

HIGH PARK GREEN RECREATION CENTRE

FINANCIAL STATEMENTS

YEAR ENDED APRIL 30, 2013

HIGH PARK GREEN RECREATION CENTRE

FINANCIAL STATEMENTS

YEAR ENDED APRIL 30, 2013

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INDEPENDENT AUDITOR'S REPORT

To the Recreation Centre Committee of High Park Green Recreation Centre

We have audited the accompanying financial statements of High Park Green Recreation Centre, which comprise the statement of financial position as at April 30, 2013, April 30, 2012 and May 1, 2011, and the statements of operating fund and cash flows for the years ended April 30, 2013 and April 30, 2012, 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.

Auditor's Responsibility

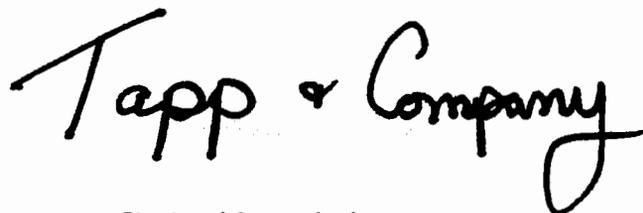
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 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 corporation'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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of High Park Green Recreation Centre as at April 30, 2013, April 30, 2012 and May 1, 2011, and the results of its operations for the years ended April 30, 2013 and April 30, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.



Toronto, Ontario
July 28, 2013

Chartered Accountants
Licensed Public Accountants

HIGH PARK GREEN RECREATION CENTRE

STATEMENT OF FINANCIAL POSITION

AS AT APRIL 30, 2013

ASSETS

| | <u>2013</u> | <u>2012</u> |
|-----------------------|------------------|------------------|
| Current | | |
| Cash – operating fund | <u>\$ 75,553</u> | <u>\$ 69,799</u> |

LIABILITIES AND FUND BALANCES

| | | |
|--|------------------|------------------|
| Current | | |
| Accounts payable and accrued liabilities | \$ 8,888 | \$ 10,252 |
| Due to: | | |
| Y.C.C. No. 323 | 24,333 | 19,362 |
| Y.C.C. No. 435 | 42,332 | 33,685 |
| Refundable key deposits | <u>-</u> | <u>6,500</u> |
| | 75,553 | 69,799 |
| Fund Balance | | |
| Operating fund | <u>-</u> | <u>-</u> |
| | <u>\$ 75,553</u> | <u>\$ 69,799</u> |

Approved on behalf of the Recreation Centre Committee:



S. Comm 176 Sec. Y.C.C. No. 323



Dennis Jones Y.C.C. No. 435

See Notes to Financial Statements

HIGH PARK GREEN RECREATION CENTRE

STATEMENT OF OPERATING FUND

YEAR ENDED APRIL 30, 2013

| | <u>2013</u> <u>Budget</u> <u>(Note 5)</u> | <u>2013</u> <u>Actual</u> | <u>2012</u> <u>Actual</u> |
|---|---|------------------------------|------------------------------|
| Revenue | | | |
| Y.C.C. No. 323 | \$ 38,220 | \$ 38,224 | \$ 38,220 |
| Y.C.C. No. 435 | 66,490 | 66,492 | 66,491 |
| Key deposits | - | 4,775 | - |
| Interest income | 400 | 979 | 724 |
| | <u>105,110</u> | <u>110,470</u> | <u>105,435</u> |
| Expenses (Notes 3(b) and (c)) | | | |
| Landscaping and snow removal | 20,665 | 21,079 | 20,660 |
| Management services | 10,470 | 10,470 | 10,170 |
| Office and general | 750 | 559 | 568 |
| Professional fees | 8,808 | 2,551 | 10,498 |
| Property management fees | 5,832 | 5,831 | 5,831 |
| Recreation facilities: | | | |
| Repairs and maintenance | 23,390 | 13,250 | 11,055 |
| Staff | 32,095 | 30,721 | 28,250 |
| Salt and ice melter | 11,000 | 6,398 | 3,201 |
| Utilities | 7,100 | 5,993 | 6,058 |
| | <u>120,110</u> | <u>96,852</u> | <u>96,291</u> |
| Excess (deficiency) of revenue over expenses | <u>\$(15,000)</u> | <u>13,618</u> | <u>9,144</u> |
| Allocated to member corporations as follows: | | | |
| Y.C.C. No. 323 | | (4,971) | (3,337) |
| Y.C.C. No. 435 | | <u>(8,647)</u> | <u>(5,807)</u> |
| | | <u>(13,618)</u> | <u>(9,144)</u> |
| Balance, end of year | | <u>\$ -</u> | <u>\$ -</u> |

See Notes to Financial Statements

HIGH PARK GREEN RECREATION CENTRE

STATEMENT OF CASH FLOWS

YEAR ENDED APRIL 30, 2013

| | <u>2013</u> | <u>2012</u> |
|--|------------------|------------------|
| Cash flows from (used in) operating activities | | |
| Owners' assessments | \$104,716 | \$104,711 |
| Interest and key deposit income | <u>5,754</u> | <u>724</u> |
| | 110,470 | 105,435 |
| Operating fund expenses | (96,852) | (96,291) |
| Distribution of operating fund surplus | <u>(13,618)</u> | <u>(9,144)</u> |
| | - | - |
| Change in other non-cash operating accounts: | | |
| Increase (decrease) in accounts payable | (1,364) | 2,329 |
| Increase in due to Y.C.C. No. 323 | 4,971 | 4,087 |
| Increase in due to Y.C.C. No. 435 | 8,647 | 5,807 |
| Decrease in refundable key deposits | <u>(6,500)</u> | <u>-</u> |
| | | |
| Increase in cash resources during the year | 5,754 | 12,223 |
| Cash resources, beginning of year | <u>69,799</u> | <u>57,576</u> |
| Cash resources, end of year | <u>\$ 75,553</u> | <u>\$ 69,799</u> |
| Comprised of: | | |
| Cash – operating fund | <u>\$ 75,553</u> | <u>\$ 69,799</u> |

See Notes to Financial Statements

HIGH PARK GREEN RECREATION CENTRE

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2013

NATURE OF OPERATIONS

High Park Green Recreation Centre was created pursuant to an agreement between York Condominium Corporation No. 323 and York Condominium Corporation No. 435 for the purpose of maintaining the recreational facilities and lands in and around High Park Green.

These corporations are obliged to operate the Recreation Centre and to fund the annual budgeted expenditures. The shared percentages are as follows:

| | |
|--------------------------------------|----------------|
| York Condominium Corporation No. 323 | 36.50% |
| York Condominium Corporation No. 435 | <u>63.50%</u> |
| | <u>100.00%</u> |

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles.

(a) Fund Accounting

The statement of operating fund reports all assessments from member corporations and expenses related to the operation and maintenance of the common elements of the Recreation Centre.

(b) Revenue Recognition

Assessments from member corporations are recognized each month as revenue in the statement of operating fund based on the budget distributed each year. Interest and other revenue are recognized as revenue when earned.

(c) Financial instruments

The Recreation Centre initially measures its financial assets and liabilities at fair value. The Recreation Centre subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value and the resultant impairment loss are recognized at each reporting date.

Financial assets measured at amortized cost include cash-operating fund.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and due to Y.C.C. No. 323 and No. 435.

The Recreation Centre has no financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

HIGH PARK GREEN RECREATION CENTRE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

APRIL 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires the Recreation Centre's management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from their best estimates as additional information becomes available in the future and adjustments, if any, are recorded as that information becomes known.

(e) Contributed Services

Committee members volunteer their time to assist in the Recreation Centre's activities. While these services benefit the Recreation Centre considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

(f) Common Elements

The common elements administered under the Recreation Centre agreement are owned by York Condominium Corporation No. 323 and York Condominium Corporation No. 435 and consequently are not reflected as assets in these financial statements.

2. COMMITMENTS

| Type | Period | Annual Payment |
|------------------------------|--------------------------------|----------------|
| Landscaping and snow removal | May 1, 2011 to April 30, 2014 | \$ 20,660 * |
| Property Management Fees | May 1, 2012 to April 30, 2015 | 5,831 |
| Recreation Staff – Pool | June 1, 2012 to Sept. 30, 2012 | 30,995 |
| | June 1, 2013 to Sept. 30, 2013 | 32,750 |

* Subject to a 2% increase on May 1, 2012 and on May 1, 2013.

HIGH PARK GREEN RECREATION CENTRE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

APRIL 30, 2013

3. RELATED PARTY TRANSACTIONS

- (a) No remuneration was paid to Committee members during the year and they had no interest in any transactions of the Recreation Centre.
- (b) Certain expenses of the Recreation Centre were paid by York Condominium Corporation No. 323 as follows:

| | <u>2013</u> | <u>2012</u> |
|---------------------|-------------|-------------|
| Management services | \$ 10,470 | \$ 10,170 |
| Utilities | 5,478 | 5,509 |

- (c) Certain expenses of the Recreation Centre were paid by York Condominium Corporation No.435 as follows:

| | <u>2013</u> | <u>2012</u> |
|-----------|-------------|-------------|
| Utilities | \$ 515 | \$ 549 |

These transactions were in the normal course of operations and were measured at the exchange amount, being the amount agreed to by the transacting parties.

4. FINANCIAL INSTRUMENTS

The Recreation Centre is exposed to various risks through its financial instruments. The following analysis provides a measure of the Recreation Centre's risk exposure and concentrations at the balance sheet date.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Recreation Centre's credit risk relates to cash in the operating fund bank account. The Recreation Centre manages this risk by placing funds with chartered banks and financial institutions which are covered under the Canada Deposit Insurance Corporation and by investing in eligible securities as defined in the Condominium Act of Ontario.

HIGH PARK GREEN RECREATION CENTRE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

APRIL 30, 2013

4. FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk

Liquidity risk is the risk that the Recreation Centre will encounter difficulty in meeting obligations associated with financial liabilities. The Recreation Centre is exposed to this risk mainly in respect of accounts payable and accrued liabilities. The Recreation Centre expects to meet these obligations as they become due by generating sufficient cash flows from operations.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Recreation Centre is not exposed to interest rate risk.

5. BUDGET INFORMATION

The budget figures presented for comparison purposes are unaudited and are those approved by the Recreation Centre's Committee on February 13, 2012.

6. ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

Effective May 1, 2012, the Recreation Centre adopted the requirements of the CICA handbook and has adopted Canadian Accounting Standards for Not-For-Profit Organizations (ASNPO). This framework is in accordance with Canadian GAAP. These are the first financial statements prepared in accordance with this new framework which has been applied retrospectively. The accounting policies set out in the significant policy note have been applied in preparing the financial statement for the year ended April 30, 2013, the comparative information presented in these financial statements for the year ended April 31, 2012 and in the preparation of an opening balance sheet at May 1, 2011 – which is the Recreation Centre's date of transition.

The Recreation Centre issued financial statements for the year ended April 30, 2012 using Canadian generally accepted accounting principles prescribed by the CICA Handbook – Accounting XFI. The adoption of ASNPO had no impact on the previously reported assets, liabilities and fund balances of the Recreation Centre, and accordingly, no adjustments have been recorded in the comparative statement of financial position, statements of operating fund and cash flows. Certain of the Recreation Centre's presentation and disclosures included in these financial statements reflect the new presentation and disclosure requirements of ASNPO.

HIGH PARK GREEN RECREATION CENTRE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

APRIL 30, 2013

6. ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS (CONT'D)

The opening balance sheet at the transition date of May 1, 2011 was:

ASSETS

Current

| | |
|-----------------------|------------------|
| Cash – operating fund | <u>\$ 57,576</u> |
|-----------------------|------------------|

LIABILITIES AND FUND BALANCES

Current

| | |
|--|----------|
| Accounts payable and accrued liabilities | \$ 7,923 |
|--|----------|

Due to:

| | |
|----------------|--------|
| Y.C.C. No. 323 | 15,275 |
|----------------|--------|

| | |
|----------------|--------|
| Y.C.C. No. 435 | 27,878 |
|----------------|--------|

| | |
|------------------------|--------------|
| Refundable key deposit | <u>6,500</u> |
|------------------------|--------------|

| | |
|--|--------|
| | 57,576 |
|--|--------|

Fund balances

| | |
|----------------|----------|
| Operating fund | <u>-</u> |
|----------------|----------|

| | |
|--|------------------|
| | <u>\$ 57,576</u> |
|--|------------------|