

**KERRISDALE COMMUNITY CENTRE SOCIETY**

**FINANCIAL STATEMENTS**

**AUGUST 31, 1996**

# JOHANNESSON McWILLIAMS

CHARTERED ACCOUNTANTS

1052 RICHARDS STREET,  
VANCOUVER, B.C. V6B 4Y6

TEL: (604) 685-1351  
FAX: (604) 683-4398

## AUDITORS' REPORT

To the Directors of  
Kerrisdale Community Centre Society

We have audited the balance sheet of Kerrisdale Community Centre Society as at August 31, 1996 and the statements of operations, accumulated income and changes in cash position for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at August 31, 1996 and the results of its operations and the changes in its cash position for the year then ended in accordance with generally accepted accounting principles.

Vancouver, B.C.  
October 24, 1996



Chartered Accountants

**KERRISDALE COMMUNITY CENTRE SOCIETY  
BALANCE SHEET  
AUGUST 31, 1996**

	<u>1996</u>	<u>1995</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 32,291	\$ 21,793
Temporary investments	330,000	250,000
Accounts receivable	19,194	20,412
Prepaid expenses	6,035	9,630
	337,520	301,835
<b>Temporary Investments held for Restricted Use (Note 3)</b>	35,000	85,000
	\$ 422,520	\$ 386,835

**LIABILITIES**

<b>Current Liabilities</b>		
Accounts payable and accruals (Note 4)	\$ 134,447	\$ 105,574
Due to Board of Parks and Recreation, City of Vancouver (Note 5)	28,566	20,253
Deferred revenue (Note 1)	17,418	16,175
	180,431	142,002

**MEMBERS' EQUITY**

<b>Accumulated Income</b>		
Unappropriated	130,833	77,745
Appropriated	111,256	167,088
	242,089	244,833
	\$ 422,520	\$ 386,835

**Approved by the Directors**

Kathleen Bejles Director

P. Wolf Director

See accompanying notes.

**KERRISDALE COMMUNITY CENTRE SOCIETY  
STATEMENT OF OPERATIONS  
YEAR ENDED AUGUST 31, 1996**

	<u>1996</u>	<u>1995</u>
<b>Revenue</b>		
Activities	\$ 632,138	\$ 623,023
Building rentals	35,127	30,510
Donations and fundraising	27,164	33,563
Interest	22,216	22,669
Kitchen	63,148	57,136
Membership dues	42,874	44,132
	<hr/> 822,667	<hr/> 811,033
<b>Expenses</b>		
Activities	432,100	475,892
Bank charges	6,907	4,882
Equipment - Community Centre	16,294	64,040
Equipment - Seniors' Centre Fund	28,244	4,493
Kitchen	59,403	57,531
Postage, printing and stationery	5,735	7,650
Programs and news letters	40,977	36,295
Renovations	36,047	-
Sundries	7,864	6,073
Wages and employee benefits	191,840	146,943
	<hr/> 825,411	<hr/> 803,799
<b>Net Income (Loss)</b>	<hr/> \$ (2,744)	<hr/> \$ 7,234
<b>Allocation of Net Income:</b>		
Unappropriated	\$ 3,208	\$ (14,868)
Appropriated	(5,952)	22,102
	<hr/> \$ (2,744)	<hr/> \$ 7,234

See accompanying notes.

**KERRISDALE COMMUNITY CENTRE SOCIETY  
STATEMENT OF ACCUMULATED INCOME  
AUGUST 31, 1996**

	Balance August 31, 1995	Net Income (loss)	Transfers Increase (Decrease)	Balance August 31, 1996
<b>Unappropriated</b>	<b>\$ 77,745</b>	<b>\$ 3,208</b>	<b>\$ 49,880</b>	<b>\$ 130,833</b>
<b>Appropriated:</b>				
Senior's Centre fund	82,088	(5,952)	-	76,136
Renovation reserve	50,000	-	(40,027)	9,973
Computer network reserve	35,000	-	(9,853)	25,147
	167,088	(5,952)	(49,880)	111,256
<b>Total Accumulated Income</b>	<b>\$ 244,833</b>	<b>\$ (2,744)</b>	<b>\$ -</b>	<b>\$ 242,089</b>

See accompanying notes.

**KERRISDALE COMMUNITY CENTRE SOCIETY  
STATEMENT OF CHANGES IN CASH POSITION  
YEAR ENDED AUGUST 31, 1996**

	<u>1996</u>	<u>1995</u>
<b>Operating Activities</b>		
Net income (loss)	\$ (2,744)	\$ 7,234
Net changes in non-cash working capital balances	43,242	3,873
<b>Funds provided by operating activities</b>	40,498	11,107
<b>Investing Activities</b>		
Transfer of funds held for restricted use	120	-
Decrease in fitness room reserve	-	45,000
Decrease in renovation reserve	40,027	-
Decrease in computer reserve	9,853	-
<b>Funds provided (used) by investing activities</b>	50,000	45,000
<b>Increase in Cash</b>	90,498	56,107
<b>Cash, beginning</b>	271,793	215,686
<b>Cash, ending</b>	\$ 362,291	\$ 271,793
<b>Cash Represented by:</b>		
Cash	\$ 32,291	\$ 21,793
Temporary investments	330,000	250,000
	\$ 362,291	\$ 271,793

See accompanying notes.

**KERRISDALE COMMUNITY CENTRE SOCIETY  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 1996**

**1. Significant Accounting Policies**

- Not for Profit Society

The Kerrisdale Community Centre Society is a not for profit society and is a non-taxable entity under the Canadian Income Tax Act.

- Method of Accounting

The accrual method of accounting is used to account for revenues and expenses.

- Capital Assets

Capital assets are expensed in the year of acquisition.

- Deferred Revenue

Deferred revenue represents the unearned portion of amounts received during the year for membership and activities which will commence after the year end.

- Revenue Recognition

Membership dues are taken into income on a pro rata basis over the term of the membership. All memberships expire on August 31 each year.

**2. Relationship with the Board of Parks**

The Kerrisdale Community Centre is operated jointly by the Kerrisdale Community Centre Society and the Board of Parks and Recreation, City of Vancouver.

The Board of Parks and Recreation for the City of Vancouver has the control, care and maintenance of the building situated at 5851 West Boulevard, Vancouver, B.C. and have set this building aside for the recreation, comfort and enjoyment of the public.

**3. Temporary Investments Held for Restricted Use**

These investments are held to fund the following reserves:

	<u>1996</u>	<u>1995</u>
Renovation reserve	\$ 10,000	\$ 50,000
Computer network reserve	<u>25,000</u>	<u>35,000</u>
	<u>\$ 35,000</u>	<u>\$ 85,000</u>

**KERRISDALE COMMUNITY CENTRE SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 1996**

**4. Accounts Payable and Accruals**

Included in accounts payable is \$84,647 (1995 - \$65,543) which represents funds collected for various activities not included in the income of the Society.

**5. Due to Board of Parks and Recreation, City of Vancouver.**

The Society has entered into an arrangement to have the Board of Parks and Recreation, City of Vancouver, pay a number of the Society's employees. The Society has agreed to reimburse a portion of these costs. Management has accrued, \$28,566 (1995 - \$20,253) in these financial statements which is the amount billed to the Society and remaining outstanding at August 31, 1996.

**6. Contingencies**

The Society entered into an agreement with a company on August 21, 1996 to carry out a Fund Raising Program to raise \$600,000 in pledged gifts payable over five years. If the fundraising target is achieved the Society has agreed to pay the Company a fee of \$68,500 in various instalments through May 1997.

**7. Comparative Figures**

Certain comparative figures have been re-classified to conform with the presentation adopted for the current year.