

**HIGH PARK GREEN RECREATION CENTRE**

**FINANCIAL STATEMENTS**

**YEAR ENDED APRIL 30, 2014**

**HIGH PARK GREEN RECREATION CENTRE  
FINANCIAL STATEMENTS  
YEAR ENDED APRIL 30, 2014**

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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, 2014, and the statements of operating fund and 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.

#### **Auditor's Responsibility**

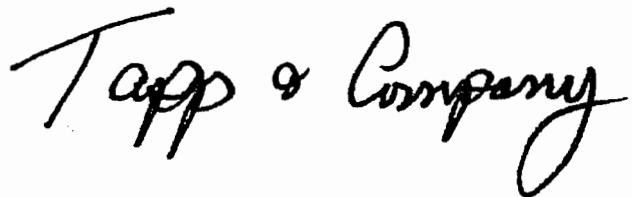
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable 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 recreation centre'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 recreation centre'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, 2014, and the results of its operations for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Toronto, Ontario  
July 25, 2014

Chartered Accountants  
Licensed Public Accountant

**HIGH PARK GREEN RECREATION CENTRE**

**STATEMENT OF FINANCIAL POSITION**

**AS AT APRIL 30, 2014**

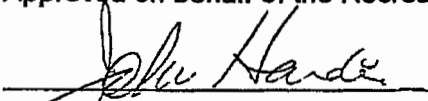
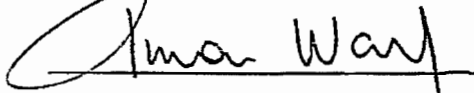
**ASSETS**

	<u>2014</u>	<u>2013</u>
Current		
Operating fund cash	<u>\$ 11,757</u>	<u>\$ 75,553</u>

**LIABILITIES AND FUND BALANCES**

Current		
Accounts payable and accrued liabilities	\$ 4,172	\$ 8,888
Due to:		
Y.C.C. No. 323	3,840	24,333
Y.C.C. No. 435	<u>3,745</u>	<u>42,332</u>
	11,757	75,553
Fund Balance		
Operating fund	<u>-</u>	<u>-</u>
	<u>\$ 11,757</u>	<u>\$ 75,553</u>

Approved on behalf of the Recreation Centre Committee:

 Y.C.C. No. 323  
 Y.C.C. No. 435

See Notes to Financial Statements

# HIGH PARK GREEN RECREATION CENTRE

## STATEMENT OF OPERATING FUND

YEAR ENDED APRIL 30, 2014

	<u>2014</u> <u>Budget</u> <u>(Note 5)</u>	<u>2014</u> <u>Actual</u>	<u>2013</u> <u>Actual</u>
<b>Revenue</b>			
Y.C.C. No. 323	\$ 38,220	\$ 38,219	\$ 38,224
Y.C.C. No. 435	66,490	66,490	66,492
Key deposits	-	-	4,775
Interest income	<u>500</u>	<u>395</u>	<u>979</u>
	<u>105,210</u>	<u>105,104</u>	<u>110,470</u>
<b>Expenses (Notes 3(b) and (c))</b>			
Landscaping and snow removal	21,480	21,423	21,079
Management services	10,680	10,680	10,470
Office and general	760	602	559
Professional fees	3,808	1,812	2,551
Property management fees	5,832	5,831	5,831
Recreation facilities:			
Repairs and maintenance	18,700	13,117	13,250
Staff	33,850	32,750	30,721
Salt and ice melter	11,000	14,387	6,398
Utilities	<u>7,400</u>	<u>7,600</u>	<u>5,993</u>
	<u>113,510</u>	<u>108,202</u>	<u>96,852</u>
<b>Excess (deficiency) of revenue over expenses</b>	<u>\$ (8,300)</u>	<u>(3,098)</u>	<u>13,618</u>
<b>Recovered from (allocated to) member corporations as follows:</b>			
Y.C.C. No. 323		1,131	(4,971)
Y.C.C. No. 435		<u>1,967</u>	<u>(8,647)</u>
		<u>3,098</u>	<u>(13,618)</u>
<b>Fund Balance, end of year</b>		<u>\$ -</u>	<u>\$ -</u>

See Notes to Financial Statements

# HIGH PARK GREEN RECREATION CENTRE

## STATEMENT OF CASH FLOWS

YEAR ENDED APRIL 30, 2014

	<u>2014</u>	<u>2013</u>
Cash provided by (used in) operating activities		
Excess (deficiency) of revenue over expenses	\$ (3,098)	\$ 13,618
Distribution of operating fund surplus (deficit)	<u>3,098</u>	<u>(13,618)</u>
	-	-
Changes in working capital		
Accounts payable and accrued liabilities	(4,716)	(1,364)
Due to Y.C.C. No. 323	(20,493)	4,971
Due to Y.C.C. No. 435	(38,587)	8,647
Refundable key deposits	<u>-</u>	<u>(6,500)</u>
Increase (decrease) in cash	(63,796)	5,754
Cash, beginning of year	<u>75,553</u>	<u>69,799</u>
Cash, end of year	<u>\$ 11,757</u>	<u>\$ 75,553</u>
Comprised of:		
Operating fund cash	<u>\$ 11,757</u>	<u>\$ 75,553</u>

See Notes to Financial Statements

# HIGH PARK GREEN RECREATION CENTRE

## NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2014

### 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. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are as follows:

#### 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.

#### Operating fund

Revenue and expenses for the general operations of the Recreation Centre are reported in the Statement of Operating Fund.

#### Revenue Recognition

Assessments are recognized as revenue based on the budget in distributed to each member corporation. Interest and other revenue are recognized as revenue when earned.

#### 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 operating fund cash.

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

APRIL 30, 2014

### 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'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, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenue and expenses during the year. These estimates and assumptions are reviewed periodically and adjustments are reported in the year in which they become known.

#### 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 the time spent and its fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

### 2. COMMITMENTS

The Recreation Centre has entered into the following long-term contracts:

Type	Period	Annual Payment
Landscaping and snow removal	May 1, 2014 to April 30, 2017	\$ 21,710 *
Property Management Fees	May 1, 2012 to April 30, 2015	5,831
Recreation Staff – Pool	June 1, 2013 to Sept. 30, 2014	32,750

\* Subject to a 3% increase on May 1, 2015 and on May 1, 2016.

### 3. RELATED PARTY TRANSACTIONS

(a) No remuneration was paid to Committee members during the year.



# HIGH PARK GREEN RECREATION CENTRE

## NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2014

### 3. RELATED PARTY TRANSACTIONS (CONT'D)

- (b) Certain expenses of the Recreation Centre were paid by York Condominium Corporation No. 323 as follows:

	<u>2014</u>	<u>2013</u>
Management services	\$ 10,680	\$ 10,470
Utilities	6,325	5,478

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

	<u>2014</u>	<u>2013</u>
Utilities	\$ 575	\$ 515

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 or the Deposit Insurance Corporation of Ontario and by investing in eligible securities as defined in the Condominium Act of Ontario. The Recreation Centre believes its financial exposure is not significant.

#### Liquidity risk

Liquidity risk is the risk that the Recreation Centre will not be able to meet its obligations as they become due. The Recreation Centre manages this risk by establishing budgets and funding plans and by levying sufficient member assessments to fund its operating expenses.

# HIGH PARK GREEN RECREATION CENTRE

## NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2014

### 4. FINANCIAL INSTRUMENTS (CONT'D)

#### **Interest rate risk**

Interest rate risk is the risk of a potential financial loss caused by fluctuations in fair value of future cash flows of a financial instrument due to changes in market interest rates. The Recreation Centre is not exposed to this risk.

### 5. BUDGET INFORMATION

The 2014 budget amounts are presented for information purposes only. They were approved by the Recreation Centre's Committee and are unaudited.