

Management's Comments on Unaudited Condensed Annual Financial Statements

The condensed annual financial statements of Hockey Education Reaching Out Society for the year ended August 31, 2017 have been prepared by management and approved by the Board of Directors of the Society.

The Society discloses that its auditors have not audited or reviewed the condensed annual financial statements and as such are marked "Unaudited".

A complete set of the Society's audited financial statements for the year ended August 31, 2017 can be obtained by contacting the Society's office.

HOCKEY EDUCATION REACHING OUT SOCIETY

(Unaudited - See Management Comments)

Condensed Statement of Financial Position

As At

	August 31 2017	August 31 2016
Assets		
Current		
Cash and restricted cash	\$ 264,804	\$ 480,069
Other current assets	19,212	5,904
	<u>284,016</u>	<u>485,973</u>
Capital Assets, net	<u>31,200</u>	<u>40,571</u>
	<u>\$ 315,216</u>	<u>\$ 526,544</u>
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 21,612	\$ 15,949
Deferred contributions and sponsorships	22,000	272,000
Payroll liabilities	5,479	4,398
	<u>49,091</u>	<u>292,347</u>
Net Assets	<u>266,125</u>	<u>234,197</u>
	<u>\$ 315,216</u>	<u>\$ 526,544</u>

HOCKEY EDUCATION REACHING OUT SOCIETY

(Unaudited - See Management Comments)

Condensed Statement of Operations For The Year Ended

	August 31 2017	August 31 2016
Revenues		
Donations	\$ 377,693	\$ 310,272
Sponsorships	200,000	240,000
Other income	3,590	11,321
	<u>581,283</u>	<u>561,593</u>
Expenditures		
Amortization	9,676	17,801
Program operations	482,115	515,292
Management and administration	37,021	27,316
Professional fees	20,544	18,589
	<u>549,356</u>	<u>578,998</u>
Excess (deficiency) of Revenues Over Expenditures	<u>31,927</u>	<u>(17,405)</u>

HOCKEY EDUCATION REACHING OUT SOCIETY

(Unaudited - See Management Comments)

Condensed Statement Of Cash Flows For The Year Ended

	August 31 2017	August 31 2016
Cash flows from operating activities		
Excess (Deficiency) of Revenues over Expenditures	\$ 31,927	\$ (17,405)
Items not affecting cash	27,773	17,801
Changes in non-cash working capital	(256,562)	(28,688)
	<u>(196,862)</u>	<u>(28,292)</u>
Cash flows from investing activities		
Additions to capital assets	(18,403)	-
	<u>(18,403)</u>	<u>-</u>
Increase (decrease) in cash	(215,265)	(28,292)
Cash and cash equivalents, beginning of period	<u>480,069</u>	<u>508,361</u>
Cash and cash equivalents, end of period	\$ 264,804	\$ 480,069