

**HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.**  
**FINANCIAL STATEMENTS**  
**JUNE 30, 2021**  
(Unaudited)

**HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.**  
**INDEX TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**  
(Unaudited)

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## INDEPENDENT PRACTITIONER'S 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 June 30, 2021 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 June 30, 2021, 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  
August 6, 2021



Tara Quick, Chartered Professional Accountant, CGA

**HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2021**  
(Unaudited)

|  | <u>2021</u>      | <u>2020</u>      |
|--|------------------|------------------|
| <b>ASSETS</b>                                    |                  |                  |
| <b>CURRENT</b>                                   |                  |                  |
| Cash   | \$ 61,469        | \$ 52,175        |
| Accounts receivable                              | 1,754            | 5,150            |
| Prepaid expenses                                 | <u>294</u>       | <u>0</u>         |
|  | 63,517           | 57,325           |
| <b>PREPAID EXPENSES</b> - Cinema Under the Stars | 0                | 1,213            |
| <b>TANGIBLE CAPITAL ASSETS</b> (Note 4)          | <u>25,129</u>    | <u>29,246</u>    |
|  | <u>\$ 88,646</u> | <u>\$ 87,784</u> |
| <b>LIABILITIES</b>                               |                  |                  |
| <b>CURRENT</b>                                   |                  |                  |
| Accounts payable                                 | <u>\$ 2,673</u>  | <u>\$ 2,207</u>  |
| <b>FUND BALANCES</b>                             |                  |                  |
| Unrestricted operating fund                      | 57,844           | 54,331           |
| Restricted emergency rink/general contingency    | 3,000            | 2,000            |
| Capital asset fund                               | <u>25,129</u>    | <u>29,246</u>    |
|  | <u>85,973</u>    | <u>85,577</u>    |
|  | <u>\$ 88,646</u> | <u>\$ 87,784</u> |

**APPROVED ON BEHALF OF THE BOARD**

B. Down Treasurer

Cathy Baerg 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 JUNE 30, 2021**  
(Unaudited)

|  | <u>2021</u>          | <u>2020</u>            |
|--|----------------------|------------------------|
| <b>REVENUES</b>                          |                      |                        |
| Community/special events                 | \$ 0                 | \$ 5,536               |
| Grants                                   | 7,126                | 5,538                  |
| Memberships                              | 2,290                | 3,960                  |
| Newsletter                               | 425                  | 1,075                  |
| Programs                                 | <u>10,612</u>        | <u>32,609</u>          |
|  | <u>20,453</u>        | <u>48,718</u>          |
| <b>EXPENDITURES</b>                      |                      |                        |
| Advertising and promotion                | 40                   | 71                     |
| Amortization                             | 1,765                | 2,520                  |
| Bank and credit card fees                | 864                  | 1,684                  |
| Business licences and dues               | 15                   | 15                     |
| Community/special events                 | 150                  | 8,572                  |
| Donations (Note 5)                       | 3,850                | 500                    |
| Executive expenses                       | 415                  | 733                    |
| Insurance                                | 1,481                | 1,360                  |
| Newsletter                               | 866                  | 1,533                  |
| Office                                   | 600                  | 2,110                  |
| Park enhancement expense                 | (1,504)              | 0                      |
| Professional fees                        | 1,804                | 1,748                  |
| Programs                                 | 6,973                | 18,228                 |
| Rink and shed maintenance and repair     | 1,717                | 1,679                  |
| COVID related expenses                   | <u>1,021</u>         | <u>0</u>               |
|  | <u>20,057</u>        | <u>40,753</u>          |
| <b>EXCESS REVENUES OVER EXPENDITURES</b> | <u><u>\$ 396</u></u> | <u><u>\$ 7,965</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 JUNE 30, 2021**  
(Unaudited)

|  | <u>Capital Assets</u><br><u>Fund</u> | <u>Emergency Rink</u><br><u>General Contingency</u> | <u>Unrestricted</u> | <u>2021</u>      | <u>2020</u>      |
|--|--------------------------------------|---|---------------------|------------------|------------------|
| <b>BALANCE, beginning of year</b>                                    | \$ 29,246                            | \$ 2,000  | \$ 54,331           | \$ 85,577        | \$ 77,612        |
| Excess of revenues over expenditures<br>(expenditures over revenues) | <u>(4,117)</u>                       | <u>1,000</u>  | <u>3,513</u>        | <u>396</u>       | <u>7,965</u>     |
| <b>BALANCE, end of year</b>  | <u>\$ 25,129</u>                     | <u>\$ 3,000</u>                                     | <u>\$ 57,844</u>    | <u>\$ 85,973</u> | <u>\$ 85,577</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 JUNE 30, 2021**  
(Unaudited)

|   | <u>2021</u>             | <u>2020</u>             |
|---|-------------------------|-------------------------|
| <b>OPERATING ACTIVITIES</b>   |                         |                         |
| Excess of revenues over expenditures                                      | \$ 396                  | \$ 7,965                |
| Items not involving cash:   |                         |                         |
| Amortization  | <u>1,765</u>            | <u>2,520</u>            |
|   | 2,161                   | 10,485                  |
| Net change in non-cash working capital<br>balances related to operations: |                         |                         |
| Accounts receivable   | 3,397                   | (395)                   |
| Prepaid expenses  | 919                     | (213)                   |
| Accounts payable  | <u>466</u>              | <u>(753)</u>            |
|   | <u>6,943</u>            | <u>9,124</u>            |
| <b>INVESTING ACTIVITIES</b>   |                         |                         |
| Tangible capital asset purchases  | (999)                   | 0                       |
| Donation of Rink shed   | <u>3,350</u>            | <u>0</u>                |
|   | <u>2,351</u>            | <u>0</u>                |
| <b>INCREASE IN CASH</b>   | 9,294                   | 9,124                   |
| <b>CASH AND CASH EQUIVALENTS, beginning of year</b>                       | <u>52,175</u>           | <u>43,051</u>           |
| <b>CASH AND CASH EQUIVALENTS, end of year</b>                             | <u><u>\$ 61,469</u></u> | <u><u>\$ 52,175</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 JUNE 30, 2021**  
(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. COVID-19**

Since early 2020 the spread of COVID-19 has impacted many local economies in Saskatchewan and around the world. Businesses have been and continue to be forced into limited operation or even closure for long periods of time. Measures taken to contain the spread of the virus, including quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses and organizations worldwide, resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The Hampton Village Community Association has determined that these events are non-adjusting, current and subsequent events. Accordingly, the financial position and results of the operations as of and for the year ended June 30, 2021 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as the impact on the financial position and results of the Association for future periods.

Specifics

During March 2020, due to government regulations on social distancing and large gatherings, all programs were cancelled. Partial and full refunds were given to those that started and paid for the programs at the time. At this time, it is known that all indoor programs will start to be held at the schools or community centres in the Fall of 2021 since all restrictions have been lifted at this time by the provincial government and in turn the municipal government.

Subsequent Events

COVID-19 is amongst the most significant economic events currently faced, and at the date of this report, their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown still. Because of this, no report should be expected to predict the unknowable factors or all possible future implications for an association associated with these events.



**HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT JUNE 30, 2021**  
(Unaudited)

**3. 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 deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

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 Emergency/rink general contingency fund is internally restricted. The fund is to grow by \$500 to \$1,000 per year to a maximum of \$10,000. The amount will not be separated from the general bank account. This is internally restricted and can be amended by the board if they find that the annual and maximum amounts need to be adjusted.

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, programs, newsletter and events 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, or one or more restricted funds.

**HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT JUNE 30, 2021**  
(Unaudited)

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

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     |
| Printer        | 20%     | declining balance |
| Rink equipment | 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. Nothing noted this year.

**4. TANGIBLE CAPITAL ASSETS**

|                | <u>Cost</u>      | <u>Accumulated<br/>Amortization</u> | <u>Net<br/>2021</u> | <u>Net<br/>2020</u> |
|----------------|------------------|-------------------------------------|---------------------|---------------------|
| Computer       | \$ 571           | \$ 571                              | \$ 0                | \$ 0                |
| Shed           | 0                | 0                                   | 0                   | 3,350               |
| Rink           | 31,936           | 7,979                               | 23,957              | 25,554              |
| Printer        | 534              | 261                                 | 273                 | 342                 |
| Rink equipment | <u>999</u>       | <u>100</u>                          | <u>899</u>          | <u>0</u>            |
|                | <u>\$ 34,040</u> | <u>\$ 8,911</u>                     | <u>\$ 25,129</u>    | <u>\$ 29,246</u>    |

**HAMPTON VILLAGE COMMUNITY ASSOCIATION INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT JUNE 30, 2021**  
(Unaudited)

**5. DONATIONS**

The organization donated their old rink shed to Holiday Park Community Association. The Book value (\$3,350.16) of the shed as of last year is recorded as a donation verses a loss on disposal because it was donated not disposed.

**6. 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.

**7. 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 can receive up to a \$60 refund of any program they register for, with the understanding that they will report on the program to the other board members each meeting.