

FAIRVIEW COMMUNITY ASSOCIATION

FINANCIAL STATEMENTS **(Audited)**

February 29, 2024

a member of

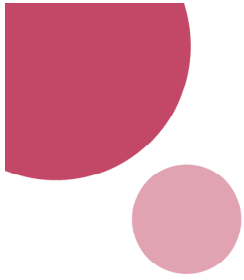


FAIRVIEW COMMUNITY ASSOCIATION

February 29, 2024

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Nancy Murdoch

Chartered Professional Accountant

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Independent Auditor's Report

To the Members of the
Fairview Community Association

Qualified Opinion

I have audited the Statement of Financial Position of the Fairview Community Association as at February 29, 2024 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 February 29, 2024.

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 as described in the Basis of Qualified opinion paragraph below, these financial statements present fairly, in all material respects, the financial position of the Fairview Community Association as at February 29, 2024 and the results of its operations and cash flows for the year ended February 29, 2024 in accordance with Canadian accounting standards for not-for-profit associations.

Basis for Qualified Opinion

In common with many not-for-profit associations, the Fairview 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 Fairview 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 Fairview 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 Fairview 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.



Nancy Murdoch
Chartered Professional
Accountant

Calgary, Alberta
May 7, 2024

Nancy Murdoch
Chartered Professional Accountant

FAIRVIEW COMMUNITY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
(Audited)

As at February 29, 2024

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents, unrestricted	\$ 77,210	\$ 73,478
Short term externally restricted assets (Note 3)	141,627	86,370
Accounts receivable, unrestricted and restricted	430	-
Goods and Services Tax receivable	150	122
Prepaid expenses	5,316	2,759
	\$ 224,733	\$ 162,729
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 3,140	\$ 6,518
Deferred revenue	79	210
Deferred cash contributions (Note 3)	141,627	86,370
	144,846	93,098
NET ASSETS		
Unrestricted	79,887	69,631
	\$ 224,733	\$ 162,729

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

Megan Federow
Megan Federow (May 23, 2024 12:36 MDT) _____ Director

Sam Koois
Sam Koois (May 16, 2024 15:44 MDT) _____ Director

See Notes to the Financial Statements

FAIRVIEW COMMUNITY ASSOCIATION
STATEMENT OF CHANGES IN NET ASSETS
(Audited)

For the Year Ended February 29, 2024

	<u>2024</u>	<u>2023</u>
Balances, beginning of the year	\$ 69,631	\$ 76,017
Surplus (deficit)	<u>10,256</u>	<u>(6,386)</u>
Balances, end of the year	<u>\$ 79,887</u>	<u>\$ 69,631</u>

See Notes to the Financial Statements

FAIRVIEW COMMUNITY ASSOCIATION
STATEMENT OF OPERATIONS
(Audited)

For the Year Ended February 29, 2024

	2024	2023
REVENUES		
Casino contributions (Note 4)	\$ 32,666	\$ 16,668
Fundraising and donations	12,193	4,298
Grants	9,453	1,116
Interest	4,178	2,186
Membership	7,045	2,703
	65,535	26,971
EXPENSES		
Advertising	2,336	605
Bank charges and interest	220	59
Contract services	2,795	4,156
Equipment purchase	14,069	-
Fundraising and donations	9,370	5,552
Insurance	3,101	2,993
Newsletter	3,135	2,033
Office and miscellaneous	554	285
Professional fees	10,806	10,262
Programs, community events	8,217	7,060
Utilities	53	53
Volunteer and staff appreciation	623	299
	55,279	33,357
SURPLUS (DEFICIT)	\$ 10,256	\$ (6,386)

See Notes to the Financial Statements

FAIRVIEW COMMUNITY ASSOCIATION
STATEMENT OF CASH FLOWS
(Audited)

For the Year Ended February 29, 2024

	<u>2024</u>	<u>2023</u>
OPERATING ACTIVITIES:		
Surplus (deficit)	\$ 10,256	\$ (6,386)
Charges in non-cash working capital:		
Accounts receivable	(430)	1,376
Goods and Services Tax	(27)	250
Prepaid expense	(2,557)	45
Accounts payable and accrued liabilities	(3,378)	(1,692)
Deferred revenue	(131)	(30)
	<u>3,733</u>	<u>(6,437)</u>
INVESTING ACTIVITIES:		
Redemption of GICs	-	55,298
	<u>-</u>	<u>55,298</u>
FINANCING ACTIVITIES:		
Proceeds from casino event	80,844	-
Proceeds from raffle	624	-
Proceeds from grant funding	12,024	1,299
Net use of (transfer to) deferred cash contributions	(38,236)	(15,316)
	<u>55,256</u>	<u>(14,017)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	58,989	34,844
Cash and cash equivalents, beginning of year	<u>159,848</u>	<u>125,004</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u>\$ 218,837</u>	<u>\$ 159,848</u>
CASH AND CASH EQUIVALENTS CONSISTS OF:		
Unrestricted cash	\$ 77,210	\$ 73,478
Externally restricted cash (Note 3)	<u>141,627</u>	<u>86,370</u>
	<u>\$ 218,837</u>	<u>\$ 159,848</u>

See Notes to the Financial Statements

FAIRVIEW COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

(Audited)

February 29, 2024

1. NATURE OF OPERATIONS

The Fairview Community Association ("the Association") promotes and enhances a healthy, safe and productive environment for the residents of Fairview by providing access to programs, services and information, all while establishing a sense of community identity and belonging.

The Association was incorporated on July 14, 1960 under the Societies Act of Alberta as a not-for-profit organization. The Association is exempt from income tax under paragraph 149 (1)(l) of the Income tax Act. In order to maintain its status as a not-for-profit organization, the Association must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Revenue Recognition

Externally restricted contributions are recorded according to the deferral method where revenue is recognized when the related expense is incurred.

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

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.

Investments

Investments in guaranteed investment certificates are recorded at cost with accrued interest recorded as receivable.

Capital Assets

Capital assets are expensed on acquisition and disposals are recorded as revenue when sold. During the year \$ 14,069 for assets of a capital nature were recorded as expenses (2023 - \$ Nil) and \$ Nil revenue (2023 - \$ Nil) from disposals was recorded.

FAIRVIEW COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

February 29, 2024

2. SIGNIFICANT ACCOUNTING POLICIES Continued

Measurement Uncertainty

The preparation of financial statements in conformity 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Significant estimates used in these financial statements are collectibility of receivables, prepaid portion of expenses and accrued liabilities. They are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

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.

3. EXTERNALLY RESTRICTED CASH / DEFERRED CASH CONTRIBUTIONS

Casino cash spending is limited to expenditures as approved by the Alberta Gaming and Liquor Commission. Grant funds are restricted in their purpose by the funders.

	2024	2023
Casino bank account	\$ 139,055	\$ 86,370
Unrestricted funds held in casino bank	2,572	-
	\$ 141,627	\$ 86,370

FAIRVIEW COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

February 29, 2024

4. CASINO CONTRIBUTIONS

	<u>2024</u>	<u>2023</u>
Restricted casino assets, beginning of the year	\$ 86,370	\$ 100,388
Received from casino event	80,844	-
Raffle net proceeds	624	-
Plus: Interest earned	3,883	2,650
Restricted casino assets, end of the year	<u>(139,055)</u>	<u>(86,370)</u>
Casino and raffle contributions to revenue	<u>\$ 32,666</u>	<u>\$ 16,668</u>

5. CONTRIBUTED GOODS AND SERVICES

Contributed services and donated items are recognized in the financial statements when their fair value can be reasonably determined, when the services are used in the normal course of the Association's operations and would otherwise have been purchased. There were no contributed goods or services during the year.

A number of volunteers have made significant contributions of their time to the Association. The value of this contributed time is not reflected in these financial statements.

6. COMPARATIVE FIGURES

Some of the prior year figures have been reclassified to conform to the current year presentation.