

# **STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION**

## **FINANCIAL STATEMENTS** (Audited)

**December 31, 2021**

a member of

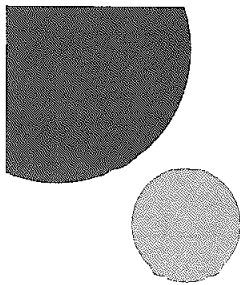


# STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

December 31, 2021

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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, 2021 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, 2021.

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, 2021 and the results of its operations and cash flows for the year ended December 31, 2021 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.

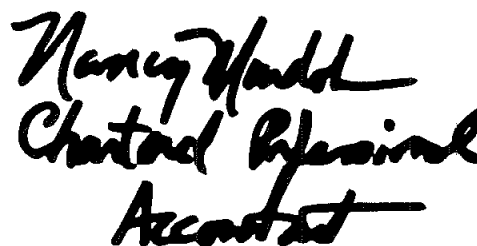
In preparing the financial statements, management is responsible for assessing the Strathcona Christie Aspen Community Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

**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 30, 2022

Nancy Murdoch  
Chartered Professional Accountant

# STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION


## STATEMENT OF FINANCIAL POSITION


(Audited)

As at December 31, 2021

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 99,046	\$ 73,671
Externally restricted assets (Note 3)	35,580	62,221
Goods and Services Tax receivable	289	287
Accounts receivable, unrestricted	8,929	28,019
Prepaid expense	4,529	4,102
	<u>148,373</u>	<u>168,300</u>
<b>Tangible capital assets (Note 4)</b>	<u>920,866</u>	<u>965,215</u>
	<u><u>\$ 1,069,239</u></u>	<u><u>\$ 1,133,515</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 14,938	\$ 14,791
Goods and Services Tax payable	2,772	-
Damage deposits	1,500	2,000
Deferred revenue	10,334	10,802
Deferred cash contributions (Note 3)	35,580	62,221
	<u>65,124</u>	<u>89,814</u>
<b>Deferred capital contributions (Note 5)</b>	<u>790,807</u>	<u>821,700</u>
	<u>855,931</u>	<u>911,514</u>
<b>Net assets</b>		
<b>Invested in capital assets</b>	130,059	143,515
<b>Unrestricted</b>	83,249	78,486
	<u>213,308</u>	<u>222,001</u>
	<u><u>\$ 1,069,239</u></u>	<u><u>\$ 1,133,515</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, 2021**

	Invested in capital assets	Reserve fund	Unrestricted	2021 Totals	2020 Totals
Balances, beginning of the year	\$ 143,515	-	78,486	222,001	191,370
Transfers between funds	2,900	-	(2,900)	-	-
Excess of (expenses) revenue	(16,356)	-	7,663	(8,693)	30,631
Balances, end of the year	\$ 130,059	-	83,249	213,308	222,001

See Notes to the Financial Statements

**STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION**  
**STATEMENT OF OPERATIONS**  
(Audited)

For the Year Ended December 31, 2021

	<u>2021</u>	<u>2020</u>
<b>Revenue</b>		
Hall rentals	\$ 170,041	\$ 151,046
Programs and sports (Schedule 1)	36,010	37,840
Contributions from grants (Note 6)	27,419	56,939
Contributions from casino (Note 7)	24,642	32,545
Memberships	7,895	7,708
Miscellaneous	3,984	3,977
Social events and other (Schedule 2)	1,799	2,067
Donations	62	3,741
Interest	-	263
	<u>271,852</u>	<u>296,126</u>
<b>Expense</b>		
Hall expense (Schedule 4)	195,714	171,821
Administration expense (Schedule 3)	54,799	61,715
Programs and sports (Schedule 1)	12,414	15,972
Social events and other (Schedule 2)	1,263	1,728
	<u>264,190</u>	<u>251,236</u>
<b>Excess of (expenses) revenue before amortization</b>	7,662	44,890
Amortization of deferred capital contributions (Note 5)	44,195	46,410
Amortization of tangible capital assets	<u>(60,550)</u>	<u>(64,961)</u>
<b>Excess of (expenses) revenue before extraordinary items</b>	<u>(8,693)</u>	<u>26,339</u>
<b>Extraordinary items</b>		
Insurance proceeds	-	11,650
Repairs due to flood	-	(7,358)
<b>Excess of (expenses) revenue</b>	<u>\$ (8,693)</u>	<u>\$ 30,631</u>

See Notes to the Financial Statements

**STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
(Audited)

For the Year Ended December 31, 2021

	<u>2021</u>	<u>2020</u>
<b>Cash generated from (used in):</b>		
<b>Operating activities</b>		
Excess of (expenses) revenue	\$ (8,693)	\$ 30,631
Charges not affecting cash:		
Amortization of tangible capital assets	60,550	64,961
Amortization of deferred capital contributions	(44,195)	(46,410)
Changes in non-cash operating working capital:		
Accounts receivable	19,552	39,166
Goods and Services Tax	(2)	16,471
Prepaid expenses	(427)	16,414
Accounts payable and accrued liabilities	145	(8,434)
Damage deposits	(500)	(500)
Deferred rental revenue	(468)	(8,347)
	<u>25,962</u>	<u>103,952</u>
<b>Investing activities</b>		
Renovation expenditures	(15,500)	(3,199)
Purchase of computer equipment	(701)	-
	<u>(16,201)</u>	<u>(3,199)</u>
<b>Financing activities</b>		
Net (transfer to) use of deferred cash contributions	(42,335)	(89,484)
Receipt of grant and gaming funding	31,769	58,939
	<u>(10,566)</u>	<u>(30,545)</u>
<b>(Decrease) increase in cash and cash equivalents</b>	<b>(805)</b>	<b>70,208</b>
<b>Cash and cash equivalents, beginning of the year</b>	<b>134,633</b>	<b>64,425</b>
<b>Cash and cash equivalents, end of the year</b>	<b><u>\$ 133,828</u></b>	<b><u>\$ 134,633</u></b>
<b>Cash and cash equivalents is comprised of:</b>		
Unrestricted cash and cash equivalent	\$ 99,046	\$ 73,671
Externally restricted cash (Note 7)	34,782	60,962
	<u>\$ 133,828</u>	<u>\$ 134,633</u>

See Notes to the Financial Statements



# **STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS**

(Audited)

**For the Year Ended December 31, 2021**

### **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, 2021

### 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, 2021

### 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:

	2021	2020
Casino bank account	\$ 30,672	\$ 56,111
Casino funds held in general bank account	4,110	2,851
Grant funds held in general bank account	-	2,000
	<u>34,782</u>	<u>60,962</u>
GST receivable, restricted	798	1,259
Casino proceeds receivable	-	-
Grants receivable	-	-
	<u>\$ 35,580</u>	<u>\$ 62,221</u>

### 4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2021	Net 2020
Building	\$ 2,230,620	1,450,279	780,341	805,911
Tennis courts, rink and landscaping	304,001	186,004	117,997	131,108
Furniture and equipment	182,087	169,453	12,634	15,792
Signage	17,600	11,833	5,767	7,209
Computer equipment and software	24,810	20,683	4,127	5,195
	<u>\$ 2,759,118</u>	<u>1,838,252</u>	<u>920,866</u>	<u>965,215</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.

	2021	2020
Balance, beginning of the year	\$ 821,700	\$ 858,927
Capital assets purchased by grant funding (Note 6)	13,302	9,183
Recognized as revenue	(44,195)	(46,410)
	<u>\$ 790,807</u>	<u>\$ 821,700</u>

# STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

(Audited)

For the Year Ended December 31, 2021

### 6. GRANTS

	2021	2020
<b>Community Facility Enhancement Program (CFEP)</b>		
Carried forward from the prior year	\$ -	\$ 2,973
Spent on capital assets	-	(2,973)
Recognized as revenue	-	-
Carried forward to next year	-	-
<b>City of Calgary Capital Conservation Grant (CCG)</b>		
Grants received/receivable in the year	6,952	-
Contributed to tangible capital assets in the year	(6,952)	-
Carried forward to next year	-	-
<b>Other Grants</b>		
Carried forward from the prior year	2,000	-
Grants received in the year	1,475	2,525
Contributed to operations in the year	(3,475)	(525)
Carried forward to next year	-	2,000
<b>Calgary Parks Foundation</b>		
Grants received in the year	6,350	-
Contributed to tangible capital assets in the year	(6,350)	-
Carried forward to next year	-	-
<b>Province of Alberta COVID Relaunch</b>		
Grant received in the year	-	18,926
Contributed to operations in the year	-	(18,926)
Carried forward to next year	-	-
<b>City of Calgary COVID Relief</b>		
Grant receive/receivable in the year	23,944	37,488
Contributed to operations in the year	(23,944)	(37,488)
Carried forward to next year	-	-
<b>Totals for the year</b>		
Carried forward from the prior year	2,000	2,973
Grants and interest received/receivable in the year	38,721	58,939
Contributed to tangible capital assets in the year	(13,302)	(2,973)
Contributed to operations in the year	(27,419)	(56,939)
Balances carried forward to next year	\$ -	\$ 2,000

# STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

(Audited)

For the Year Ended December 31, 2021

### 7. CASINO CONTRIBUTIONS

	2021	2020
Casino balance, beginning of the year	\$ 60,221	\$ 92,766
Plus: Casino proceeds receivable/ received	-	-
Less: Balance carried forward	(35,579)	(60,221)
Spent on operations	<u>\$ 24,642</u>	<u>\$ 32,545</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

Once again, 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, 2021

	<b>2021</b>			<b>2020</b>		
	<b>Revenue</b>	<b>Expenses</b>	<b>Net</b>	<b>Revenue</b>	<b>Expenses</b>	<b>Net</b>
Art programs	\$ 2,464	-	2,464	4,992	-	4,992
Bridge lessons	540	-	540	1,170	-	1,170
Dance programs	4,259	-	4,259	6,888	-	6,888
Other programs	-	12,414	(12,414)	256	15,972	(15,716)
Summer camps	16,252	-	16,252	9,441	-	9,441
Tai Chi program	4,246	-	4,246	5,329	-	5,329
Yoga	8,249	-	8,249	9,764	-	9,764
	<b>\$ 36,010</b>	<b>12,414</b>	<b>23,596</b>	<b>\$ 37,840</b>	<b>15,972</b>	<b>21,868</b>

**STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION**  
**SCHEDULE 2 - SOCIAL EVENTS AND OTHER**

For the Year Ended December 31, 2021

	<b>2021</b>			<b>2020</b>		
	<b>Revenue</b>	<b>Expenses</b>	<b>Net</b>	<b>Revenue</b>	<b>Expenses</b>	<b>Net</b>
Community garden	\$ 455	-	455	\$ 180	77	103
Craft fair	1,144	-	1,144	920	-	920
Special events	200	1,263	(1,063)	967	1,651	(684)
	<b>\$ 1,799</b>	<b>1,263</b>	<b>536</b>	<b>\$ 2,067</b>	<b>1,728</b>	<b>339</b>

# STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

## SCHEDULE 3 - ADMINISTRATION EXPENSES

For the Year Ended December 31, 2021

	2021	2020
Advertising and promotion	\$ 600	\$ 503
Accounting and legal	6,668	7,152
Administration management contract	35,535	45,149
Business fees and licences	209	1,129
Communications management contract	3,922	2,314
Courier and postage	-	33
COVID supplies and expenses	-	785
Donations	-	199
Interest, bank charges and credit card fees	3,195	2,404
Office supplies	242	71
Meeting expenses	-	287
Miscellaneous expenses	44	200
Software and training	4,384	1,489
	<u>\$ 54,799</u>	<u>\$ 61,715</u>

# STRATHCONA CHRISTIE ASPEN COMMUNITY ASSOCIATION

## SCHEDULE 4 - HALL EXPENSES

For the Year Ended December 31, 2021

	2021	2020
Building superintendent contract	\$ 35,400	\$ 53,484
Equipment purchases	-	369
Exterior maintenance and repairs	12,904	2,441
Fire alarms	377	3,052
Insurance	26,564	19,742
Interior maintenance and repairs	4,829	9,742
Janitorial contract and supplies	38,713	31,654
Recycling and garbage	2,675	2,957
Snow removal contract	4,768	17,854
Telephone	1,633	1,522
Tennis court and rink	39,781	2,500
Utilities	25,627	24,879
Website and service	2,443	1,625
	<u>\$ 195,714</u>	<u>\$ 171,821</u>