

OAKLANDS COMMUNITY ASSOCIATION
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

OAKLANDS COMMUNITY ASSOCIATION

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YEAR ENDED DECEMBER 31, 2021

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McAVOY RULE & COMPANY

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INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT

To the Directors of Oaklands Community Association

We have reviewed the accompanying financial statements of Oaklands Community Association that comprise the statement of financial position as at December 31, 2021, and the statements of operations and changes in net assets and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Oaklands Community Association as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Victoria, B.C.
April 25, 2022

McAvoy Rule & Company
McAvoy Rule & Company
CHARTERED PROFESSIONAL ACCOUNTANTS

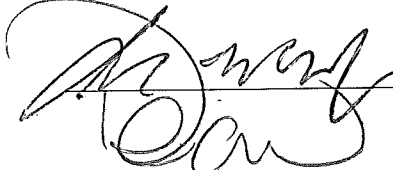
OAKLANDS COMMUNITY ASSOCIATION

STATEMENT OF FINANCIAL POSITION

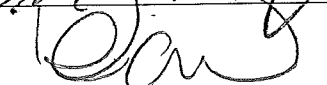
DECEMBER 31, 2021

ASSETS		
	2021	2020
CURRENT		
Cash	\$ 449,066	\$ 392,269
Accounts receivable	1,920	-
Due from government agencies - GST	3,884	3,095
Prepaid expenses	5,329	4,142
Investments (Note 3)	111,642	111,138
	571,841	510,644
CAPITAL ASSETS (Notes 2c, 4)	671,888	685,516
	\$ 1,243,729	\$ 1,196,160
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 18,745	\$ 17,099
Accrued wages payable	31,019	31,873
Due to government agencies - payroll	24,499	25,197
Deferred contributions (Note 5)	67,620	121,741
Bank loan payable (Note 6)	304,525	322,413
	446,408	518,323
NET ASSETS		
NET ASSETS INVESTED IN CAPITAL ASSETS	367,363	363,103
UNRESTRICTED NET ASSETS	429,958	314,734
	797,321	677,837
	\$ 1,243,729	\$ 1,196,160

APPROVED ON BEHALF OF THE BOARD:



Director



Director

The accompanying notes form an integral part of these financial statements

OAKLANDS COMMUNITY ASSOCIATION

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2021

	2021	2020
REVENUE		
Program fees	\$ 652,304	\$ 448,752
Province of British Columbia grants	333,722	531,131
Licensed daycare	372,400	277,200
City of Victoria grants	108,647	118,227
Funding for specific programs	146,742	80,378
Gaming grant	48,500	39,218
Federal subsidy	-	24,477
Federal funding	20,570	15,743
Donations	13,786	11,057
Rental fees	4,024	6,078
Advertising and other income	23,609	4,247
Market income	30,892	3,035
Interest	596	1,743
Special events	168	253
Bequests	3	-
	1,755,963	1,561,539
EXPENSES		
Advertising	58,894	42,854
Amortization	25,545	24,782
Bank charges and interest	8,398	7,543
Business dues and fees	7,665	2,409
Insurance	15,220	12,541
Interest on debt	10,144	11,731
Office	41,313	45,823
Professional costs	22,435	15,366
Program costs	126,453	113,032
Rent on facilities	33,599	22,580
Repairs and maintenance	60,293	52,222
Travel	3,226	2,396
Utilities	7,633	6,588
Vehicle (Bus)	5,121	4,077
Wages and benefits	1,210,540	1,075,263
	1,636,479	1,439,207
EXCESS OF REVENUE OVER EXPENSES	119,484	122,332
NET ASSETS, beginning of year	677,837	555,505
NET ASSETS, end of year	\$ 797,321	\$ 677,837

The accompanying notes form an integral part of these financial statements

OAKLANDS COMMUNITY ASSOCIATION

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2021

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from operations	\$ 1,699,326	\$ 1,658,310
Cash paid to suppliers	(400,722)	(342,703)
Cash paid to employees	(1,212,093)	(1,062,474)
Interest received	596	1,743
	87,107	254,876
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of capital assets	(11,918)	(5,460)
Purchase of investments	(504)	(1,397)
	(12,422)	(6,857)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of debt	(17,888)	(21,516)
NET INCREASE IN CASH	56,797	226,503
CASH, beginning of year	392,269	165,766
CASH, end of year	\$ 449,066	\$ 392,269

The accompanying notes form an integral part of these financial statements

OAKLANDS COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

1. PURPOSE OF THE ORGANIZATION

Oaklands Community Association organization operates childcare, cultural, and recreational programs for the Oaklands neighbourhood, which encompasses the area between Cook Street, Haultain Street, Shelbourne Street, and North Dairy Road. The Organization was incorporated under the BC Societies Act as a not-for-profit organization on September 7, 1995 and is exempt from income tax as a registered charity under the Income Tax Act since January 1, 1998.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

b. Revenue recognition

The Association follows the deferral method of accounting for contributions. Restricted government contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted government contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Program fees, rental fees, and other income are recognized as contributions when received.

Interest is accrued and recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations from individuals and corporations are recognized as contributions when received.

Government assistance used towards current expenses are recognized as revenue in the period in which the expenses are incurred, provided there is reasonable assurance that the Association has complied and will continue to comply with the conditions of the assistance.

c. Capital assets

Tangible capital assets are stated at cost less accumulated amortization. Amortization is provided annually at rates and methods over their estimated useful lives, except in the year of acquisition when one half of the rate is used. Estimates of useful lives of the assets are reviewed every year and adjusted on a prospective basis, if needed.

Straight line rates:

Audio Visual	5 years
Computers	5 years
Equipment	10 years
Playscape	10 years
Signs	10 years
Bus	15 years
Building	25 years
Paving & Concrete	25 years

OAKLANDS COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Contributed services

In its day-to-day operation the Organization uses the services of many volunteers. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

e. Use of estimates

The preparation of financial statements in accordance 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, and the reported amounts of revenue and expenses. The main estimates include allowance for doubtful accounts, estimated useful lives of tangible capital assets, impairment of long-lived assets, accrued liabilities, accrual for revenue receivable and disclosure of contingencies.

3. INVESTMENTS

Investments consists of a Vancity 12 month term deposit of \$25,000 at an interest rate of 0.20% maturing September 4, 2022, a Vancity 12 month term deposit of \$30,369 at an interest rate of 0.25% maturing October 29, 2022, a Vancity 12 month term deposit of \$33,854 at an interest rate of 0.35% maturing December 14, 2022, and a Coast Capital Savings 1 year redeemable GIC of \$22,311 at an interest rate of .40% maturing March 8, 2022. Investments are recorded at cost plus accrued interest.

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	2021	2020
Land	\$ 535,050	\$ -	\$ 535,050	\$ 535,050
Equipment	45,965	21,389	24,576	18,688
Bus	46,934	40,285	6,649	9,778
Audio Visual	3,361	1,019	2,342	790
Computers	21,721	16,267	5,454	7,996
Signs	1,384	1,384	-	-
Playscape	99,171	76,145	23,026	32,943
Building	127,681	61,285	66,396	71,503
Paving & Concrete	9,328	933	8,395	8,768
	\$ 890,595	\$ 218,707	\$ 671,888	\$ 685,516

OAKLANDS COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

5. DEFERRED CONTRIBUTIONS

Deferred Contributions consists of restricted contributions that will be recognized as revenue when the related expenses are incurred.

	2021	2020
My Great Neighbourhood Grant	\$ 11,747	\$ 2,188
British Columbia Gaming Grants (Note 7)	48,282	49,282
Greenway Grant	7,276	7,276
City of Victoria	314	314
Ministry of Children/Family (CCOF)	(20,000)	42,680
Victoria Foundation	20,000	20,000
	\$ 67,620	\$ 121,741

6. BANK LOAN PAYABLE

The bank loan is payable on demand and consist of a mortgage, repayable in blended monthly installments of \$2,336, including interest at 3.25%, maturing August 13, 2025, secured by property.

7. BRITISH COLUMBIA GAMING GRANTS

Included in deferred contributions are gaming grants received from the provincial government. There are restrictions over the use and maintenance of these funds. Deferred gaming grants included in deferred contributions are as follows:

	2021	2020
Opening deferred gaming grants	\$ 49,282	\$ -
Amounts received during the year	88,500	88,500
Amounts recognized as revenue	(48,500)	(39,218)
Ending deferred gaming grants (Note 5)	\$ 89,282	\$ 49,282

OAKLANDS COMMUNITY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

8. FINANCIAL INSTRUMENTS

Financial instruments consist of cash, receivables, and payables. Cash and cash equivalents were maintained with reputable and major financial institutions. The organization is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair value of the instruments approximates their carrying values.

9. SIGNIFICANT EVENT

On March 11, 2020, the World Health Organization (WHO) declared coronavirus disease (COVID-19) a global pandemic. As a result of COVID-19, municipal, provincial, and federal governments introduced restrictions that could significantly impact business operations, travel, and financial markets. The overall impact of such restrictions and of COVID-19 on the Association is unknown at this time, as this will depend on future developments that cannot be predicted with any certainty. This uncertainty stems from the inability to predict the extent of geographical spread of COVID-19, the duration of the declared pandemic, the implementation of additional restrictions, business closures and disruptions, and other orders that may be put in place to assist in fighting COVID-19.

During this period of exposure, the Association took steps to mitigate the effects of COVID-19. These steps included utilizing the 10% Temporary Wage Subsidy (TWS) program. The TWS was a 3-month measure that allowed eligible employers to reduce the amount of payroll deductions remitted to the Canada Revenue Agency. The subsidy was equal to 10% of the remuneration paid to employees from March 18 to June 19, 2020 up to a maximum of \$1,375 for each eligible employee. The Association received \$24,477 in 2020 which is included in the Federal subsidy in the Revenue section of the Statement of Operations and Changes in Net Assets. The Association will continue to assess future eligibility for programs in order to mitigate the potential impacts of COVID-19.
