

THE CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

FINANCIAL STATEMENTS (Audited)

December 31, 2022

a member of

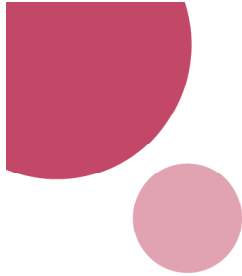


THE CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

December 31, 2022

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Nancy Murdoch

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Independent Auditor's Report

To the members of the
The Cambrian Heights Community Association

Qualified Opinion

I have audited the Statement of Financial Position of The Cambrian Heights Community Association as at December 31, 2022 and the Statements of Operations, Net Assets and Cash Flows and a summary of significant accounting policies and other explanatory notes for the year ended December 31, 2022.

In my opinion, except for the effects of adjustments as described below in the Basis for Qualified Opinion paragraph, 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 Cambrian Heights Community Association as at December 31, 2022 and the results of its operations and cash flows for the year ended December 31, 2022 in accordance with Canadian accounting standards for not-for-profit associations.

Basis for Qualified Opinion

In common with many not-for-profit associations, The Cambrian Heights Community Association derives revenue from certain fundraising 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 Cambrian Heights 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. I conducted my audit in accordance with Canadian auditing standards. I am independent of The Cambrian Heights Community Association in accordance with the ethical requirements that are relevant to my audit and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

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 associations 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.


In preparing the financial statements, management is responsible for assessing The Cambrian Heights Community Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

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 judgement, 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, concluding on the appropriateness of management's use of the going concern basis of accounting as well as evaluating the overall presentation of the financial statements.

I communicate with those charged with governance regarding the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that I identify during my audit.



*Nancy Murdoch
Chartered Professional
Accountant*

Calgary, Alberta
September 12, 2023

Nancy Murdoch
Chartered Professional Accountant

THE CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
(Audited)

As at December 31, 2022

	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents, unrestricted	\$ 97,972	\$ 105,545
Externally restricted assets (Note 3)	95,244	125,316
Accounts receivable	5,789	167
Goods and Services Tax receivable, unrestricted	285	977
Prepaid expenses	8,099	7,648
	207,389	239,653
Capital assets (Note 4)	536,563	553,166
	\$ 743,952	\$ 792,819
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 12,504	\$ 7,311
Damage deposits held	2,500	1,225
Deferred cash contributions (Note 3)	95,244	125,316
	110,248	133,852
Deferred capital contributions (Note 5)	506,200	529,665
	616,448	663,517
Net assets		
Unrestricted	97,141	105,801
Invested in capital assets	30,363	23,501
	127,504	129,302
	\$ 743,952	\$ 792,819

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

Ian McKinnon
Ian McKinnon (Sep 19, 2023 09:56 MDT) Director

Daryl Connolly
Daryl Connolly (Sep 19, 2023 08:37 PDT) Director

See Notes to the Financial Statements

THE CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
(Audited)

For the Year Ended December 31, 2022

	Unrestricted	Invested in Capital Assets	2022 Totals	2021 Totals
Balances, beginning of the year	\$ 105,801	23,501	129,302	135,031
Capital assets paid by general funds	(9,243)	9,243	-	-
Excess of revenue (expenses)	583	(2,381)	(1,798)	(5,729)
Balances, end of the year	<u>\$ 97,141</u>	<u>30,363</u>	<u>127,504</u>	<u>129,302</u>

See Notes to the Financial Statements

THE CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

STATEMENT OF OPERATIONS

(Audited)

For the Year Ended December 31, 2022

	<u>2022</u>	<u>2021</u>
Revenue		
Casino contributions (Note 6)	\$ 25,672	\$ 10,350
Grants (Note 9)	16,061	30,683
Community programs and events	7,928	2,750
Hall rentals	31,597	29,143
Interest income	49	48
Memberships	4,416	1,757
	<u>85,723</u>	<u>74,731</u>
Expenses		
Advertising	1,127	1,039
Community programs and events	5,457	8,425
Grounds keeping	10,982	6,527
Insurance	8,159	8,141
Maintenance and cleaning	13,551	12,172
Office administration	3,370	1,424
Professional fees	5,631	4,753
Rink	-	416
Telephone	1,702	1,963
Utilities	12,628	9,977
Wages and benefits	22,532	22,819
	<u>85,139</u>	<u>77,656</u>
Excess of (expenses) revenue before amortization	584	(2,925)
Amortization expense	(40,959)	(40,054)
Amortization of deferred contributions (Note 5)	38,577	37,250
	<u>38,577</u>	<u>37,250</u>
Excess of (expenses) revenue	\$ (1,798)	\$ (5,729)

See Notes to the Financial Statements

THE CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

STATEMENT OF CASH FLOWS

(Audited)

For the Year Ended December 31, 2022

	2022	2021
Cash generated from/(used in):		
Operating activities		
Excess of revenue (expenses)	\$ (1,798)	\$ (5,729)
Charges not affecting cash outlay:		
Amortization	40,959	40,054
Amortization of deferred contributions	(38,577)	(37,250)
Changes in non-cash operating working capital:		
Accounts receivable	(5,622)	1,869
Goods and Services Tax receivable	692	13,107
Prepaid expenses	(451)	(117)
Accounts payable and accrued liabilities	5,194	(267)
Damage deposits held	1,275	(425)
	1,672	11,242
Investing activities		
Building improvements	(6,800)	(102,202)
Purchase of furniture and equipment	(17,334)	(684)
	(24,134)	(102,886)
Financing activities		
Receipt of grant funds	26,724	134,871
Receipt of gaming funds	-	76,187
Net use of deferred cash contributions	(41,906)	(41,008)
	(15,182)	170,050
Increases (decrease) in cash and cash equivalents	(37,644)	78,406
Cash and cash equivalents, beginning of the year	230,861	152,455
Cash and cash equivalents, end of the year	\$ 193,217	\$ 230,861
Cash and cash equivalents consist of:		
Unrestricted cash and cash equivalents	\$ 97,972	\$ 105,545
Externally restricted cash and cash equivalents (Note 3)	95,245	125,316
	\$ 193,217	\$ 230,861

See Notes to the Financial Statements

CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2022

1. NATURE OF THE ORGANIZATION

The Cambrian Heights Community Association (the Association) was incorporated under the Alberta Societies Act on March 5, 1958 as a not-for-profit organization. The Association is exempt from income tax under Section 149 (1) of the Income Tax Act as long as it maintains its not-for-profit status with the Canada Revenue Agency.

The Association was established to promote and foster better relations among the residents of the Cambrian Heights Community.

2. SUMMARY OF 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 are recorded according to the deferral method where revenue is recognized when the related expense occurs. Externally restricted contributions for property and equipment are recorded as deferred capital contributions and are amortized on the same basis that the related capital asset is expensed.

Operating revenue is recognized when received or reasonable assurance is given that it is receivable. Memberships are recorded when received.

(b) Cash and Cash Equivalents

Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investing or other purposes. For an investment to qualify as a cash equivalent it must be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of, say, three months or less from the date of acquisition. Equity investments are excluded from cash equivalents.

(c) Capital Assets

The Association follows the policy of capitalizing all major assets acquired and amortizes them over their estimated useful lives using the straight line method at the following rates:

Leasehold improvements	10 and 20 years
Furniture and equipment	10 years

CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2022

3. EXTERNALLY RESTRICTED ASSETS / DEFERRED CASH CONTRIBUTIONS

Cash generated from casino activities is restricted to spending according to the approved use of proceeds by the Alberta Gaming and Liquor Commission. Cash generated from grant funding is restricted to spending according to funder contribution agreements

	2022	2021
Cash in casino bank - Casino	\$ 94,902	\$ 123,776
Casino funds held in general bank	342	1,540
	\$ 95,244	\$ 125,316

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	2022 Net	2021 Net
Leasehold improvements	\$ 759,070	248,408	510,662	542,156
Furniture and equipment	61,388	35,487	25,901	11,010
	\$ 820,458	283,895	536,563	553,166

5. DEFERRED CAPITAL CONTRIBUTIONS

Externally restricted contributions spent on the purchase of capital assets are recorded as deferred capital contributions. These contributions are recognized as revenue on the same basis that the related capital asset is amortized.

	2022	2021
Balance from the previous year	\$ 529,665	\$ 463,925
Contributions from casino funds (Note 6)	3,250	-
Contributions from grant funds (Note 9)	11,862	102,990
Less: Amortization	(38,577)	(37,250)
Balance to next year	\$ 506,200	\$ 529,665

CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2022

6. CASINO CONTRIBUTIONS

	2022	2021
Balance from the previous year	\$ 124,118	\$ 58,256
Casino proceeds	-	76,187
Interest earned	49	25
Purchase of capital assets (Note 5)	(3,250)	-
Carried forward to next year	(95,245)	(124,118)
Casino funds spent on operations	\$ 25,672	\$ 10,350

7. MEASUREMENT UNCERTAINTY

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, the estimates for prepaid expenses, the useful life of capital assets and accrued liabilities are subject to measurement uncertainty and the effect on the financial statements could be significant.

8. CONTRIBUTED GOODS AND SERVICES

Contributed services and donated items are recognized in the financial statements when their fair value can reasonably be determined, when the services or goods are used in the normal course of the Association's operations and when they would otherwise have been purchased. During the year no contributions were recognized (2021 - \$ Nil).

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.

9. GRANT CONTRIBUTIONS

	2022	2021
Province - Community Facility Enhancement Program		
Carried forward from the prior year	\$ 1,198	\$ -
Grants received/receivable	5,622	27,476
Contributed to capital assets	(5,622)	(26,278)
Contributed to operations	(1,198)	-
Carried forward to next year	-	1,198

CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2022

9. GRANT CONTRIBUTIONS continued...

	2022	2021
City - Capital Conservation Grant (CCG)		
Grants received/receivable	-	76,712
Contributed to capital assets	-	(76,712)
Contributed to operations	-	-
City - Inspiring Neighbourhood & Ward Event Grants		
Grants received in the year	4,150	832
Contributed to capital assets	(3,400)	-
Contributed to operations	(750)	(832)
Carried forward to next year	-	-
Province - Enterprise Relaunch Grant		
Grants received	-	3,026
Contributed to operations	-	(3,026)
Carried forward to next year	-	-
City - COVID19 Relief		
Grants received/receivable	11,782	22,292
Contributed to operations	(11,782)	(22,292)
Carried forward to next year	-	-
The Parks Foundation - Amateur Sports Grant		
Grants received	2,840	-
Contributed to capital assets	(2,840)	-
Carried forward to next year	-	-
Federal -Canada Emergency Wage Subsidy		
Grants received/receivable	2,331	4,533
Contributed to operations	(2,331)	(4,533)
Carried forward to next year	-	-
Totals for the year		
Carried forward from the prior year	1,198	-
Grants received/receivable	26,725	134,871
Contributed to capital assets	(11,862)	(102,990)
Contributed to operations	(16,061)	(30,683)
Balances carried forward to next year	\$ -	\$ 1,198

CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2022

10. FINANCIAL INSTRUMENTS

Measurement of financial instruments

The Association initially measures its financial assets and financial liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at cost or amortized cost. Changes in fair value of these financial instruments are recognized in net income.

Financial instruments measured at amortized cost include cash and cash equivalents, accounts receivable and accounts payable.

Risk

It is management's opinion that the Association is not exposed to significant interest, currency, price, liquidity, market or credit risks arising from these financial instruments.

11. COVID19

Once again the global COVID19 pandemic has disrupted economic activities and supply chains although with less impact this year. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of business disruption and the related financial impact cannot be reasonably estimated at this time. The Association's ability to continue to service its members and maintain its assets is dependent on the continued ability to generate revenue and manage expenses.