

CANMORE SENIORS ASSOCIATION

Financial Statements

June 30, 2016

(Unaudited)

REVIEW ENGAGEMENT REPORT

To the Members of Canmore Seniors Association

I have reviewed the statement of financial position of Canmore Seniors Association as at June 30, 2016 and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the organization.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Accountant

Banff, Alberta
September 17, 2016

CANMORE SENIORS ASSOCIATION

Statement of Financial Position

June 30, 2016

(Unaudited)

	2016	2015
ASSETS		
Current		
Cash	\$ 65,022	\$ 31,274
Accounts receivable	90	60
GST recoverable	1,378	2,761
Prepaid expenses	81	-
	<hr/>	<hr/>
	66,571	34,095
Investments (Note 3)	279,251	278,907
Property and equipment (Note 4)	305,509	321,589
	<hr/>	<hr/>
	\$ 651,331	\$ 634,591
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 6,337	\$ 5,575
Prepaid membership fees	12,975	10,440
Prepaid hall rentals and deposits	9,913	4,313
Deferred contributions (Note 5)	9,307	325
	<hr/>	<hr/>
	38,532	20,653
NET ASSETS		
Invested in property and equipment	305,509	321,589
Internally restricted (Note 6)	156,229	-
Unrestricted	151,061	292,349
	<hr/>	<hr/>
	612,799	613,938
	<hr/>	<hr/>
	\$ 651,331	\$ 634,591

Approved on Behalf of the Board

Lynn Jones Director
Philip S. Wilson Director

See notes to financial statements

CANMORE SENIORS ASSOCIATION

Statement of Revenue and Expenses

Year Ended June 30, 2016

(Unaudited)

	2016	2015
Revenue		
Casino revenue	\$ 38,104	\$ 2,436
Hall rentals	20,753	15,500
Memberships	17,700	15,951
Social events	12,454	15,872
Donations	5,100	10,235
Interest	4,000	4,960
Life long learning	3,834	3,029
Group travel	736	4,582
	<u>102,681</u>	<u>72,565</u>
Expenses		
Advertising	105	105
Bank charges	153	226
Casino fundraising	2,717	2,376
Donations	100	-
Facility improvements	7,865	9,711
Group travel	845	3,972
Insurance	1,221	1,321
Life long learning	2,158	1,490
Office	4,702	6,350
Professional fees	5,714	3,350
Repairs and maintenance	38,944	49,180
Social events	12,157	17,292
Telephone	2,794	2,231
Utilities	8,265	8,062
	<u>87,740</u>	<u>105,666</u>
Excess (deficiency) of revenue over expenses before amortization	14,941	(33,101)
Amortization of property and equipment	<u>(16,080)</u>	<u>(16,926)</u>
Excess (deficiency) of revenue over expenses for the year	<u>\$ (1,139)</u>	<u>\$ (50,027)</u>

See notes to financial statements

CANMORE SENIORS ASSOCIATION

Statement of Changes in Net Assets

Year Ended June 30, 2016

(Unaudited)

	Invested in Property and Equipment	Internally Restricted	Unrestricted	2016	2015
Balance, beginning of the year	\$ 321,589	\$ -	\$ 292,349	\$ 613,938	\$ 663,965
Excess (deficiency) of revenue over expenses	-	-	(1,139)	(1,139)	(50,027)
Transfers to restricted net assets	-	160,000	(160,000)	-	-
Internally restricted expenditures	-	(3,771)	3,771	-	-
Amortization of property and equipment	(16,080)	-	16,080	-	-
Balance, end of the year	\$ 305,509	\$ 156,229	\$ 151,061	\$ 612,799	\$ 613,938

CANMORE SENIORS ASSOCIATION

Statement of Cash Flows

Year Ended June 30, 2016

(Unaudited)

	2016	2015
Cash flows from operating activities		
Excess (deficiency) of revenue over expenses	\$ (1,139)	\$ (50,027)
Item not affecting cash:		
Amortization	16,080	16,926
	<u>14,941</u>	<u>(33,101)</u>
Changes in non-cash working capital:		
Accounts receivable	(30)	(60)
GST recoverable	1,383	(1,229)
Prepaid expenses	(81)	-
Accounts payable and accrued liabilities	763	673
Prepaid memberships	2,535	1,280
Prepaid hall rentals and deposits	5,600	2,788
Deferred contributions	8,982	(108)
	<u>19,152</u>	<u>3,344</u>
Cash flows from investing activities		
Investments	<u>(345)</u>	31,062
Increase in cash	33,748	1,305
Cash, beginning of year	<u>31,274</u>	<u>29,969</u>
Cash, end of year	<u>\$ 65,022</u>	<u>\$ 31,274</u>

See notes to financial statements

CANMORE SENIORS ASSOCIATION

Notes to Financial Statements

June 30, 2016

(Unaudited)

1. Purpose of the Organization

The Canmore Seniors Association is a registered charity engaged in the management of the social affairs of its members and the operation of the Seniors Drop-in Centre in Canmore, Alberta. It is a not-for-profit organization within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

2. Summary of Significant Accounting Policies

a) Financial Instruments

The organization's financial instruments consist of cash, investments and accounts payable and accrued liabilities. It is management's opinion that the association is not exposed to significant credit, liquidity, currency or interest risks arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying values.

b) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

c) Property and equipment

Property and equipment are recorded at cost and are amortized over their estimated useful lives using the following rates and methods:

Leasehold improvements	5%	Declining balance
Landscaping	5%	Declining balance
Equipment	20/100%	Declining balance

d) Revenue Recognition

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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 earned.

e) Contributed Services

Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

CANMORE SENIORS ASSOCIATION

Notes to Financial Statements

June 30, 2016

(Unaudited)

3. Investments

	2016	2015
Bow Valley Credit Union term deposits:		
- Non-redeemable one year term maturing August 8, 2015, bearing interest at 1.30%	\$ -	\$ 64,660
- Non-redeemable one year term maturing December 1, 2015, bearing interest at 1.35%	-	101,469
- Non-redeemable one year term maturing January 31, 2017, bearing interest at 1.20%	40,000	-
- Non-redeemable 22 month term maturing May 29, 2017, bearing interest at 1.35%	77,177	76,330
- Non-redeemable three year term maturing November 29, 2016, bearing interest at 3.00%	34,394	33,885
- Non-redeemable 20 month term maturing June 6, 2017, bearing interest at 1.40%	75,000	-
- Non-redeemable 16 month term maturing August 22, 2017, bearing interest at 1.4%	25,000	-
- Redeemable 30 month term maturing October 22, 2018, bearing interest at 1.65%	25,000	-
	276,571	276,344
Total term deposit principal	2,680	2,563
Accrued interest receivable		
	\$ 279,251	\$ 278,907

4. Property and Equipment

	Cost	Accumulated Amortization	2016 Net Book Value	2015 Net Book Value
Leasehold improvements	\$ 617,635	\$ 340,705	\$ 276,930	\$ 291,505
Landscaping	70,752	42,173	28,579	30,084
Equipment	3,466	3,466	-	-
	\$ 691,853	\$ 386,344	\$ 305,509	\$ 321,589

5. Deferred Contributions

	2016	2015
Balance, beginning of the year	\$ 325	\$ 433
Add: amounts received during the year	47,086	2,328
Less: amounts recognized as revenue during the year	(38,104)	(2,436)
	\$ 9,307	\$ 325

Deferred contributions relate to casino funds which are to be used for expenditures in future periods. These funds are restricted by the regulations of the Alberta Gaming and Liquor Commission and may be used for facility operations and other approved charitable purposes.

CANMORE SENIORS ASSOCIATION

Notes to Financial Statements

June 30, 2016

(Unaudited)

6. Internally Restricted Assets

The organization has set aside a portion of its unrestricted net assets to allow it to meet its obligations under article 8.02 of the lease between the Town of Canmore and the Canmore Seniors Association (in particular article 8.02 (c) - establish and maintain sufficient funds for the purposes of ongoing maintenance of the leased premises).

7. Lease Commitments

The organization leases its premises from the Town of Canmore for basic rent of \$1 per year plus common costs under the terms of a lease effective June 1, 2016, with a 49 year term expiring May 31, 2065.

8. Financial Risks

a) Credit risk

Credit risk associated with cash and investments arises from the possibility that parties may default on their financial obligations. The maximum exposure to credit risk is the carrying value of cash and investments. Cash is deposited with a federally regulated, credit worthy financial institution. Investments are held in term deposits at the same financial institution. There has been no change to the risk exposure from 2015.

b) Liquidity risk

Liquidity risk is the risk that the organization will not be able to meet its financial obligations on a timely basis. Revenue from various sources, including membership fees, facility rentals and donations, funds the organization's operating cash requirements. Capital expenditures and major repairs are funded from liquidation of investments. There has been no change to the risk exposure from 2015.

c) Currency risk

Currency risk arises from financial instruments, primarily cash, investments and accounts payable, denominated in a currency other than the Canadian dollar. The organization receives all of its funding, pays for all of its operating costs, and holds all of its investments in Canadian currency so it has no exposure to foreign currency fluctuation. There has been no change to the risk exposure from 2015.

d) Interest rate risk

The organization maintains its cash balance in a floating rate interest bearing bank account but maintains its investments in fixed interest rate term deposits. It has no debt with financial institutions. As a result, the organization is exposed to minimal interest rate risk due to fluctuations in the commercial prime lending rate. There has been no change to the risk exposure from 2015.