

THE CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

FINANCIAL STATEMENTS (Audited)

December 31, 2023

a member of

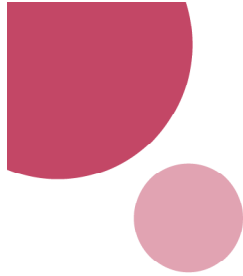


THE CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

December 31, 2023

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Nancy Murdoch

Chartered Professional Accountant

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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, 2023 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, 2023.

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 and rentals, these financial statements present fairly, in all material respects, the financial position of The Cambrian Heights Community Association as at December 31, 2023 and the results of its operations and cash flows for the year ended December 31, 2023 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 and community garden rentals, 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.

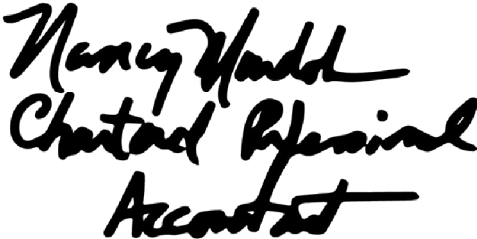
In preparing the financial statements, management is responsible for assessing The Cambrian Heights Community Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

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
June 5, 2024

Nancy Murdoch
Chartered Professional Accountant

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

As at December 31, 2023

	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents, unrestricted	\$ 103,173	\$ 97,972
Externally restricted assets (Note 3)	137,532	95,244
Accounts receivable	561	5,789
Goods and Services Tax receivable, unrestricted	-	285
Prepaid expenses	8,970	8,099
	250,236	207,389
Capital assets (Note 4)	494,343	536,563
	\$ 744,579	\$ 743,952
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 15,721	\$ 12,504
Goods and Services Tax payable	186	-
Deferred revenue	4,200	-
Damage deposits held	1,700	2,500
Deferred cash contributions (Note 3)	137,532	95,244
	159,339	110,248
Deferred capital contributions (Note 5)	467,654	506,200
	626,993	616,448
Net assets		
Unrestricted	90,897	97,141
Invested in capital assets	26,689	30,363
	117,586	127,504
	\$ 744,579	\$ 743,952

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

Daryl Connolly
Daryl Connolly (Jun 12, 2024 10:59 MDT) Director

Ian McKinnon
Ian McKinnon (Jun 13, 2024 12:16 MDT) 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, 2023

	Unrestricted	Invested in Capital Assets	2023 Totals	2022 Totals
Balances, beginning of the year	\$ 97,141	30,363	127,504	129,302
Capital assets paid by general funds	(9,243)	9,243	-	-
Excess of revenue (expenses)	2,999	(12,917)	(9,918)	(1,798)
Balances, end of the year	<u>\$ 90,897</u>	<u>26,689</u>	<u>117,586</u>	<u>127,504</u>

See Notes to the Financial Statements

THE CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

STATEMENT OF OPERATIONS

(Audited)

For the Year Ended December 31, 2023

	<u>2023</u>	<u>2022</u>
Revenue		
Casino contributions (Note 6)	\$ 35,815	\$ 25,672
Grants (Note 9)	1,399	16,061
Community programs and events	8,417	7,928
Hall rentals	47,391	31,597
Interest income	48	49
Memberships	4,705	4,416
Other and rebates	739	-
	<u>98,514</u>	<u>85,723</u>
Expenses		
Advertising	1,674	1,127
Community programs and events	13,238	5,457
Gifts	336	-
Grounds keeping	8,494	10,982
Insurance	8,872	8,159
Maintenance and cleaning	19,141	13,551
Office administration	3,133	3,370
Professional fees	8,739	5,631
Rink	172	-
Telephone	1,703	1,702
Utilities	16,182	12,628
Wages and benefits	23,073	22,532
	<u>104,757</u>	<u>85,139</u>
Excess of (expenses) revenue before amortization	(6,243)	584
Amortization expense	(42,221)	(40,959)
Amortization of deferred contributions (Note 5)	38,546	38,577
Excess of (expenses) revenue	\$ (9,918)	\$ (1,798)

See Notes to the Financial Statements

THE CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

STATEMENT OF CASH FLOWS

(Audited)

For the Year Ended December 31, 2023

	2023	2022
Cash generated from/(used in):		
Operating activities		
Excess of revenue (expenses)	\$ (9,918)	\$ (1,798)
Charges not affecting cash outlay:		
Amortization	42,221	40,959
Amortization of deferred contributions	(38,546)	(38,577)
Changes in non-cash operating working capital:		
Accounts receivable	5,228	(5,622)
Goods and Services Tax receivable	472	692
Prepaid expenses	(871)	(451)
Accounts payable and accrued liabilities	3,216	5,194
Deferred membership fees	4,200	-
Damage deposits held	(800)	1,275
	5,202	1,672
Investing activities		
Building improvements	-	(6,800)
Purchase of furniture and equipment	-	(17,334)
Reinvestment of interest in GICs	575	-
	575	(24,134)
Financing activities		
Receipt of grant funds	1,399	26,724
Receipt of gaming funds	77,527	-
Net use of deferred cash contributions	(37,215)	(41,906)
	41,711	(15,182)
Increases (decrease) in cash and cash equivalents	47,488	(37,644)
Cash and cash equivalents, beginning of the year	193,217	230,861
Cash and cash equivalents, end of the year	\$ 240,705	\$ 193,217
Cash and cash equivalents consist of:		
Unrestricted cash and cash equivalents	\$ 103,173	\$ 97,972
Externally restricted cash and cash equivalents (Note 3)	137,532	95,245
	\$ 240,705	\$ 193,217

See Notes to the Financial Statements

CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2023

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, 2023

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

	2023	2022
Cash in casino bank - Casino	\$ 16,996	\$ 94,902
Casino funds held in general bank	-	342
Casino savings account	120,536	-
	\$ 137,532	\$ 95,244

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	2023 Net	2022 Net
Leasehold improvements	\$ 759,070	286,808	472,262	510,662
Furniture and equipment	61,388	39,307	22,081	25,901
	\$ 820,458	326,115	494,343	536,563

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.

	2023	2022
Balance from the previous year	\$ 506,200	\$ 529,665
Contributions from casino funds (Note 6)	-	3,250
Contributions from grant funds (Note 9)	-	11,862
Less: Amortization	(38,546)	(38,577)
Balance to next year	\$ 467,654	\$ 506,200

CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2023

6. CASINO CONTRIBUTIONS

	2023	2022
Balance from the previous year	\$ 95,245	\$ 124,118
Casino proceeds	77,527	-
Interest earned	575	49
Purchase of capital assets (Note 5)	-	(3,250)
Carried forward to next year	(137,532)	(95,245)
Casino funds spent on operations	\$ 35,815	\$ 25,672

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 (2022 - \$ 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

	2023	2022
Province - Community Facility Enhancement Program		
Carried forward from the prior year	\$ -	\$ 1,198
Grants received/receivable	-	5,622
Contributed to capital assets	-	(5,622)
Contributed to operations	-	(1,198)
Carried forward to next year	-	-

CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2023

9. GRANT CONTRIBUTIONS continued...

	2023	2022
City - Inspiring Neighbourhood & Ward Event Grants		
Grants received in the year	1,600	4,150
Contributed to capital assets	-	(3,400)
Contributed to operations	(1,399)	(750)
Not used and returned to City	(201)	-
City - COVID19 Relief		
Grants received/receivable	-	11,782
Contributed to operations	-	(11,782)
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
Contributed to operations	-	(2,331)
Carried forward to next year	-	-
Totals for the year		
Carried forward from the prior year	-	-
Grants received/receivable	1,600	26,725
Contributed to capital assets	-	(11,862)
Returned to City	(201)	-
Contributed to operations	(1,399)	(16,061)
Balances carried forward to next year	\$ -	\$ -

CAMBRIAN HEIGHTS COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2023

10. RELATED PARTY TRANSACTIONS

The acting treasurer (not an elected board member) is married to the president of the Association and has been paid \$3,000 for accounting services. At December 31, 2023, the \$3,000 was included in accounts payable.

11. 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.