

MILLICAN OGDEN COMMUNITY ASSOCIATION
2020 Financial Statements
Year ended May 31, 2020

MILLICAN OGDEN COMMUNITY ASSOCIATION
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Year ended May 31, 2020

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Versatile Accounting Professional Corporation

Chartered Professional Accountant

Independent Auditor's Report

To the Members of Millican Ogden Community Association

Opinion

We have audited the financial statements of Millican Ogden Community Association (the "M.O.C.A"), which comprise the as at May 31, 2020, and the statement of operations, statement of changes in net assets and statement of 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 M.O.C.A as at May 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 M.O.C.A 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 opinion.

Other Matter

The financial statements of the M.O.C.A for the year ended May 31, 2019 were audited by another Chartered Professional Accountant and were qualified on completeness of fundraising activities.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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.

In preparing the financial statements, management is responsible for assessing the M.O.C.A'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 M.O.C.A or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the M.O.C.A's financial reporting process.

Versatile Accounting Professional Corporation

Chartered Professional Accountant

Independent Auditor's Report, continued

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.

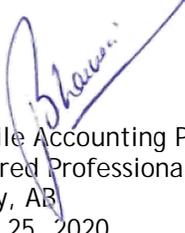
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 M.O.C.A's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 M.O.C.A'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 M.O.C.A 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.

Versatile Accounting Professional Corporation
Chartered Professional Accountant

Independent Auditor's Report, continued

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.


Versatile Accounting Professional Corporation
Chartered Professional Accountants
Calgary, AB
August 25, 2020

MILLICAN OGDEN COMMUNITY ASSOCIATION
Balance Sheet
As at May 31, 2020

For the year ended May 31	General	Casino	Southeast Calgary Community Resource Centre	2020 Total	2019 Total
ASSETS					
CURRENT					
Cash, unrestricted (Note 4)	\$ 88,999	\$ -	\$ 10,427	\$ 99,426	\$ 92,312
Cash, internally restricted (Note 5)	94,959	-	-	94,959	94,940
Cash, externally restricted (Note 3)	405,000	69,924	35,000	509,924	526,809
Guaranteed investment certificates, externally restricted (Note 5)	-	416,378	-	416,378	405,701
Guaranteed investment certificates, internally restricted (Note 5)	176,013	-	-	176,013	113,580
Guaranteed investment certificate, unrestricted (Note 5)	5,003	-	-	5,003	5,003
Accounts receivable (Note 7)	10,210	246	-	10,456	7,199
Goods and service tax	1,553	-	1,043	2,596	2,172
Prepaid expenses (Note 6)	6,440	-	2,447	8,887	8,165
Inventory	1,786	-	-	1,786	1,786
Due from other funds	16,955	-	-	16,955	17,187
	<u>806,918</u>	<u>486,548</u>	<u>48,917</u>	<u>1,342,383</u>	<u>1,274,854</u>
Capital assets (Note 8)	622,568	370,080	679	993,327	1,034,590
TOTAL ASSETS	<u>\$ 1,429,486</u>	<u>\$ 856,628</u>	<u>\$ 49,596</u>	<u>\$ 2,335,710</u>	<u>\$ 2,309,444</u>

The accompanying notes are an integral part of these financial statements

MILLICAN OGDEN COMMUNITY ASSOCIATION
Balance Sheet
As at May 31, 2020

For the year ended May 31	General	Casino	Southeast Calgary Community Resource Centre	2020 Total	2019 Total
LIABILITIES					
CURRENT					
Accounts payable and accrued liabilities	\$ 17,781	\$ -	\$ 1,612	\$ 19,393	\$ 33,564
Wages payable	4,154	-	8,509	12,663	5,247
Rental refunds	17,713	-	-	17,713	-
Deferred revenue	-	-	-	-	2,875
Damage deposits	12,467	-	-	12,467	16,126
Deferred cash contributions (Note 3)	405,000	486,548	35,000	926,548	933,541
Due to other funds	-	9,948	7,007	16,955	17,187
	457,115	496,496	52,128	1,005,739	1,008,540
Deferred capital contributions (Note 9)	474,910	360,132	679	835,721	867,391
Commitments (Note 15)					
Subsequent event (Note 16)					
FUND BALANCES					
	497,461	-	(3,211)	494,250	433,513
TOTAL LIABILITIES AND BALANCE	\$ 1,429,486	\$ 856,628	\$ 49,596	\$ 2,335,710	\$ 2,309,444

Approved on behalf of the board

Director, _____

Director, _____

The accompanying notes are an integral part of these financial statements

MILLICAN OGDEN COMMUNITY ASSOCIATION
Statement of Operations
For the year ended May 31, 2020

For the year ended May 31	2020	2019
Revenue		
General operations (Schedule 1)	\$ 123,343	\$ 121,940
Arena (Schedule 2)	457,735	274,949
Casino (Schedule 3)	60,369	97,985
South East Calgary Community Centre (Schedule 4)	334,161	362,305
	<hr/> 975,608	<hr/> 857,179
Expenses		
General operations (Schedule 1)	164,836	159,261
Arena (Schedule 2)	319,461	331,966
Casino (Schedule 3)	60,369	97,985
South East Calgary Community Centre (Schedule 4)	370,205	377,793
	<hr/> 914,871	<hr/> 967,005
Net income (loss)	<hr/> \$ 60,737	<hr/> \$ (109,826)

The accompanying notes are an integral part of these financial statements

MILLICAN OGDEN COMMUNITY ASSOCIATION
Statement of Changes In Net Assets
For the year ended May 31, 2020

For the year ended May 31	General 2020	Casino 2020	Southeast Calgary Community Resource Centre 2020	2020 Total	2019 Total
Balance, beginning of year	\$ 400,678	\$ -	\$ 32,835	\$ 433,513	\$ 543,339
Income (loss)	96,783	-	(36,046)	60,737	(109,826)
Balance, ending of year	\$ 497,461	\$ -	\$ (3,211)	\$ 494,250	\$ 433,513

The accompanying notes are an integral part of these financial statements

MILLICAN OGDEN COMMUNITY ASSOCIATION
Statement of Cash Flows
For the year ended May 31, 2020

For the year ended May 31	2020	2019
Operating activities		
Net Income	\$ 60,737	\$ (109,826)
Non-cash items		
Amortization expense	88,184	112,381
Amortization of deferred capital contributions	(79,888)	(87,572)
	69,033	(85,017)
Change in non-cash working capital items		
Accounts receivable	(3,256)	7,059
Prepaid expenses (and deposits)	(722)	(2,271)
Inventory	-	151
Accounts payable and accrued liabilities	(14,171)	17,026
Goods and service tax	(424)	(78)
Wages payable	7,416	(4,686)
Rental refunds	17,713	-
Deferred revenue	(2,875)	(20,842)
Customer deposit	(3,659)	426
	69,055	(88,232)
Investing activities		
Purchase of equipments	-	(17,150)
Leasehold improvements - Hall	(46,921)	(111,565)
Leasehold improvements - Arena	-	(63,320)
Investments matured or redeemed	524,284	703,622
Investments purchased	(597,394)	(519,281)
	(120,031)	(7,694)
Financing activities		
Use of deferred cash	(402,711)	(415,838)
Grant proceeds	443,935	512,073
Casino proceeds	-	67,704
	41,224	163,939
Increase (decrease) in cash	(9,752)	68,013
Cash, beginning of year	714,061	646,048
Cash, end of year	\$ 704,309	\$ 714,061
Cash consists of:		
Unrestricted cash	\$ 99,426	\$ 92,312
Internally restricted cash	94,959	94,940
Restricted cash	509,924	526,809
	\$ 704,309	\$ 714,061

The accompanying notes are an integral part of these financial statements

MILLICAN OGDEN COMMUNITY ASSOCIATION
GENERAL OPERATIONS
May 31, 2020

For the year ended May 31	2020	2019
Revenue		
Grants	\$ 49,322	\$ 1,300
Upper hall and other rentals	24,244	34,576
Lower hall and other rentals	13,219	14,413
Amortization of deferred capital contributions	10,772	32,201
Interest income	8,128	6,663
Programs and fundraising events	7,917	5,089
Reimbursement	4,875	14,583
Miscellaneous	2,636	11,093
Membership	2,230	1,750
Donations	-	272
	123,343	121,940
Expenses		
Wages and salaries	77,617	94,664
Utilities	20,495	11,548
Repair and maintenance	17,014	3,427
Amortization	10,772	9,726
Fundraising	9,679	11,687
Supplies	8,789	5,152
Unclaimable GST	6,901	4,092
Insurance	5,088	5,502
Office	3,433	397
Advertising and promotion	2,653	2,587
Professional fees	1,227	7,959
Bank charges and fees	988	1,648
Professional development	180	872
	164,836	159,261
	\$ (41,493)	\$ (37,321)

The accompanying notes are an integral part of these financial statements

MILLICAN OGDEN COMMUNITY ASSOCIATION
ARENA OPERATIONS
May 31, 2020

For the year ended May 31	2020	2019
Revenue		
Ice contracts	\$ 307,412	\$ 158,128
Grants	83,343	67,345
Amortization of deferred capital contribution	37,950	20,238
Casino contribution	13,054	-
Miscellaneous	8,943	6,048
Casual rentals	3,113	1,816
Shinny	2,566	2,296
Public skate	1,354	678
Summer contracts	-	18,400
	457,735	274,949
Expenses		
Wages and salaries	185,185	157,017
Utilities	50,825	64,937
Amortization	37,950	59,077
Repair and maintainance	26,527	30,167
Supplies	7,367	5,526
Insurance	3,534	4,318
Office	3,441	6,759
Professional fees	2,797	1,661
Training	1,835	2,504
	319,461	331,966
	\$ 138,274	\$ (57,017)

The accompanying notes are an integral part of these financial statements

MILLICAN OGDEN COMMUNITY ASSOCIATION
CASINO OPERATIONS
May 31, 2020

For the year ended May 31	2020	2019
Revenue		
Amortization of deferred capital contributions	\$ 30,996	\$ 34,874
Casino contributions - M.O.C.A	28,306	59,545
Interest income	1,067	-
Casino contributions - Legion	-	3,566
	60,369	97,985
Expenses		
Amortization	30,996	34,874
MOCA building maintenance	19,104	24,711
Arena building maintenance	7,277	24,623
Unclaimable goods and service tax	2,320	3,120
Office	672	1,484
Facility equipment	-	5,607
Legion donation expenses	-	3,566
	60,369	97,985
	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

MILLICAN OGDEN COMMUNITY ASSOCIATION
SOUTH EAST CALGARY COMMUNITY RESOURCE CENTRE
May 31, 2020

For the year ended May 31	2020	2019
Revenue		
Grants	\$ 323,084	\$ 351,387
Donations	5,560	8,063
Programs and fundraising events	4,857	2,233
Interest income	490	452
Amortization of deferred capital contribution	170	170
	334,161	362,305
Expenses		
Wages and salaries	296,791	287,338
Utilities	13,219	13,249
Supplies	9,605	15,010
Amortization	8,466	8,142
Professional fees	8,437	18,620
Travel	7,750	8,792
Fundraising	6,742	9,363
Rent	6,630	-
Repair and maintenance	6,223	10,867
Office	3,788	1,476
Unclaimable goods and service tax	1,014	1,033
Professional development	1,009	2,830
Bank charges and fees	531	386
Insurance	-	687
	370,205	377,793
	\$ (36,044)	\$ (15,488)

The accompanying notes are an integral part of these financial statements

1. Nature of operations

Millican Ogden Community Association (the "M.O.C.A") was registered as a not-for-profit association under the Societies Act of the Province of Alberta on April 23, 1956.

The M.O.C.A is currently a registered charitable organization and is exempt from income taxes under Section 149 of the Canadian Income Tax Act. The M.O.C.A's charity registration business number with Canada revenue agency is 107702722 RR 0001.

The M.O.C.A was established to promote the welfare of the community as a whole, to operate a facility for social, recreational, culture and community purposes and encourage and promote amateur games and healthy recreation for the public at large.

The M.O.C.A acts as the operator and official agent for the South East Calgary Community Resource Centre (SECCRC), where the mission is to engage, empower and assist residents to be self sufficient through the provision of programs, services and resources.

2. Significant accounting policies

The financial statements of the Centre have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). The financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies.

(a) Fund accounting deferred

The M.O.C.A follows the deferral method of accounting for contributions which includes grants and donations. Contributions for capital items are included as deferred capital contributions and are amortized to revenue at the same rate and on the same basis as amortization of the related capital items.

Restricted cash contributions are recognized as revenue in the year in which the related expenses are made. Unrestricted cash contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions are recognized as direct increases in net assets.

Interest income is recognized as it is earned.

Membership revenue is recognized when received.

2. Significant accounting policies, continued

(b) Funds presentation

These financial statements have been presented based on the various funds as follows:

(i) General - This fund includes operations which are not included in other funds. This includes hall rentals, lounge, micro grant program and community events.

(ii) Arena - This fund includes all operations of the Jack Setter Arena.

(iii) Casino - This fund includes gaming proceeds from casino events. The usage of contribution is restricted by Alberta Gaming and Liquor Commission according to its approved use of proceeds.

(iv) South East Calgary Community Resources Centre (SECCRC) - This fund includes all operations of the SECCRC which provides resources, referral, information and support to residents in the south east area of Calgary.

(c) Cash and cash equivalents

Cash and cash equivalents include cash balance restricted and unrestricted and GICs which are matured within a year.

(d) Inventory

Inventory held for consumption, consisting of food and beverage, is recorded at the lower of cost and replacement cost. Cost is determined using the first-in, first-out method.

(e) Capital assets

Capital assets are recorded at cost. The M.O.C.A provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Arena Improvement	Straight-line	20 years
Hall / Lounge	Straight-line	20 years
Annex	Straight-line	20 years
Equipment and Furniture	Straight-line	10 years
SECCRC	Straight-line	20 years

2. Significant accounting policies, continued

(f) Accounting estimates

The preparation of financial statements in conformity with Canadian ASNPO requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Accounts specifically affected by such estimates are accounts receivable, inventory, capital assets, accounts payable and accrued liabilities, payroll payable, deferred revenue and deferred cash and capital contribution.

By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. Changes in estimates are recognized in the period of determination.

(g) Impairment of long-lived assets

The M.O.C.A adopted the recommendations of CPA Canada Handbook - Accounting Section 3063, Impairment of Long-lived Assets. This standard requires that long-lived assets be tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss should be recognized when the carrying amount of an asset exceeds its fair value. The adoption of this accounting policy had no impact on the M.O.C.A's financial position, results of operations or cash flow.

(h) Leases

Leases are classified as either capital or operating leases. Leases that transfer substantially all of the benefits and inherent risks of ownership of property to the Centre are accounted for as capital leases. At the time a capital lease is entered into, an asset is recorded together with its related long-term obligation to reflect the acquisition and financing. Equipment recorded under capital leases is amortized on the same basis as described above. Payments under operating leases are expensed as incurred.

(i) Deferred cash contributions

The deferred cash contributions represent the unspent portion of externally restricted contributions. These amounts are recorded as liabilities as they are not recognized as revenue until the related expenses have occurred.

(j) Contributed services

Contributions of materials and services are recognized in the financial statements at fair value at the date of contribution, but only when a fair value can be reasonably estimated and when the materials and services are used in the normal course of operations, and would otherwise have been purchased.

2. Significant accounting policies, continued

(k) Financial instruments

(i) Measurement of financial instruments

The M.O.C.A initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument. Amounts due to and from related parties are measured at the exchange amount, being the amount agreed upon by the related parties.

The M.O.C.A subsequently measures its financial assets and financial liabilities at amortized cost, except for derivatives and equity securities quoted in an active market, which are subsequently measured at fair value. Forward exchange contracts and interest rate swaps that are not hedging items are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, accounts receivable, goods and service tax, prepaid expenses and inventory.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, goods and service tax, wages payable, renal refund payable and deferred revenue.

Financial assets measured at fair value include a number of other investments, i.e. quoted shares.

(ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income. The write down reflects the difference between the carrying amount and the higher of:

- ♦ the present value of the cash flows expected to be generated by the asset or group of assets;
- ♦ the amount that could be realized by selling the assets or group of assets;
- ♦ the net realizable value of any collateral held to secure repayment of the assets or group of assets.

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment.

MILLICAN OGDEN COMMUNITY ASSOCIATION
Notes to the Financial Statements
May 31, 2020

3. Externally restricted assets and deferred cash contributions

	General	Casino	SECCRC	2020 Total	2019 Total
Casino bank account	\$ -	\$ 69,924	\$ -	\$ 69,924	\$ 106,059
Community Facility Enhancement grant (CFEP)	50,000	-	-	50,000	50,000
Enabling accessibility grant	350,000	-	-	350,000	350,000
Microgrant program (TIMN)	5,000	-	-	5,000	-
CSFA held in the CRC bank account	-	-	-	-	7,552
FCSS held in the CRC bank account	-	-	-	-	13,198
United ways Covid-19 funds	-	-	35,000	35,000	-
	<u>405,000</u>	<u>69,924</u>	<u>35,000</u>	<u>509,924</u>	<u>526,809</u>
Casino funds (Legion) held in GIC	-	416,378	-	416,378	405,701
Casino funds held in general bank	-	-	-	-	(2,060)
Accrued interest on restricted GIC	-	246	-	246	148
GST receivable, restricted	-	-	-	-	2,943
	<u>-</u>	<u>416,624</u>	<u>-</u>	<u>416,624</u>	<u>406,732</u>
	<u>\$ 405,000</u>	<u>\$ 486,548</u>	<u>\$ 35,000</u>	<u>\$ 926,548</u>	<u>\$ 933,541</u>

MILLICAN OGDEN COMMUNITY ASSOCIATION
Notes to the Financial Statements
May 31, 2020

4. Cash, unrestricted

	2020	2019
Cash on hand and balances with bank	\$ 94,825	\$ 92,313
Cheque issued and outstanding	(399)	-
	\$ 94,426	\$ 92,313

5. Guaranteed investment certificates (GIC) and restricted cash

	2020	2019
GICs term deposits are as follows:		
GIC, 0.35%, maturing on November 23, 2020 - Internally restricted - Arena	\$ 50,775	\$ 49,865
GIC, 0.35%, maturing on September 21, 2020 - Internally restricted - Hall	64,733	63,715
GIC, 1.23%, maturing on October 26, 2020 - Internally restricted - Hall	60,505	-
Sub total - Internally restricted funds	176,013	113,580
GIC, 1.32%, maturing on May 21, 2021 - Unrestricted	5,003	5,003
GIC, 0.59%, maturing on May 26, 2021 - Externally restricted	416,378	405,701
Sub total	421,381	410,704
Total GICs	\$ 597,394	\$ 524,284

The GICs are held in the following funds:

General fund	181,016	118,583
Casino fund (note 3)	416,378	405,701
Total	\$ 597,394	\$ 524,284

Internally restricted cash as follows:

Cash - Internally restricted	\$ 94,959	\$ 94,940
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According to an agreement with the City of Calgary, \$17,000 had been added yearly to the arena reserve fund to develop a reserve for renovations or major repairs. On March 1, 2016, this agreement was terminated by the City of Calgary. A decision was made to retain some of above funds as internally restricted funds to be allocated between the arena and community hall.

MILLICAN OGDEN COMMUNITY ASSOCIATION
Notes to the Financial Statements
May 31, 2020

6. Prepaid expenses and deposits

Prepaid expenses and deposits consists of prepaid insurance, prepaid alarm monitoring costs and grocery cards.

7. Accounts receivable

Accounts receivable includes \$7,131 receivable from Canada Wage Subsidy Program (Note 14).

8. Capital assets

	Cost	Accumulated Amortization	2020 Net Book Value	2019 Net Book Value
Arena improvement	\$ 1,332,299	\$ 679,294	\$ 653,005	\$ 698,494
Equipment and furniture	344,115	267,858	76,257	90,262
Leasehold improvements Community centre improvement	234,875	53,284	181,591	170,819
SECCRC	200,248	118,453	81,795	65,870
	176,622	175,943	679	9,145
	\$ 2,288,159	\$ 1,294,832	\$ 993,327	\$ 1,034,590

Above includes the additions of \$25,699 for community centre improvements during the year and used the casino funds for the additons.

9. Deferred Capital Contributions

	2020	2019
Balance from previous year	\$ 867,391	\$ 478,729
Adjustments	1,297	323,863
Additions	46,921	152,371
Amortization	(79,888)	(87,572)
	835,721	867,391
Amortization of deferred capital as follows:		
General operations	10,772	32,201
Arena operations	37,950	20,327
Casino operations	30,996	34,874
SECCRC	170	170
	\$ 79,888	\$ 87,572

MILLICAN OGDEN COMMUNITY ASSOCIATION
Notes to the Financial Statements
May 31, 2020

10. Funds allocation

	Opening	Additions	Contributed capital assets	Contributed to operations	2020	2019
General funds						
Community Facility Enhancement Program (CFEP)	\$ 350,000	\$ -	\$ -	\$ -	\$ 350,000	\$ 350,000
Government of Canada - Enabling Accessibility Grant	50,000	-	-	-	50,000	50,000
City of Calgary - Community Sustainability Reserve Grant	-	106,691	-	(106,691)	-	-
Microgrant program	5,000	-	-	-	5,000	-
	405,000	106,691	-	(106,691)	405,000	400,000
SECCRC funds						
Family and Community Support Services - Capital	7,186	79,052	-	(86,238)	-	7,186
Family and Community Support Services - Critical	6,013	66,043	-	(72,056)	-	6,013
Calgary and Area Child and Family Services	7,551	66,026	-	(73,577)	-	7,551
United way	-	91,123	-	(91,123)	-	-
United way - Covid 19	-	35,000	-	-	35,000	-
	20,750	337,244	-	(322,994)	35,000	20,750
TOTAL FUNDS ALLOCATION	\$ 425,750	\$ 443,935	\$ -	\$ (429,685)	\$ 440,000	\$ 420,750

11. Fundraising expenses

As required under section 7(2) of the Charitable Fundraising Regulation of Alberta, the following amounts are disclosed:

Direct costs incurred for the purpose of soliciting contributions \$9,679 (2019 - \$11,687). Amounts paid as remuneration to employees whose principal duties involve fundraising \$Nil, (2019 - \$Nil).

12. Contributed goods and services

Contributed services and donated goods are recognized in the financial statements when their fair value can be reasonably determined, when the services and goods are used in the normal course of the M.O.C.A's operations and when they would otherwise have been purchased.

A substantial number of volunteers have made significant contributions of their time to develop the M.O.C.A's programs. The value of this contributed time is not reflected in these financial statements.

13. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Fair value

The M.O.C.A's carrying value of cash, accounts receivable, prepaid expenses, inventory, accounts payable and accrued liabilities, wages payable, rental refunds, deferred revenue and damage deposits approximates its fair value due to the immediate or short term maturity of these instruments.

The carrying value of GICs approximates the fair value because the interest rates are comparable to market rates.

(b) Credit risk

Credit risk is the risk that the M.O.C.A will incur a financial loss because a contributor or counterparty fails to discharge an obligation. The M.O.C.A is exposed to credit risk through its cash and its accounts receivable from customers. The M.O.C.A has a number of different clients to rent the arena, which reduces the concentration of credit risk from clients.

The M.O.C.A has a concentration of credit risk with respect to cash as all of the cash and GICs are held at one financial institution, and as such, the M.O.C.A is exposed to the risks of the institution. The financial institution has deposit insurance through the Canada Deposit Insurance Corporation to minimize any potential loss to the M.O.C.A

13. Financial instruments, continued

(c) Liquidity risk

Liquidity risk is the risk the M.O.C.A may not be able to meet its obligations. The M.O.C.A has restricted and unrestricted cash and GICs in place. M.O.C.A has enough cash from the operations to meet their obligations as they come due.

(d) Interest rate risk

Interest rate risk relates to the risk that changes in interest rates will affect the fair value or future cash flows of financial instruments held by the M.O.C.A. The M.O.C.A is invested in a number of GICs.

In order to accommodate possible interest rate changes, the GICs are invested for short term of one year.

It is management's opinion that M.O.C.A exposure to the above financial instrument risk is low and not material.

14. Covid 19 impact

In March 2020, the World Health Organization characterized the COVID-19 virus as a global pandemic. The spread of COVID-19 virus has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. The Management had anticipated that these events will impact M.O.C.A's operations. The arena and community centre has been shut down temporarily. The M.O.C.A had able to obtain the various government incentive programs such as Canada emergency wage subsidy (Note 7), and other grants for the operational purpose.

Management has assessed the M.O.C.A's ability to continue as a going concern over a period which is at least, but not limited to, twelve months from the balance sheet date. As at May 31, 2020, management has determined that there are no issues with the M.O.C.A's ability to continue as a going concern.

15. Commitment

The land on which hall is situated on is leased from the City of Calgary for a period of fifteen years at \$10 per year. The lease term is from 2012 to 2027.

16. Subsequent events

Subsequent to year end, the M.O.C.A has withdrawn \$150,000 from Casion fund for community hall's improvements.