

BRIDGELAND - RIVERSIDE COMMUNITY ASSOCIATION

FINANCIAL STATEMENTS (Audited)

DECEMBER 31, 2012



BRIDGELAND - RIVERSIDE COMMUNITY ASSOCIATION

December 31, 2012

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Brian Catibog, Chartered Accountant

301 - 1609 14th Street SW Calgary, AB T3C 1E4

Phone: 403.244.4111 ext. 228 Fax: 403.244.4129

brian.catibog@calgarycommunities.com

Independent Auditor's Report

To the Members of:
Bridgeland - Riverside Community Association

I have audited the financial statements of Bridgeland - Riverside Community Association as at December 31, 2012, December 31, 2011 and January 1, 2011 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 years ended December 31, 2012 and December 31, 2011.

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 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, 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 audit opinion.

Opinion

In common with many not for profit organizations, Bridgeland - Riverside 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 Bridgeland - Riverside 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.

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 Bridgeland - Riverside Community Association as at December 31, 2012, December 31, 2011 and January 1, 2011 and the results of its operations and cash flows for the years ended December 31, 2012 and December 31, 2011 in accordance with Canadian accounting standards for not-for-profit organizations.

Calgary, Alberta
February 12, 2014



Brian Catibog
Chartered Accountant

BRIDGELAND - RIVERSIDE COMMUNITY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
(Audited)

As at December 31, 2012

| | 2012 | 2011 |
|---|-------------------|-------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and Cash Equivalents, unrestricted | \$ 14,010 | \$ 15,020 |
| Term Deposits, unrestricted | 69,712 | 78,805 |
| Accounts Receivable, unrestricted | 9,025 | 8,966 |
| Prepaid Expense, unrestricted | 3,566 | 3,566 |
| Externally Restricted Assets (Note 3) | 568,935 | 554,303 |
| | 665,248 | 660,660 |
| PROPERTY AND EQUIPMENT (Note 4) | 56,384 | 106,459 |
| | \$ 721,632 | \$ 767,119 |

LIABILITIES AND NET ASSETS

| | | |
|--|-------------------|-------------------|
| CURRENT LIABILITIES | | |
| Accounts Payable and Accrued Liabilities | \$ 18,575 | \$ 14,530 |
| Deferred Cash Contributions (Note 3) | 568,935 | 554,303 |
| | 587,510 | 568,833 |
| DEFERRED CAPITAL CONTRIBUTIONS (Note 5) | 50,249 | 104,723 |
| NET ASSETS | | |
| Unrestricted | 77,738 | 91,827 |
| Invested in Property and Equipment | 6,135 | 1,736 |
| | 83,873 | 93,563 |
| | \$ 721,632 | \$ 767,119 |

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

_____ Director

_____ Director

BRIDGELAND- RIVERSIDE COMMUNITY ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
(Audited)

For the Year Ended December 31, 2012

| | Unrestricted | Invested in Property and Equipment | 2012 Totals | 2011 Totals |
|---------------------------------|---------------------|---|------------------------|------------------------|
| Balances, Beginning of the Year | \$ 91,827 | \$ 1,736 | \$ 93,563 | \$ 155,175 |
| Increase (Decrease) | (14,089) | 4,399 | (9,690) | (61,612) |
| Balances, End of the Year | <u>\$ 77,738</u> | <u>\$ 6,135</u> | <u>\$ 83,873</u> | <u>\$ 93,563</u> |

See Notes to Financial Statements

BRIDGELAND - RIVERSIDE COMMUNITY ASSOCIATION
STATEMENT OF OPERATIONS
(Audited)

For the Year Ended December 31, 2012

| | 2012 | 2011 |
|---|-------------------|--------------------|
| REVENUE | | |
| Casino Contributions (Note 8) | \$ 43,682 | \$ 55,621 |
| Donations | 1,250 | 200 |
| Events | 1,576 | 946 |
| Grants (Note 7) | 15,000 | 77,463 |
| Interest | 892 | 1,179 |
| Membership | 2,214 | 5,688 |
| Miscellaneous | 83 | - |
| Program Fees | 7,010 | 7,915 |
| Rentals | 63,640 | 46,343 |
| | 135,347 | 195,355 |
| EXPENSES | | |
| Accounting/Management | 8,051 | 12,654 |
| Administration/Office/Telephone | 11,183 | 10,481 |
| Advertising & Promotions | 1,051 | 970 |
| Donations | 15,000 | - |
| Events | 4,063 | 6,156 |
| Insurance | 3,890 | 3,890 |
| Professional Fees | 4,438 | 4,150 |
| Programs | 16,514 | 22,528 |
| Repair and Maintenance | 7,620 | 125,022 |
| Utilities | 11,114 | 10,354 |
| Bad Debt Expense | 150 | - |
| Wages & Salaries | 61,426 | 59,276 |
| | 144,500 | 255,481 |
| EXCESS OF REVENUE OVER EXPENSES BEFORE | | |
| AMORTIZATION | (9,153) | (60,126) |
| Amortization | (55,011) | (55,960) |
| Amortization of Deferred Contributions (Note 5) | 54,474 | 54,474 |
| | 54,474 | 54,474 |
| EXCESS OF REVENUE (EXPENSES) AFTER | | |
| AMORTIZATION | \$ (9,690) | \$ (61,612) |

BRIDGELAND - RIVERSIDE COMMUNITY ASSOCIATION
STATEMENT OF CASH FLOWS
(Audited)

For the Year Ended December 31, 2012

| | 2012 | 2011 |
|--|-------------------|-------------------|
| Cash generated from (used in): | | |
| OPERATIONS: | | |
| Excess of Revenue (Expenses) | \$ (9,690) | \$ (61,612) |
| Non Cash Items: | | |
| Amortization | 55,011 | 55,960 |
| Amortization of Deferred Contributions | (54,474) | (54,474) |
| Changes in non-cash operating Working Capital: | | |
| Accounts Receivable | 579 | (8,021) |
| Accounts Payable | 4,047 | 5,702 |
| Deferred Revenue | - | (42,463) |
| Cash from Operations | (4,527) | (104,908) |
| INVESTING: | | |
| Purchase of property and equipment | (4,938) | (1,650) |
| FINANCING: | | |
| Decrease in Deferred Cash Contributions | 14,632 | 451,145 |
| INCREASE (DECREASE) IN CASH | 5,167 | 344,587 |
| CASH, BEGINNING OF THE YEAR | 647,489 | 302,902 |
| CASH, END OF THE YEAR | \$ 652,656 | \$ 647,489 |
| Consisting of: | | |
| Unrestricted Cash and Term Deposits | \$ 83,721 | \$ 93,824 |
| Community Facility Enhancement | 126,751 | 125,201 |
| Lifecycle - The City of Calgary | 370,765 | 381,270 |
| Casino Cash and Term Deposits (Note 3) | 71,419 | 47,194 |
| | \$ 652,656 | \$ 647,489 |

See Notes to Financial Statements

BRIDGELAND - RIVERSIDE COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

December 31, 2012

1. GENERAL

The Bridgeland Riverside Community Association (Association) was registered on August 12, 1950 under the Societies Act of Alberta as a not for profit organization and as such is exempt from income tax according to Section 149 (g) of the Income Tax Act.

The objects of the Association are to facilitate the social and recreational needs of the community.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are as follows:

(a) Revenue Recognition

Revenue from externally restricted assets has been recorded according to the deferral method where revenue is recognized when the related expense occurred.

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

(b) Property and Equipment

Property and equipment are recorded at cost. Amortization is calculated on the straight-line method over the expected life of the asset:

| | |
|-----------------------|---------|
| Playground | 5 years |
| Furniture & Equipment | 5 years |

No residual value or first year rule apply.

(c) Measurement Uncertainty

The preparation of 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, these estimates are subject to measurement uncertainty and the effect on the financial statement of changes in such estimates in future periods may be significant.

It is management's opinion, that the Association is not exposed to significant interest, currency, price or credit risks.

BRIDGELAND - RIVERSIDE COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

December 31, 2012

3. EXTERNALLY RESTRICTED ASSETS / DEFERRED CASH CONTRIBUTIONS

| | <u>2012</u> | <u>2011</u> |
|---|-------------------|-------------------|
| Cash - Casino | \$ 69,063 | \$ 4,198 |
| Investments - Casino | 2,356 | 42,996 |
| Lifecycle - The City of Calgary | 370,765 | 381,270 |
| Community Facility Enhancement Program (CFEP) | <u>126,751</u> | <u>125,201</u> |
| | 568,935 | 553,665 |
| Accounts Receivable - Interest | - | 638 |
| | <u>\$ 568,935</u> | <u>\$ 554,303</u> |

4. PROPERTY AND EQUIPMENT

| | <u>Cost</u> | <u>Accumulated Amortization</u> | <u>Net 2012</u> | <u>Net 2011</u> |
|-------------------------|-------------------|-------------------------------------|---------------------|---------------------|
| Playground | \$ 239,540 | (191,632) | 47,908 | 95,816 |
| Equipment and Furniture | 96,753 | (88,277) | 8,476 | 10,643 |
| | <u>\$ 336,293</u> | <u>(279,909)</u> | <u>56,384</u> | <u>106,459</u> |

5. DEFERRED CAPITAL CONTRIBUTIONS

Externally restricted assets spent on capital expenditures have been recorded as deferred contributions and are amortized on the same basis as the related capital asset.

| | <u>2012</u> | <u>2011</u> |
|-----------------------------------|------------------|-------------------|
| Opening balance | \$ 104,723 | \$ 159,197 |
| Taken into income during the year | (54,474) | (54,474) |
| Balance carried forward | <u>\$ 50,249</u> | <u>\$ 104,723</u> |

6. CONTRIBUTED GOODS AND SERVICES

Contributed services and donated items are recognized in the financial statements when the fair value can reasonably be estimated, when the services are used in the normal course of the Association's operations and when they otherwise would have been purchased. During the year \$Nil (2011 - \$Nil) donated goods and services were recorded in the financial statements.

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.

BRIDGELAND - RIVERSIDE COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

December 31, 2012

7. GRANTS

| | Received | Deferred from Previous Year | Spent on Operations | Spent on Capital Assets | Deferred to next year |
|--|-----------------|--|--------------------------------|--|--------------------------------------|
| Unrestricted Grant Held for Future Expenses | - | - | - | - | - |
| Lifecycle- The City of Calgary Community Facility | - | 380,415 | (15,000) | - | 365,415 |
| Enhancement Program (CFEP) | - | 125,000 | - | - | 125,000 |
| Net Interest Earned | - | 7,101 | - | - | 7,101 |
| | \$ - | 512,516 | (15,000) | - | 497,516 |

8. CASINO CONTRIBUTIONS

| | 2012 | 2011 |
|---|------------------|------------------|
| Beginning Casino Funds | \$ 4,198 | \$ 60,167 |
| Casino Funds Received | 67,240 | - |
| Funds transferred from GIC Investment | 41,587 | - |
| Bank Charges | (280) | (348) |
| Ending balance - Deferred Casino Cash Contribution (Note 3) | (69,063) | (4,198) |
| Casino Funds Contributed to Operations | \$ 43,682 | \$ 55,621 |

9. COMPARATIVE FIGURES

Some of the prior year figures have been reclassified to conform to the current year presentation.

BRIDGELAND - RIVERSIDE COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

December 31, 2012

10. ELECTION OF NEW ACCOUNTING STANDARDS

In December 2010, the Accounting Standards Board issued Part III of the CICA Handbook - Accounting - Accounting Standards for Not-for-Profit Organizations. First time adoption of this Part of the Handbook is mandatory for annual financial statements relating to fiscal years beginning on or after January 1, 2012. The Association had the choice at that time to elect to use this Part of the Handbook or adopt the International Financial Reporting Standards (IFRS).

The Association has elected to adopt the standards contained in Part III of the CICA Handbook - Accounting - Accounting for Not-for-Profit Organizations. Upon adoption it is required to provide an opening statement of financial position as at the date of transition to these accounting standards, which in the case of the Association was January 1, 2011.

| | Opening balance at January 1, 2011 |
|--|---|
| | \$ 469,191 |
| ASSETS | |
| Cash, unrestricted | \$ 122,736 |
| Term Deposits, unrestricted | 77,640 |
| Accounts Receivable, unrestricted | 1,324 |
| Prepaid Expenses, unrestricted | 3,566 |
| Externally Restricted Assets | 103,157 |
| Property and Equipment | 160,768 |
| | \$ 469,191 |
| LIABILITIES | |
| Accounts Payable and Accrued Liabilities | \$ 9,199 |
| Deferred Revenue | 42,463 |
| Deferred Cash Contributions | 103,157 |
| Deferred Capital Contributions | 159,197 |
| | 314,016 |
| NET ASSETS | |
| Unrestricted | 153,604 |
| Invested in Property and Equipment | 1,571 |
| | 155,175 |
| | \$ 469,191 |