

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION

FINANCIAL STATEMENTS
Audited

DECEMBER 31, 2012



HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION

December 31, 2012

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Independent Auditor's Report

To the Members of:
Hillhurst Sunnyside Community Association

I have audited the financial statements of Hillhurst Sunnyside Community Association as at December 31, 2012 which include the Statement of Financial Position and the statements of Operations, Changes in Net Assets, Cash Flows, and a summary of significant accounting policies and other explanatory notes for the year then ended.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for profit entities and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In common with many not for profit organizations, the Association derives revenue from certain fund raising activities, the completeness of which is not subject to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the Association and I was not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses, assets and net assets.

In my opinion, except for the effects of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself of the completeness of fundraising activities, these financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2012 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit entities.

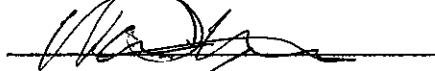
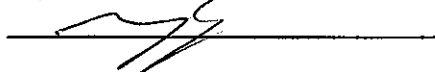
Calgary, Alberta
Date of Board Approval

Heidi Brauer
Certified Management Accountant

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
 Audited
 December 31, 2012

	2012	2011
ASSETS		
CURRENT ASSETS		
Cash - Unrestricted	\$ 332,592	\$ 359,937
Internally Restricted Cash (Note 7)	10,000	10,000
Externally Restricted Cash (Note 8)	138,378	184,963
Accounts Receivable	17,299	16,395
Prepaid Expense	6,710	7,662
	504,979	578,957
PROPERTY AND EQUIPMENT (Note 3)	614,537	603,745
	\$ 1,119,516	\$ 1,182,702
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 24,278	\$ 76,276
Deferred Revenue	13,418	28,112
Deferred Cash Contributions (Note 8)	138,378	184,963
	176,074	289,351
DEFERRED CAPITAL CONTRIBUTIONS (Note 5)	507,985	484,966
NET ASSETS		
Investment in Property and Equipment	106,552	118,779
Internally Restricted Assets (Note 7)	10,000	10,000
Net Assets, unrestricted	318,905	279,606
	435,457	408,385
	\$ 1,119,516	\$ 1,182,702

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS


 _____ Director

 _____ Director

See Notes to the Financial Statements

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
 Audited

For the Year ended December 31, 2012

	Invested in Property and Equipment	Unrestricted	Internally Restricted	2012 Totals	2011 Totals
Balances, Beginning of the Year	\$ 118,779	279,606	10,000	408,385	408,055
Increase (Decrease)	(12,227)	39,299	-	27,072	330
Balances, End of the Year	<u>\$ 106,552</u>	<u>318,905</u>	<u>10,000</u>	<u>435,457</u>	<u>408,385</u>

See Notes to Financial Statements

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
STATEMENT OF OPERATIONS
Audited

For the Year ended December 31, 2012

	<u>Revenue</u>	<u>Expenses</u>	<u>Net 2012</u>	<u>Net 2011</u>
Amortization	\$ 45,899	65,513	(19,614)	(54,289)
Bow View Pool (Schedule 1)	120,093	115,390	4,703	5,629
Child Services (Schedule 2)	261,093	218,425	42,668	35,840
Community Assistance to Seniors (Schedule 3)	118,502	118,502	-	-
Community Centre (Schedule 4)	617,439	608,548	8,891	26,772
Community Outreach and Development Services (Schedule 5)	73,351	73,351	-	292
Community Engagement (Schedule 6)	5,768	15,344	(9,576)	(13,914)
	<u>1,242,145</u>	<u>1,215,073</u>		
Excess of Revenue over Expenses			<u><u>\$ 27,072</u></u>	<u><u>330</u></u>

See Notes to Financial Statements

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
STATEMENT OF CASH FLOWS
Audited

For the Year Ended December 31, 2012

	2012	2011
Cash provided by (used in):		
Operations		
Excess of Revenue over Expenses	\$ 27,072	\$ 330
Adjustments for:		
Amortization of Capital Contributions	(45,899)	(42,349)
Amortization	65,513	96,638
Non-cash operating working capital:		
Accounts Receivable	(903)	(3,278)
Prepaid Expense	952	(174)
Accounts Payable	(51,997)	(105,554)
Deferred Revenue	(14,694)	(1,382)
	(19,956)	(55,769)
Financing		
Deferred Capital Contributions	68,918	81,556
Deferred Cash Contributions	(46,585)	76,798
	22,333	158,354
Investing		
Building	(66,838)	(29,397)
Hall Equipment	(4,730)	(1,978)
Office Equipment	(4,739)	-
	(76,307)	(31,375)
Increase/(Decrease) in Cash	(73,930)	71,210
Cash, Beginning of Year	554,900	483,690
Cash, End of Year	\$ 480,970	\$ 554,900
Consisting of		
Cash, unrestricted	\$ 332,592	\$ 359,937
Cash, externally restricted (Note 8)	138,378	184,963
Cash, internally restricted (Note 7)	10,000	10,000
	\$ 480,970	\$ 554,900

See Notes to Financial Statements

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
Audited

December 31, 2012

1. THE ASSOCIATION

The Hillhurst Sunnyside Community Association (the "Association") was registered with the Province of Alberta in August of 1948 as a not for profit association and as such is exempt from Income Tax under section 149 of the Canadian Income Tax Act.

The Association currently holds charity status.

The Association was organized to preserve and enhance a healthy and vibrant quality of life for the residents of Hillhurst Sunnyside.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles of which the most significant polices are:

Property and Equipment

Property and equipment are recorded at cost. Amortization is recorded at the following annual rates using the straight line method:

Building	5%
Hall equipment	10%
Office equipment	12.5%
Daycare equipment	10%
Parking Lot	5%

Revenue recognition

Revenue is recognized on amounts received or receivable during the year with the exception of prepayments received relating to activities or programs to be provided by the Association subsequent to year end.

Grants and other amounts earned or received, that are restricted in use are recorded as deferred revenue. When these funds are spent on operations, they are recorded as revenue. When they are spent on property and equipment, they are set up as deferred capital contributions and are amortized and brought into income on the same basis as the related capital asset is expensed as amortization expense. Externally restricted assets stay a liability until they are spent (deferred cash contributions).

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
Audited

December 31, 2012

Donated Services

The association relies on the volunteer services of many members. The value of donated services is not recognized in these statement.

Measurement Uncertainty

Under Canadian generally accepted accounting principles an important concept in the preparation of financial statements is the preparation and use of estimates in the determination of assets, liabilities, revenues, expenses and earnings for the year. To the extent that these estimates may vary from actual results there would be a corresponding effect on the various elements of the financial statements.

Basis of Accounting

Management has concluded, that the going concern basis of accounting is appropriate for the Association.

3. PROPERTY AND EQUIPMENT

	Cost	Accumulated Amortization	2012	2011
Buildings	\$ 1,167,085	654,430	512,655	546,490
Hall Equipment	360,057	350,140	9,917	5,660
Office Equipment	126,567	122,421	4,146	-
Parking Lot	121,868	34,049	87,819	51,594
	<u>\$ 1,775,577</u>	<u>1,161,040</u>	<u>614,537</u>	<u>603,744</u>

4. GOVERNMENT ASSISTANCE

Government assistance is recorded as revenue in the year the assistance is earned.

Out of School Program

During the year, the program received assistance from the City of Calgary and Province of Alberta. The subsidy is based upon the family income of the children attending the facility and amounted to \$ 55,204 (2011 \$ 47,900). There are no conditions for repayment of amounts earned.

Family Community Support Services

The Association obtained financial assistance from the City of Calgary Family and Community Support Program in the amount of \$ 148,274 (2011 \$ 137,451). This assistance is based upon an annual approved operating budget submitted by the Association. Any resulting excess of revenue over expenses in a year is to be repaid by way of reduced assistance in the subsequent year or a direct cash repayment.

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
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December 31, 2012

Bowview Pool

The Bowview Pool received assistance from the Calgary Outdoor Swimming Pool Association (COSPA) for the pool operation in the amount of \$3,000 (2011 \$15,000). From this year forward, the Association is treating the cash of \$12,000 received from COSPA as an advance and the payment at year end as a deduction from the advance. The difference is the contribution received.

At the end of the season the Hillhurst Sunnyside Community Association paid \$ 11,941 (2011 \$ 11,593) back to COSPA.

5. DEFERRED CAPITAL CONTRIBUTIONS

	<u>2012</u>	<u>2011</u>
Balance from previous Year	\$ 484,966	\$ 445,759
Contributions	68,918	81,556
Less: Amortization	(45,899)	(42,349)
Balance to next year	<u>\$ 507,985</u>	<u>\$ 484,966</u>

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
Audited

December 31, 2012

6. ALLOCATION OF EXPENSES

Some of the expenses incurred during the period are allocated among the following programs:

- Bowview Pool
- Child Services
- Community Assistance for Seniors
- Community Centre
- Community Outreach and Development Services
- Community Engagement

The allocation of expenses based on percentage is as follows:

	Bowview Pool	Child Services	Community Assistance for Seniors	Community Centre	Community Outreach and Development Services	Community Engagement	2012 Total
Telephone	-	25	18	44	10	3	100
Insurance	22	-	-	76	2	-	100

The 2011 comparatives are as follows:

	Bowview Pool	Child Services	Community Assistance for Seniors	Community Centre	Community Outreach and Development Services	Community Engagement	2011 Total
Telephone	-	26	20	42	9	3	100
Insurance	24	-	-	76	-	-	100

During both years a portion of the administrative wages were charged to Bowview Pool \$8,000 (2011 \$8,000), \$ 11,119.98 (2011 \$10,000) to Community Assistance for Seniors and \$ 8,880.03 (2011 \$8,000) to Community Outreach and Development Services. These expenses were recorded separately in the general ledger as secondment expense in the Community Assistance and Outreach programs and as revenue in Community Centre.

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
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December 31, 2012

7. INTERNALLY RESTRICTED CASH

The board of directors internally restricted cash as a reserve fund.

8. EXTERNALLY RESTRICTED ASSETS/DEFERRED CASH CONTRIBUTIONS

	2012	2011
Bank Casino	\$ 61,948	\$ 69,279
Bank - Break Open	12,935	9,071
CAF - Lawn/Snow	11,510	25,144
Wild Rose - HP	11,223	14,282
Community Spirit - Garden	8,485	25,139
Plaza Feasibility Project	7,500	-
Community Planning	5,000	-
Bow to Bluff	4,507	14,049
Seniors Christmas	4,244	-
Community Garden	3,820	5,339
Farmers Market	2,500	387
Strategic Planning	2,500	-
Handiperson Fees	2,186	2,144
20/20 Vision	20	20
Bouncy Castle	-	1,079
CAF - Housekeeping	-	2,830
Pesticide Free Parks	-	2,101
Outreach Program	-	16,243
	<u>\$ 138,378</u>	<u>\$ 187,107</u>

9. BOW TO BLUFF RELATIONSHIP

The Bow to Bluff is a group of Calgary citizens that formed out of the Vitalization Committee's initiative to improve the C-train corridor in Sunnyside. Bow to Bluff received the City of Calgary Innovation Fund in the spring of 2011. The Hillhurst Sunnyside Community Association board motioned to manage the funds at the June 28, 2011 board meeting.

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
Audited

December 31, 2012

10. RECENT ACCOUNTING PRONOUNCEMENTS

Financial Statement Presentation by Not-For-Profit Organizations

The Association has elected to the standards contained in Part III of the CICA Handbook - Accounting - Accounting for Not for Profit Organizations. These standards are supplemented, where appropriate, with the accounting standards for private enterprises in Part II of the CICA Handbook.

First time adoption of these standards requires disclosure of the opening balances in the comparative year as follows:

ASSETS:	January 1 2011
Cash, unrestricted	<u>\$ 224,025</u>
Term Deposits, unrestricted	151,500
Accounts Receivable	13,118
Prepaid Expenses	7,488
Externally Restricted Assets	108,165
Property and Equipment	<u>669,006</u>
	<u>1,173,302</u>
LIABILITIES:	
Accounts Payable	181,829
Deferred Revenue	29,494
Deferred Cash Contribution	108,165
Deferred Capital Contribution	445,759
NET ASSETS	<u>408,055</u>
	<u><u>\$1,173,302</u></u>

There is no noted impact on the transition to the organization.

11. COMPARATIVE DATA

Certain of the 2011 data has been changed to agree with this year's presentation.

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
SCHEDULE 1 - BOWVIEW POOL

For the Year Ended December 31, 2012

	<u>2012</u>	<u>2011</u>
Revenue		
Sales and rentals	\$ 87,662	\$ 74,464
Concessions	16,054	11,430
Operating grant and recoveries (Note 4)	11,902	15,000
Employment grant	4,468	7,414
Others	7	4
	<u>120,093</u>	<u>108,312</u>
 Expenses		
Salaries and related costs	87,370	73,903
Concession purchases	11,136	6,207
Chemicals and supplies	7,428	4,226
Repairs and maintenance	4,235	1,660
Program expenses	1,808	865
Insurance	1,720	1,720
Uniforms	972	599
Office supplies and expense	721	1,562
Operating Grant Expense	-	11,941
	<u>115,390</u>	<u>102,683</u>
 EXCESS OF REVENUE OVER EXPENSES	 <u>\$ 4,703</u>	 <u>\$ 5,629</u>

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
SCHEDULE 2 - CHILD SERVICES
For the Year Ended December 31, 2012

	<u>2012</u>	<u>2011</u>
Revenue		
User fees	\$ 182,452	\$ 151,448
Subsidies and grants	78,641	86,550
	<u>261,093</u>	<u>237,998</u>
 Expenses		
Salaries and related costs	201,632	185,619
Food and supplies	9,495	7,427
Transportation	2,397	4,013
Telephone	2,107	2,014
Volunteer and Staff Appreciation and Development	1,379	1,456
Office and administration	734	952
Advertising, Printing, Brochures	681	677
	<u>218,425</u>	<u>202,158</u>
 Excess of Revenue over Expenses	 <u><u>\$ 42,668</u></u>	 <u><u>\$ 35,840</u></u>

**HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
SCHEDULE 3 - COMMUNITY ASSISTANCE FOR SENIORS**

For the Year Ended December 31, 2012

	<u>2012</u>	<u>2011</u>
Revenue		
Fundraising and donations	\$ 145	\$ 160
Grant	69,922	69,278
Handiperson	1,179	1,403
Housekeeping and Contributions	38,220	29,054
Lawn and Snow Removal	9,036	5,888
Rentals FCSS	-	3,000
	<u>118,502</u>	<u>108,783</u>
 Expenses		
Advertising, Signs, Posters	1,091	1,355
Operating expense and equipment	3,381	1,547
Rentals/Storage	-	3,000
Salaries and related costs	111,265	99,834
Telephone	1,455	1,577
Travel	1,310	1,470
	<u>118,502</u>	<u>108,783</u>
 Excess of Revenue	 <u>\$ -</u>	 <u>\$ -</u>

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
SCHEDULE 4 - COMMUNITY CENTRE

For the Year Ended December 31, 2012

	<u>2012</u>	<u>2011</u>
Revenue		
Hall rentals	\$ 201,135	\$ 188,756
Flea and Antique Markets	182,265	164,998
Subsidies, grants, contributions from Casino and Pull Tickets	43,925	2,683
Daycare Rentals	43,620	43,620
Parking Donation	41,769	45,669
Administration Fees	28,000	36,068
Farmers Market	27,139	22,710
Recreational programs	22,858	29,298
Memberships	10,795	8,981
Donations	8,989	3,378
Commission	5,652	4,718
Special events and fundraising	1,292	1,200
Interest Earned	-	971
	<u>617,439</u>	<u>553,050</u>
Expenses		
Salaries and related costs	415,094	386,092
Utilities	46,991	46,295
Repair and maintenance	29,270	27,227
Office and administration	24,772	16,681
Professional fees	21,407	9,379
Recreational programs	19,592	18,743
Consulting Services	17,599	707
Food and supplies	9,599	4,462
Advertising, Signs Posters	8,289	3,121
Volunteer and Staff Development and Appreciation	6,269	5,065
Insurance	5,225	5,557
Telephone	3,507	2,160
Travel, Mileage	934	789
	<u>608,548</u>	<u>526,278</u>
Excess of Revenue over Expenses	<u>\$ 8,891</u>	<u>\$ 26,772</u>

HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
SCHEDULE 5 - COMMUNITY OUTREACH AND DEVELOPMENT SERVICES

For the Year Ended December 31, 2012

	<u>2012</u>	<u>2011</u>
Revenue		
Grant - Family and Community Support Services	\$ 71,821	\$ 63,730
Fundraising and other	1,530	2,599
Employment Grants	-	2,688
Rentals - FCSS Grant/Fund	-	10,000
	<u>73,351</u>	<u>79,017</u>
 Expenses		
Salaries and related costs	65,579	63,755
Volunteer and Staff Development and Appreciation	3,234	222
Donations/Contributions	1,415	2,469
Office and administration	1,172	272
Telephone	836	670
Advertising	579	622
Travel	469	463
Supplies and equipment	67	252
Rentals	-	10,000
	<u>73,351</u>	<u>78,725</u>
 Excess of Revenue over Expenses	 <u>\$ -</u>	 <u>\$ 292</u>

**HILLHURST SUNNYSIDE COMMUNITY ASSOCIATION
SCHEDULE 6 - COMMUNITY ENGAGEMENT**

For the Year Ended December 31, 2012

	<u>2012</u>	<u>2011</u>
Revenue		
Community Garden	\$ 3,528	\$ 5,228
Planning	2,240	65
Playground	-	385
Building Mural	-	46
	<u>5,768</u>	<u>5,724</u>
 Expenses		
Planning	11,816	12,394
Community Garden	3,528	5,229
Building Mural	-	46
Playground	-	1,742
Vitalization	-	227
	<u>15,344</u>	<u>19,638</u>
 Deficit	<u>\$ (9,576)</u>	<u>\$ (13,914)</u>