non-operating expenditures</b>		
Amortization of property and equipment - net	<b>\$ 20,198</b>	<b>\$ 22,044</b>
Sponsorships	<b>5,000</b>	<b>-</b>
	<b>\$ 25,198</b>	<b>\$ 22,044</b>

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**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Financial Statements**  
**June 30, 2020**

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
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**June 30, 2020**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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### To the Members of Communities 13 Inc. (Operating as APM Centre)

We have reviewed the accompanying financial statements of Communities 13 Inc., (operating as APM Centre) which comprise the statement of financial position as at June 30, 2020 and the statements of changes in net assets, operations and cash flow 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 for the Financial Statements

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant 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 performed 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, we do not express an audit opinion on these financial statements.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Communities 13 Inc. as at June 30, 2020, 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.

*MRSB Chartered Professional Accountants Inc.*

MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

Charlottetown, PE

September 24, 2020

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Financial Position**  
**June 30, 2020**

	2020	2019
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 114,798	\$ 88,434
Restricted cash	221,656	201,623
Accounts receivable (Note 4)	26,159	2,445
Inventory	10,917	10,647
Prepaid expense	11,671	10,566
	<u>385,201</u>	313,715
<b>Property and equipment (Note 5)</b>	<u>2,004,941</u>	2,068,469
	<u><b>\$ 2,390,142</b></u>	<u>\$ 2,382,184</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 61,240	\$ 83,629
Government remittances payable	2,769	5,169
Deferred revenue (Note 6)	31,122	22,111
	<u>95,131</u>	110,909
<b>Long term debt (Note 7)</b>	<u>40,000</u>	-
<b>Deferred contributions (Note 8)</b>	<u>1,663,245</u>	1,708,119
	<u><b>1,798,376</b></u>	1,819,028
<b>NET ASSETS</b>		
<b>Unrestricted net assets (Statement 3)</b>	<u>370,110</u>	361,533
<b>Capital fund (Statement 3)</b>	<u>221,656</u>	201,623
	<u>591,766</u>	563,156
	<u><b>\$ 2,390,142</b></u>	<u>\$ 2,382,184</u>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Changes in Net Assets**  
**Year Ended June 30, 2020**

	Unrestricted net assets	Capital fund	<b>2020</b>	2019
<b>Net assets - beginning of year</b>	\$ 361,533	\$ 201,623	<b>\$ 563,156</b>	\$ 543,118
Excess (deficiency) of revenues over expenditures (Statement 4)	8,577	-	<b>8,577</b>	(5,425)
Contributions from communities	-	48,953	<b>48,953</b>	43,185
Expenditures from capital fund	-	(28,920)	<b>(28,920)</b>	(17,722)
<b>Net assets - end of year</b>	<b>\$ 370,110</b>	<b>\$ 221,656</b>	<b>\$ 591,766</b>	<b>\$ 563,156</b>



**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Operations**  
**Year Ended June 30, 2020**

	2020	2019
<b>Revenues</b>		
Sales	\$ 75,657	\$ 87,096
Cost of sales (Note 9)	<u>38,395</u>	45,001
Gross margin	37,262	42,095
<b>Other (Note 10)</b>	<u>448,271</u>	500,439
	<u>485,533</u>	542,534
<b>Expenditures</b>		
Advertising and promotion	3,841	3,720
Bad debt recovery	-	(68)
Dues and fees	469	1,290
Electricity	72,744	92,601
Events	1,322	1,385
Heat	19,593	26,259
Ice making	16,301	44,824
Insurance	13,129	11,470
Interest and bank charges	592	828
Memberships	605	1,587
Municipal property tax	2,447	2,447
Office	4,380	4,355
Professional fees	3,195	3,190
Propane	6,906	9,858
Repairs and maintenance	17,081	20,481
Snow and garbage removal	10,884	11,055
Supplies	8,573	10,156
Telephone	4,174	4,354
Travel	907	2,451
Wages and wage levies	260,759	266,377
Water and sewer	<u>10,600</u>	9,467
	<u>458,502</u>	528,087
<b>Excess of revenues over expenditures from operations</b>	<u>27,031</u>	14,447
<b>Other income</b>		
Non-operating revenues (Schedule 1)	5,200	5,326
Non-operating expenditures (Schedule 1)	<u>(23,654)</u>	(25,198)
	<u>(18,454)</u>	(19,872)
<b>Excess (deficiency) of revenues over expenditures</b>	<u>\$ 8,577</u>	\$ (5,425)

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Cash Flow**  
**Year Ended June 30, 2020**

	2020	2019
<b>Cash flows from operating activities</b>		
Excess (deficiency) of revenues over expenditures	\$ 8,577	\$ (5,425)
Item not affecting cash:		
Amortization of property and equipment - net	<u>18,654</u>	20,198
	<u>27,231</u>	<u>14,773</u>
Changes in non-cash working capital:		
Accounts receivable	(23,714)	7,374
Inventory	(270)	814
Prepaid expense	(1,105)	(1,464)
Accounts payable and accrued liabilities	(22,389)	23,736
Government remittances payable	(2,400)	(1,447)
Deferred revenue	<u>9,011</u>	<u>(7,801)</u>
	<u>(40,867)</u>	<u>21,212</u>
	<u>(13,636)</u>	<u>35,985</u>
<b>Cash flows from investing activity</b>		
Purchase of property and equipment	<u>(28,920)</u>	<u>(19,381)</u>
<b>Cash flows from financing activities</b>		
Contribution to capital fund	48,953	43,185
Proceeds from long term debt	<u>40,000</u>	-
	<u>88,953</u>	<u>43,185</u>
<b>Increase in cash</b>	<u>46,397</u>	<u>59,789</u>
<b>Cash - beginning of year</b>	<u>290,057</u>	<u>230,268</u>
<b>Cash - end of year</b>	<u>\$ 336,454</u>	<u>\$ 290,057</u>
<b>Cash consists of:</b>		
Cash	\$ 114,798	\$ 88,434
Restricted cash	<u>221,656</u>	<u>201,623</u>
	<u>\$ 336,454</u>	<u>\$ 290,057</u>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2020**

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**1. DESCRIPTION OF BUSINESS**

Communities 13 Inc. (operating as APM Centre) was incorporated under Part II of the Prince Edward Island Companies Act on May 31, 2001 as a not-for-profit entity and is a registered charity for federal income tax purposes. Incorporating in this manner exempts the organization from income taxes providing ongoing compliance requirements are met. The objective and purpose of the organization is to operate and maintain a recreational facility serving residents of thirteen communities in and around Cornwall, Prince Edward Island.

**2. BASIS OF PRESENTATION**

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNFPO).

**3. SIGNIFICANT ACCOUNTING POLICIES**

Cash

Cash is comprised of cash on hand and cash in banks.

Accounts receivable

Accounts receivable arise from trade sales, government assistance and Harmonized Sales Taxes receivable. An allowance for bad debts has been calculated through discussions with management, assessment of the other circumstances influencing the collectibility of amounts, and using historical loss experience. Amounts deemed uncollectible are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

Inventory

Inventories are stated at the lower of cost and net realizable value. Cost includes the costs to purchase and other costs directly attributable to the inventories. Cost is determined using the first in, first out method. Net realizable value represents the amount that may be realized from the sale of an inventory item under normal business conditions. When inventories are sold, the carrying amount of those inventories are recognized as an expense in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognized as an expense in the period the loss or write-down occurs. The amount of reversal of any write-downs, arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

*(continues)*

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2020**

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Property and equipment

Property and equipment is stated at cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates:

Building	4%
Parking and roadway	8%
Furniture and equipment	20%
Zamboni	30%
Computer hardware	30%
Computer software	100%
Signage	20%
Small tools and supplies	100%

One-half of the annual rate is recorded in the year of acquisition; no amortization is recorded in the year of disposal.

Revenue recognition

Communities 13 Inc. 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 when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Financial instruments

The organization initially measures its financial assets and financial liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The organization subsequently measures all of its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of these financial instruments are recognized in excess of revenues over expenditures.

Financial assets measured at amortized cost on a straight-line basis include cash, restricted cash and accounts receivable.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities and long term debt.

Transaction costs on the acquisition, sale, or issue of financial instruments that are subsequently measured at amortized cost are shown as an adjustment to the carrying value of the related financial instrument.

*(continues)*

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2020**

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Government assistance

Government assistance for current expenditures is included in other revenues. During the year, the organization received \$13,843 (2019 - \$12,618) from the Province of P.E.I. relating to wage subsidies, \$3,578 (2019 - \$3,465) from HRDC for wage subsidies, \$37,966 from the Government of Canada in Canada Emergency Wage Subsidy and temporary wage subsidy, as well as \$8,500 (2019 - \$8,500) from the Province of P.E.I. for an arena grant.

Government assistance for acquiring property and equipment is recorded as deferred contributions and is amortized on the same basis and at the same rates as the related assets. During the year, included in capital fund contributions is \$48,953 (2019 - \$43,185) from local municipalities to assist with major capital projects.

Government grants are recorded when there is a reasonable assurance that the organization has complied with, and will continue to comply with, all the necessary conditions to obtain the grants.

Contributed services

The operations of the organization depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Measurement uncertainty

When preparing financial statements according to Canadian ASNFPO, management makes estimates and assumptions relating to:

- reported amounts of revenues and expenditures
- reported amounts of assets and liabilities
- disclosure of contingent assets and liabilities.

Estimates are based on a number of factors including historical experience, current events and actions that the organization may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ. In particular, estimates are used in accounting for certain items such as revenues, allowance for doubtful accounts, useful lives of capital assets, asset impairments, and legal and tax contingencies.

**4. ACCOUNTS RECEIVABLE**

	2020	2019
Trade	\$ 13,759	\$ 2,346
Government assistance	8,970	-
HST receivable	3,430	99
	\$ 26,159	\$ 2,445

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2020**

**5. PROPERTY AND EQUIPMENT**

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Land	\$ 1	\$ -	\$ 1	\$ 1
Building	3,807,480	1,888,138	1,919,342	1,981,842
Parking and roadway	236,963	184,664	52,299	56,847
Furniture and equipment	250,828	225,562	25,266	18,304
Zamboni	94,480	87,866	6,614	9,448
Computer hardware	7,046	5,627	1,419	2,027
Computer software	1,869	1,869	-	-
Signage	298	298	-	-
Small tools and supplies	2,002	2,002	-	-
	<u>\$ 4,400,967</u>	<u>\$ 2,396,026</u>	<u>\$ 2,004,941</u>	<u>\$ 2,068,469</u>

**6. DEFERRED REVENUE**

	2020	2019
Memberships	\$ 23,422	\$ 15,643
Capital funds	4,891	3,685
Customer deposits	2,809	1,321
Wage subsidy	-	1,462
	<u>\$ 31,122</u>	<u>\$ 22,111</u>

**7. LONG TERM DEBT**

	2020	2019
Provincial Credit Union Limited - 0%; non-interest bearing Canada Emergency Business Account (CEBA), \$10,000 forgivable if paid by due date of December 22, 2022.	\$ 40,000	\$ -
Current portion	-	-
	<u>\$ 40,000</u>	<u>\$ -</u>

Principal repayments of long term debt are expected to be repaid over the next three years as follows:

2023	<u>\$ 30,000</u>
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**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2020**

**8. DEFERRED CONTRIBUTIONS**

	<u>2020</u>	<u>2019</u>
Contributions from communities	\$ 1,215,056	\$ 1,186,136
Contribution from Canada/Prince Edward Island Infrastructure	<u>2,223,305</u>	<u>2,223,305</u>
	3,438,361	3,409,441
Accumulated amortization	<u>(1,775,116)</u>	<u>(1,701,322)</u>
	<u>\$ 1,663,245</u>	<u>\$ 1,708,119</u>

**9. COST OF SALES**

	<u>2020</u>	<u>2019</u>
Opening inventory	\$ 10,647	\$ 11,461
Purchases	<u>38,665</u>	<u>44,187</u>
	49,312	55,648
Closing inventory	<u>(10,917)</u>	<u>(10,647)</u>
	<u>\$ 38,395</u>	<u>\$ 45,001</u>

**10. OTHER REVENUES**

	<u>2020</u>	<u>2019</u>
Rentals	\$ 299,469	\$ 377,099
Memberships	55,048	69,983
Wage subsidies	55,387	14,621
Arena signage	24,461	23,861
Arena grant	8,500	8,500
Miscellaneous	3,735	3,523
Events	<u>1,671</u>	<u>2,852</u>
	<u>\$ 448,271</u>	<u>\$ 500,439</u>

**11. LINE OF CREDIT AVAILABILITY**

The organization has an approved line of credit with Provincial Credit Union Limited of \$120,000, with an interest rate of prime plus 1.50%. The line of credit is secured by a general security agreement over assets with a carrying value of \$2,042,018 and is due for renewal on January 5, 2021.

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2020**

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**12. FINANCIAL INSTRUMENTS**

The organization's financial instruments consist of cash, restricted cash, accounts receivable, accounts payable and accrued liabilities, and long term debt.

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. The following analysis provides information about the organization's risk exposure and concentration as of June 30, 2020.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, and accounts payable.

(c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate and credit facilities.

**13. SUBSEQUENT EVENT**

The recent outbreak of the Coronavirus Disease 2019 or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the organization or its clients, employees, contractors, suppliers and other partners may be unable to conduct regular business activities for an indefinite period of time. While it is not possible at this time to estimate the impact that COVID-19 could have on the organization's business, the continued spread of COVID-19 and the measures taken by the federal, provincial and municipal governments to contain its impact could adversely impact the organization's business, financial condition or results of operations. The extent to which the COVID-19 outbreak impacts the organization's results will depend on the future development that are highly uncertain and cannot be predicted, including new information that may emerge concerning the spread of the virus and government actions.

**14. COMPARATIVE FIGURES**

Some of the comparative figures have been reclassified to conform to the current year's presentation.



**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Schedule to Financial Statements**  
**Year Ended June 30, 2020**

**(Schedule 1)**

	<u>2020</u>	<u>2019</u>
<b>Non-operating revenues</b>		
Charitable donations	<u>\$ 5,200</u>	<u>\$ 5,326</u>
<b>Non-operating expenditures</b>		
Amortization of property and equipment - net	\$ 18,654	\$ 20,198
Sponsorships	<u>5,000</u>	<u>5,000</u>
	<u>\$ 23,654</u>	<u>\$ 25,198</u>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Financial Statements**  
**June 30, 2021**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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### To the Members of Communities 13 Inc. (Operating as APM Centre)

We have reviewed the accompanying financial statements of Communities 13 Inc., (Operating as APM Centre) which comprise the statement of financial position as at June 30, 2021 and the statements of changes in net assets, operations and cash flow 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 for the Financial Statements

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant 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 performed 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, we do not express an audit opinion on these financial statements.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Communities 13 Inc. as at June 30, 2021, 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.

*MRSB Chartered Professional Accountants Inc.*

MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

Charlottetown, PE

September 28, 2021

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Financial Position**  
**June 30, 2021**

	2021	2020
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 248,635	\$ 114,798
Restricted cash	264,480	221,656
Accounts receivable (Note 4)	18,005	26,159
Inventory	10,136	10,917
Prepaid expense	11,686	11,671
	<u>552,942</u>	385,201
<b>Property and equipment (Note 5)</b>	<u>1,935,290</u>	2,004,941
	<u>\$ 2,488,232</u>	<u>\$ 2,390,142</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 105,162	\$ 61,240
Government remittances payable	4,752	2,769
Deferred revenue (Note 6)	49,092	31,122
	<u>159,006</u>	95,131
<b>Long term debt (Note 7)</b>	<u>40,000</u>	40,000
<b>Deferred contributions (Note 8)</b>	<u>1,602,052</u>	1,663,245
	<u>1,801,058</u>	1,798,376
<b>NET ASSETS</b>		
<b>Unrestricted net assets (Statement 3)</b>	<u>422,694</u>	370,110
<b>Capital fund (Statement 3)</b>	<u>264,480</u>	221,656
	<u>687,174</u>	591,766
	<u>\$ 2,488,232</u>	<u>\$ 2,390,142</u>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Changes in Net Assets**  
**Year Ended June 30, 2021**

	Unrestricted net assets	Capital fund	<b>2021</b>	2020
<b>Net assets - beginning of year</b>	\$ 370,110	\$ 221,656	<b>\$ 591,766</b>	\$ 563,156
Excess of revenues over expenditures (Statement 4)	52,584	-	<b>52,584</b>	8,577
Contributions from communities	-	43,684	<b>43,684</b>	48,023
Interest	-	250	<b>250</b>	930
Expenditures from capital fund	-	(1,110)	<b>(1,110)</b>	(28,920)
<b>Net assets - end of year</b>	<b>\$ 422,694</b>	<b>\$ 264,480</b>	<b>\$ 687,174</b>	<b>\$ 591,766</b>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Operations**  
**Year Ended June 30, 2021**

	2021	2020
<b>Revenues</b>		
Sales	\$ 3,733	\$ 75,657
Cost of sales (Note 9)	<u>2,475</u>	38,395
Gross margin	1,258	37,262
<b>Other (Note 10)</b>	<u>527,217</u>	448,271
	<u>528,475</u>	485,533
<b>Expenditures</b>		
Advertising and promotion	681	3,841
Bad debts	176	-
Dues and fees	1,034	469
Electricity	77,931	72,744
Events	-	1,322
Heat	12,933	19,593
Ice making	38,883	16,301
Insurance	14,277	13,129
Interest and bank charges	454	592
Memberships	1,060	605
Municipal property tax	2,616	2,447
Office	6,174	4,380
Professional fees	5,390	3,195
Propane	5,130	6,906
Repairs and maintenance	18,447	17,081
Snow and garbage removal	10,905	10,884
Supplies	7,144	8,573
Telephone	4,163	4,174
Travel	1,295	907
Wages and wage levies	238,161	260,759
Water and sewer	<u>10,802</u>	10,600
	<u>457,656</u>	458,502
<b>Excess of revenues over expenditures from operations</b>	<u>70,819</u>	27,031
<b>Other income</b>		
Non-operating revenues (Schedule 1)	-	5,200
Non-operating expenditures (Schedule 1)	<u>(18,235)</u>	(23,654)
	<u>(18,235)</u>	(18,454)
<b>Excess of revenues over expenditures</b>	<u>\$ 52,584</u>	\$ 8,577

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Statement of Cash Flow**  
**Year Ended June 30, 2021**

	2021	2020
<b>Cash flows from operating activities</b>		
Excess of revenues over expenditures	\$ 52,584	\$ 8,577
Item not affecting cash:		
Amortization of property and equipment - net	18,235	18,654
	<u>70,819</u>	<u>27,231</u>
Changes in non-cash working capital:		
Accounts receivable	8,154	(23,714)
Inventory	781	(270)
Prepaid expense	(15)	(1,105)
Accounts payable and accrued liabilities	43,923	(22,389)
Government remittances payable	1,983	(2,400)
Deferred revenue	17,970	9,011
	<u>72,796</u>	<u>(40,867)</u>
	<u>143,615</u>	<u>(13,636)</u>
<b>Cash flows from investing activity</b>		
Purchase of property and equipment	<u>(20,120)</u>	<u>(28,920)</u>
<b>Cash flows from financing activities</b>		
Contribution to capital fund	43,934	48,953
Proceeds from long term debt	20,000	40,000
Forgiveness of debt	(20,000)	-
Addition to deferred government assistance	10,342	-
Expenditures from capital fund	<u>(1,110)</u>	<u>-</u>
	<u>53,166</u>	<u>88,953</u>
<b>Increase in cash</b>	<b>176,661</b>	<b>46,397</b>
<b>Cash - beginning of year</b>	<b>336,454</b>	<b>290,057</b>
<b>Cash - end of year</b>	<b>\$ 513,115</b>	<b>\$ 336,454</b>
<b>Cash consists of:</b>		
Cash	\$ 248,635	\$ 114,798
Restricted cash	<u>264,480</u>	<u>221,656</u>
	<u>\$ 513,115</u>	<u>\$ 336,454</u>

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2021**

---

**1. DESCRIPTION OF BUSINESS**

Communities 13 Inc. (operating as APM Centre) was incorporated under Part II of the Prince Edward Island Companies Act on May 31, 2001 as a not-for-profit entity and is a registered charity for federal income tax purposes. Incorporating in this manner exempts the organization from income taxes providing ongoing compliance requirements are met. The objective and purpose of the organization is to operate and maintain a recreational facility serving residents of thirteen communities in and around Cornwall, Prince Edward Island.

**2. BASIS OF PRESENTATION**

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNFPO).

**3. SIGNIFICANT ACCOUNTING POLICIES**

Cash

Cash is comprised of cash on hand and cash in banks.

Accounts receivable

Accounts receivable arise from trade sales, government assistance and Harmonized Sales Taxes receivable. An allowance for bad debts has been calculated through discussions with management, assessment of the other circumstances influencing the collectibility of amounts, and using historical loss experience. Amounts deemed uncollectible are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

Inventory

Inventories are stated at the lower of cost and net realizable value. Cost includes the costs to purchase and other costs directly attributable to the inventories. Cost is determined using the first in, first out method. Net realizable value represents the amount that may be realized from the sale of an inventory item under normal business conditions. When inventories are sold, the carrying amount of those inventories are recognized as an expense in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognized as an expense in the period the loss or write-down occurs. The amount of reversal of any write-downs, arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

*(continues)*



**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2021**

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Property and equipment

Property and equipment is stated at cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates:

Building	4%
Parking and roadway	8%
Furniture and equipment	20%
Zamboni	30%
Computer hardware	30%
Computer software	100%
Signage	20%
Small tools and supplies	100%

One-half of the annual rate is recorded in the year of acquisition; no amortization is recorded in the year of disposal.

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 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.

Revenue recognition

Communities 13 Inc. 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 when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

*(continues)*

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2021**

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**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Financial instruments

The organization initially measures its financial assets and financial liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The organization subsequently measures all of its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of these financial instruments are recognized in excess of revenues over expenditures.

Financial assets measured at amortized cost on a straight-line basis include cash, restricted cash and accounts receivable.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities and long term debt.

Transaction costs on the acquisition, sale, or issue of financial instruments that are subsequently measured at amortized cost are shown as an adjustment to the carrying value of the related financial instrument.

Government assistance

Government assistance for current expenditures is included in other revenues. During the year, the organization received \$7,069 (2020 - \$13,843) from the Province of P.E.I. Rural Jobs Initiative for wage subsidies, \$4,057 (2020 - \$3,578) from HRDC for wage subsidies, \$4,275 (2020 - \$Nil) from Province of P.E.I. Jobs for Youth wage subsidy, \$74,797 (2020 - \$34,322) from the Government of Canada for Canada Emergency Wage Subsidy, \$Nil (2020 - \$3,643) from the Government of Canada for temporary wage subsidy, \$32,000 (2020 - \$Nil) from Government of Canada for Funding for Covid-19 of which \$10,412 for capital and \$21,588 for operating, \$20,000 from Government of Canada for Canada Emergency Business Account forgiveness, as well as \$8,500 (2020 - \$8,500) from the Province of P.E.I. for an arena grant.

Government assistance for acquiring property and equipment is recorded as deferred contributions and is amortized on the same basis and at the same rates as the related assets. During the year, included in capital fund contributions is \$43,684 (2020 - \$48,023) from local municipalities to assist with major capital projects.

Government grants are recorded when there is a reasonable assurance that the organization has complied with, and will continue to comply with, all the necessary conditions to obtain the grants.

Contributed services

The operations of the organization depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

*(continues)*

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2021**

**3. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Measurement uncertainty

When preparing financial statements according to Canadian ASNFPO, management makes estimates and assumptions relating to:

- reported amounts of revenues and expenditures
- reported amounts of assets and liabilities
- disclosure of contingent assets and liabilities.

Estimates are based on a number of factors including historical experience, current events and actions that the organization may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ. In particular, estimates are used in accounting for certain items such as revenues, allowance for doubtful accounts, useful lives of capital assets, asset impairments, inventory values and legal and tax contingencies.

**4. ACCOUNTS RECEIVABLE**

	2021	2020
Government assistance	\$ 13,929	\$ 8,969
Trade	3,485	13,760
HST receivable	767	3,430
	18,181	26,159
Allowance for Doubtful Accounts	(176)	-
	\$ 18,005	\$ 26,159

**5. PROPERTY AND EQUIPMENT**

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Land	\$ 1	\$ -	\$ 1	\$ 1
Building	3,817,822	1,965,119	1,852,703	1,919,342
Parking and roadway	236,963	188,848	48,115	52,299
Furniture and equipment	257,308	231,263	26,045	25,266
Zamboni	94,480	89,850	4,630	6,614
Computer hardware	10,344	6,548	3,796	1,419
Computer software	1,869	1,869	-	-
Signage	298	298	-	-
Small tools and supplies	2,002	2,002	-	-
	\$ 4,421,087	\$ 2,485,797	\$ 1,935,290	\$ 2,004,941

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2021**

**6. DEFERRED REVENUE**

	2021	2020
Covid 19 funds	\$ 18,583	\$ -
Memberships	16,451	23,422
Arena sign sponsorship	8,004	-
Customer deposits	4,848	2,809
Capital funds	1,206	4,891
	\$ 49,092	\$ 31,122

**7. LONG TERM DEBT**

	2021	2020
Provincial Credit Union Limited - 0%; Canada Emergency Business Account (CEBA), \$20,000 forgivable if \$40,000 paid by December 31, 2022.	\$ 40,000	\$ 40,000
Current portion	-	-
	\$ 40,000	\$ 40,000

Principal repayments of long term debt are expected to be repaid over the next two years as follows:

2023	\$ 40,000
------	-----------

**8. DEFERRED CONTRIBUTIONS**

	2021	2020
Contributions from communities	\$ 1,215,056	\$ 1,215,056
Contribution from Canada/Prince Edward Island Infrastructure	2,233,647	2,223,305
	3,448,703	3,438,361
Accumulated amortization	(1,846,651)	(1,775,116)
	\$ 1,602,052	\$ 1,663,245

**9. COST OF SALES**

	2021	2020
Opening inventory	\$ 10,917	\$ 10,647
Purchases	1,694	38,665
	12,611	49,312
Closing inventory	(10,136)	(10,917)
	\$ 2,475	\$ 38,395

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2021**

**10. OTHER REVENUES**

	2021	2020
Rentals	\$ 322,428	\$ 299,469
Wage subsidies	90,198	55,387
Memberships	67,306	55,048
Covid 19 funding	23,075	-
Arena signage	15,257	24,461
Arena grant	8,500	8,500
Miscellaneous	453	3,735
Events	-	1,671
	<b>\$ 527,217</b>	<b>\$ 448,271</b>

**11. LINE OF CREDIT AVAILABILITY**

The organization has an approved line of credit with Provincial Credit Union Limited of \$120,000, with an interest rate of prime plus 1.50%. The line of credit is secured by a general security agreement over assets with a carrying value of \$1,963,432 and is due for renewal on January 5, 2022.

**12. FINANCIAL INSTRUMENTS**

The organization's financial instruments consist of cash, restricted cash, accounts receivable, accounts payable and accrued liabilities, and long term debt.

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. The following analysis provides information about the organization's risk exposure and concentration as of June 30, 2021.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, and accounts payable.

(c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate and credit facilities.

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Notes to Financial Statements**  
**Year Ended June 30, 2021**

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**13. SUBSEQUENT EVENT**

The recent outbreak of the Coronavirus Disease 2019 or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the organization or its clients, employees, contractors, suppliers and other partners may be unable to conduct regular business activities for an indefinite period of time. While it is not possible at this time to estimate the impact that COVID-19 could have on the organization's business, the continued spread of COVID-19 and the measures taken by the federal, provincial and municipal governments to contain its impact could adversely impact the organization's business, financial condition or results of operations. The extent to which the COVID-19 outbreak impacts the organization's results will depend on the future development that are highly uncertain and cannot be predicted, including new information that may emerge concerning the spread of the virus and government actions.

**14. COMPARATIVE FIGURES**

Some of the comparative figures have been reclassified to conform to the current year's presentation.

**COMMUNITIES 13 INC.**  
**(Operating as APM Centre)**  
**Schedule to Financial Statements**  
**Year Ended June 30, 2021**

**(Schedule 1)**

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**Non-operating revenues**

Charitable donations	<u>\$ -</u>	<u>\$ 5,200</u>
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**Non-operating expenditures**

Amortization of property and equipment - net	<u>\$ 18,235</u>	<u>\$ 18,654</u>
Sponsorships	<u>-</u>	<u>5,000</u>

	<u><b>\$ 18,235</b></u>	<u><b>\$ 23,654</b></u>
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# Appendix 3 – Market Profile Report



## DEP Market Profile Canada

Mercedes Dr, Cornwall, Prince Edward Island, C0A  
Drive Time: 5, 10, 15 minute radii

Prepared by Esri  
Latitude: 46.23399  
Longitude: -63.20691

	5 minutes	10 minutes	15 minutes
<b>Summary</b>			
2017 Total Population	5,468	17,854	50,168
2022 Total Population	6,482	20,848	56,404
2027 Total Population	7,199	23,660	62,921
2017-2027 Annual Rate	2.12%	2.56%	2.21%
<b>Households</b>			
2017 Households	2,039	6,747	21,030
2017 Average Household Size	2.7	2.6	2.3
2022 Households	2,338	7,611	22,905
2022 Average Household Size	2.8	2.7	2.4
2027 Households	2,613	8,683	25,672
2027 Average Household Size	2.7	2.7	2.4
2022-2027 Annual Rate	2.25%	2.67%	2.31%
<b>Families</b>			
2017 Families	1,601	4,992	13,684
2017 Average Family Size	3.0	2.9	2.8
2022 Families	1,837	5,606	14,866
2022 Average Family Size	3.0	2.9	2.8
2027 Families	2,054	6,356	16,711
2027 Average Family Size	3.0	3.0	2.8
2022-2027 Annual Rate	2.26%	2.54%	2.37%
<b>2017 Dwellings</b>			
Owned Dwellings	2,039	6,747	21,030
Rented Dwellings	1,526	4,654	12,288
Band Housing	513	2,093	8,742
<b>2022 Dwellings</b>			
Owned Dwellings	2,338	7,611	22,905
Rented Dwellings	1,730	5,182	13,281
Band Housing	608	2,429	9,624
<b>2027 Dwellings</b>			
Owned Dwellings	2,613	8,683	25,672
Rented Dwellings	1,927	5,924	14,986
Band Housing	686	2,759	10,686
<b>Average Household Income</b>			
2017	CA\$92,366	CA\$89,793	CA\$79,941
2022	CA\$103,237	CA\$100,688	CA\$90,261
2027	CA\$115,392	CA\$113,813	CA\$102,381
<b>Per Capita Income</b>			
2017	CA\$34,443	CA\$33,933	CA\$33,511
2022	CA\$37,237	CA\$36,758	CA\$36,654
2027	CA\$41,883	CA\$41,768	CA\$41,772
<b>Median Age</b>			
2017	39.0	40.8	41.3
2022	38.4	39.5	39.8
2027	38.1	38.8	39.0

**Data Note:** 2022 Household Spending Potential shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Household spending does not equal business revenue. "Current year \$" refers to a currency in the current time period. The term "constant year \$" refers to dollars of several years expressed in terms of their value ("purchasing power") in a single year.

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## DEP Market Profile Canada

Mercedes Dr, Cornwall, Prince Edward Island, C0A  
 Drive Time: 5, 10, 15 minute radii

Prepared by Esri  
 Latitude: 46.23399  
 Longitude: -63.20691

	5 minutes	10 minutes	15 minutes
<b>2017 Households by Income (Constant Year \$)</b>			
Household Income Base	2,039	6,747	21,030
<\$19,999	97	523	2,087
\$20,000 - \$39,999	297	1,156	4,399
\$40,000 - \$59,999	315	1,023	3,583
\$60,000 - \$79,999	309	940	3,007
\$80,000 - \$99,999	260	788	2,298
\$100,000+	761	2,318	5,656
\$100,000 - \$124,999	266	762	2,004
\$125,000 - \$149,999	205	565	1,375
\$150,000 - \$199,999	189	595	1,377
\$200,000+	100	395	900
\$200,000 - \$299,999	83	309	640
\$300,000+	17	86	259
Average Household Income	CA\$90,654.04	CA\$88,128.72	CA\$78,459.30
<b>2017 Households by Income (Current Year \$)</b>			
Household Income Base	2,039	6,747	21,030
<\$19,999	89	477	1,921
\$20,000 - \$39,999	304	1,190	4,532
\$40,000 - \$59,999	314	1,020	3,560
\$60,000 - \$79,999	307	935	2,992
\$80,000 - \$99,999	260	788	2,290
\$100,000+	765	2,337	5,734
\$100,000 - \$124,999	265	763	2,015
\$125,000 - \$149,999	204	565	1,383
\$150,000 - \$199,999	193	602	1,400
\$200,000+	103	406	936
\$200,000 - \$299,999	86	315	666
\$300,000+	17	91	270
Average Household Income	CA\$92,366.27	CA\$89,793.25	CA\$79,941.20
<b>2022 Households by Income</b>			
Household Income Base	2,338	7,611	22,905
<\$19,999	82	370	1,355
\$20,000 - \$39,999	337	1,326	4,826
\$40,000 - \$59,999	317	1,059	3,608
\$60,000 - \$79,999	308	964	3,085
\$80,000 - \$99,999	274	835	2,484
\$100,000+	1,020	3,057	7,548
\$100,000 - \$124,999	294	852	2,302
\$125,000 - \$149,999	236	661	1,643
\$150,000 - \$199,999	294	832	1,934
\$200,000+	196	712	1,669
\$200,000 - \$299,999	153	511	1,139
\$300,000+	43	201	530
Average Household Income	CA\$103,237.07	CA\$100,687.52	CA\$90,261.39

**Data Note:** 2022 Household Spending Potential shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Household spending does not equal business revenue. "Current year \$" refers to a currency in the current time period. The term "constant year \$" refers to dollars of several years expressed in terms of their value ("purchasing power") in a single year.

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 Longitude: -63.20691

	5 minutes	10 minutes	15 minutes
<b>2027 Households by Income</b>			
Household Income Base	2,613	8,683	25,672
<\$19,999	71	297	1,026
\$20,000 - \$39,999	322	1,280	4,611
\$40,000 - \$59,999	318	1,138	3,855
\$60,000 - \$79,999	305	1,011	3,302
\$80,000 - \$99,999	279	924	2,914
\$100,000+	1,318	4,032	9,963
\$100,000 - \$124,999	323	980	2,755
\$125,000 - \$149,999	302	845	2,088
\$150,000 - \$199,999	358	1,032	2,427
\$200,000+	335	1,176	2,694
\$200,000 - \$299,999	246	794	1,784
\$300,000+	89	382	911
Average Household Income	CA\$115,391.62	CA\$113,813.39	CA\$102,381.13
<b>2017 Population by Age</b>			
0-4	298	890	2,329
5-9	372	1,078	2,696
10-14	388	1,142	2,701
15-19	391	1,223	3,000
20-24	340	1,269	3,892
25-34	640	2,031	6,601
35-44	791	2,324	6,199
45-54	790	2,564	6,893
55-64	662	2,327	6,840
65-74	542	1,768	5,225
75-84	201	877	2,623
85+	52	361	1,167
25-44	1,431	4,355	12,800
<b>2022 Population by Age</b>			
0-4	316	952	2,335
5-9	392	1,131	2,756
10-14	470	1,337	3,167
15-19	478	1,419	3,365
20-24	440	1,611	4,638
25-34	850	2,856	8,638
35-44	903	2,591	6,888
45-54	894	2,778	7,200
55-64	737	2,520	7,015
65-74	621	2,110	5,939
75-84	303	1,142	3,252
85+	78	401	1,209
25-44	1,753	5,447	15,526

**Data Note:** 2022 Household Spending Potential shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Household spending does not equal business revenue. "Current year \$" refers to a currency in the current time period. The term "constant year \$" refers to dollars of several years expressed in terms of their value ("purchasing power") in a single year.

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Drive Time: 5, 10, 15 minute radii

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Latitude: 46.23399  
Longitude: -63.20691

	5 minutes	10 minutes	15 minutes
<b>2027 Population by Age</b>	7,199	23,660	62,921
0-4	285	879	2,145
5-9	406	1,209	2,938
10-14	481	1,405	3,347
15-19	619	1,833	4,344
20-24	464	1,670	4,574
25-34	1,028	3,622	10,651
35-44	1,014	3,081	8,153
45-54	982	3,046	7,831
55-64	784	2,703	7,312
65-74	651	2,323	6,376
75-84	395	1,474	4,060
85+	90	414	1,190
25-44	2,042	6,703	18,804
<b>Population by Sex</b>			
Males			
2017	2,694	8,619	24,120
2022	3,239	10,210	27,505
2027	3,644	11,747	31,089
Females			
2017	2,775	9,234	26,048
2022	3,243	10,638	28,898
2027	3,555	11,913	31,832
<b>2017 Population 15+ by Mother Tongue</b>			
Total Single Response	5,402	17,174	48,434
English	5,083	15,038	43,003
French	107	345	1,027
Total Non-Official	212	1,790	4,405
Multiple Languages	28	202	494
French & Non-Official	5	9	23
English & Non-Official	13	114	282
English & French	10	73	176
English & French & Non-Official	0	7	13

**Data Note:** 2022 Household Spending Potential shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Household spending does not equal business revenue. "Current year \$" refers to a currency in the current time period. The term "constant year \$" refers to dollars of several years expressed in terms of their value ("purchasing power") in a single year.

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 Drive Time: 5, 10, 15 minute radii

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	5 minutes	10 minutes	15 minutes
<b>2017 Population 15+ by Ethnic Characteristics</b>			
<b>Immigration Status</b>			
Non-immigrant population	5,025	15,097	42,967
Total immigrants by selected places of birth	367	1,984	5,096
Non-permanent residents	37	295	865
<b>Visible Minority Status</b>			
Visible Minority Chinese	96	1,168	2,328
Visible Minority South Asian	15	258	799
Visible Minority Black	33	237	646
Visible Minority Filipino	3	44	254
Visible Minority Latin American	16	67	145
Visible Minority Southeast Asian	0	38	69
Visible Minority Arab	0	147	601
Visible Minority West Asian	11	55	149
Visible Minority Korean	9	50	122
Visible Minority Japanese	3	12	57
Visible Minority All Other Visible Minorities	0	31	56
Visible Minority Multiple Visible Minorities	0	0	73
<b>2022 Population 15+ by Mother Tongue</b>			
Total Single Response	6,403	20,063	54,440
English	6,001	17,387	47,919
French	126	399	1,138
Total Non-Official	277	2,277	5,383
Multiple Languages	33	236	572
French & Non-Official	6	11	26
English & Non-Official	15	134	325
English & French	12	83	204
English & French & Non-Official	0	9	17
<b>2022 Population 15+ by Ethnic Characteristics</b>			
<b>Immigration Status</b>			
Non-immigrant population	5,937	17,522	48,074
Total immigrants by selected places of birth	454	2,429	5,971
Non-permanent residents	45	348	967
<b>Visible Minority Status</b>			
Visible Minority Chinese	149	1,743	3,412
Visible Minority South Asian	21	375	1,119
Visible Minority Black	34	236	615
Visible Minority Filipino	3	44	231
Visible Minority Latin American	16	59	126
Visible Minority Southeast Asian	0	37	66
Visible Minority Arab	0	160	621
Visible Minority West Asian	11	49	122
Visible Minority Korean	9	47	111
Visible Minority Japanese	3	12	60
Visible Minority All Other Visible Minorities	0	22	40
Visible Minority Multiple Visible Minorities	0	0	58

**Data Note:** 2022 Household Spending Potential shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Household spending does not equal business revenue. "Current year \$" refers to a currency in the current time period. The term "constant year \$" refers to dollars of several years expressed in terms of their value ("purchasing power") in a single year.

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## DEP Market Profile Canada

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 Drive Time: 5, 10, 15 minute radii

Prepared by Esri  
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	5 minutes	10 minutes	15 minutes
<b>2027 Population 15+ by Mother Tongue</b>			
Total Single Response	7,107	22,755	60,667
English	6,616	19,390	52,692
French	144	461	1,297
Total Non-Official	347	2,904	6,678
Multiple Languages	39	280	663
French & Non-Official	7	13	32
English & Non-Official	18	164	388
English & French	13	93	225
English & French & Non-Official	0	10	19
<b>2027 Population 15+ by Ethnic Characteristics</b>			
<b>Immigration Status</b>			
Non-immigrant population	6,511	19,407	52,479
Total immigrants by selected places of birth	563	3,063	7,342
Non-permanent residents	71	565	1,509
<b>Visible Minority Status</b>			
Visible Minority Chinese	226	2,622	5,049
Visible Minority South Asian	31	544	1,556
Visible Minority Black	33	231	595
Visible Minority Filipino	3	40	223
Visible Minority Latin American	14	56	115
Visible Minority Southeast Asian	0	36	64
Visible Minority Arab	0	173	668
Visible Minority West Asian	10	40	107
Visible Minority Korean	9	43	106
Visible Minority Japanese	3	13	64
Visible Minority All Other Visible Minorities	0	15	29
Visible Minority Multiple Visible Minorities	0	0	49

**Data Note:** 2022 Household Spending Potential shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Household spending does not equal business revenue. "Current year \$" refers to a currency in the current time period. The term "constant year \$" refers to dollars of several years expressed in terms of their value ("purchasing power") in a single year.  
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## DEP Market Profile Canada

Mercedes Dr, Cornwall, Prince Edward Island, C0A  
Drive Time: 5, 10, 15 minute radii

Prepared by Esri  
Latitude: 46.23399  
Longitude: -63.20691

	5 minutes	10 minutes	15 minutes
<b>Total expenditure: Total (\$)</b>	<b>CA\$265,104,334</b>	<b>CA\$824,799,970</b>	<b>CA\$2,167,498,120</b>
Average Spent	CA\$113,389.36	CA\$108,369.46	CA\$94,629.91
Spending Potential Index	100	95	83
<b>Total current consumption: Total (\$)</b>	<b>CA\$240,280,244</b>	<b>CA\$758,688,796</b>	<b>CA\$2,041,503,431</b>
Average Spent	CA\$102,771.70	CA\$99,683.19	CA\$89,129.16
Spending Potential Index	100	97	86
<b>Food: Total (\$)</b>	<b>CA\$30,172,282</b>	<b>CA\$96,341,524</b>	<b>CA\$260,153,994</b>
Average Spent	CA\$12,905.17	CA\$12,658.20	CA\$11,357.96
Spending Potential Index	104	102	92
<b>Shelter: Total (\$)</b>	<b>CA\$35,097,018</b>	<b>CA\$113,871,035</b>	<b>CA\$321,103,338</b>
Average Spent	CA\$15,011.56	CA\$14,961.38	CA\$14,018.92
Spending Potential Index	78	77	73
<b>Household Operation: Total (\$)</b>	<b>CA\$13,647,896</b>	<b>CA\$42,178,091</b>	<b>CA\$114,393,226</b>
Average Spent	CA\$5,837.42	CA\$5,541.73	CA\$4,994.25
Spending Potential Index	111	105	95
<b>Household furnishings and equipment: Total (\$)</b>	<b>CA\$9,739,410</b>	<b>CA\$30,909,817</b>	<b>CA\$81,312,052</b>
Average Spent	CA\$4,165.70	CA\$4,061.20	CA\$3,549.97
Spending Potential Index	109	106	92
<b>Clothing: Total (\$)</b>	<b>CA\$7,073,640</b>	<b>CA\$22,387,082</b>	<b>CA\$60,838,691</b>
Average Spent	CA\$3,025.51	CA\$2,941.41	CA\$2,656.13
Spending Potential Index	94	92	83
<b>Transportation: Total (\$)</b>	<b>CA\$34,776,169</b>	<b>CA\$106,485,213</b>	<b>CA\$277,748,993</b>
Average Spent	CA\$14,874.32	CA\$13,990.96	CA\$12,126.13
Spending Potential Index	126	118	103
<b>Health care: Total (\$)</b>	<b>CA\$12,064,528</b>	<b>CA\$37,449,015</b>	<b>CA\$103,194,139</b>
Average Spent	CA\$5,160.19	CA\$4,920.38	CA\$4,505.31
Spending Potential Index	103	98	90
<b>Personal care: Total (\$)</b>	<b>CA\$4,562,311</b>	<b>CA\$14,424,833</b>	<b>CA\$38,337,642</b>
Average Spent	CA\$1,951.37	CA\$1,895.26	CA\$1,673.77
Spending Potential Index	100	97	86
<b>Recreation: Total (\$)</b>	<b>CA\$11,003,975</b>	<b>CA\$33,704,265</b>	<b>CA\$88,326,546</b>
Average Spent	CA\$4,706.58	CA\$4,428.36	CA\$3,856.21
Spending Potential Index	104	98	85
<b>Reading materials and other printed matter: Total (\$)</b>	<b>CA\$502,663</b>	<b>CA\$1,538,557</b>	<b>CA\$4,134,078</b>
Average Spent	CA\$215.00	CA\$202.15	CA\$180.49
Spending Potential Index	106	100	89

**Data Note:** 2022 Household Spending Potential shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Household spending does not equal business revenue. "Current year \$" refers to a currency in the current time period. The term "constant year \$" refers to dollars of several years expressed in terms of their value ("purchasing power") in a single year.  
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November 28, 2022



## DEP Market Profile Canada

Mercedes Dr, Cornwall, Prince Edward Island, C0A  
 Drive Time: 5, 10, 15 minute radii

Prepared by Esri  
 Latitude: 46.23399  
 Longitude: -63.20691

	5 minutes	10 minutes	15 minutes
<b>Education: Total (\$)</b>	<b>CA\$4,132,286</b>	<b>CA\$13,061,528</b>	<b>CA\$36,345,286</b>
Average Spent	CA\$1,767.44	CA\$1,716.14	CA\$1,586.78
Spending Potential Index	104	101	93
<b>Tobacco products and alcoholic beverages: Total(\$)</b>	<b>CA\$9,758,785</b>	<b>CA\$31,790,295</b>	<b>CA\$89,896,454</b>
Average Spent	CA\$4,173.99	CA\$4,176.89	CA\$3,924.75
Spending Potential Index	111	112	105
<b>Games of chance (net): Total (\$)</b>	<b>CA\$2,352,756</b>	<b>CA\$7,766,141</b>	<b>CA\$21,633,802</b>
Average Spent	CA\$1,006.31	CA\$1,020.38	CA\$944.50
Spending Potential Index	112	114	105
<b>Miscellaneous expenditures: Total (\$)</b>	<b>CA\$3,605,305</b>	<b>CA\$11,332,784</b>	<b>CA\$31,475,779</b>
Average Spent	CA\$1,542.05	CA\$1,489.00	CA\$1,374.19
Spending Potential Index	83	80	74
<b>Personal Taxes: Total (\$)</b>	<b>CA\$42,601,825</b>	<b>CA\$136,587,585</b>	<b>CA\$353,510,551</b>
Average Spent	CA\$18,221.48	CA\$17,946.08	CA\$15,433.77
Spending Potential Index	94	93	80
<b>Personal insurance payments and pension contributions:</b>	<b>CA\$14,594,930</b>	<b>CA\$44,116,609</b>	<b>CA\$116,935,961</b>
Average Spent	CA\$6,242.49	CA\$5,796.43	CA\$5,105.26
Spending Potential Index	111	103	91
<b>Gifts of money and contributions: Total (\$)</b>	<b>CA\$4,594,466</b>	<b>CA\$14,744,422</b>	<b>CA\$42,162,900</b>
Average Spent	CA\$1,965.13	CA\$1,937.25	CA\$1,840.77
Spending Potential Index	74	73	69

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