HAMPTON VILLAGE COMMUNITY ASSOCIATION

FINANCIAL STATEMENTS
(Unaudited)

August 31, 2012

PROVINCE OF SASKATCHEWAN
FILED
OCT 29 2012
CORPORATE
REGISTRY

Cheryl Woloschuk,
Certified General Accountant,
Prof. Corp.

439 Lashyn Cove
Saskatoon, SK
S7N 4S2
Tel: (306) 227-1972
Fax: (306) 664-2440
Email: cwolos@sasktel.net

HAMPTON VILLAGE COMMUNITY ASSOCIATION
INDEX TO THE FINANCIAL STATEMENTS
August 31, 2012

The accompanying notes are an integral part of these financial statements.

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REVIEW ENGAGEMENT REPORT

To the Members of
Hampton Village Community Association

I have reviewed the statements of financial position of Hampton Village Community Association as at August 31, 2012, August 31, 2011, and the statements of operations, changes in net assets, and cash flows for the year ended August 31, 2012 and August 31, 2011. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures, and discussion of information supplied to me by the Organization.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Cheryl Woloschuk, CGA, Prof. Corp.

Cheryl Woloschuk, CGA, Prof. Corp.
Certified General Accountant

Saskatoon, SK
October 10, 2012

HAMPTON VILLAGE COMMUNITY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
(Unaudited)
August 31, 2012

ASSETS

	2012	2011	2010 (September 1)
CURRENT			
Cash	$ 24,498	$ 8,790	$ 2,346
Accounts receivable	1,200	550	100
Inventory (Note 3)	746	746	746
	26,444	10,086	3,192
TANGIBLE CAPITAL ASSETS (Note 4)	13,500	0	0
	$ 39,944	$ 10,086	$ 3,192

LIABILITIES

	2012	2011	2010 (September 1)
CURRENT			
Accounts payable and accrued liabilities	$ 4,886	$ 755	$ 20
NET ASSETS			
Net assets invested in capital assets	13,500	0	0
Unrestricted net assets	21,558	9,331	3,172
	35,058	9,331	3,172
	$ 39,944	$ 10,086	$ 3,192

Approved by:

____________________, Director ____________________, Director

The accompanying notes are an integral part of these financial statements.

HAMPTON VILLAGE COMMUNITY ASSOCIATION
STATEMENT OF OPERATIONS
(Unaudited)
For the year ended August 31, 2012

	2012	2011
REVENUE		
Fundraising	$ 13,149	$ 0
Grants	10,800	2,100
Indoor activities	8,860	2,524
Memberships	1,035	520
Miscellaneous	77	0
Newsletter	1,350	1,100
Outdoor activities	22,795	6,090
Special events	0	2,435
	58,066	14,769
EXPENSES		
Advertising and promotion	29	260
Amortization of tangible assets	1,500	0
Bad debts	100	0
Business taxes and licences	120	0
Freight and delivery	17	0
Fundraising	6,106	1,175
Indoor activities	5,395	1,320
Insurance	700	480
Interest expense	50	0
Newsletter	550	479
Office and general	0	13
Outdoor activities	17,029	4,168
Professional fees	743	715
	32,339	8,610
EXCESS OF REVENUE OVER EXPENSES	$ 25,727	$ 6,159

The accompanying notes are an integral part of these financial statements.

HAMPTON VILLAGE COMMUNITY ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
(Unaudited)
For the year ended August 31, 2012

NET ASSETS	Invested in capital assets	Unrestricted	Total 2012	Total 2011
Balance, beginning of year	$ 0	$ 9,331	$ 9,331	$ 3,172
Excess of revenues over expenses	(1,500)	27,227	25,727	6,159
Investment in capital assets	15,000	(15,000)	0	0
Balance, end of year	$ 13,500	$ 21,558	$ 35,058	$ 9,331

The accompanying notes are an integral part of these financial statements.

HAMPTON VILLAGE COMMUNITY ASSOCIATION
CASH FLOW STATEMENT
(Unaudited)
For the year ended August 31, 2012

	2012	2011
OPERATING ACTIVITIES		
Excess of revenue over expenses	$ 25,727	$ 6,159
Add (deduct):		
Charges to income not involving cash		
Amortization	1,500	0
	27,227	6,159
Net change in non-cash working capital balances related to operations		
Accounts receivable	(650)	(450)
Accounts payable and accrued liabilities	4,131	735
	30,708	6,444
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(15,000)	0
INCREASE IN CASH AND CASH EQUIVALENTS	15,708	6,444
CASH AND CASH EQUIVALENTS, beginning of year	8,790	2,346
CASH AND CASH EQUIVALENTS, end of year	$ 24,498	$ 8,790

The accompanying notes are an integral part of these financial statements.

HAMPTON VILLAGE COMMUNITY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
August 31, 2012

1. PURPOSE OF THE ORGANIZATION

Hampton Village Community Association Inc. was incorporated on November 10, 2010 under The Non-Profit Corporations Act of Saskatchewan. The Corporation is exempt from income taxes under section 149(1)(l) of the Income Tax Act of Canada.

The objectives of the Corporation are:

1) to promote and assist in the development of the educational, recreational, and social well being of the residents within the designated boundaries in the Hampton Village subdivision in Saskatoon, Saskatchewan;
2) to encourage a sense of community and work to improve the quality of life of the people of the neighborhood; and
3) to promote, develop, and organize recreational, educational, and social programs, facilities and site by:
   i) working in cooperation with the City of Saskatoon, Community Services Department;
   ii) working in conjunction with other organizations and agencies; and
   iii) raising funds for carrying out and furthering Association objectives.

2. ACCOUNTING POLICIES

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

a) Fund Accounting

The Organization maintains its accounts in accordance with the principles of fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following funds:

i) General Account

The Unrestricted Fund reports revenues and expenditures for the purpose of supporting daily operations.

The Capital Asset Fund reports the assets, liabilities, revenues and expenses related to the Organization's capital assets.

b) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for certain items, such as useful lives of capital assets, impairment of long-lived assets, and allowance for doubtful accounts. The resolution of these uncertainties will be determined by future events.

c) Inventory

Inventory is measured at the lower of cost and net realizable value.

2. ACCOUNTING POLICIES - continued

d) Tangible Capital Assets

Purchased capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution. Additions during the current year are amortized at one-half their normal rates, and no amortization is taken in the year of disposition. Normal maintenance and repairs are expensed as incurred. Amortization expense is reported in the Capital Asset Fund. Amortization is recorded at the following rates, which have been established by estimates of useful lives.

Rink	20% declining balance

e) Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue of the appropriate restricted fund in the year received or receivable if the amount to be received can be reasonable estimated and collection is reasonable assured. Unrestricted contributions are recognized as revenue in the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

f) Donated Property, Services and Materials

The Organization receives a significant amount of donated services from its Board of Directors and supporters.

The monetary value of donated services is not reflected in these financial statements because their fair value can not be reasonably estimated.

g) Income Taxes

The Corporation is exempt from income taxes under section 149 (1)(l) of the Income Tax Act in Canada.

3. FIRST TIME ADOPTION OF CANADIAN ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

The financial statements for the year ended August 31, 2012 are the first financial statements that are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). The financial statements for the year ended August 31, 2011 were previously prepared in accordance with Canadian generally accepted accounting principles (GAAP) as issued in the Handbook - Accounting Part V (Pre-changeover standards). The Organization's date of transition to Canadian accounting standards for not-for-profit organizations is September 1, 2010. On adoption of ASNPO, an organization is permitted to selectively elect certain exemptions and choose accounting policies that my differ form the previously presented financial statement information. As the Organization did not elect to apply any exemptions upon initial adoption of ASNPO, no changes have been made to the previously presented financial statements.

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2012	2011	2010 (September 1)
Rink	$ 15,000	$ 1,500	$ 13,500	$ 0	$ 0

5. FINANCIAL INSTRUMENTS

The Organization's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant credit, interest rate, liquidity, or market (other price) risks arising form these financial instruments. Market risks result from changes in interest rates, exchange rates of foreign currencies and market prices of financial instruments.

The Organization is exposed to financial risk that arises from the fluctuation in interest rates and in the credit quality of its clients.

Credit risk:

The Organization's credit risk consists principally of cash and cash equivalents, and accounts receivable. The Organization maintains cash and cash equivalents with reputable and major financial institutions. The Organization considers the risk of non-performance of these instruments to be remote. There is no particular concentration of credit risk associated with accounts receivable because the Organization does not have any individual customers that comprise a significant portion of their total trade accounts receivable. It performs regular credit assessments and provides allowance for potentially uncollectible accounts.

Currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk is not considered significant because the Organization does not regularly have transactions based in foreign currency and does not maintain a balance in foreign bank accounts.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is exposed to interest rate risk due to fluctuations in the market interest rates it earns with respect to its cash and cash equivalents, and debt. Changes in interest rates can affect the fair value of investments and the cash flows related to interest income and expense. There are no derivative financial instruments to mitigate these risks.

5. FINANCIAL INSTRUMENTS - continued

Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization enters into transactions to purchase goods and services on credit, borrow funds from creditors, etc. for which repayment is required at various maturity dates. Liquidity is measured by reviewing the Organization's future net cash flows for the possibility of a negative cash flow. The Organization is exposed to this risk mainly from its accounts payable, which is managed by investing in liquid assets.

Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Organization is mainly exposed to interest rate risk, as described above.