

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
FINANCIAL STATEMENTS
AUGUST 31, 2016
(Unaudited)

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
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(Unaudited)

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REVIEW ENGAGEMENT REPORT

To the Board Members of
Hampton Village Community Association Inc.

I have reviewed the statement of financial position of Hampton Village Community Association Inc. as at August 31, 2016, and the statements of operations, changes in net assets and cash flow for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of inquiry, analytical procedures, and discussion related to information supplied to me by the association.

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.

Saskatoon, Saskatchewan
March 15, 2017




Tara Quick, CPA, CGA

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2016
(Unaudited)

	<u>2016</u>	<u>2015</u>
ASSETS		
CURRENT		
Cash	\$ 53,128	\$ 37,637
Accounts receivable	<u>3,300</u>	<u>2,479</u>
	56,428	40,116
TANGIBLE CAPITAL ASSETS (Note 3)	<u>38</u>	<u>84</u>
	<u><u>\$ 56,466</u></u>	<u><u>\$ 40,200</u></u>
LIABILITIES		
CURRENT		
Accounts payable	<u>\$ 1,500</u>	<u>\$ 3,001</u>
MEMBERSHIP EQUITY		
NET ASSETS	<u>54,966</u>	<u>37,199</u>
	<u><u>\$ 56,466</u></u>	<u><u>\$ 40,200</u></u>

APPROVED ON BEHALF OF THE BOARD



Treasurer



Board Member

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

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED AUGUST 31, 2016
(Unaudited)

	<u>2016</u>	<u>2015</u>
REVENUES		
Community/special events	\$ 2,901	\$ 10,472
Fundraising	0	70
Grants	7,172	3,300
Indoor activities	19,282	7,998
Memberships	0	2,940
Miscellaneous	42	6,312
Newsletter	475	25
Outdoor activities	49,524	52,943
Rink rebuild grant (Note 4)	<u>9,750</u>	<u>0</u>
	<u>89,146</u>	<u>84,060</u>
EXPENDITURES		
Advertising and promotion	30	535
Amortization	46	102
Community/special events	9,539	11,799
Executive expenses	258	2,906
Indoor activities	11,736	7,078
Insurance	1,075	1,995
Interest	0	188
Newsletter	7,592	4,426
Office	300	158
Outdoor activities	37,649	42,838
Park enhancement expense	1,504	0
Professional fees	1,650	1,500
Rink and shed upkeep	<u>0</u>	<u>3,959</u>
	<u>71,379</u>	<u>77,484</u>
NET INCOME FROM OPERATIONS	17,767	6,576
OTHER INCOME/LOSSES		
Loss on tear down of rink	<u>0</u>	<u>(26,050)</u>
EXCESS REVENUES OVER EXPENDITURES		
(DEFICIENCY OF REVENUES OVER EXPENDITURES)	<u>\$ 17,767</u>	<u>\$ (19,474)</u>

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

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2016
(Unaudited)

	<u>Invested in</u> <u>Capital Assets</u>	<u>Restricted</u> <u>Fund</u> (Note 4)	<u>Unrestricted</u>	<u>2016</u>	<u>2015</u>
BALANCE , beginning of year	\$ 84	\$ 0	\$ 37,115	\$ 37,199	\$ 56,673
Excess of revenues over expenditures (expenditures over revenues)	<u>(46)</u>	<u>9,750</u>	<u>8,063</u>	<u>17,767</u>	<u>(19,474)</u>
BALANCE , end of year	<u>\$ 38</u>	<u>\$ 9,750</u>	<u>\$ 45,178</u>	<u>\$ 54,966</u>	<u>\$ 37,199</u>

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

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED AUGUST 31, 2016
(Unaudited)

	<u>2016</u>	<u>2015</u>
OPERATING ACTIVITIES		
Excess of revenues over expenditures (expenditures over revenues)	\$ 17,767	\$ (19,474)
Items not involving cash:		
Amortization	46	102
Loss on tear down of rink	<u>0</u>	<u>26,050</u>
	17,813	6,678
Net change in non-cash working capital balances related to operations:		
Accounts receivable	(821)	(2,479)
Accounts payable	<u>(1,501)</u>	<u>1,501</u>
INCREASE IN CASH	15,491	5,700
CASH AND CASH EQUIVALENTS, beginning of year	<u>37,637</u>	<u>31,937</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 53,128</u></u>	<u><u>\$ 37,637</u></u>

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

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
AS AT AUGUST 31, 2016
(Unaudited)

1. PURPOSE OF THE ORGANIZATION

Hampton Village Community Association Inc. was incorporated under the Non-Profit Corporations Act of the Province of Saskatchewan on November 9, 2010. Its primary purpose is to promote educational, recreational, and social programs in the Hampton Village subdivision in Saskatoon, Saskatchewan. The Corporation is exempt from income taxes under section 149(1)(1) of the Income Tax Act of Canada.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements of the Organization have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund accounting

The Organization follows the restricted fund method of accounting for contributions. At the end of the year there were restricted funds in the amount of \$9,750 to be used to rebuild the community rink during the 2016/2017 year.

The General Fund accounts for the Organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

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

Use of estimates

The preparation of financial statements in accordance 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, and the reported amounts of revenue and expenses. The main estimates include allowance for doubtful accounts, estimated useful lives of tangible capital assets, impairment of long-lived assets, accrued liabilities, employee future benefits, and disclosure of contingencies.

Revenue recognition

Membership fees are recognized as contributions as they are non-refundable and do not relate directly to the services provided.

The Organization recognizes government funding in the period in which it is received.

The Organization recognizes contributions of materials and services only when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Organization's operations and would otherwise have been purchased.

The Organization uses the restricted fund method of accounting for contributions, which is a specialized type of fund accounting that involves the reporting of details of financial statement elements by fund in such a way that the Organization reports total general funds, one or more restricted funds, and an endowment fund, if applicable.

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Restricted contributions for the purchase of tangible capital assets that will be amortized have been deferred and will be recognized as revenue on the same basis as the amortization expense related to the acquired tangible capital assets.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Contributed services

In its day-to-day operation the Organization uses the services of many volunteers. The average number of hours offered to assist the Organization in carrying out its service delivery activities is not able to be calculated. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

Cash and cash equivalents

Cash equivalents are comprised of highly liquid investments with maturities of three months or less from the date of acquisition.

Tangible capital assets

Tangible capital assets are stated at cost less accumulated amortization. Amortization is provided annually at rates and methods over their estimated useful lives as follows, except in the year of acquisition when one half of the rate is used. Estimates of useful lives of the assets are reviewed every year and adjusted on a prospective basis, if needed..

Computer	50%	declining balance
Shed	20%	declining balance
Rink	20%	declining balance

Impairments of tangible capital assets is reviewed whenever events or changes in the circumstances indicate that the carrying value may not be recoverable. The rink and shed will be added back onto the financial statements during the 2016/2017 year end when they are built and placed into use.

3. TANGIBLE CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2016</u>	<u>Net 2015</u>
Computer	\$ <u>571</u>	\$ <u>533</u>	\$ <u>38</u>	\$ <u>84</u>

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4. SUBSEQUENT EVENTS

The organization is rebuilding the community rink in its permanent location during the 2016/2017 year. The estimated cost will be approximately \$20,000. The old shed that was written off in the 2014/2015 year, was found to be intact at a City storage area. It will also be put back into place during the 2016/2017 year at which time the cost will be added of \$8,200.

5. FINANCIAL INSTRUMENTS

The Association uses risk management to monitor and manage its risk arising from financial instruments. These risks include credit risk, interest rate risk and liquidity risk.

The Association does not use any derivative financial instruments to mitigate these risks.

Credit risk

Credit risks arise from three sources: cash and cash equivalents and accounts receivable. Cash and cash equivalents are deposited with reputable, major financial institutions to limit the credit risk exposure. The credit risk from counter parties not paying accounts receivable is not considered to be significant.

Interest rate risk

The Association is exposed to interest rate risk with respect to the following financial instruments: cash and cash equivalents. Changes in interest rates can affect the fair value of the cash flows related to interest income and expense.

Liquidity risk

Liquidity risk exposure is dependent on the receipt of funds from provincial government grants, membership fees and other sources to enable the Association to pay its liabilities as they become due.