

ROSSCARROCK COMMUNITY ASSOCIATION

FINANCIAL STATEMENTS (Audited)

March 31, 2016

A member of:



ROSSCARROCK COMMUNITY ASSOCIATION

March 31, 2016

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Independent Auditors' Report

To the Members of:

Rosscarrock Community Association

I have audited the financial statements of the Rosscarrock Community Association as at March 31, 2016 which include the Statement of Financial Position and the Statements of Operations, Changes in Net Assets, Cash Flows, and a summary of significant accounting policies and other explanatory notes for the year then ended.

Management's Responsibility

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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualified Opinion

In common with many not for profit organizations, the Rosscarrock Community Association derives revenue from certain fund raising activities, the completeness of which is not subject to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the Rosscarrock Community Association and I was not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses, assets and net assets.

Qualified Opinion

In my opinion, except for the effects of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself of the completeness of fundraising activities, these financial statements present fairly, in all material respects, the financial position of the Rosscarrock Community Association as at March 31, 2016 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter

The 2015 financial statements have been prepared by a different auditor.

Calgary, Alberta
May 29, 2018



Heidi Brauer
Chartered Professional Accountant


ROSSCARROCK COMMUNITY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
(Audited)

As at March 31, 2016

	2016	2015
ASSETS		
CURRENT ASSETS		
Unrestricted cash and cash equivalents	\$ 79,799	\$ 10,048
Life cycle investment (Note 3)	23,025	21,735
Accounts receivable	-	54,614
GST	-	3,360
Prepaid expenses	3,876	4,160
	106,700	93,917
Externally Restricted Assets (Note 4)	26,119	67,293
PROPERTY AND EQUIPMENT (Note 5)	278,009	282,440
	\$ 410,828	\$ 443,650
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payables and accrued liabilities	\$ 10,417	\$ 12,679
Payroll liability	2,628	-
GST	1,567	-
Deferred revenue	2,330	2,916
Deferred cash contributions (Note 4)	26,119	67,293
	43,061	82,888
Deferred Capital Contributions (Note 6)	200,957	216,473
NET ASSETS		
Unrestricted	66,733	56,587
Internally restricted (Note 3)	23,025	21,735
Invested in property and equipment	77,052	65,967
	166,810	144,289
	\$ 410,828	\$ 443,650

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:



Director


Director

See Notes to the Financial Statements

ROSSCARROCK COMMUNITY ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
(Audited)

For the Year Ended March 31, 2016

	<u>Unrestricted</u>	<u>Internally Restricted</u>	<u>Invested in Property and Equipment</u>	<u>2016 Total</u>	<u>2015 Total</u>
Balances, beginning of the year	\$ 61,552	21,735	65,967	149,254	139,655
Restatement (Note 11)	<u>(4,965)</u>	-	-	<u>(4,965)</u>	<u>(4,965)</u>
Restated 2015 net assets	56,587	21,735	65,967	144,289	134,690
Increase (decrease)	<u>10,146</u>	<u>1,290</u>	<u>11,085</u>	<u>22,521</u>	9,599
Balances, end of the year	<u>\$ 66,733</u>	<u>23,025</u>	<u>77,052</u>	<u>166,810</u>	<u>144,289</u>

See Notes to the Financial Statements

ROSSCARROCK COMMUNITY ASSOCIATION
STATEMENT OF OPERATIONS
(Audited)

For the Year Ended March 31, 2016

	2016	2015
REVENUE		
Hall and garden bed rentals	\$ 103,421	\$ 83,692
Contributions from gaming (Note 7)	41,135	32,696
Grants (Note 8)	1,777	4,216
Fundraising and donations	707	368
Memberships	332	918
Interest	90	47
Community event	35	2,822
Miscellaneous	-	1,337
Advertising	-	105
	147,497	126,201
EXPENSES		
Repairs and maintenance (Schedule 1)	36,131	40,877
Wages	34,192	11,496
Utilities	14,222	21,589
Special events	12,091	11,905
Office, administration	8,951	8,935
Insurance	4,572	4,143
Professional fees	3,996	4,441
Donations	1,653	-
Permits and licences	995	622
Community garden	685	559
Bank and service charges	635	513
Volunteer appreciation	227	386
Internet	-	13
Advertising	-	1,096
Janitorial supplies	-	4,135
	118,350	110,710
Excess of revenue before amortization	29,147	15,491
Plus: Amortization of deferred capital contributions	15,516	16,245
Less: Amortization	(22,142)	(22,137)
EXCESS OF REVENUE AFTER AMORTIZATION	\$ 22,521	\$ 9,599

See Notes to the Financial Statements

ROSSCARROCK COMMUNITY ASSOCIATION
STATEMENT OF CASH FLOWS
(Audited)

For the Year Ended March 31, 2016

	<u>2016</u>	<u>2015</u>
Cash Generated From/(Used In):		
OPERATING ACTIVITIES:		
Excess of revenue over expenses	\$ 22,521	\$ 9,599
Charges not requiring cash outlay:		
Amortization	22,142	22,137
Amortized deferred capital contribution	(15,516)	(16,245)
Changes in non-cash operating working capital:		
Account receivable	57,974	(55,573)
Prepaid expense	284	(1,153)
Deferred revenue	(586)	277
Accounts payables	1,934	1,720
Cash from (to) operating activities	<u>88,753</u>	<u>(39,238)</u>
FINANCING ACTIVITIES:		
Deferred capital contributions (Note 6)	-	135,132
Deferred cash contributions	(41,174)	44,217
	<u>(41,174)</u>	<u>179,349</u>
INVESTING ACTIVITIES:		
Building improvements	(11,141)	(187,954)
Furniture and equipment	(6,571)	(15,910)
	<u>(17,712)</u>	<u>(203,864)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	29,867	(63,753)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>99,076</u>	<u>162,829</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 128,943</u>	<u>\$ 99,076</u>
 Consisting of:		
Unrestricted cash	\$ 79,799	\$ 10,048
Life Cycle investment	23,025	21,735
Externally restricted cash	26,119	67,293
	<u>\$ 128,943</u>	<u>\$ 99,076</u>

See Notes to the Financial Statements

ROSSCARROCK COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

March 31, 2016

1. NATURE OF THE ORGANIZATION

The Rosscarrock Ratepayers Community Association was incorporated under the Societies Act of the Province of Alberta on March 30, 1951. The name was subsequently changed to Rosscarrock Community Association on November 15, 1988.

The Association was incorporated as a not for profit association and is exempt from income tax under Section 149 of the Income Tax Act.

The Association was established to provide a meeting place in which the Community can come together in an atmosphere of fellowship and good will and help organize the efforts of the residents of Rosscarrock and surrounding communities to achieve their objectives regarding social, economic and environmental concerns.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared according to Canadian accounting standards for not-for-profit organizations, of which the most significant policies are:

a) Revenue Recognition:

Externally restricted contributions have been recorded according to the deferral method, where revenue is recognized when the related expense occurred. Externally restricted contributions contributed to the purchase of capital assets have been recorded as deferred capital contributions and are amortized on the same basis as the related capital asset.

Operating revenue has been recorded when received or reasonable assurance is given that it is receivable.

b) Property and Equipment:

Property and Equipment is stated at cost. Amortization is provided at the following annual rates:

Buildings	5%	straight line
Furnace	10%	straight line
Furniture and Equipment	20%	straight line

No residual value and half year rule have been taken into consideration

c) Basis of Accounting

Management has concluded that the going concern basis of accounting is appropriate for the Association.

ROSSCARROCK COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

March 31, 2016

3. LIFE CYCLE INVESTMENT

The Association has invested in RBC Canadian T-bills for which they contribute monthly. The principal and interest has been internally restricted for emergency hall renovations.

	<u>2016</u>	<u>2015</u>
Canadian T-Bill fund	<u>\$ 23,025</u>	<u>\$ 21,735</u>

4. EXTERNALLY RESTRICTED ASSETS/DEFERRED CASH CONTRIBUTIONS

Cash generated through bingo or casino events is restricted to usage according to Alberta Gaming Regulations. Unspent grant funding is restricted according to the objectives of the grant applications.

The Association holds the following externally restricted assets:

	<u>2016</u>	<u>2015</u>
Bank account - casino	<u>\$ 26,119</u>	<u>\$ 67,293</u>

5. PROPERTY AND EQUIPMENT

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2016 Net</u>	<u>2015 Net</u>
Building improvement	\$ 338,233	79,555	258,678	264,450
Furnace and equipment	65,689	46,358	19,331	17,990
	<u>\$ 403,922</u>	<u>125,913</u>	<u>278,009</u>	<u>282,440</u>

6. DEFERRED CAPITAL CONTRIBUTIONS

Grant funding spent on capital assets has been set up as deferred capital contributions.

This is being amortized on the same basis as amortization on the related capital asset.

	<u>2016</u>	<u>2015</u>
Balance carried forward	\$ 216,473	\$ 97,586
Contributions from grants for the purchase of capital assets	-	135,132
Recognized as revenue for the year	<u>(15,516)</u>	<u>(16,245)</u>
Capital contributions carried forward	<u>\$ 200,957</u>	<u>\$ 216,473</u>

ROSSCARROCK COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

March 31, 2016

7. CONTRIBUTIONS FROM GAMING

	<u>2016</u>	<u>2015</u>
Gaming funds - opening (Note 4)	\$ 67,293	\$ 23,075
Proceeds from casino	-	77,393
Less: Miscellaneous expenses	-	(351)
Less: Bank charges	(39)	(128)
Less: Gaming funds - ending (Note 4)	<u>(26,119)</u>	<u>(67,293)</u>
Contributions from gaming	<u>\$ 41,135</u>	<u>\$ 32,696</u>

8. GRANTS

During the fiscal year the Association received or spent the following grants:

	<u>2016</u>	<u>2015</u>
City of Calgary - Canada Day	\$ 1,000	\$ -
AB Parks & Recreation	500	-
City of Calgary - clean up grant	277	216
Community facility enhancement program (CFEP) grant	-	80,627
City of Calgary - capital conservation grant	-	54,505
City of Calgary - SNI grant	-	4,000
Total grant received	<u>1,777</u>	<u>139,348</u>
Spent on capital purchases	-	(135,132)
Spent on operations	<u>1,777</u>	<u>4,216</u>

9. CONTRIBUTED SERVICES

A substantial number of volunteers have made significant contributions of their time to develop the Association's programs. The value of this contributed time is not reflected in these financial statements.

10. COMPARATIVE FIGURES

The prior period figures have been reclassified to confirm to current year's presentation.

11. RESTATEMENT

It has come to our attention that the GST receivable had been overstated for 2015. This resulted in a decrease of GST receivable for 2015 and a decrease in unrestricted net assets.

ROSSCARROCK COMMUNITY ASSOCIATION
SCHEDULE 1 - REPAIRS AND MAINTENANCE
(Audited)

For the Year Ended March 31, 2016

	<u>2016</u>	<u>2015</u>
Repairs	\$ 15,407	\$ 6,415
Cleaning services	14,966	21,793
Garbage	3,825	3,011
Equipment rental	1,764	-
Security	169	637
Annual inspection	-	368
Landscaping/snow removal	-	2,545
Maintenance	-	6,108
	<u>\$ 36,131</u>	<u>\$ 40,877</u>