

ROSSCARROCK COMMUNITY ASSOCIATION

FINANCIAL STATEMENTS (Audited)

March 31, 2017

A member of:



ROSSCARROCK COMMUNITY ASSOCIATION

March 31, 2017

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HEIDI BRAUER

Chartered Professional Accountant

110 720 28TH Street NE, Calgary, AB T2A 6R3

T: 403-244-4111 ext. 209

F: 403-244-4129

E: heidi.brauer@calgarycommunities.com

W: calgarycommunities.com

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, 2017 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 generally accepted 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, 2017 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.

Calgary, Alberta
May 29, 2018



Heidi Brauer
Chartered Professional Accountant

ROSSCARROCK COMMUNITY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
(Audited)

As at March 31, 2017

	<u>2017</u>	<u>2016</u>
ASSETS		
CURRENT ASSETS		
Unrestricted cash and cash equivalents	\$ 65,685	\$ 79,799
Life cycle investment (Note 3)	24,277	23,025
Prepaid expenses	4,986	3,876
	<u>94,948</u>	<u>106,700</u>
Externally Restricted Assets (Note 4)	81,596	26,119
PROPERTY AND EQUIPMENT (Note 5)	258,095	278,009
	<u>\$ 434,639</u>	<u>\$ 410,828</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payables and accrued liabilities	\$ 27,967	\$ 10,417
Payroll liability	4,054	2,628
GST	3,607	1,567
Deferred revenue	3,146	2,330
Deferred cash contributions (Note 4)	81,596	26,119
	<u>120,370</u>	<u>43,061</u>
Deferred Capital Contributions (Note 6)	185,441	200,957
NET ASSETS		
Unrestricted	31,897	66,733
Internally restricted	24,277	23,025
Invested in property and equipment	72,654	77,052
	<u>128,828</u>	<u>166,810</u>
	<u>\$ 434,639</u>	<u>\$ 410,828</u>

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, 2017

	Unrestricted	Internally Restricted	Invested in Property and Equipment	<u>2017</u> Total	<u>2016</u> Total
Balances, beginning of the year	\$ 66,733	23,025	77,052	166,810	144,289
Increase (decrease)	<u>(34,836)</u>	<u>1,252</u>	<u>(4,398)</u>	<u>(37,982)</u>	22,521
Balances, end of the year	<u>\$ 31,897</u>	<u>24,277</u>	<u>72,654</u>	<u>128,828</u>	166,810

See Notes to the Financial Statements

ROSSCARROCK COMMUNITY ASSOCIATION
STATEMENT OF OPERATIONS
(Audited)

For the Year Ended March 31, 2017

	2017	2016
REVENUE		
Hall and garden bed rentals	\$ 115,564	\$ 103,421
Contributions from gaming (Note 7)	11,492	41,135
Fundraising and donations	3,103	707
Memberships	933	332
Interest	52	90
Grants (Note 8)	-	1,777
Community event	-	35
	131,144	147,497
EXPENSES		
Wages	65,672	34,192
Repairs and maintenance (Schedule 1)	39,920	36,131
Utilities	18,709	14,222
Special events	13,233	12,091
Professional fees	7,500	3,996
Office, administration	4,769	8,951
Charitable donations	5,781	1,653
Insurance	5,135	4,572
Bank and service charges	719	635
Permits and licences	513	995
Community garden	283	685
Volunteer appreciation	254	227
	162,488	118,350
Excess of revenue (deficit) before amortization	(31,344)	29,147
Plus: Amortized deferred capital contributions	15,516	15,516
Less: Amortization	(22,154)	(22,142)
EXCESS OF REVENUE (DEFICIT) AFTER AMORTIZATION	\$ (37,982)	\$ 22,521

See Notes to the Financial Statements

ROSSCARROCK COMMUNITY ASSOCIATION
STATEMENT OF CASH FLOWS
(Audited)

For the Year Ended March 31, 2017

	<u>2017</u>	<u>2016</u>
Cash Generated From/(Used In):		
OPERATING ACTIVITIES:		
Excess of Revenue (Deficit)	\$ (37,982)	\$ 22,521
Charges not requiring cash outlay:		
Amortization	22,154	22,142
Amortized Deferred Capital Contribution (Note 6)	(15,516)	(15,516)
Changes in non-cash operating working capital:		
Account receivable	-	57,974
Prepaid Expense	(1,110)	284
Deferred Revenue	815	(586)
Accounts Payables	20,972	1,934
Cash from (to) Operation	<u>(10,667)</u>	<u>88,753</u>
FINANCING ACTIVITIES:		
Deferred Cash Contributions	<u>55,522</u>	<u>(41,174)</u>
INVESTING ACTIVITIES:		
Building Improvements	(2,240)	(11,141)
Furniture and Equipment	-	(6,571)
	<u>(2,240)</u>	<u>(17,712)</u>
INCREASE IN CASH AND CASH EQUIVALENT	42,615	29,867
CASH AND CASH EQUIVALENT, BEGINNING OF THE YEAR	<u>128,943</u>	<u>99,076</u>
CASH AND CASH EQUIVALENT, END OF THE YEAR	<u>\$ 171,558</u>	<u>\$ 128,943</u>
 Consisting of:		
Unrestricted Cash	\$ 65,685	\$ 79,799
Life Cycle Investment	24,277	23,025
Externally Restricted Cash (Note 4)	81,596	26,119
	<u>\$ 171,558</u>	<u>\$ 128,943</u>

See Notes to the Financial Statements

ROSSCARROCK COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

March 31, 2017

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, 2017

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>2017</u>	<u>2016</u>
Canadian T-Bill Fund	<u>\$ 24,277</u>	<u>\$ 23,025</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>2017</u>	<u>2016</u>
Bank Account - Casino	<u>\$ 81,596</u>	<u>\$ 26,119</u>

5. PROPERTY AND EQUIPMENT

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2017 Net</u>	<u>2016 Net</u>
Building Improvement	\$ 340,473	96,579	243,894	258,678
Furnace and Equipment	65,689	51,488	14,201	19,331
	<u>\$ 406,162</u>	<u>148,067</u>	<u>258,095</u>	<u>278,009</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>2017</u>	<u>2016</u>
Balance carried forward	\$ 200,957	\$ 216,473
Recognized as Revenue for the Year	<u>(15,516)</u>	<u>(15,516)</u>
Capital contributions carried forward	<u>\$ 185,441</u>	<u>\$ 200,957</u>

ROSSCARROCK COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

March 31, 2017

7. CONTRIBUTIONS FROM GAMING

	<u>2017</u>	<u>2016</u>
Gaming Funds - Opening (Note 4)	\$ 26,119	\$ 67,293
Proceeds from Casino	67,014	-
Less: Bank Charges	(45)	(39)
Less: Gaming Funds - Ending (Note 4)	<u>(81,596)</u>	<u>(26,119)</u>
Contributions from Gaming	<u>\$ 11,492</u>	<u>\$ 41,135</u>

8. GRANTS

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

	<u>2017</u>	<u>2016</u>
City of Calgary - Canada Day	\$ -	\$ 1,000
AB Parks & Recreation	-	500
City of Calgary - Clean Up Grant	-	277
Total Grant Received	-	<u>1,777</u>
Spent on Capital Purchase	-	-
Spent on Operations	-	(1,777)
Grants Deferred to Next Year	<u>\$ -</u>	<u>\$ -</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.

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

For the Year Ended March 31, 2017

	<u>2017</u>	<u>2016</u>
Repairs	\$ 23,052	\$ 15,407
Cleaning Services	7,228	14,966
Garbage	6,815	3,825
Equipment rental	1,885	1,764
Security	500	169
Fuel	440	-
	<u>\$ 39,920</u>	<u>\$ 36,131</u>