

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
FINANCIAL STATEMENTS
AUGUST 31, 2017
(Unaudited)

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
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(Unaudited)

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REVIEW ENGAGEMENT REPORT

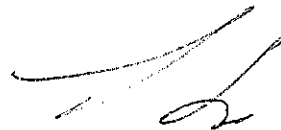
To the Members of
Hampton Village Community Association Inc.

I have reviewed the statement of financial position of Hampton Village Community Association Inc. as at August 31, 2017, and the statements of operations, changes in net assets and cash flows 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
January 21, 2018




Tara Quick, Chartered Professional Accountant, CGA

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2017
(Unaudited)

	<u>2017</u>	<u>2016</u>
ASSETS		
CURRENT		
Cash	\$ 18,421	\$ 53,128
Accounts receivable	<u>17,240</u>	<u>3,300</u>
	35,661	56,428
TANGIBLE CAPITAL ASSETS (Notes 2 and 3)	<u>36,905</u>	<u>38</u>
	<u>\$ 72,566</u>	<u>\$ 56,466</u>
LIABILITIES		
CURRENT		
Accounts payable	\$ <u>1,501</u>	\$ <u>1,500</u>
FUND BALANCES		
Unrestricted operating fund	34,160	45,178
Restricted rink fund	0	9,750
Capital asset fund	<u>36,905</u>	<u>38</u>
	<u>71,065</u>	<u>54,966</u>
	<u>\$ 72,566</u>	<u>\$ 56,466</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, 2017
(Unaudited)

	<u>2017</u>	<u>2016</u>
REVENUES		
Community/special events	\$ 4,794	\$ 2,901
Grants	4,593	7,172
Indoor activities	26,598	19,282
Miscellaneous	100	42
Newsletter	1,074	475
Outdoor activities	23,780	49,524
Rink rebuild grant	<u>12,646</u>	<u>9,750</u>
	<u>73,585</u>	<u>89,146</u>
EXPENDITURES		
Advertising and promotion	98	30
Amortization	3,248	46
Community/special events	10,849	9,539
Donations	1,712	0
Executive expenses	661	258
Indoor activities	25,710	11,736
Insurance	1,075	1,075
Interest	198	0
Newsletter	3,679	7,592
Office	247	300
Outdoor activities	15,030	37,649
Park enhancement expense	0	1,504
Professional fees	2,200	1,650
Rink and shed maintenance and repair	<u>958</u>	<u>0</u>
	<u>65,665</u>	<u>71,379</u>
EXCESS REVENUES OVER EXPENDITURES	<u>\$ 7,920</u>	<u>\$ 17,767</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, 2017
(Unaudited)

	Capital Assets	Restricted			
	<u>Fund</u>	<u>Fund</u>	<u>Unrestricted</u>	<u>2017</u>	<u>2016</u>
BALANCE , beginning of year	\$ 38	\$ 9,750	\$ 45,178	\$ 54,966	\$ 37,199
Excess of revenues over expenditures (expenditures over revenues)	28,688	(9,750)	(11,018)	7,920	17,767
Prior period adjustment (Note 4)	<u>8,179</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
BALANCE , end of year	<u>\$ 36,905</u>	<u>\$ 0</u>	<u>\$ 34,160</u>	<u>\$ 71,065</u>	<u>\$ 54,966</u>

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

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2017
(Unaudited)

	<u>2017</u>	<u>2016</u>
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 7,920	\$ 17,767
Items not involving cash:		
Amortization	<u>3,248</u>	<u>46</u>
	11,168	17,813
Net change in non-cash working capital balances related to operations:		
Accounts receivable	(13,940)	(821)
Accounts payable	<u>1</u>	<u>(1,501)</u>
	<u>(2,771)</u>	<u>15,491</u>
INVESTING ACTIVITIES		
Tangible capital asset purchases	<u>(31,936)</u>	<u>0</u>
INCREASE (DECREASE) IN CASH	(34,707)	15,491
CASH AND CASH EQUIVALENTS, beginning of year	<u>53,128</u>	<u>37,637</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 18,421</u>	<u>\$ 53,128</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, 2017
(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 last year there were restricted funds in the amount of \$9,750 to be used to rebuild the community rink. The rink was completed this year and so the amount has been used in full.

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 assets.

The Restricted Fund was from money received from the City of Saskatoon to help start the rink rebuilding process. This amount was received before the end of the prior year and had to be used towards the rink rebuild done during this fiscal year. The rink rebuild has been completed at the end of this fiscal year so the restricted fund is no longer showing as it was used to rebuild the rink.

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, 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 receivable.

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.

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
AS AT AUGUST 31, 2017
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Revenue recognition, continued...

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.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the money is received. 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. 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 year	straight line

Impairments of tangible capital assets is reviewed whenever events or changes in the circumstances indicate that the carrying value may not be recoverable.

3. TANGIBLE CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2017</u>	<u>Net 2016</u>
Computer	\$ 571	\$ 554	\$ 17	\$ 38
Shed	9,834	3,290	6,544	0
Rink	<u>31,936</u>	<u>1,592</u>	<u>30,344</u>	<u>0</u>
	<u>\$ 42,341</u>	<u>\$ 5,436</u>	<u>\$ 36,905</u>	<u>\$ 38</u>

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4. PRIOR PERIOD ADJUSTMENT

The organization rebuilt the community rink in its permanent location during the year. The old shed that was written off in the 2014/2015 year when the old rink was torn down. It was found to be intact at a City storage area last summer and returned to the community once the rink was rebuilt. We had removed the shed from the books of the community association until it was confirmed that the shed would be coming back, as there was no guarantee. Because it was returned, the written off amount has been added back onto the books and it will now to be amortized over the rest of its useful life. No prior period correction needs to be made as the shed did not lose value while being stored so it is added back this year not prior to this year.

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.