

**FINANCIAL STATEMENTS**

**RENFREW PARK**

**COMMUNITY ASSOCIATION**

**August 31, 2023**



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## INDEPENDENT AUDITOR'S REPORT

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To the Members of  
**Renfrew Park Community Association**

### ***Opinion***

We have audited the financial statements of Renfrew Park Community Association (the Association), which comprise the statement of financial position as at August 31, 2023, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at August 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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## INDEPENDENT AUDITOR'S REPORT

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on Other Legal and Regulatory Requirements**

As required by the British Columbia Societies Act, we report that, in our opinion, the accounting principles used in these financial statements, Canadian accounting standards for not-for-profit organizations, have been applied on a basis consistent with that of the preceding year.

*Tompkins Wozny LLP*

Vancouver, Canada  
November 10, 2023

Chartered Professional Accountants



## STATEMENT OF FINANCIAL POSITION

As at August 31

	2023 \$	2022 \$
<b>ASSETS</b>		
<b>Current</b>		
Cash - operating	361,788	325,183
- gaming	21,927	85,772
Guaranteed investment certificates [note 4]	250,000	370,025
Accounts and grants receivable [note 5]	62,312	19,349
Prepaid expenses	8,362	10,374
<b>Total current assets</b>	<b>704,389</b>	<b>810,703</b>
Capital assets [note 6]	4,853	8,088
	<b>709,242</b>	<b>818,791</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current liabilities</b>		
Accounts payable and accruals [note 7]	66,881	159,815
Deferred revenue [note 8]	175,902	181,750
<b>Total current liabilities</b>	<b>242,783</b>	<b>341,565</b>
Canada Emergency Business Account loan [note 16]	40,000	40,000
<b>Total liabilities</b>	<b>282,783</b>	<b>381,565</b>
<b>Net assets</b>		
Invested in capital assets [note 11]	4,853	8,088
Internally restricted [note 11]	55,244	165,000
Unrestricted	366,362	264,138
<b>Total net assets</b>	<b>426,459</b>	<b>437,226</b>
	<b>709,242</b>	<b>818,791</b>

Joint operating agreement [note 15]

See accompanying notes to the financial statements

On behalf of the Board:

Anthony Mehnert

Director

Henry Lee

Director

## STATEMENT OF CHANGES IN NET ASSETS

Year ended August 31

	Invested in Capital Assets \$ [note 11]	Internally Restricted \$ [note 11]	Unrestricted \$	Total \$
<b>2023</b>				
<b>Balance, beginning of year</b>	<b>8,088</b>	<b>165,000</b>	<b>264,138</b>	<b>437,226</b>
Revenues under expenses for the year	(3,235)	—	(7,532)	(10,767)
Interfund transfers	—	(109,756)	109,756	—
<b>Balance, end of year</b>	<b>4,853</b>	<b>55,244</b>	<b>366,362</b>	<b>426,459</b>
<b>2022</b>				
<b>Balance, beginning of year</b>	2,364	95,000	308,421	405,785
Revenues over (under) expenses for the year	(3,982)	—	35,423	31,441
Acquisition of capital assets	9,706	—	(9,706)	—
Interfund transfers	—	70,000	(70,000)	—
<b>Balance, end of year</b>	<b>8,088</b>	<b>165,000</b>	<b>264,138</b>	<b>437,226</b>

*See accompanying notes to the financial statements*

## STATEMENT OF OPERATIONS

Year end August 31

	2023	2022
	\$	\$
<b>REVENUE</b>		
Program operations <i>[schedule]</i>	635,146	494,583
Grants <i>[note 9]</i>	121,081	126,304
Direct access gaming <i>[note 10]</i>	95,521	78,758
Facility rentals	67,853	52,788
Government assistance - wage subsidy	50,171	9,186
Interest	13,665	1,599
Vending	6,025	4,603
Other	3,799	5,393
	<b>993,261</b>	<b>773,214</b>
<b>EXPENSES</b>		
Program operations <i>[schedule]</i>	475,726	382,349
Repairs and maintenance	14,640	23,119
Grants expense <i>[note 9]</i>	121,081	126,304
Direct access gaming <i>[notes 10 and 14]</i>	95,521	78,758
Bookkeeping and business administration	53,575	42,900
Employment costs	36,207	29,838
Facility rentals <i>[note 14]</i>	22,411	13,971
Bank, credit card charges and online charges	15,875	12,249
Meetings and development	8,541	4,513
Subscription fee <i>[note 15]</i>	8,394	6,495
Advertising and brochures	8,226	5,937
Professional	7,910	7,080
Operation fee <i>[note 15]</i>	7,393	—
Office, supplies and other	5,537	4,278
Amortization of capital assets	3,235	3,982
	<b>884,272</b>	<b>741,773</b>
<b>Revenues over expenses before other item:</b>	<b>108,989</b>	<b>31,441</b>
Other item:		
Air conditioning <i>[note 11]</i>	(119,756)	—
<b>Revenues over (under) expenses for the year</b>	<b>(10,767)</b>	<b>31,441</b>

Joint operating agreement *[note 15]*

See accompanying notes to the financial statements

## STATEMENT OF CASH FLOWS

Year ended August 31

	2023 \$	2022 \$
<b>OPERATING ACTIVITIES</b>		
Revenues over (under) expenses for the year	(10,767)	31,441
Item not affecting cash		
Amortization of capital assets	3,235	3,982
Changes in non-cash working capital items		
Accounts and grants receivable	(42,963)	40,004
Prepaid expenses	2,012	(9,640)
Accounts payable and accruals	(92,934)	125,610
Deferred revenue	(5,848)	29,422
<b>Cash provided by (used in) operating activities</b>	<b>(147,265)</b>	<b>220,819</b>
<b>INVESTING ACTIVITIES</b>		
Redemption (purchase) of guaranteed investment certificates	120,025	(60,025)
Acquisition of capital assets	—	(9,706)
<b>Cash provided by (used in) investing activities</b>	<b>120,025</b>	<b>(69,731)</b>
<b>Increase (decrease) in cash during the year</b>	<b>(27,240)</b>	<b>151,088</b>
Cash, beginning of year	410,955	259,867
<b>Cash, end of year</b>	<b>383,715</b>	<b>410,955</b>
<b>Cash consists of:</b>		
Operating	361,788	325,183
Gaming	21,927	85,772
<b>Totals</b>	<b>383,715</b>	<b>410,955</b>

*See accompanying notes to the financial statements*

**NOTES TO FINANCIAL STATEMENTS**

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August 31, 2023

**1. ORGANIZATION**

The Association is incorporated pursuant to the British Columbia Societies Act, is a not-for-profit organization and is exempt from income taxes. The objectives of the Association are to provide affordable and quality facilities and programming to meet the diverse needs of the people of the Renfrew Park Community and to encourage use and participation of the Renfrew Park Community

**2. GOVERNANCE AND OPERATIONS**

The Association carries out these objectives through the operations of the Renfrew Park Community Centre pursuant to a Joint Operating Agreement ("JOA") with the City of Vancouver Board of Parks and Recreation ("Park Board").

The Association signed a new JOA effective January 1, 2018 *[note 15]*.

Use of the Renfrew Park Community Centre premises as well as the providing of certain operating expenses, such as various staff costs, are provided to the Association pursuant to the JOA with the Park Board. The value of the use of the facilities as well as these additional operating expenses has not been reflected in the financial statements.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

**Use of Estimates**

The preparation of financial statements in conformity with Canadian ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses reported during the year. The most significant area requiring the use of management estimates include the estimated useful lives of capital assets. Actual results could differ from these estimates.

**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 expenditures are incurred.



**NOTES TO FINANCIAL STATEMENTS**

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August 31, 2023

**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Revenue Recognition (cont'd)**

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.

Licensed preschool fee revenue is recognized in the month to which the services relate based on enrollment rates.

General program revenue is recognized over the period the related program operates.

Facility rentals revenue is recognized on the date the space is rented or over the period the space is rented out, if applicable.

Interest income is recognized as revenue in accordance with the terms of the underlying investment, which is generally with the passage of time.

Canadian Emergency Wage Subsidies are recognized as income when the Association meets the conditions of the program and when the Association is reasonably assured of collection of the respective claims.

Revenue from all other sources, except direct access gaming, is recognized when the respective program or service is provided.

**Direct Access Gaming**

Proceeds received from direct access gaming are recorded as revenue or deferred contributions related to capital assets, if applicable, in the year the related expenditures are incurred.

**Measurement of Financial Instruments**

The Association initially measures its financial assets and financial liabilities at fair value.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, guaranteed investment certificates and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and the Canada Emergency Business Account loan.

**NOTES TO FINANCIAL STATEMENTS**

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August 31, 2023

**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement of Financial Instruments (cont'd)**

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

**Capital Assets**

Capital assets are recorded at cost, less accumulated amortization. Amortization of furniture and equipment is recorded on a straight-line basis at a rate of 20% to 33% per year.

**Donated Services**

The Association and its members benefit greatly from donated services in the form of volunteer time. Because of the difficulty in determining their fair value, the value of donated services is not recognized in these financial statements.

**4. GUARANTEED INVESTMENT CERTIFICATES ("GIC")**

The Association holds a GIC in the amount of \$250,000 with an interest rate of 4.25% and a maturity date of September 2023.

**5. ACCOUNTS AND GRANTS RECEIVABLE**

	2023	2022
	\$	\$
Grants and other	52,298	18,001
Interest	10,014	1,348
	62,312	19,349
Allowance for doubtful accounts	—	—
	62,312	19,349

## NOTES TO FINANCIAL STATEMENTS

August 31, 2023

## 6. CAPITAL ASSETS

	Cost \$	Accumulated Amortization \$	Net Book Value \$
<b>2023</b>			
Furniture and equipment	17,919	13,066	4,853
<b>2022</b>			
Furniture and equipment	17,919	9,831	8,088

## 7. ACCOUNTS PAYABLE AND ACCRUALS

	2023 \$	2022 \$
Trade and accruals	16,112	34,774
Government remittances - payroll	632	87,408
- GST	2,564	1,160
- WorkSafe BC	1,835	1,317
Park Board	45,738	35,156
	<b>66,881</b>	<b>159,815</b>

## 8. DEFERRED REVENUE

	2023 \$	2022 \$
Programs - pre-registration	112,243	64,979
Gaming	21,927	85,772
Licensed preschool fees	15,397	13,926
Various grants	23,331	15,276
Rentals	2,484	1,497
Other	520	300
	<b>175,902</b>	<b>181,750</b>

## NOTES TO FINANCIAL STATEMENTS

August 31, 2023

## 9. GRANTS

	2023	2022
	\$	\$
Summer camp	64,174	65,562
Health & Safety	2,624	10,777
Childcare operating	10,610	5,610
Wage Enhancement	16,669	18,001
New Horizons	—	20,023
BCRPA Family Day	—	1,404
BC Centre for Ability Association	27,004	4,927
	<b>121,081</b>	<b>126,304</b>

## 10. DIRECT ACCESS GAMING EXPENSES

	2023	2022
	\$	\$
Renfrew Youth Development		
- Wages and benefits	38,603	28,046
- Supplies and other	7,512	9,929
Renfrew Ravine Moon Festival		
- Wages and benefits	14,070	14,142
- Supplies and other	—	—
Renfrew Lunch program		
- Wages and benefits	10,096	9,504
- Supplies and other	5,151	1,255
Seniors Multicultural		
- Wages and benefits	17,791	15,183
- Supplies and other	2,298	699
<b>Total</b>	<b>95,521</b>	<b>78,758</b>

## 11. INTERNALLY RESTRICTED NET ASSETS AND CAPITAL MANAGEMENT

The Associations' main objective when managing capital is to maintain financial flexibility in order to preserve its ability to meet financial commitments and unforeseen external events. To assist with this objective, the Association has made the following internal restriction:

	2023	2022
	\$	\$
Capital projects:		
Air conditioning	25,244	135,000
Flooring upgrades	30,000	30,000
	<b>55,244</b>	<b>165,000</b>

**NOTES TO FINANCIAL STATEMENTS**

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August 31, 2023

**11. INTERNALLY RESTRICTED NET ASSETS AND CAPITAL MANAGEMENT (CONT'D)**

**Capital Projects**

In 2021, the Association internally restricted \$75,000 to be used for installation of air conditioning.

In 2022, the Association internally restricted \$30,000 for flooring upgrades and an additional \$60,000 for the installation of air conditioning.

In 2023, the Association internally restricted an additional \$10,000 for the air conditioning and \$119,756 was spent.

**Invested in Capital Assets**

The Association has internally restricted an amount equal to the net assets invested in capital assets.

**12. INTERFUND TRANSFERS**

As described in the statement of changes in net assets, interfund transfers are made between internally restricted net assets and unrestricted net assets to fund capital assets purchased, various expenditures and amortization of capital assets.

**13. FINANCIAL INSTRUMENTS**

The Association is exposed to various risks through its financial instruments. The following analysis presents the Association's exposures to significant risk as at August 31, 2023.

**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 Association is exposed to credit risk with respect to its cash, guaranteed investment certificates, and accounts receivable. The Association assesses, on a continuous basis, accounts receivable on the basis of amounts it is virtually certain to receive. The Association's cash and guaranteed investment certificates are invested with a large financial institution.

**Liquidity Risk**

Liquidity risk is the risk of being unable to meet cash requirements or fund obligations as they become due. It stems from the possibility of a delay in realizing the fair value of financial instruments.

The Association manages its liquidity risk by constantly monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

**NOTES TO FINANCIAL STATEMENTS**

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August 31, 2023

**13. FINANCIAL INSTRUMENTS (CONT'D)**

**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 Association is exposed to interest rate risk on its guaranteed investment certificates in so far that the initial rate may be higher than the current interest rate obtained on maturity and renewal. The Association is also subject to interest rate risk with respect to the Canada Emergency Business Account loan.

**14. WAGES AND CONTRACTOR REMUNERATION**

Pursuant to the British Columbia Societies Act, the Association is required to disclose wages and benefits and fees paid to employees and contractors who are paid \$75,000 or more during the fiscal year.

In 2023, contractors, wages and benefits include \$133,834 [2022 - \$109,971] of expense provided by a contractor for Group I wages. Of this amount, \$79,463 [2022 - \$72,872] is included in program operations - wages and contractors, \$43,387 [2022 - \$31,602] is included in direct access gaming, and \$10,984 [2022 - \$5,497] is included in facility rentals. The Group I wages cover the cost of several employees.

**15. JOINT OPERATING AGREEMENT ("JOA")**

In 2018, the Association signed a new JOA with the Park Board effective January 1, 2018 for ten (10) years with one five (5) year renewal term. Under the agreement, the Association will pay an operation fee to the Vancouver Park Board starting in year 2 for 1% of prior year's gross facility-generated revenue and in years 3-10 for 2% per year of the previous year's gross facility-generated revenue. Effective January 1, 2018, the Association will pay a 1% subscription fee for the ActiveNet registration system.

Due to the COVID-19 pandemic, the Park Board has waived the operation fee based on prior years revenues for the calendar years ending December 31, 2020 and December 31, 2021. As a result, the August 31, 2022 operating fee was completely waived and the August 31, 2023 fee was only subject to the 2% fee for eight months.

**NOTES TO FINANCIAL STATEMENTS**

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August 31, 2023

**16. CANADA EMERGENCY BUSINESS ACCOUNT LOAN**

During the 2020 fiscal year, the Association applied for and received a \$40,000 loan under the Canada Emergency Business Account. In 2021, the Association applied for and received an additional \$20,000 loan. The loan is non-interest bearing until January 18, 2024, and then interest accrues at the rate of 5% until December 31, 2026, when the loan is due. If the loan is repaid on or before January 18, 2024, \$20,000 of the loan will be forgiven.

As the Association has met and expects to continue to comply with the loan's terms and conditions and expects to repay the loan on or before January 18, 2024, the forgivable portion of the \$60,000 loan or \$20,000, was taken into 2021 income.

## SCHEDULE OF REVENUES AND EXPENSES - PROGRAM OPERATIONS

Year ended August 31

	Revenue \$	Expenses		Total \$	Net Income (Loss) \$
		Wages and Contractors \$	Supplies and Other \$		
<b>2023</b>		<i>[note 14]</i>			
Licensed preschool	157,930	96,975	5,794	102,769	55,161
Preschoolers	55,118	35,376	1,257	36,633	18,485
Children	213,852	151,032	17,511	168,543	45,309
Adult	80,831	39,659	2,592	42,251	38,580
Senior	63,310	44,101	12,248	56,349	6,961
Chinese Seniors	822	—	2,220	2,220	(1,398)
Special events	2,933	14,546	18,020	32,566	(29,633)
Summer Day Camp	60,350	14,181	20,214	34,395	25,955
	<b>635,146</b>	<b>395,870</b>	<b>79,856</b>	<b>475,726</b>	<b>159,420</b>
<b>2022</b>					
Licensed preschool	144,568	93,971	2,697	96,668	47,900
Preschoolers	35,020	22,739	1,478	24,217	10,803
Children	144,320	100,949	11,480	112,429	31,891
Adult	60,600	29,386	4,619	34,005	26,595
Senior	43,674	52,255	10,963	63,218	(19,544)
Chinese Seniors	1,034	—	2,151	2,151	(1,117)
Special events	1,868	12,967	3,648	16,615	(14,747)
Summer Day Camp	63,499	13,684	19,362	33,046	30,453
	<b>494,583</b>	<b>325,951</b>	<b>56,398</b>	<b>382,349</b>	<b>112,234</b>





October 31, 2023

**PRIVATE & CONFIDENTIAL**

Renfrew Park Community Association  
2929 East 22<sup>nd</sup> Avenue  
Vancouver, BC  
V5M 2Y3

Attention: Finance Committee (or equivalent)

Dear Committee Members:

**Re: Audit Findings Letter**

We have completed the audit of the financial statements of Renfrew Park Community Association for the year ending August 31, 2023. This letter has been prepared to assist you with your review of those financial statements.

Management is responsible for establishing and maintaining an adequate internal control structure and procedures for financial reporting. This includes the design and maintenance of accounting records, recording transactions, selecting and applying accounting policies, safeguarding of assets, and preventing and detecting fraud and error.

**Our Responsibility as Auditors**

As stated in the engagement letter, our responsibility as auditors of your Association is to express an opinion on whether the financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of the organization in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

An audit is performed to obtain reasonable but not absolute assurance as to whether the financial statements are free of material misstatement. Due to the inherent limitations of an audit, there is an unavoidable risk that some misstatements of the financial statements will not be detected (particularly intentional misstatements concealed through collusion) even though the audit is properly planned and performed.

It is important to understand that we review only internal control systems that could result in a material error on the financial statements if those systems were to fail. We review them with specific audit objectives, focusing only on certain assertions that apply to the financial statements. This means that an unqualified opinion on the financial statements does not



necessarily mean that Renfrew Park Community Association's internal control systems are all operating as intended.

In our financial statement audit process, we have a unique opportunity to view certain financial systems and procedures and provide feedback. We consider this feedback to be an opportunity to assist you to improve the effectiveness of the Association's accounting and reporting systems. If recommendations are made, it does not mean we consider the current internal controls and systems to be poor, nor are they a reflection on any person in the Association.

### **Difficulties Encountered During the Audit**

We encountered no significant difficulties during our audit that should be brought to the attention of the audit committee.

### **Comments on Accounting Practices**

#### ***Accounting Policies***

The significant accounting policies used by Renfrew Park Community Association are outlined in Note 3 to the financial statements.

- There were no significant changes in accounting policies.
- We did not identify any alternative accounting policies that would have been more appropriate in the circumstances.
- We did not identify any significant accounting policies in controversial or emerging areas.

#### ***Significant Accounting Estimates***

The following significant estimates/judgments are contained in the financial statements:

- Estimated useful lives of capital assets

Based on audit work performed, we are satisfied with the estimates made by management.

#### ***Significant Financial Statement Disclosures***

We did not identify any financial statement disclosures that we believe should be specifically drawn to your attention, including any that are particularly significant or sensitive or that require significant judgments.

### **Uncorrected Misstatements**

We accumulated uncorrected misstatements that we identified during our audit and communicated them to management. We then requested that management correct these misstatements. All uncorrected misstatements for the current period have been corrected.



## Evaluation of Internal Controls

A deficiency in internal control exists when a control is designed, implemented, or operated in such a way that it is unable to prevent, or detect and correct, misstatements in the financial statements on a timely basis, or when a control necessary to prevent, or detect and correct, misstatements in the financial statements on a timely basis is missing.

During the course of our audit, we encountered the following specific internal control matters that we wish to bring to your attention:

#	Internal Control	Implication for the Financial Statements	Recommendation
1	<i>The Association has an inherent weakness in its internal controls due to the lack of segregation of duties with the bookkeeper also working as a cashier. The Association reduces this risk in a practical manner by review of the bank statements and bank reconciliations by the Treasurer, having cash sheets reviewed by the Recreation Facility Clerk, making use of an armored service for deposits, close review of management prepared financial statements, etc.</i>	<i>There is the potential for errors and fraud due to the inherent weakness in the internal controls.</i>	<i>We recommend that the Association always be aware of the inherent weakness in its internal controls due to the lack of segregation of duties.</i>
	<b>Management response:</b>		

## Written Representations

In a separate communication we have requested and received a number of written representations from management with respect to their responsibility for the preparation of the financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

We would like to thank the board, management, and staff for the assistance they provided to us during the audit.



We hope the information in this audit findings letter will be useful. We would be pleased to discuss the contents of this letter with you and respond to any questions you may have.

This letter was prepared for the sole use of those charged with governance of Renfrew Park Community Association to assist them in carrying out and discharging their responsibilities. The content should not be disclosed to any third party without our prior written consent, and we assume no responsibility to any other person.

Yours truly,

**TOMPKINS WOZNY LLP**

*Tompkins Wozny LLP*

**Acknowledgment of Finance Committee (or equivalent):**

We have read and reviewed the above disclosures and understand and agree with the comments therein:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date