

**NORTH GLENORA COMMUNITY LEAGUE**

**Financial Statements**

**Year Ended December 31, 2007**

*(Unaudited)*

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## REVIEW ENGAGEMENT REPORT

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To the Members of North Glenora Community League

We have reviewed the statement of financial position of North Glenora Community League as at December 31, 2007 and the statements of operations and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the company.

In common with many not for profit organizations, the Association derives receipts from public donations and fund raising activities; the completeness of which is not susceptible to satisfactory review. Accordingly, our review of those receipts was limited to the amounts recorded in the records of the association and we were not able to determine whether any adjustments might be necessary to these financial statements.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Edmonton, Alberta  
December 10, 2008



CHARTERED ACCOUNTANTS

**NORTH GLENORA COMMUNITY LEAGUE**

**Statement of Financial Position**

**December 31, 2007**

*(Unaudited)*

	2007	2006
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash (Note 4)	\$ 134,582	\$ 18,149
Term deposits (Note 4)	-	83,017
Prepaid expenses	5,701	1,421
	<u>140,283</u>	<u>102,587</u>
PROPERTY, PLANT AND EQUIPMENT (Note 5)	283,372	276,281
	<u>\$ 423,655</u>	<u>\$ 378,868</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 16,008	\$ 4,882
Deposits received	850	850
Deferred casino contributions (Note 6)	29,189	30,367
	<u>46,047</u>	<u>36,099</u>
NET ASSETS (Note 7)	377,608	342,769
	<u>\$ 423,655</u>	<u>\$ 378,868</u>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_  
Director

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Director

**NORTH GLENORA COMMUNITY LEAGUE****Statement of Operations****Year Ended December 31, 2007***(Unaudited)*

	2007	2006
<b>REVENUE</b>		
Casino Income (Note 6)	\$ 75,154	\$ 25,052
Hall rental income	13,825	15,690
Playschool Income	10,015	948
Operations grant	8,931	5,214
Membership income	7,490	8,090
Soccer	4,385	5,943
Interest	1,913	2,602
Programs Grant	1,543	2,012
Newsletter advertising	1,492	1,498
Miscellaneous	1,428	549
Family activity	608	1,293
45 Plus	400	700
Indoor playground	355	250
Donations	325	520
Bingo income	32	1,815
	<u>127,896</u>	<u>72,176</u>
<b>PROGRAM EXPENSES</b>		
Newsletter expense	6,581	5,429
Playschool Expenses	5,152	-
Soccer expenses	3,043	4,232
Hockey/ rink program expenses	2,985	5,450
Casino	2,105	-
Community swim expenses	1,000	1,000
Garage sale expenses	200	-
Adult activity expenses	147	33
Family activity expenses	60	768
Neighbourhood Watch Expenses	-	42
	<u>21,273</u>	<u>16,954</u>
	106,623	55,222
<b>GENERAL EXPENSES (Schedule 1)</b>		
	<u>71,784</u>	<u>74,648</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER GENERAL EXPENSES</b>	<u>\$ 34,839</u>	<u>\$ (19,426)</u>

**NORTH GLENORA COMMUNITY LEAGUE****Statement of Cash Flows****Year Ended December 31, 2007***(Unaudited)*

	2007	2006
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over general expenses	\$ 34,839	\$ (19,426)
Item not affecting cash:		
Amortization of property, plant and equipment	22,359	23,527
	<u>57,198</u>	<u>4,101</u>
Changes in non-cash working capital:		
Accounts payable	11,126	2,522
Deferred casino contributions	(1,178)	(25,052)
Prepaid expenses	(4,280)	(172)
Deposits received	-	400
	<u>5,668</u>	<u>(22,302)</u>
Cash flow from (used by) operating activities	<u>62,866</u>	<u>(18,201)</u>
<b>INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment	(29,450)	-
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<u>33,416</u>	<u>(18,201)</u>
Cash - beginning of year	101,166	119,367
<b>CASH - END OF YEAR</b>	<u>\$ 134,582</u>	<u>\$ 101,166</u>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 134,582	\$ 18,149
Term deposits	-	83,017
	<u>\$ 134,582</u>	<u>\$ 101,166</u>

# NORTH GLENORA COMMUNITY LEAGUE

## Notes to Financial Statements

Year Ended December 31, 2007

(Unaudited)

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### 1. DESCRIPTION OF OPERATIONS

North Glenora Community League (the "Association") is a not-for-profit association.

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Revenue recognition

The Association 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 or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. As membership and participation in programs is voluntary, fees are recognized when received.

#### Contributed Services

The donated services of volunteers assist the Association in the performance of its objectives. Because of the difficulty of determining the fair value of contributed services, they are not recognized in the financial statements.

#### Capital assets

Expenditures for assets that are expected to provide service to the Association's members beyond one year are capitalized and amortized as follows:

Buildings	4%	declining balance method
Playground equipment	20%	declining balance method
Rink, shack and parking lot	5%	declining balance method
Hall equipment	20%	declining balance method
Rink equipment	20%	declining balance method
Sports equipment	20%	declining balance method
Computer equipment	30%	declining balance method

#### Income Taxes

The association is a not-for-profit organization and is exempt from income taxes.

#### Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates include providing for amortization of property, plant and equipment. Actual results could differ from these estimates.

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# NORTH GLENORA COMMUNITY LEAGUE

## Notes to Financial Statements

Year Ended December 31, 2007

(Unaudited)

### 3. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash, term deposits, and accounts payable. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

### 4. RESTRICTED CASH

Included in cash in bank are casino funds of \$29,189 (2006 - \$3,434) and included in term deposits are casino funds of \$nil (2006 - \$26,933) which are restricted to expenditures approved by the Alberta Gaming and Liquor Commission pursuant to the Association's casino gaming application.

### 5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2007 Net book value	2008 Net book value
Buildings	\$ 496,387	\$ 285,277	\$ 211,110	\$ 208,704
Playground equipment	162,688	125,159	37,527	46,908
Rink, shack and parking lot	75,436	65,415	10,021	10,549
Hall equipment	84,154	63,147	21,007	5,474
Rink equipment	8,222	5,058	3,164	3,955
Sports equipment	6,447	5,976	471	588
Computer equipment	854	782	72	103
	<u>\$ 834,186</u>	<u>\$ 550,814</u>	<u>\$ 283,372</u>	<u>\$ 276,281</u>

### 6. DEFERRED CASINO CONTRIBUTIONS

The Alberta Gaming and Liquor Commission approves and issues licences for casino events and the proceeds must be used on approved expenditures as stated in the casino application.

	2006	Funds received or receivable	Recognized as revenue during the year	2007
Casino	<u>\$ 30,367</u>	<u>\$ 71,887</u>	<u>\$ 73,065</u>	<u>\$ 29,189</u>

**NORTH GLENORA COMMUNITY LEAGUE**

**Notes to Financial Statements**

**Year Ended December 31, 2007**

*(Unaudited)*

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7. NET ASSETS

Net assets consist of the following:

	<u>2007</u>	<u>2006</u>
Invested in capital assets	<b>\$ 283,372</b>	\$ 276,281
Unrestricted net assets	<b>94,236</b>	66,488
Net Assets	<b><u>\$ 377,608</u></b>	<b><u>\$ 342,769</u></b>

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**NORTH GLENORA COMMUNITY LEAGUE**

**General expenses**

*(Schedule 1)*

**Year Ended December 31, 2007**

*(Unaudited)*

	<b>2007</b>	<b>2006</b>
Amortization	\$ 22,359	\$ 23,527
Utilities	10,872	11,461
Janitorial	10,803	10,615
Landscaping and maintenance	9,998	13,341
Insurance	4,708	4,353
Accounting fees	2,756	3,000
Salaries and wages	2,754	2,436
Advertising and promotion	2,671	1,890
Office	2,204	909
Telephone	907	954
Security	708	741
Supplies	514	154
Meeting Expense	332	633
Interest and bank charges	198	168
Business taxes, licenses and memberships	-	466
	<b>\$ 71,784</b>	<b>\$ 74,648</b>