

HAMPTONS COMMUNITY ASSOCIATION

FINANCIAL STATEMENTS (Audited)

December 31, 2015



HAMPTONS COMMUNITY ASSOCIATION

December 31, 2015

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Independent Auditor's Report

To the Members of:
Hamptons Community Association

I have audited the financial statements of the Hamptons Community Association as at December 31, 2015 which include the Statement of Financial Position and the Statements of Operations, Changes in Net Assets, Cash Flows, and a summary of significant accounting policies and other explanatory notes for the year ended December 31, 2015.

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.

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, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualified Opinion

In common with many not for profit organizations, the Hamptons Community Association derives revenue from certain fund raising 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 Hamptons 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.

Qualified Opinion

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, these financial statements present fairly, in all material respects, the financial position of the Hamptons Community Association as at December 31, 2015 and the results of its operations and cash flows for the year ended December 31, 2015 in accordance with Canadian accounting standards for not-for-profit organizations.

Calgary, Alberta
November 3, 2016



Brian Catibog
Chartered Accountant

HAMPTONS COMMUNITY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
(Audited)

As at December 31, 2015

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents, unrestricted	\$ <u>4,360</u>	\$ <u>153</u>
	<u>\$ 4,360</u>	<u>\$ 153</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts Payable and Accrued liabilities	\$ <u>13,922</u>	\$ <u>8,948</u>
NET ASSETS		
Unrestricted	<u>(9,562)</u>	<u>(8,795)</u>
	<u>\$ 4,360</u>	<u>\$ 153</u>

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

_____ Director

_____ Director

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

For the Year Ended December 31, 2015

	Unrestricted	Invested in Property and Equipment	2015 Totals	2014 Totals
Balances, Beginning of the Year	\$ (8,795)	-	(8,795)	(6,833)
Surplus (Deficit)	(767)	-	(767)	(1,962)
Balances, End of the Year	<u>\$ (9,562)</u>	<u>-</u>	<u>(9,562)</u>	<u>(8,795)</u>

See Notes to Financial Statements

HAMPTONS COMMUNITY ASSOCIATION
STATEMENT OF OPERATIONS
(Audited)

For the Year Ended December 31, 2015

	<u>2015</u>	<u>2014</u>
REVENUE		
Bank Charge Reimbursement	\$ 739	\$ -
EXPENSES		
Interest and Bank Charges	102	161
Memberships and licenses	-	394
Professional fees	<u>1,404</u>	<u>1,407</u>
SURPLUS (DEFICIT)	<u>\$ (767)</u>	<u>\$ (1,962)</u>

See Notes to Financial Statements

HAMPTONS COMMUNITY ASSOCIATION
STATEMENT OF CASH FLOWS
(Audited)

For the Year Ended December 31, 2015

	<u>2015</u>	<u>2014</u>
FUNDS PROVIDED BY (USED IN) OPERATIONS:		
Surplus (Deficit)	\$ (767)	\$ (1,962)
Changes in non-cash operating working capital:		
Accounts payable and accrued charges	<u>4,974</u>	<u>1,801</u>
NET INCREASE IN WORKING CAPITAL	<u>4,207</u>	<u>(161)</u>
INCREASE (DECREASE) IN CASH	4,207	(161)
CASH, BEGINNING OF THE YEAR	<u>153</u>	<u>314</u>
CASH, END OF THE YEAR	<u><u>\$ 4,360</u></u>	<u><u>\$ 153</u></u>

See Notes to Financial Statements

HAMPTONS COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

December 31, 2015

1. NATURE OF THE ORGANIZATION

The Hamptons Community Association was incorporated with the province of Alberta on December 19, 1994 as a not-for-profit association and as such is exempt from income tax under section 149 of the Income Tax Act.

Hamptons Community Association was established to provide a meeting place for the social and recreational needs of the members and general public.

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) Revenue recognition

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

Operating revenue is recognized according to the accrual method, where revenue is recorded when it is received or reasonable assurance is given that it is receivable. This recognizes the effects of transactions and events in the period in which the transactions and events occur, even if cash is not exchanged until later.

3. CONTRIBUTED SERVICES

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

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.

HAMPTONS COMMUNITY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

December 31, 2015

4. RELATED PARTY TRANSACTIONS:

The board of directors of the Association is the same as the board of directors for the Hamptons Home Owners Association.

**Hamptons Homeowners Association:
Statement of Funds**

	<u>2015</u>	<u>2014</u>
Assets	\$ 1,450,739	\$ 1,494,355
Liabilities	14,183	12,430
Net Assets	<u>\$ 1,436,556</u>	<u>\$ 1,481,925</u>

Statement of Operations

	<u>2015</u>	<u>2014</u>
Revenues	\$ 500,162	\$ 539,347
Expenses	519,850	587,135
Excess of Revenues (Expenses)	<u>\$ (19,688)</u>	<u>\$ (47,788)</u>

There is \$12,582 (2014: \$7,665) recorded in accounts receivable in the Hamptons Homeowners Association from the Hamptons Community Association and \$12,582 (2014: \$7,665) payable to the Hamptons Homeowners Association in the Community Association Financial Statements.

5. MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian accounting standards for not-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. 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 may be significant.

It is management's opinion, that the Association is not exposed to significant interest, currency, price or credit risks.

6. COMPARATIVE FIGURES

Certain prior year data have been reclassified to conform with the current financial statement format.