

ATV CLUB OF EASTERN ONTARIO INC.

2008 ANNUAL REPORT

History and Background

The ATV Club of Eastern Ontario Inc. (the "Club") was incorporated in January 2005. It is a non-profit organization and is currently exempt from income taxes.

The Club mainly serves the interests of ATV enthusiasts in Eastern Ontario and its main objective is to promote the safe operation of ATV's. In that regard, the Club has established and maintains several trails which are mainly located in the county of Prescott and Russell. The Club also offers ATV riding courses, focussing on safety.

The Club had 389 members as at December 31, 2008 (2007: 242) and is part of the *Ontario Federation of All Terrain Vehicle Clubs* (OFATV).

All of the Club's activities are provided by volunteers.

Financial Performance

Revenue. The revenue for 2008 totalled \$31,801 (2006: \$30,935). Even though total revenue is similar, its components are quite different. Indeed, the Club's share from membership fees has increased by about \$10,500, rising from \$8,851 to \$19,361 mainly as a result of the new sharing of membership fees with the OFATV as well as the increase in members. Revenue from 2007 included a grant of \$10,000 that the Club obtained to help pay for the cost of opening of a new trail.

The Club's share of a typical \$140 annual membership fee paid by a member corresponds to about 52 % of that amount since January 1st 2008. The sharing of the membership fees will change again in 2009.

Revenue from activities totalled \$11,714 (2007: \$9,754). The Club carried out two "poker runs" in 2008 (same as in 2007), one in conjunction with the Optimist Club of Hammond for the benefit of the research on Muscular Dystrophy. In June 2008, the Club hosted for the first time the OFATV's Annual General Meeting (AGM); this activity generated \$4,885 in revenue. All these events have generated a net income of \$5,821 (2007: \$6,901) for the Club.

Expenditures. Expenditures totalled \$21,772 in 2008 (2007: \$31,862). The decrease in expenditures is mainly attributable to the cost of about \$15,000 that the Club had incurred in 2007 for the opening of a new 26 Km trail.

Trail maintenance is the other main area of expenditures. It totalled \$10,699 in 2008 (2007: \$8,594); the major portion of these expenditures are attributable to the winter trail grooming.

The net result for the 2008 year is an excess of revenue over expenditures of \$10,029 (2007: expenditures over revenue of \$927).

At the end of the year, assets totalled \$39,844 (2007: \$17,845) which were mainly made up of cash and accounts receivable while the liabilities totalled \$22,205 (2007: \$10,235) leaving then a net accumulated surplus of \$17,639 at the end of the year.

Activities

The Club's main activities are the opening and maintenance of trails and the wardening (enforcement of regulations and laws) of these trails. The Club also punctual activities, such as poker runs as fund raising events.

During the year, the Club spent many hours in order to obtain the required municipal approvals that we need before we can start working on the opening of new trails. The Township of Champlain is one example of such efforts in 2008 as well as in 2009, but to this day, we have yet to succeed in this area.

In early 2008, the OFATV has signed an agreement with the Eastern Ontario Trail Alliance (EOTA) allowing their members reciprocal access to each other respective trails.

A key event of 2008 has been the signature near the end of the year of a reciprocal agreement between the OFATV and *Fédération québécoise des clubs quads*. By virtue of this agreement, ATV'rs can ride in both provinces with the purchase of only one permit, being the FQCQ's permit for Québec ATV'rs or OFATV's permit for ATV'rs from Ontario. This agreement expires on October 31st, 2009 and its renewal is subject to the resolution between the parties of some implementation issues. The Club is confident that those will be resolved.

Looking Forward

The Club's long term view included the expansion of its trail system further east and south in Eastern Ontario. It plans to reach Pointe Fortune at the Québec border. The expansion of the trail system is very dependant upon obtaining proper authorization from the concerned municipal governments and the availability of volunteers to help out. Indeed, the more volunteers that get involved, the faster the Club will be able to open new trails and repair existing ones.

Web Site

The Club maintains a Web Site (<http://www.atv-vtteo.org>). It provides up to date information on trail conditions, events and activities and more other useful information. We encourage you to visit the site on a regular basis.

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