

**FAIRFIELD COMMUNITY ASSOCIATION OF VICTORIA**  
***(Operating as Fairfield Gonzales Community Association)***  
**Financial Statements**  
**Year Ended July 31, 2022**

**FAIRFIELD COMMUNITY ASSOCIATION OF VICTORIA**  
***(Operating as Fairfield Gonzales Community Association)***  
**Index to Financial Statements**  
**Year Ended July 31, 2022**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Members of Fairfield Community Association of Victoria operating as Fairfield Gonzales Community Association

I have reviewed the accompanying financial statements of Fairfield Community Association of Victoria, operating as Fairfield Gonzales Community Association, (the organization) that comprise the statement of financial position as at July 31, 2022, and the statements of revenues and expenditures, changes in net assets 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 (ASNPO), 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.

### *Practitioner's Responsibility*

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

### *Conclusion*

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Fairfield Community Association of Victoria as at July 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

(continues)

Independent Practitioner's Review Engagement Report to the Members of Fairfield Community Association of Victoria operating as Fairfield Gonzales Community Association (*continued*)

*Report on Other Legal and Regulatory Requirements*

As required by the Societies Act of British Columbia, I report that, in my opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

*ScH & Company*

Victoria, British Columbia  
October 21, 2022

CHARTERED PROFESSIONAL ACCOUNTANT

**FAIRFIELD COMMUNITY ASSOCIATION OF VICTORIA**  
**(Operating as Fairfield Gonzales Community Association)**  
**Statement of Financial Position**  
**July 31, 2022**

	2022	2021
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 575,807	\$ 857,193
Short-term investments (Note 3)	123,312	153,888
Accounts and accrued interest receivable (Note 4)	9,466	8,092
Prepaid expenses	74	3,959
	<u>708,659</u>	1,023,132
LONG-TERM INVESTMENTS (Note 3)	181,196	50,000
CAPITAL ASSETS (Note 5)	<u>42,435</u>	52,478
	<u><b>\$ 932,290</b></u>	<u><b>\$ 1,125,610</b></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 31,968	\$ 22,409
Wages payable	55,957	46,820
Deferred revenue (Note 7)	147,797	330,040
	<u>235,722</u>	399,269
<b>NET ASSETS</b>		
General fund	654,133	673,863
Capital asset fund	<u>42,435</u>	52,478
	<u>696,568</u>	726,341
	<u><b>\$ 932,290</b></u>	<u><b>\$ 1,125,610</b></u>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

See notes to financial statements

**FAIRFIELD COMMUNITY ASSOCIATION OF VICTORIA**  
**(Operating as Fairfield Gonzales Community Association)**  
**Statement of Revenues and Expenditures**  
**Year Ended July 31, 2022**

	2022	2021
<b>REVENUES</b>		
Federal	\$ 23,822	\$ 24,735
Provincial	726,520	444,607
Municipal	209,186	198,743
School District 61	1,431,806	1,336,089
Out-of-school fees	620,860	549,620
Early years fees	174,626	250,710
Recreation fees	114,604	43,578
Camp fees	62,840	113,319
Facility rentals	33,452	20,093
Gaming	89,000	83,000
Foundation grants	46,874	30,580
Donations and fundraising	21,162	9,960
Interest earned	11,192	5,202
Sundry income	3,525	3,072
	<u>3,569,469</u>	<u>3,113,308</u>
<b>EXPENSES</b>		
Advertising and promotion	1,756	3,085
Amortization	10,043	10,495
Board development and expense	9,460	2,522
Equipment rentals	3,296	5,319
Insurance	23,697	21,808
Newsletter	6,782	6,485
Office	23,866	22,977
Professional fees	11,096	8,942
Program supplies	166,701	124,429
Rental	46,366	42,235
Repairs and maintenance	25,222	29,938
Staff development and dues	23,416	22,257
Telephone	19,744	20,381
Travel and mileage	8,857	9,285
Wages and benefits	3,218,940	2,907,354
	<u>3,599,242</u>	<u>3,237,512</u>
<b>DEFICIENCY OF REVENUES OVER EXPENSES</b>	<u>\$ (29,773)</u>	<u>\$ (124,204)</u>

See notes to financial statements

**FAIRFIELD COMMUNITY ASSOCIATION OF VICTORIA**  
**(Operating as Fairfield Gonzales Community Association)**  
**Statement of Changes in Net Assets**  
**Year Ended July 31, 2022**

	General Fund	Capital Asset Fund	2022	2021
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 673,863	\$ 52,478	<b>\$ 726,341</b>	\$ 850,545
Deficiency of revenues over expenses	(29,773)	-	<b>(29,773)</b>	(124,204)
Amortization of tangible capital assets	10,043	(10,043)	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 654,133</b>	<b>\$ 42,435</b>	<b>\$ 696,568</b>	<b>\$ 726,341</b>

See notes to financial statements

**FAIRFIELD COMMUNITY ASSOCIATION OF VICTORIA**  
**(Operating as Fairfield Gonzales Community Association)**  
**Statement of Cash Flows**  
**Year Ended July 31, 2022**

	2022	2021
<b>OPERATING ACTIVITIES</b>		
Deficiency of revenues over expenses	\$ (29,773)	\$ (124,204)
Items not affecting cash:		
Amortization of capital assets	10,043	10,495
Loss on disposal of tangible capital assets	-	19
	<u>(19,730)</u>	<u>(113,690)</u>
Changes in non-cash working capital:		
Accounts and accrued interest receivable	(1,375)	178,810
Accounts payable and accrued liabilities	9,560	3,770
Deferred revenue	(182,243)	169,427
Prepaid expenses	3,885	(3,810)
Short-term investments	30,576	47,548
Wages payable	9,137	6,921
	<u>(130,460)</u>	<u>402,666</u>
Cash flow from (used by) operating activities	<u>(150,190)</u>	<u>288,976</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	-	(8,815)
Purchase of long-term Investments	(131,196)	(50,000)
Cash flow used by investing activities	<u>(131,196)</u>	<u>(58,815)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(281,386)</b>	<b>230,161</b>
Cash - beginning of year	<u>857,193</u>	<u>627,032</u>
<b>CASH - END OF YEAR</b>	<b>\$ 575,807</b>	<b>\$ 857,193</b>
<b>CASH CONSISTS OF:</b>		
Cash	<u>\$ 575,807</u>	<u>\$ 857,193</u>

See notes to financial statements



**FAIRFIELD COMMUNITY ASSOCIATION OF VICTORIA**  
***(Operating as Fairfield Gonzales Community Association)***  
**Notes to Financial Statements**  
**Year Ended July 31, 2022**

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1. PURPOSE OF THE ORGANIZATION

The Society is a community based organization whose mission statement is "The Fairfield Gonzales Community Association pursues our vision through the development and delivery of inclusive and effective community-focused programs and projects. We support our neighbourhood, create a haven and a warm welcome for community members, and seek the building of connections and collaborations with likeminded individuals to assist Fairfield and Gonzales neighbourhoods in enhancing their community's vitality."

The organization was incorporated on September 7, 1975 under the Society Act of British Columbia as a not-for-profit organization without share capital. The Society is a registered charity within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

Fund accounting

Fairfield Community Association of Victoria follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the General Fund.

The Capital Asset Fund reports the assets, liabilities, revenues, and expenses related to Fairfield Community Association of Victoria's capital assets.

Revenue recognition

Fairfield Community Association of Victoria 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.

Sales and services are recognized as revenue when the product is shipped to the customer or the service is provided.

Donated services

The Society benefits greatly from donated services in the form of volunteer time for various committees. The value of donated services is not recognized in these financial statements.

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**FAIRFIELD COMMUNITY ASSOCIATION OF VICTORIA**  
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**Notes to Financial Statements**  
**Year Ended July 31, 2022**

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Gifts in-kind

Donated material is only recorded when a fair market value can be reasonably estimated and when the materials are normally purchased by the Society and would be paid for if not donated.

Donated materials included in revenue on the statement of revenue and expenditures for 2022 is \$1,625, and \$0 in donated materials for 2021.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Buildings	10 years	straight-line method
Computer equipment	3 years	straight-line method
Computer software	100%	declining balance method
Furniture and equipment	20%	declining balance method
Leasehold improvements	5 years	straight-line method
Program equipment	3 years	straight-line method

The organization regularly reviews its capital assets to eliminate obsolete items.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Financial instruments

The Society's financial instruments consist of cash, accounts receivable, investments, accounts payable and accruals. A financial asset or liability is recognized when the Society becomes party to contractual provisions of the instrument. The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all of its financial assets and financial liabilities at cost or amortized cost less any reduction for impairment, except for investments in equity instruments that are quoted in an active market, which are measured at fair value.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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**FAIRFIELD COMMUNITY ASSOCIATION OF VICTORIA**  
**(Operating as Fairfield Gonzales Community Association)**  
**Notes to Financial Statements**  
**Year Ended July 31, 2022**

**3. INVESTMENTS**

The Society's investments consist of guaranteed investment certificates held with varying interest rates and maturity dates.

Short-term guaranteed investment certificates have maturity dates of less than a year from the statement of financial position dates, and bear interest at rates ranging from 1.95% to 2.30%.

Long-term guaranteed investment certificates have maturity dates greater than a year from the statement of financial position dates and bearing interest at rates ranging from 0.0044% to 7.5%.

	<b>2022</b>	2021
Current investments (matures in the next fiscal year)	<b>\$ 123,312</b>	\$ 153,888
Non-current investments (matures thereafter)	<b>181,196</b>	50,000
	<b><u>\$ 304,508</u></b>	<b><u>\$ 203,888</u></b>

**4. ACCOUNTS RECEIVABLE**

Included in accounts receivable are GST refund and rebates of \$5,618 (2021 - \$5,523).

**5. CAPITAL ASSETS**

	Cost	Accumulated amortization	<b>2022 Net book value</b>	2021 Net book value
Buildings	\$ 64,068	\$ 28,831	<b>\$ 35,237</b>	\$ 41,644
Computer equipment	8,815	4,407	<b>4,408</b>	7,346
Computer software	8,146	8,146	-	-
Furniture and equipment	73,105	70,315	<b>2,790</b>	3,488
Leasehold improvements	17,490	17,490	-	-
Program equipment	10,477	10,477	-	-
	<b><u>\$ 182,101</u></b>	<b><u>\$ 139,666</u></b>	<b><u>\$ 42,435</u></b>	<b><u>\$ 52,478</u></b>

**FAIRFIELD COMMUNITY ASSOCIATION OF VICTORIA**  
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**Year Ended July 31, 2022**

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**6. FACILITY**

The Society utilizes four facilities for its operations:

Fairfield neighbourhood

- Place Building - utilized under an ongoing operating agreement with the owner, the City of Victoria.
- Multi-purpose room - utilized under an ongoing operating agreement with the City of Victoria, governed by a joint-use agreement between the City of Victoria and the owner, Greater Victoria School District 61.
- Portable building - located on City of Victoria land and owned by the Society.

Gonzales neighbourhood

- Margaret Jenkins Elementary School (multiple spaces) - leased on a yearly basis from the Greater Victoria School District 61.

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**7. DEFERRED REVENUE**

Deferred contributions represent funds received during the year which relate to the subsequent period.

	<b>2022</b>	<b>2021</b>
<b>The figure for deferred contributions is made up of the following amounts:</b>		
City of Victoria	\$ 104,950	\$ 86,816
Federal	8,461	6,420
Provincial	-	33,425
School District 61	-	137,906
Program and rental deposits	236	44,963
Other	34,150	20,510
	<b>\$ 147,797</b>	<b>\$ 330,040</b>

**Changes in the total deferred contributions balance are as follows:**

Balance, beginning of the year	\$ 330,040	\$ 160,613
Less: amounts recognized as revenue during the year	(330,040)	(154,749)
Add: additional amounts received during the year	147,797	324,176
	<b>\$ 147,797</b>	<b>\$ 330,040</b>

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**8. CONTINGENCY FUND**

The Society maintains a Contingency Fund for unanticipated expenses, including equipment purchases, and/or special expenses approved by the Board of Directors. Access to the fund is by Board motion. The contingency fund consists of \$30,000 in term deposits included in the General Fund.

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**FAIRFIELD COMMUNITY ASSOCIATION OF VICTORIA**  
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**Year Ended July 31, 2022**

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9. SCHOOL DISTRICT 61

Additional information to revenue received from School District #61. The Society sub-contracts to Quadra Village Community Centre (Downtown Blanshard Activity Centre) during the school year, funds received from the Greater Victoria School District #61 to provide youth and family counsellors for the Reynolds family of Schools, Alternative Education, Victoria High School, and George Jay Elementary. These are flow thru funds and are based on the number of hours allocated by each school.

	<u>2022</u>	<u>2021</u>
<b>Amount transferred included in Wages and benefits</b>		
Quadra Village Community Centre	<b>\$ 670,043</b>	<b>\$ 654,455</b>

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10. LEASE COMMITMENTS

The Society has an operating lease with respect to its office equipment. Future minimum lease payments as at year end are as follows:

2023	\$ 2,028
2024	2,028
2025	2,028
2026	2,028
2027	507
	<u>8,619</u>
	<b>\$ 8,619</b>

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11. REMUNERATION PAID TO DIRECTORS, EMPLOYEES AND CONTRACTORS

As required by the British Columbia Societies Act, it is noted that there were two employees and one contractor paid greater than \$75,000 during the 2021-22 year. The Society paid a combined total of \$860,107 to these recipients.

No remuneration was paid to members of the Board of Directors for the year ended July 31, 2022.

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12. IMPACT OF COVID-19

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

At the time of approval of these financial statements, the Society has amended its operations in order to continue deliver its services during the COVID-19 pandemic.

Management is uncertain of the effects of these changes on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the organization's operations as at the date of these financial statements.

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**FAIRFIELD COMMUNITY ASSOCIATION OF VICTORIA**  
**(Operating as *Fairfield Gonzales Community Association*)**  
**Notes to Financial Statements**  
**Year Ended July 31, 2022**

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**13. FINANCIAL INSTRUMENTS**

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of July 31, 2022.

**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 Society's financial assets that are exposed to credit risk are cash and short-term investments and accounts receivable. The risk associated with cash and short-term investments is minimized to the extent that they are placed with a major Canadian financial institution. The Society manages its risk associated with accounts receivable by monitoring the outstanding balances and communicating frequently with funders and customers to ascertain the collectibility.

**Liquidity risk**

Liquidity risk is the risk that the Society will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Society manages its liquidity risk by monitoring its operating requirements. The Society prepares a budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

**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. Changes in the prime interest rate will have a positive or negative impact on the Society's interest income. Such exposure will increase accordingly, should the Society maintain higher levels of investments in the future.

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**14. COMPARATIVE FIGURES**

Some of the comparative figures have been reclassified to conform to the current year's presentation.

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