

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
FINANCIAL STATEMENTS
AUGUST 31, 2018
(Unaudited)

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
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REVIEW ENGAGEMENT REPORT

To the Members of
Hampton Village Community Association Inc.

I have reviewed the accompanying financial statements of Hampton Village Community Association Inc. which comprise of the statement of financial position as at August 31, 2018 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Hampton Village Community Association Inc. as at August 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Saskatoon, Saskatchewan
January 22, 2019



Tara Quick, Chartered Professional Accountant, CGA

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2018
(Unaudited)

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT		
Cash	\$ 37,262	\$ 18,421
Accounts receivable	4,656	17,240
Prepaid expenses	<u>2,604</u>	<u>0</u>
	44,522	35,661
TANGIBLE CAPITAL ASSETS (Notes 2 and 3)	<u>33,991</u>	<u>36,905</u>
	<u><u>\$ 78,513</u></u>	<u><u>\$ 72,566</u></u>
LIABILITIES		
CURRENT		
Accounts payable	<u>\$ 10,241</u>	<u>\$ 1,501</u>
FUND BALANCES		
Unrestricted operating fund	34,281	34,160
Capital asset fund	<u>33,991</u>	<u>36,905</u>
	<u>68,272</u>	<u>71,065</u>
	<u><u>\$ 78,513</u></u>	<u><u>\$ 72,566</u></u>

APPROVED ON BEHALF OF THE BOARD

B. Brown Treasurer

C. Brown 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, 2018
(Unaudited)

	<u>2018</u>	<u>2017</u>
REVENUES		
Community/special events	\$ 4,481	\$ 4,794
Grants	4,265	4,593
Miscellaneous	0	100
Newsletter	775	1,074
Programs (Note 5)	52,142	50,378
Rink rebuild grant	<u>0</u>	<u>12,646</u>
	<u>61,663</u>	<u>73,585</u>
EXPENDITURES		
Advertising and promotion	40	98
Amortization	2,914	3,248
Bad debts	1,690	0
Business licences and dues	45	0
Community/special events	4,619	10,849
Donations	11,100	1,712
Executive expenses	1,970	661
Insurance	1,473	1,075
Interest	572	198
Newsletter	3,487	3,679
Office	174	247
Professional fees	1,830	2,200
Programs (Note 5)	32,712	40,740
Rink and shed maintenance and repair	<u>1,830</u>	<u>958</u>
	<u>64,456</u>	<u>65,665</u>
EXCESS REVENUES OVER EXPENDITURES		
(DEFICIENCY OF REVENUES OVER EXPENDITURES)	<u><u>\$ (2,793)</u></u>	<u><u>\$ 7,920</u></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, 2018
(Unaudited)

	Capital Assets			
	<u>Fund</u>	<u>Unrestricted</u>	<u>2018</u>	<u>2017</u>
BALANCE , beginning of year	\$ 36,905	\$ 34,160	\$ 71,065	\$ 63,145
Excess of revenues over expenditures (expenditures over revenues)	<u>(2,914)</u>	<u>121</u>	<u>(2,793)</u>	<u>7,920</u>
BALANCE , end of year	<u><u>\$ 33,991</u></u>	<u><u>\$ 34,281</u></u>	<u><u>\$ 68,272</u></u>	<u><u>\$ 71,065</u></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, 2018
(Unaudited)

	<u>2018</u>	<u>2017</u>
OPERATING ACTIVITIES		
Excess of revenues over expenditures (expenditures over revenues)	\$ (2,793)	\$ 7,920
Items not involving cash:		
Amortization	<u>2,914</u>	<u>3,248</u>
	121	11,168
Net change in non-cash working capital balances related to operations:		
Accounts receivable	12,584	(13,939)
Prepaid expenses	(2,604)	0
Accounts payable	<u>8,740</u>	<u>0</u>
	<u>18,841</u>	<u>(2,771)</u>
INVESTING ACTIVITIES		
Tangible capital asset purchases	<u>0</u>	<u>(31,936)</u>
INCREASE (DECREASE) IN CASH	18,841	(34,707)
CASH AND CASH EQUIVALENTS, beginning of year	<u>18,421</u>	<u>53,128</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 37,262</u></u>	<u><u>\$ 18,421</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, 2018
(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. There are no restricted funds this year except the capital asset fund.

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.

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.

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.

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
AS AT AUGUST 31, 2018
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Revenue recognition, continued...

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 2018</u>	<u>Net 2017</u>
Computer	\$ 571	\$ 562	\$ 9	\$ 17
Shed	9,834	4,599	5,235	6,544
Rink	<u>31,936</u>	<u>3,189</u>	<u>28,747</u>	<u>30,344</u>
	<u>\$ 42,341</u>	<u>\$ 8,350</u>	<u>\$ 33,991</u>	<u>\$ 36,905</u>

HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
AS AT AUGUST 31, 2018
(Unaudited)

4. 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 the following 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 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 municipal government grants, membership fees and other sources to enable the Association to pay its liabilities as they become due.

5. RESTATEMENT OF PRIOR YEAR FIGURES

Certain prior year's figures have been restated to conform to the current year's presentation

6. RELATED PARTIES

Board members of the Organization are related parties of the Organization. The transactions with the board members for programs is an immaterial amount and so has not been allocated out separate from regular income. The board members do not receive any special pricing or other benefit from the organization.

7. SUBSEQUENT EVENT

The Board is working to change the year end for the Organization from August 31 to June 30. This may change as early as the 2018/2019 year. The board will be passing special motions with the members and be approved by the Information Services Corporation before changing the year end officially.