

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

FINANCIAL STATEMENTS **(Audited)**

December 31, 2020



a member of

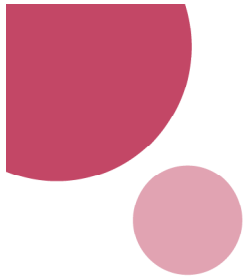
FEDERATION OF
CALGARY COMMUNITIES

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

December 31, 2020

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Nancy Murdoch

Chartered Professional Accountant

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Independent Auditor's Report

To the Members of the
Strathcona Christie Aspen Community Association

Qualified Opinion

I have audited the Statement of Financial Position of the Strathcona Christie Aspen Community Association as at December 31, 2020 and the Statements of Operations, Net Assets and Cash Flows and a summary of significant accounting policies and other explanatory notes for the year ended December 31, 2020.

In my opinion, except for the effects of adjustments described in the Basis for Qualified Opinion paragraph below, 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 Strathcona Christie Aspen Community Association as at December 31, 2020 and the results of its operations and cash flows for the year ended December 31, 2020 in accordance with Canadian accounting standards for not-for-profit associations.

Basis for Qualified Opinion

In common with many not-for-profit associations, the Strathcona Christie Aspen Community Association derives revenue from certain fundraising 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 Strathcona Christie Aspen Community 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. I conducted my audit in accordance with Canadian auditing standards. I am independent of the Strathcona Christie Aspen Community Association in accordance with the ethical requirements that are relevant to my audit and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

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 associations 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.

In preparing the financial statements, management is responsible for assessing the Strathcona Christie Aspen Community Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

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 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 judgement, 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, concluding on the appropriateness of management's use of the going concern basis of accounting as well as evaluating the overall presentation of the financial statements.

I communicate with those charged with governance regarding the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that I identify during my audit.

A handwritten signature in black ink that reads "Nancy Murdoch Chartered Professional Accountant". The signature is written in a cursive, flowing style.

Calgary, Alberta
April 21, 2021

Nancy Murdoch
Chartered Professional Accountant

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

STATEMENT OF FINANCIAL POSITION

(Audited)

As at December 31, 2020

	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 73,671	\$ 30,921
Externally restricted assets (Note 3)	62,221	101,949
Goods and Services Tax receivable	287	16,758
Accounts receivable, unrestricted	28,019	-
Prepaid expense	4,102	20,516
	<u>168,300</u>	<u>170,144</u>
Tangible capital assets (Note 4)	<u>965,215</u>	<u>1,026,977</u>
	<u><u>\$ 1,133,515</u></u>	<u><u>\$ 1,197,121</u></u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 14,791	\$ 23,226
Damage deposits	2,000	2,500
Deferred revenue	10,802	19,149
Deferred cash contributions (Note 3)	62,221	101,949
	<u>89,814</u>	<u>146,824</u>
Deferred capital contributions (Note 5)	<u>821,700</u>	<u>858,927</u>
	<u>911,514</u>	<u>1,005,751</u>
Net assets		
Invested in capital assets	143,515	168,050
Unrestricted	78,486	23,320
	<u>222,001</u>	<u>191,370</u>
	<u><u>\$ 1,133,515</u></u>	<u><u>\$ 1,197,121</u></u>

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

_____ Director

_____ Director

See Notes to the Financial Statements

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
(Audited)

For the Year Ended December 31, 2020

	Invested in capital assets	Reserve fund	Unrestricted	2020 Totals	2019 Totals
Balances, beginning of the year	\$ 168,050	-	23,320	191,370	236,918
Transfers between funds	-	-	-	-	-
Excess of (expenses) revenue	(24,535)	-	55,166	30,631	(45,548)
Balances, end of the year	<u>\$ 143,515</u>	<u>-</u>	<u>78,486</u>	<u>222,001</u>	<u>191,370</u>

See Notes to the Financial Statements

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION
STATEMENT OF OPERATIONS
(Audited)

For the Year Ended December 31, 2020

	<u>2020</u>	<u>2019</u>
Revenue		
Hall rentals	\$ 151,046	\$ 278,813
Contributions from grants (Note 6)	56,939	2,300
Programs and sports (Schedule 1)	37,840	41,804
Contributions from casino (Note 7)	32,545	34,509
Memberships	7,708	6,221
Miscellaneous	3,977	6,169
Programs and sports	3,741	332
Social events and other (Schedule 2)	2,067	2,513
Interest	263	319
	<u>296,126</u>	<u>372,980</u>
Expense		
Hall expense (Schedule 4)	171,821	279,435
Administration expense (Schedule 3)	61,715	103,230
Social events and other (Schedule 2)	1,728	26,725
Programs and sports (Schedule 1)	15,972	23,676
	<u>251,236</u>	<u>433,066</u>
Excess of (expenses) revenue before amortization	44,890	(60,086)
Amortization of deferred capital contributions (Note 5)	46,410	47,571
Amortization of tangible capital assets	<u>(64,961)</u>	<u>(71,034)</u>
Excess of (expenses) revenue before extraordinary items	<u>26,339</u>	<u>(83,549)</u>
Extraordinary items		
Insurance proceeds	11,650	205,839
Repairs due to flood	<u>(7,358)</u>	<u>(167,838)</u>
Excess of (expenses) revenue	<u><u>\$ 30,631</u></u>	<u><u>\$ (45,548)</u></u>

See Notes to the Financial Statements

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

STATEMENT OF CASH FLOWS

(Audited)

For the Year Ended December 31, 2020

	<u>2020</u>	<u>2019</u>
Cash generated from (used in):		
Operating activities		
Excess of (expenses) revenue	\$ 30,631	\$ (45,548)
Charges not affecting cash:		
Amortization of tangible capital assets	64,961	71,034
Amortization of deferred capital contributions	(46,410)	(47,571)
Changes in non-cash operating working capital:		
Accounts receivable	39,166	(28,386)
Goods and Services Tax	16,471	(10,548)
Prepaid expenses	16,414	(1,143)
Accounts payable and accrued liabilities	(8,434)	2,010
Damage deposits	(500)	250
Deferred rental revenue	(8,347)	(2,635)
	<u>103,952</u>	<u>(62,537)</u>
Investing activities		
Renovation expenditures	(3,199)	(28,876)
Purchase of equipment	-	(1,074)
Redemption of GICs	-	75,979
	<u>(3,199)</u>	<u>46,029</u>
Financing activities		
Net (transfer to) use of deferred cash contributions	(89,484)	(16,345)
Receipt of grant and gaming funding	58,939	23,659
	<u>(30,545)</u>	<u>7,314</u>
(Decrease) increase in cash and cash equivalents	70,208	(9,194)
Cash and cash equivalents, beginning of the year	64,425	73,619
Cash and cash equivalents, end of the year	<u>\$ 134,633</u>	<u>\$ 64,425</u>
Cash and cash equivalents is comprised of:		
Unrestricted cash and cash equivalent	\$ 73,671	\$ 30,921
Externally restricted cash (Note 3)	60,962	33,504
	<u>\$ 134,633</u>	<u>\$ 64,425</u>

See Notes to the Financial Statements

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

(Audited)

For the Year Ended December 31, 2020

1. NATURE OF OPERATIONS

The Strathcona Christie Aspen Community Association (the "Association") was incorporated as the Strathcona Community Association under the Societies Act of Alberta on December 2, 1981 as a not-for-profit organization. The Association changed its name to Strathcona Christie Aspen Community Association on January 8, 2010. The Association is exempt from income tax under Section 149 (1) (l) of the Income Tax Act.

The objectives of the Association are to enhance neighbourhood life in the Strathcona, Christie and Aspen communities by creating and facilitating programs, services and resources for residents, visitors and volunteers.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared according to Canadian accounting standards for not-for-profit organizations (ASNPO) as set out in Part III of the Chartered Professional Accountants of Canada Handbook. The significant accounting policies are summarized as follows:

(a) Revenue Recognition

Externally restricted contributions including casino revenue are recognized using the deferral method as revenue in the year in which the related expenses are incurred. Grants received and not spent are recorded as deferred cash contributions, grants and casino cash spent to purchase capital assets are recorded as deferred capital contributions and are transferred to income on the same basis that the related capital asset is amortized.

Hall rentals are recognized when payments become non-refundable.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when it is earned.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

(Audited)

For the Year Ended December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Continued...

(c) Short Term Investments

Investments in guaranteed investment certificates (GICs) are recorded at cost and accrued interest is recorded as a receivable.

(d) Tangible Capital Assets

Capital assets are recorded at cost and are amortized over their estimated useful lives. Contributed capital assets are recorded at fair value at the date of contribution when fair value can be reasonably estimated, when they would otherwise have been purchased and when they are used in the normal course of operations of the Association.

Amortization is provided for on the declining balance basis at the following annual rates:

Building	5%
Tennis courts, rink and landscaping	10%
Furniture and equipment	20%
Signage	20%
Computer equipment and software	30%

(e) Measurement Uncertainty

The valuation of assets is based on management's best estimates of the future recoverability of these assets and the determination of costs subject to classification as capital assets. The amounts recorded for amortization of property and equipment are based on management's best estimates of the remaining lives and period of future benefit of the related assets.

By their nature, these estimates are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates in future periods could be significant.

(f) Donated Goods and Services

Goods and services donated to the Association are recorded at their fair market value when received if a fair value can be reasonably determined, if they are used in the normal operations and if they would otherwise have been purchased. No donations have been recorded in the financial statements in the current year (2016 - \$Nil).

Volunteer services provided by the members and other individuals have not been recorded in these financial statements.

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

(Audited)

For the Year Ended December 31, 2020

3. EXTERNALLY RESTRICTED ASSETS / DEFERRED CASH CONTRIBUTIONS

Casino revenue and grant funding are restricted to the objectives approved by Alberta Gaming and Liquor Commission or the grant providers. Until spent they are recorded as deferred cash contributions and remain as liabilities. These funds are held in the following bank accounts and as restricted receivables:

	2020	2019
Casino bank account	\$ 56,111	\$ 22,655
Casino funds held in general bank account	2,851	1,666
Grant funds held in general bank account	2,000	9,183
	<u>60,962</u>	<u>33,504</u>
GST receivable, restricted	1,259	1,184
Casino proceeds receivable	-	67,261
Grants receivable	-	-
	<u>\$ 62,221</u>	<u>\$ 101,949</u>

4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2020	Net 2019
Building	\$ 2,215,120	1,409,209	805,911	845,129
Tennis courts, rink and landscaping	304,001	172,893	131,108	145,675
Furniture and equipment	182,087	166,295	15,792	19,740
Signage	17,600	10,391	7,209	9,011
Computer equipment and software	24,109	18,914	5,195	7,422
	<u>\$ 2,742,917</u>	<u>1,777,702</u>	<u>965,215</u>	<u>1,026,977</u>

5. DEFERRED CAPITAL CONTRIBUTIONS

Externally restricted assets like casino funds and grant funding contributed to the purchase of property and equipment is deferred and recognized as revenue on the same basis that the related capital assets are amortized.

	2020	2019
Balance, beginning of the year	\$ 858,927	\$ 912,855
Capital assets purchased by grant funding (Note 8)	9,183	23,362
Previously purchased by casino funds and disallowed	-	(29,719)
Recognized as revenue	(46,410)	(47,571)
	<u>\$ 821,700</u>	<u>\$ 858,927</u>

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

(Audited)

For the Year Ended December 31, 2020

6. GRANTS

	2020	2019
Community Facility Enhancement Program (CFEP)		
Carried forward from the prior year	\$ 2,973	\$ 17,683
Spent on capital assets	(2,973)	(14,710)
Recognized as revenue	-	-
Carried forward to next year	-	2,973
City of Calgary Capital Conservation Grant (CCG)		
Grants received/receivable in the year	-	21,359
Contributed to tangible capital assets in the year	-	(21,359)
Carried forward to next year	-	-
Other Grants		
Grants received in the year	2,525	-
Contributed to operations in the year	(525)	-
Carried forward to next year	2,000	-
City of Calgary Ward Event Fund		
Grants received in the year	-	2,300
Contributed to operations in the year	-	(2,300)
Carried forward to next year	-	-
Province of Alberta COVID Relaunch		
Grant received in the year	18,926	-
Contributed to operations in the year	(18,926)	-
Carried forward to next year	-	-
City of Calgary COVID Relief		
Grant receive/receivable in the year	37,488	-
Contributed to operations in the year	(37,488)	-
Carried forward to next year	-	-
Totals for the year		
Carried forward from the prior year	2,973	17,683
Grants and interest received/receivable in the year	58,939	23,659
Contributed to tangible capital assets in the year	(2,973)	(36,069)
Contributed to operations in the year	(56,939)	(2,300)
Balances carried forward to next year	\$ 2,000	\$ 2,973

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

(Audited)

For the Year Ended December 31, 2020

7. CASINO CONTRIBUTIONS

	<u>2020</u>	<u>2019</u>
Casino balance, beginning of the year	\$ 92,766	\$ 30,297
Plus: Casino proceeds receivable/ received	-	67,621
Plus: Net reimbursements and receivables	-	(361)
Less: Spent on capital assets (disallowed this year)	-	29,718
Less: Balance carried forward	<u>(60,221)</u>	<u>(92,766)</u>
Spent on operations	<u>\$ 32,545</u>	<u>\$ 34,509</u>

8. FINANCIAL INSTRUMENTS

Measurement of financial instruments

The Association initially measures its financial assets and financial liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at cost or amortized cost. Changes in fair value of these financial instruments are recognized in net income.

Financial instruments measured at amortized cost include cash and cash equivalents, accounts receivable, investments and accounts payable.

Risk

It is management's opinion that the Association is not exposed to significant interest, currency, price, liquidity, market or credit risks arising from these financial instruments.

9. SUBSEQUENT EVENT

The global COVID19 pandemic has disrupted economic activities and supply chains. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of business disruption and the related financial impact cannot be reasonably estimated at this time. The Association's ability to continue to service its members is dependent on the continued ability to maintain its assets, to generate revenue and to manage expenses.

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

SCHEDULE 1 - PROGRAMS AND SPORTS

For the Year Ended December 31, 2020

	2020			2019		
	Revenue	Expenses	Net	Revenue	Expenses	Net
Art programs	\$ 4,992	-	4,992	6,040	-	6,040
Bridge lessons	1,170	-	1,170	2,691	-	2,691
Dance programs	6,888	-	6,888	16,405	-	16,405
Other programs	256	15,972	(15,716)	207	23,676	(23,469)
Summer camps	9,441	-	9,441	3,219	-	3,219
Tai Chi program	5,329	-	5,329	6,216	-	6,216
Yoga	9,764	-	9,764	7,026	-	7,026
	\$ 37,840	15,972	21,868	\$ 41,804	23,676	18,128

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

SCHEDULE 2 - SOCIAL EVENTS AND OTHER

For the Year Ended December 31, 2020

	2020			2019		
	Revenue	Expenses	Net	Revenue	Expenses	Net
Community garden	\$ 180	77	103	\$ 268	-	268
Craft fair	920	-	920	580	-	580
Skating events	-	-	-	-	1,324	(1,324)
Special events	967	1,651	(684)	1,666	25,401	(23,736)
	\$ 2,067	1,728	339	\$ 2,514	26,725	(24,212)

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

SCHEDULE 3 - ADMINISTRATION EXPENSES

For the Year Ended December 31, 2020

	2020	2019
Advertising and promotion	\$ 503	\$ 4,009
Accounting and legal	7,152	6,805
Administration management contract	45,149	65,165
Business fees and licences	1,129	1,997
Communications management contract	2,314	8,056
Courier and postage	33	124
COVID supplies and expenses	785	-
Donations	199	907
Interest, bank charges and credit card fees	2,404	6,714
Office supplies	71	1,082
Meeting expenses	287	662
Miscellaneous expenses	200	452
Software and training	1,489	5,557
Volunteer appreciation	-	360
Workers compensation	-	1,340
	<u>\$ 61,715</u>	<u>\$ 103,230</u>

STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

SCHEDULE 4 - HALL EXPENSES

For the Year Ended December 31, 2020

	2020	2019
Building superintendent contract	\$ 53,484	\$ 74,022
Equipment purchases	369	1,099
Exterior maintenance and repairs	2,441	9,091
Fire alarms	3,052	2,210
Insurance	19,742	17,093
Interior maintenance and repairs	9,742	28,217
Janitorial contract and supplies	31,654	83,455
Recycling and garbage	2,957	5,410
Snow removal contract	17,854	22,746
Telephone	1,522	1,414
Tennis court and rink	2,500	-
Utilities	24,879	32,062
Website and service	1,625	2,616
	<u>\$ 171,821</u>	<u>\$ 279,435</u>