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**KERRISDALE COMMUNITY CENTRE SOCIETY  
FINANCIAL STATEMENTS  
AUGUST 31, 2008**

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# KERRISDALE COMMUNITY CENTRE SOCIETY

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## CONTENTS

	<b>Page</b>
<b>AUDITORS' REPORT</b>	1
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Operations	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 8
Schedule of Activities	9
Schedule of General and Administrative Expenses	10

# JOHANNESSEN & COMPANY

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CHARTERED ACCOUNTANTS

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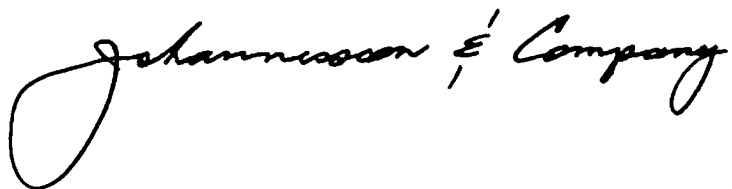
## AUDITORS' REPORT

To the Members of:  
Kerrisdale Community Centre Society

We have audited the statement of financial position of the Kerrisdale Community Centre Society as at August 31, 2008 and the statements of operations, changes in net assets and cash flows 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 Canadian 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, 2008 and the results of its operations and the changes in its net assets and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Society Act of British Columbia, we report that, in our opinion, these principles have been applied on a consistent basis.



Burnaby, BC  
November 12, 2008

CHARTERED ACCOUNTANTS

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**KERRISDALE COMMUNITY CENTRE SOCIETY**

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**STATEMENT OF FINANCIAL POSITION**  
August 31, 2008

ASSETS	2008	2007
<b>Current</b>		
Cash	\$ 169,454	\$ 120,479
Temporary investments (Note 2)	908,563	810,589
Accounts receivable	16,041	15,806
Accrued interest receivable	17,313	11,735
Prepaid expenses	16,721	446
	1,128,092	959,055
<b>Investments (Note 2)</b>	536,000	536,000
<b>Equipment (Notes 2 &amp; 3)</b>	206,777	180,689
	<b>\$ 1,870,869</b>	<b>\$ 1,675,744</b>

LIABILITIES		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 276,690	\$ 337,708
Deferred revenue (Note 2)	236,797	19,113
	513,487	356,821
<b>Deferred Contributions Related To Equipment (Notes 2 &amp; 4)</b>	16,096	27,192
	529,583	384,013

**Commitments (Note 6)**

NET ASSETS		
<b>Invested In Equipment</b>	206,777	180,689
<b>Restricted (Note 5)</b>	275,000	275,000
<b>Unrestricted</b>	859,509	836,042
<b>Total Net Assets</b>	1,341,286	1,291,731
	<b>\$ 1,870,869</b>	<b>\$ 1,675,744</b>

Approved by the Executive Committee

 President

 Secretary-Treasurer

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**KERRISDALE COMMUNITY CENTRE SOCIETY**

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**STATEMENT OF CHANGES IN NET ASSETS**  
**For the year ended August 31, 2008**

	Invested in Equipment	Restricted (Note 5)	Unrestricted	Total 2008	Total 2007
<b>Net Assets, Beginning</b>	\$ 180,689	\$ 275,000	\$ 836,042	\$ 1,291,731	\$ 1,125,566
Net income (loss) for the year*	(91,773)	-	141,328	49,555	166,165
Acquisition of equipment	117,861	-	(117,861)	-	-
<b>Net Assets, Ending</b>	<b>\$ 206,777</b>	<b>\$ 275,000</b>	<b>\$ 859,509</b>	<b>\$ 1,341,286</b>	<b>\$ 1,291,731</b>

\*Footnote: \$(91,773) represents amortization of equipment.

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**KERRISDALE COMMUNITY CENTRE SOCIETY**

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**STATEMENT OF OPERATIONS**  
**For the year ended August 31, 2008**

	2008	2007
<b>Revenue</b>		
Activities - Schedule 1	\$ 378,346	\$ 487,573
Amortization of deferred contributions related to equipment (Note 4)	11,096	67,876
Membership dues	100,518	114,145
Building rentals	33,420	38,750
Donations and fundraising	6,282	5,638
Interest and investment income	55,810	53,807
Sundry income	2,476	6,730
	<hr/> 587,948	<hr/> 774,519
<b>General And Administrative Expenses - Schedule 2</b>	538,393	608,354
	<hr/>	<hr/>
<b>Net Income</b>	<b>\$ 49,555</b>	<b>\$ 166,165</b>

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**KERRISDALE COMMUNITY CENTRE SOCIETY**

**STATEMENT OF CASH FLOWS**  
For the year ended August 31, 2008

<b>Cash Provided By (Used In):</b>	<b>2008</b>	<b>2007</b>
<b>Operating Activities</b>		
Net income	\$ 49,555	\$ 166,165
Items not involving cash:		
Amortization of equipment	91,773	151,628
Amortization of deferred contributions related to equipment	(11,096)	(67,876)
	130,232	249,917
Net change in non-cash working capital items:		
Temporary investments	(97,974)	(223,535)
Accounts receivable	(234)	(1,415)
Prepaid expenses	(16,275)	14,643
Accounts payable	(61,018)	202,409
Deferred income	217,684	(232,956)
Accrued interest receivable	(5,578)	1,358
<b>Net cash provided by operating activities</b>	<b>166,837</b>	<b>10,421</b>
<b>Investing Activities</b>		
Purchase of equipment	(117,862)	(45,596)
<b>Net cash used by investing activities</b>	<b>(117,862)</b>	<b>(45,596)</b>
<b>Increase (Decrease) In Cash And Cash Equivalents</b>	<b>48,975</b>	<b>(35,175)</b>
<b>Cash And Cash Equivalents, Beginning</b>	<b>120,479</b>	<b>155,654</b>
<b>Cash And Cash Equivalents, Ending</b>	<b>\$ 169,454</b>	<b>\$ 120,479</b>

- Cash and cash equivalents includes cash on hand and bank balances.
- Cash inflows and outflows from interest (Note 7).

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# KERRISDALE COMMUNITY CENTRE SOCIETY

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## NOTES TO THE FINANCIAL STATEMENTS AUGUST 31, 2008

### 1. Purpose of the Organization

The Kerrisdale Community Centre Society was incorporated under the Society Act of British Columbia as a Not for Profit organization and is a registered charity under the Canadian Income Tax Act. The objectives of the Society are to promote and provide education, recreational, athletic and social activities, facilities and equipment for the use and benefit of the community. The Society carries out these objectives through the operation of the Kerrisdale Community Centre pursuant to a joint operating agreement with the Board of Parks and Recreation, City of Vancouver.

### 2. Significant Accounting Policies

The following is a summary of significant accounting policies of the Society:

- Financial Instruments

The Society's financial instruments consist of cash, temporary investments, accrued interest receivable, accounts receivable and payable. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair values of the financial instruments approximate their carrying values, unless otherwise noted.

- Revenue Recognition

The Kerrisdale Community Centre Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received. Restricted investment income is recognized as revenue in the year in which related expenses are incurred. Unrestricted investment income is recognized as revenue when earned. Membership dues are taken into income on pro rata basis over the term of the membership. All memberships expire on August 31 each year.

- Investments

Investments are recorded at amortized cost.

- Equipment

Purchased equipment is recorded at cost. Amortization is provided on a straight line basis over the assets' estimated useful life as follows:

Computer software and equipment	- 3 years
Furniture, fixture and equipment	- 5 years
Passenger vehicle	- 5 years

Full amortization is taken in the year of acquisition.

- Deferred Revenue

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



**KERRISDALE COMMUNITY CENTRE SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
AUGUST 31, 2008**

**2. Significant Accounting Policies, Continued**

- Use of Kerrisdale Community Centre

The Board of Parks and Recreation, 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.

Use of the Kerrisdale Community Centre building is provided without cost to the Society pursuant to a joint operating agreement with the Board of Parks and Recreation, City of Vancouver. The value of the use of the Kerrisdale Community Centre facilities has not been reflected in these financial statements

**3. Equipment**

	Cost	Accumulated Amortization	Net Book Value	
			2008	2007
Computer software and equipment	\$ 124,727	\$ 121,931	\$ 2,796	\$ 6,032
Furniture, fixtures and equipment	673,077	500,967	172,110	126,849
Passenger vehicle	116,907	85,036	31,871	47,808
	<b>\$ 914,711</b>	<b>\$ 707,934</b>	<b>\$ 206,777</b>	<b>\$ 180,689</b>

**4. Deferred Contributions Related To Equipment**

	2008	2007
Balance, beginning	\$ 27,192	\$ 95,068
Amount amortized to revenue during the year	(11,096)	(67,876)
Balance, ending	\$ 16,096	\$ 27,192

**5. Restricted Use Funds**

In May 2006, the Society's Board of Directors extended the internally restricted funds in the amounts of \$150,000 for paying costs of programs and \$125,000 for paying wages. The extension is for a period of not more than three years. These internally restricted amounts are not available for unrestricted purposes without the approval of the Board of Directors.

**6. Commitments**

The society has entered into an arrangement to have the Board of Parks and Recreation, City of Vancouver, pay a portion of the Board of Parks and Recreation's labour costs.

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**KERRISDALE COMMUNITY CENTRE SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
AUGUST 31, 2008**

**7. Cash Inflows And Outflows From Interest**

	2008	2007
Cash Inflows		
Interest income	\$ 55,810.	\$ 53,807

**8. Comparative Figures**

Certain comparative figures have been changed to conform with the presentation adopted for the current year.

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**KERRISDALE COMMUNITY CENTRE SOCIETY**

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**SCHEDULE OF ACTIVITIES**  
**For the year ended August 31, 2008**

**SCHEDULE 1**

	2008	2007
<b>Revenue</b>		
Preschool programs	\$ 204,457	\$ 253,484
Childrens' programs	406,782	459,884
Youth programs	84,806	115,997
Adult programs	286,348	381,147
Fitness programs	51,994	64,185
Exercise room	117,096	141,179
Seniors' programs	83,040	80,186
Seniors' kitchen	105,567	101,688
Play Palace	35,848	20,940
Special events	1,241	3,669
	<hr/> 1,377,179	<hr/> 1,622,359
<b>Expenditure</b>		
Preschool programs	144,668	170,499
Childrens' programs	293,409	295,247
Youth programs	67,462	78,761
Adult programs	188,962	282,799
Fitness programs	38,211	43,265
Exercise room	9,143	15,825
Seniors' programs	60,554	54,674
Seniors' kitchen	134,085	115,282
Play Palace	20,194	11,512
Special events	2,399	6,499
Programming wages	39,746	60,423
	<hr/> 998,833	<hr/> 1,134,786
<b>Net Income From Activities</b>	<hr/> <b>\$ 378,346</b>	<hr/> <b>\$ 487,573</b>

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**KERRISDALE COMMUNITY CENTRE SOCIETY**

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**SCHEDULE 2**

**SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES**  
**For the year ended August 31, 2008**

	2008	2007
Amortization of equipment	\$ 91,773	\$ 151,628
Bank and finance charges	32,496	38,747
Board activities	24,451	20,747
Conference expenses	11,913	8,685
Postage, printing and stationery	16,079	18,148
Programs and newsletters	55,004	59,256
Promotional events	4,051	3,587
Repairs and maintenance	4,794	3,654
Sundries	9,533	11,589
Wages and employee benefits	288,299	292,313
	<b>\$ 538,393</b>	<b>\$ 608,354</b>