

# **LAKE BONAVISTA COMMUNITY ASSOCIATION**

## **FINANCIAL STATEMENTS** (Audited)

**June 30, 2024**



# LAKE BONAVISTA COMMUNITY ASSOCIATION

June 30, 2024

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# Heidi Brauer

## Chartered Professional Accountant

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### **Independent Auditor's Report**

To the Members of the

#### **Report on the Audit of the Financial Statements**

#### **Opinion**

I have audited the Statement of Financial Position of the Lake Bonavista Community Association as at June 30, 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 then ended.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Lake Bonavista Community Association as at June 30, 2024 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### **Basis for Opinion**

I am independent of the Lake Bonavista 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 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 organizations 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 Lake Bonavista 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 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, 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.

Calgary, Alberta  
Date of Board approval

Heidi Brauer CPA  
Chartered Professional Accountant



**LAKE BONAVISTA COMMUNITY ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
(Audited)

**As at June 30, 2024**

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents, unrestricted	\$ 497,823	\$ 1,032,756
Cash and cash equivalents, externally restricted (Note 3)	8,119	1,613
Cash and cash equivalents, internally restricted (Note 5)	700,000	-
Short term investments (Note 6) (Note 5)	436,199	427,647
Accounts receivable, unrestricted	38,124	34,716
Accounts receivable, externally restricted (Note 3)	-	77,527
GST recoverable	4,809	10,605
Prepaid expense and deposits	38,898	23,297
	<b>1,723,972</b>	<b>1,608,161</b>
<b>Property and Equipment (Notes 4)</b>	<b>2,716,911</b>	<b>2,868,494</b>
	<b>\$ 4,440,883</b>	<b>\$ 4,476,655</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable, deposits and accrued liabilities	\$ 63,024	\$ 59,804
Deferred cash contributions (Note 3)	8,119	79,140
Deferred revenue	80,556	62,984
Payroll payable	28,482	25,086
	<b>180,181</b>	<b>227,014</b>
<b>Debentures payable (Note 8)</b>	<b>29,400</b>	<b>29,400</b>
<b>Deferred capital contributions (Notes 7)</b>	<b>1,659,643</b>	<b>1,792,506</b>
	<b>1,689,043</b>	<b>1,821,906</b>
<b>TOTAL LIABILITIES</b>	<b>1,869,224</b>	<b>2,048,920</b>
<b>NET ASSETS</b>		
Internally restricted (Note 5)	700,000	-
Invested in property and equipment	1,057,268	1,075,988
Unrestricted	814,391	1,351,747
	<b>\$ 2,571,659</b>	<b>\$ 2,427,735</b>
	<b>\$ 4,440,883</b>	<b>\$ 4,476,655</b>

**CONTINGENCY (NOTE 11)**

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

 Director   
 Director 

See Notes to the Financial Statements

**LAKE BONAVISTA COMMUNITY ASSOCIATION**  
**STATEMENT OF CHANGES IN NET ASSETS**  
(Audited)

**For the Year Ended June 30, 2024**

	<b>Unrestricted</b>	<b>Internally Restricted (Note 5)</b>	<b>Invested in Property and Equipment</b>	<b>2024 Totals</b>	<b>2023 Totals</b>
Balances, beginning of the year	\$ 1,351,747	-	1,075,988	2,427,735	2,391,777
Transfer	(700,000)	700,000	-	-	-
Increase (decrease)	162,644	-	(18,720)	143,924	35,958
Balances, end of the year	<u>\$ 814,391</u>	<u>700,000</u>	<u>1,057,268</u>	<u>2,571,659</u>	<u>2,427,735</u>

See Notes to Financial Statements

**LAKE BONAVISTA COMMUNITY ASSOCIATION**  
**STATEMENT OF OPERATIONS**  
(Audited)  
For the Year ended June 30, 2024

<b>Revenue and expenditures</b>	<b>2024</b>	<b>2023</b>
	<u>Net</u>	<u>Net</u>
Facility rentals (schedule 1)	\$ 1,420,797	\$ 1,282,783
Programs and fundraising events (schedule 2)	188,175	107,810
Casino contributions (Note 10)	71,021	453
Investment income	42,251	17,969
Memberships	13,941	10,894
Advertising	9,461	9,117
Miscellaneous	9,298	7,363
Donations	6,820	970
Grants (Note 12)	4,600	9,368
Capital building levy	-	64,163
	<u>1,766,364</u>	<u>1,510,890</u>
 <b>General and administrative expenditures</b>		
Salaries and benefits	826,686	720,195
Utilities	261,884	283,236
Programs and fundraising events (schedule 2)	140,844	87,907
Building and equipment - repair & maintenance	138,767	138,533
General office & miscellaneous	76,947	82,905
Insurance	51,872	48,973
Professional fees	7,414	11,805
Advertising	2,037	509
	<u>1,506,451</u>	<u>1,374,063</u>
 Excess of revenue over expenses before amortization	 259,913	 136,827
Amortization of deferred capital contributions (Note 7)	147,432	153,550
Amortization expense	<u>(263,421)</u>	<u>(254,419)</u>
 <b>Excess of revenue over expenses after amortization</b>	 <u>\$ 143,924</u>	 <u>\$ 35,958</u>

See Notes to Financial Statements

**LAKE BONAVISTA COMMUNITY ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
(Audited)

**For the Year Ended June 30, 2024**

	<b>2024</b>	<b>2023</b>
<b>Funds provided by (used In) operating activities:</b>		
<b>Excess of revenue over expenses</b>	<b>\$ 143,924</b>	<b>\$ 35,958</b>
Charges not affecting cash:		
Amortization	263,421	254,419
Amortization of deferred capital contributions	<u>(147,432)</u>	<u>(153,550)</u>
	<b>259,913</b>	<b>136,827</b>
Changes in operating working capital:		
Account receivable	79,915	(89,050)
Prepaid expenses	(15,601)	(3,666)
Accounts payable and accrued charges	6,617	28,720
Deferred revenue	17,572	(20,330)
Net increase in working capital	<u><b>348,416</b></u>	<u><b>52,501</b></u>
<b>Cash flows from financing activities:</b>		
Deferred cash contributions	(71,021)	77,074
Deferred capital contributions (Note 7)	14,569	-
	<u><b>(56,452)</b></u>	<u><b>77,074</b></u>
<b>Cash flows from investing activities:</b>		
Acquisition of capital assets	(111,839)	(31,154)
Changes in short-term investments	(8,552)	(11,660)
	<u><b>(120,391)</b></u>	<u><b>(42,814)</b></u>
<b>Increase in cash and cash equivalents</b>	<b>171,573</b>	<b>86,761</b>
Cash and cash equivalents, beginning of the year	<u><b>1,034,369</b></u>	<u><b>947,608</b></u>
<b>Cash and cash equivalents at the end of the year</b>	<u><b>\$ 1,205,942</b></u>	<u><b>\$ 1,034,369</b></u>
<b>Consisting of:</b>		
Unrestricted cash and cash equivalents	\$ 497,823	\$ 1,032,756
Internally restricted cash and cash equivalents (Note 5)	700,000	-
Externally restricted cash (Note 3)	8,119	1,613
	<u><b>\$ 1,205,942</b></u>	<u><b>\$ 1,034,369</b></u>

See Notes to Financial Statements



**LAKE BONAVISTA COMMUNITY ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(Audited)

**June 30, 2024**

**1. NATURE OF THE ORGANIZATION**

The Lake Bonavista Community Association (the "Association") was incorporated under the Societies Act of Alberta on February 6, 1970, to acquire lands and provide a building for social and community activities, to encourage and promote amateur games and exercises and to provide a meeting place for the consideration and discussion of questions affecting the interests of the community.

The Association was registered as a charity and is exempt from income taxes as long as it maintains its charitable purpose.

**2. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations. The significant accounting policies are as follows:

**(a) 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.

**(b) Revenue Recognition**

Donations are recorded as revenue when received.

The Association follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses were 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.

Operating revenue and expenses are recorded on the accrual basis.

**(c) Inventories**

Inventory consists of staff clothing and is valued at the lower of cost and net realizable value with the cost being determined on a first-in first-out basis.

## NOTES TO THE FINANCIAL STATEMENTS

(Audited)

June 30, 2024

### (d) Property and Equipment

Property and equipment are recorded at cost and amortization is provided in the accounts at rates designed to amortize the cost of the capital assets over its estimated useful life. Amortization is provided at the following annual rates on a straight-line basis:

Recreation centre and ice plant	-	5%
Field house & community entrance sign		4%
Mechanical equipment	-	5%
Other equipment and tools	-	10%, 20%
Used vehicle, office equipment, community garden and computer software	-	20%

### (e) Deferred Capital Contributions

Deferred capital contributions represent funding or donations received to assist in the purchase of property and equipment. This funding is being amortized to income on the same basis as the related capital asset is amortized and expensed.

### (f) Contributed Services

A substantial number of volunteers have made significant contributions of their time to develop the Association's programs and carry out its activities. The value of this contributed time is not reflected in these financial statements.

### (g) 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, investments, accounts receivable and accounts payable.

#### Financial Risk:

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

### (h) Donated Goods

The Association receives goods donated by individuals and businesses who assist the organization in achieving its mission. Donated goods are recorded at cost if a value could readily be established and the goods would have otherwise been purchased.

**LAKE BONAVISTA COMMUNITY ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(Audited)

June 30, 2024

**3. EXTERNALLY RESTRICTED ASSETS/DEFERRED CASH CONTRIBUTIONS**

Assets generated from casino activities are restricted to spending according to Alberta Gaming regulations. Unspent grant funding is restricted to be spent on approved expenditures only.

	<b>2024</b>	<b>2023</b>
Casino Bank	\$ 8,119	\$ 1,613
AGLC Receivable	-	77,527
	<b>\$ 8,119</b>	<b>\$ 79,140</b>

**4. PROPERTY AND EQUIPMENT**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>2024 Net</b>	<b>2023 Net</b>
Recreation centre	\$ 4,271,302	2,403,926	1,867,376	1,952,033
Mechanical equipment	1,075,391	782,160	293,231	312,353
Ice plant	522,424	222,445	299,979	325,245
Other equipment and tools	438,838	255,480	183,358	197,061
Field house	109,859	96,115	13,744	14,557
Office equipment	99,542	87,916	11,626	12,963
Community entrance signs	47,100	11,447	35,653	35,160
Community garden	24,903	12,959	11,944	14,434
Computer software	46,815	46,815	-	4,688
	<b>\$ 6,636,174</b>	<b>3,919,263</b>	<b>2,716,911</b>	<b>2,868,494</b>

**5. INTERNALLY RESTRICTED ASSETS**

At the Januar 2024 board meeting, the directors approved to set up an internally restricted fund for the ice slab in the amount of \$700,000.

Consisting of:

Cash equivalents (Note 6)	\$ 658,516
Cash in General bank	41,484
	<b>\$ 700,000</b>

**LAKE BONAVISTA COMMUNITY ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(Audited)

June 30, 2024

**6. SHORT TERM INVESTMENTS:**

	<b>2024</b>
Non redeemable GIC - maturing March 6, 2025 @ 5.1%	\$ 10,165
Non redeemable GIC - maturing Sept. 29, 2024 @ 5.10%	116,188
Redeemable GIC - Maturing Nov. 1, 2024 @ 4.95%	<u>309,846</u>
	<u><u>\$ 436,199</u></u>
 <b>Cash equivalents (Note 5)</b>	
Redeemable GIC - maturing Sept. 4, 2024 @ 4.00%	\$ 329,791
Non redeemable GIC - maturing September 15, 2024 @ 3.5%	<u>328,725</u>
	<u><u>\$ 658,516</u></u>

**7. DEFERRED CAPITAL CONTRIBUTIONS**

	<b>2024</b>	<b>2023</b>
Balance from previous year	\$ 1,792,506	\$ 1,946,056
Contributions received (Note 12)	14,569	-
Amortization	<u>(147,432)</u>	<u>(153,550)</u>
	<u><u>\$ 1,659,643</u></u>	<u><u>\$ 1,792,506</u></u>

**8. DEBENTURES PAYABLE**

The debentures payable are unsecured, bear simple interest of 5% per annum and are repayable as to both principal and interest at any time upon the request of the debenture holder, but matured on January 1, 1998 and are non-interest bearing from that date forward.

	<b>2024</b>	<b>2023</b>
Principal	\$ 14,700	\$ 14,700
Accrued interest	<u>14,700</u>	<u>14,700</u>
	<u><u>\$ 29,400</u></u>	<u><u>\$ 29,400</u></u>

**9. LICENCE OF OCCUPATION**

The Association's building complex and field house are situated on land under a licence of occupation from the City of Calgary. The term of this licence is for a fifteen (15) year period, beginning on April 1, 2019 and ending on March 31, 2034 for a nominal fee of \$150 for the entire period.

**LAKE BONAVISTA COMMUNITY ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(Audited)

**June 30, 2024**

**10. CASINO CONTRIBUTIONS**

	<u>2024</u>	<u>2023</u>
Casino balance, beginning of the year	\$ 1,613	\$ 2,066
AGLC Casino proceeds	77,527	-
Contribution to operations	(71,021)	(453)
Casino balance, end of the year (Note 3)	<u>\$ 8,119</u>	<u>\$ 1,613</u>

**11. CONTINGENT LIABILITY**

On July 26, 2019, the Lake Bonavista Community Association was served with a statement of claim filed by a former employee seeking damages for wrongful dismissal and punitive damages. Management has a strong argument to support the cause for termination and believes that this claim holds little merit.

**12. GRANTS**

	<u>2024</u>	<u>2023</u>
Government of Alberta - Job grant	\$ -	\$ 6,899
Spent on operations	-	(6,899)
Deferred to next year	<u>-</u>	<u>-</u>
City of Calgary - Capital conservation grant	14,569	-
Proceeds	-	-
Spent on capital assets (Note 7)	(14,569)	-
Deferred to next year	<u>-</u>	<u>-</u>
City of Calgary - Other grants (Schedule 2)	4,600	2,469
Spent on operations	(4,600)	(2,469)
Deferred to next year	<u>-</u>	<u>-</u>
<b>Summary:</b>		
Contribution to operations	\$ 4,600	\$ 9,368
Spent on capital assets (Note 7)	\$ 14,569	\$ -

**LAKE BONAVISTA COMMUNITY ASSOCIATION**  
**SCHEDULE 1 - FACILITIES RENTAL**

**For the Year ended June 30, 2024**

	<b>2024</b>	<b>2023</b>
Large arena	\$ 673,899	\$ 618,497
Small arena	326,587	282,569
Gym	157,938	130,288
Bonavista room	84,141	86,023
Fitness centre	77,428	65,816
Multi-purpose, storage and dressing room	75,624	71,659
Facility rentals - programs	41,083	48,434
Scout hall and green space	12,000	11,407
Garden plots	1,345	1,395
Equipment rental	550	798
Board room	544	-
Facility rental discounts	(30,342)	(34,103)
	<u>\$ 1,420,797</u>	<u>\$ 1,282,783</u>

**LAKE BONAVISTA COMMUNITY ASSOCIATION**  
**SCHEDULE 2 - PROGRAM REVENUE AND EXPENSES**  
**For the Fiscal year ended June 30, 2024**

	<b>Basketball</b>	<b>Soccer</b>	<b>Children</b>	<b>Adult</b>	<b>Social</b>	<b>Baseball</b>	<b>Total</b>
<b>Revenue</b>							
Registration	47,457	50,676	46,143	31,312	19,446	143	195,177
Less: Program discounts	(1,782)	(2,318)	(1,730)	(1,144)	(10)	(18)	(7,002)
Less: Amount received for facility rental	-	-	-	-	-	-	-
Program registration	45,675	48,358	44,413	30,168	19,436	125	188,175
Fundraising	-	-	-	-	-	-	-
Sponsorships/ grants/donations (Note 12)	-	-	-	-	4,600	-	4,600
	45,675	48,358	44,413	30,168	24,036	125	192,775
<b>Expenditures:</b>							
Advertising	-	-	-	-	362	-	362
Awards & photos	-	-	-	-	-	-	-
Coached clinics & training	-	-	-	-	-	-	-
Officials & instructors	13,843	22,571	19,956	6,110	-	-	62,480
Fundraising	-	-	-	-	-	-	-
Facility usage- internal	2,320	572	25,119	11,378	1,693	-	41,082
Facilities - external	929	2,679	-	-	5	423	4,036
Uniforms/equipment	25	748	2,232	934	39	-	3,978
Miscellaneous	61	1,966	57	800	25,945	77	28,906
	17,178	28,536	47,364	19,222	28,044	500	140,844
Excess of revenue (deficit) over expenses	28,497	19,822	(2,951)	10,946	(4,008)	(375)	51,931

**For the Year ended June 30, 2023**

	<b>Basketball</b>	<b>Soccer</b>	<b>Children</b>	<b>Adult</b>	<b>Social</b>	<b>Baseball</b>	<b>Total</b>
<b>Revenue</b>							
Registration	34,534	16,431	49,281	24,806	16,711	7,358	149,121
Less: Program discount	(1,369)	(572)	(1,712)	(303)	(20)	(550)	(4,526)
Less: Amount received for facility rental	(2,005)	(679)	(23,428)	(12,128)	(980)	(34)	(39,254)
Program registration	31,160	15,180	24,141	12,375	15,711	6,774	105,341
Fundraising	-	-	-	-	-	-	-
Sponsorships/ grants/donations (note 12)	-	-	-	-	2,469	-	2,469
	31,160	15,180	24,141	12,375	18,180	6,774	107,810
<b>Expenditures:</b>							
Advertising	-	-	-	-	415	-	415
Awards & photos	-	-	-	-	-	234	234
Coached clinics & training	-	-	-	-	-	-	-
Officials & instructors	10,694	3,904	17,552	3,520	2,560	2,175	40,405
Fundraising	-	-	-	-	-	-	-
Facilities - external	2,995	310	310	-	-	754	4,369
Uniforms/equipment	72	328	1,206	20	1,308	675	3,609
Miscellaneous	1,339	-	65	241	35,375	1,855	38,875
	15,100	4,542	19,133	3,781	39,658	5,693	87,907
Excess of revenue (deficit) over expenses	16,060	10,638	5,008	8,594	(21,478)	1,081	19,903

