

**MILlicAN OGDEN COMMUNITY ASSOCIATION**  
**2021 Financial Statements**  
Year ended May 31, 2021

**MILlicAN OGDEN COMMUNITY ASSOCIATION**  
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Year ended May 31, 2021

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# Versatile Accounting Professional Corporation

## Chartered Professional Accountant

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### Independent Auditor's Report

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To the Members of Millican Ogden Community Association

#### *Opinion*

I have audited the financial statements of Millican Ogden Community Association (the "M.O.C.A"), which comprise the as at May 31, 2021, 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 my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the M.O.C.A as at May 31, 2021, 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*

I have conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the M.O.C.A in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### *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

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### Independent Auditor's Report, continued

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

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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

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### Independent Auditor's Report, continued

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I have 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 I identify during my audit.



Versatile Accounting Professional Corporation  
Chartered Professional Accountant  
Calgary, AB  
October 12, 2021

# MILLICAN OGDEN COMMUNITY ASSOCIATION

## Balance Sheet

As at May 31, 2021

For the year ended May 31	General	Casino	Southeast Calgary Community Resource Centre	2021 Total	2020 Total
<b>ASSETS</b>					
<b>CURRENT</b>					
Cash, unrestricted (Note 4)	\$ 53,251	\$ -	\$ 110,630	\$ 163,881	\$ 99,426
Cash, externally restricted (Note 3)	405,000	167,446	-	572,446	509,924
Cash in GIC, internally restricted (Note 5)	155,717	-	-	155,717	94,959
Guaranteed investment certificates, externally restricted (Note 5)	-	267,845	-	267,845	416,378
Guaranteed investment certificates, internally restricted (Note 5)	115,908	-	-	115,908	176,013
Guaranteed investment certificate, unrestricted (Note 5)	5,003	-	-	5,003	5,003
Accounts receivable (Note 7)	13,284	98	-	13,382	10,456
Goods and service tax	-	-	-	-	2,596
Prepaid expenses (Note 6)	5,765	-	375	6,140	8,887
Inventory	1,786	-	-	1,786	1,786
Due from other funds	-	-	-	-	16,955
	755,714	435,389	111,005	1,302,108	1,342,383
Capital assets (Note 8)	598,742	502,031	509	1,101,282	993,327
<b>TOTAL ASSETS</b>	<b>\$ 1,354,456</b>	<b>\$ 937,420</b>	<b>\$ 111,514</b>	<b>\$ 2,403,390</b>	<b>\$ 2,335,710</b>

The accompanying notes are an integral part of these financial statements

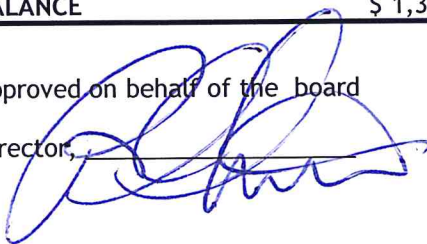
# MILlican OGDEN COMMUNITY ASSOCIATION

## Balance Sheet As at May 31, 2021

For the year ended May 31	General	Casino	Southeast Calgary Community Resource Centre	2021 Total	2020 Total
<b>LIABILITIES</b>					
<b>CURRENT</b>					
Accounts payable and accrued liabilities	\$ 33,622	\$ 625	\$ 7,058	\$ 41,305	\$ 19,393
Wages payable	3,471	-	8,509	11,980	12,663
Rental refunds	-	-	-	-	17,713
Damage deposits	11,976	-	-	11,976	12,467
Deferred cash contributions (Note 3)	405,000	435,290	-	840,290	926,548
Due to other funds	-	-	-	-	16,955
	454,069	435,915	15,567	905,551	1,005,739
Deferred capital contributions (Note 9)	443,120	501,505	509	945,134	835,721
Commitments (Note 15)					
Subsequent event (Note 16)					
<b>FUND BALANCES</b>					
	457,267	-	95,438	552,705	494,250
<b>TOTAL LIABILITIES AND BALANCE</b>	<b>\$ 1,354,456</b>	<b>\$ 937,420</b>	<b>\$ 111,514</b>	<b>\$ 2,403,390</b>	<b>\$ 2,335,710</b>

Approved on behalf of the board

Director,



Director,



The accompanying notes are an integral part of these financial statements

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**MILlicAN OGDEN COMMUNITY ASSOCIATION****Statement of Operations**

For the year ended May 31, 2021

For the year ended May 31	2021	2020
<b>Revenue</b>		
General operations (Schedule 1)	\$ 143,306	\$ 123,343
Arena (Schedule 2)	351,164	457,735
Casino (Schedule 3)	40,834	60,369
South East Calgary Community Centre (Schedule 4)	400,865	334,161
	<u>936,169</u>	<u>975,608</u>
<b>Expenses</b>		
General operations (Schedule 1)	166,716	164,836
Arena (Schedule 2)	367,951	319,461
Casino (Schedule 3)	40,834	60,369
South East Calgary Community Centre (Schedule 4)	302,213	370,205
	<u>877,714</u>	<u>914,871</u>
<b>Net income</b>	<u>\$ 58,455</u>	<u>\$ 60,737</u>

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, 2021

	General		Casino		Southeast Calgary Community Resource Centre		2021	2020
For the year ended May 31	2021		2021		2021		Total	Total
Balance, beginning of year	\$	497,461	\$	-	\$	(3,211)	\$ 494,250	\$ 433,513
Income (loss)		(40,194)		-		98,649	58,455	60,737
Balance, ending of year	\$	457,267	\$	-	\$	95,438	\$ 552,705	\$ 494,250

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, 2021

For the year ended May 31	2021	2020
<b>Operating activities</b>		
Net Income	\$ 58,455	\$ 60,737
Non-cash items		
Amortization expense	80,424	88,184
Amortization of deferred capital contributions	(80,424)	(79,888)
	58,455	69,033
Change in non-cash working capital items		
Accounts receivable	(2,926)	(3,256)
Prepaid expenses (and deposits)	2,747	(722)
Accounts payable and accrued liabilities	20,787	(14,171)
Goods and service tax	3,721	(424)
Wages payable	(683)	7,416
Rental refunds	(17,713)	17,713
Deferred revenue	-	(2,875)
Customer deposit	(491)	(3,659)
	63,897	69,055
<b>Investing activities</b>		
Construction in progress - Hall expansion	(170,943)	(46,921)
Investments matured or redeemed	597,394	524,284
Investments purchased	(388,756)	(597,394)
Purchase of capital assets	(17,436)	-
	20,259	(120,031)
<b>Financing activities</b>		
Use of deferred cash	(673,771)	(402,711)
Grant proceeds	721,046	443,935
Casino proceeds	56,304	-
	103,579	41,224
Increase (decrease) in cash	187,735	(9,752)
Cash, beginning of year	704,309	714,061
Cash, end of year	\$ 892,044	\$ 704,309
<b>Cash consists of:</b>		
Unrestricted cash	\$ 163,778	\$ 99,426
Internally restricted cash	155,717	94,959
Restricted cash	572,446	509,924
	\$ 891,941	\$ 704,309

The accompanying notes are an integral part of these financial statements

**MILLICAN OGDEN COMMUNITY ASSOCIATION**  
**GENERAL OPERATIONS**

May 31, 2021

For the year ended May 31	2021	2020
<b>Revenue</b>		
Grants	\$ 99,511	\$ 49,322
Amortization of deferred capital contributions	13,057	10,772
Upper hall and other rentals	9,285	24,244
Reimbursement	8,600	4,875
Miscellaneous	1,732	2,636
Interest income	4,047	8,128
Donations	3,777	-
Membership	2,166	2,230
Lower hall and other rentals	891	13,219
Programs and fundraising events	240	7,917
	143,306	123,343
<b>Expenses</b>		
Wages and salaries	79,008	77,617
Repair and maintenance	16,520	17,014
Utilities	13,975	20,495
Amortization	13,057	10,772
Professional fees	8,900	1,227
Unclaimable GST	12,376	6,901
Supplies	7,763	8,789
Insurance	5,788	5,088
Office	3,989	3,433
Bank charges and fees	2,031	988
Fundraising	1,692	9,679
Advertising and promotion	1,030	2,653
Professional development	587	180
	166,716	164,836
	\$ (23,410)	\$ (41,493)

The accompanying notes are an integral part of these financial statements

**MILLICAN OGDEN COMMUNITY ASSOCIATION**  
**ARENA OPERATIONS**  
May 31, 2021

For the year ended May 31	2021	2020
<b>Revenue</b>		
Grants	\$ 158,044	\$ 83,343
Ice contracts	141,214	307,412
Amortization of deferred capital contribution	34,570	37,950
Casino contribution	12,927	13,054
Casual rentals	4,389	3,113
Miscellaneous	20	8,943
Shinny	-	2,566
Public skate	-	1,354
	351,164	457,735
<b>Expenses</b>		
Wages and salaries	212,490	185,185
Utilities	50,641	50,825
Repair and maintainance	33,318	26,527
Supplies	19,631	7,367
Office	7,224	3,441
Insurance	5,841	3,534
Training	2,550	1,835
Professional fees	1,300	2,797
Bank charges and fees	386	-
Amortization	34,570	37,950
	367,951	319,461
	\$ (16,787)	\$ 138,274

The accompanying notes are an integral part of these financial statements

**MILLICAN OGDEN COMMUNITY ASSOCIATION**  
**CASINO OPERATIONS**  
May 31, 2021

For the year ended May 31	2021	2020
<b>Revenue</b>		
Amortization of deferred capital contributions	\$ 32,627	\$ 30,996
Casino contributions - M.O.C.A	7,510	28,306
Interest income	697	1,067
	<u>40,834</u>	<u>60,369</u>
<b>Expenses</b>		
Amortization	32,627	30,996
Arena building maintenance	6,588	7,277
Facility equipment	1,520	-
Office	99	672
Unclaimable goods and service tax	-	2,320
MOCA building maintenance	-	19,104
	<u>40,834</u>	<u>60,369</u>
	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements



**MILlicAN OGDEN COMMUNITY ASSOCIATION**  
**SOUTH EAST CALGARY COMMUNITY RESOURCE CENTRE**  
May 31, 2021

For the year ended May 31	2021	2020
<b>Revenue</b>		
Grants	\$ 380,518	\$ 323,084
Donations	17,841	5,560
Programs and fundraising events	2,018	4,857
Interest income	318	490
Amortization of deferred capital contribution	170	170
	<b>400,865</b>	<b>334,161</b>
<b>Expenses</b>		
Wages and salaries	245,032	296,791
Professional fees	13,050	8,437
Supplies	10,100	9,605
Utilities	8,958	13,219
Repair and maintenance	6,894	6,223
Rent	5,610	6,630
Fundraising	4,331	6,742
Travel	3,863	7,750
Office	1,534	3,788
Unclaimable goods and service tax	1,000	1,014
Insurance	968	-
Bank charges and fees	419	531
Professional development	284	1,009
Amortization	170	8,466
	<b>302,213</b>	<b>370,205</b>
	<b>\$ 98,652</b>	<b>\$ (36,044)</b>

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
Leasehold Improvement	Straight-line	20 years
Community Center Improvement	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, 2021

**3. Externally restricted assets and deferred cash contributions**

	General	Casino	SECCRC	2021 Total	2020 Total
Casino bank account	\$ -	\$ 82,496	\$ -	\$ 82,495	\$ 69,924
Legion fund balance	-	84,950	-	84,950	-
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	5,000
United ways Covid-19 funds	-	-	-	-	35,000
	405,000	167,446	-	572,445	509,924
Casino funds (Legion) held in GIC	-	267,845	-	267,845	416,378
Accrued interest on restricted GIC	-	-	-	-	246
	-	267,845	-	267,845	416,624
	\$ 405,000	\$ 435,291	\$ -	\$ 840,290	\$ 926,548

**MILLICAN OGDEN COMMUNITY ASSOCIATION**  
**Notes to the Financial Statements**  
May 31, 2021

**4. Cash, unrestricted**

	2021	2020
Cash on hand and balances with bank	\$ 163,881	\$ 94,825
Cheque issued and outstanding	-	(399)
	<u>\$ 163,881</u>	<u>\$ 94,426</u>

**5. Guaranteed investment certificates (GIC) and restricted cash**

	2021	2020
GICs term deposits are as follows:		
GIC, 0.35%, maturing on November 23, 2021 - Internally restricted - Arena	\$ 50,951	\$ 50,775
GIC, 0.35%, maturing on September 21, 2021 - Internally restricted - Hall	64,957	64,733
GIC, 1.23%, maturing on October 26, 2020 - Internally restricted - Hall	-	60,505
Sub total - Internally restricted funds	<u>115,908</u>	<u>176,013</u>
GIC, 1.32%, maturing on May 21, 2022 - Unrestricted	5,003	5,003
GIC, 0.32%, maturing on May 26, 2022 - Externally restricted	267,845	416,378
Sub total	<u>272,848</u>	<u>421,381</u>
Total GICs	<u>\$ 388,756</u>	<u>\$ 597,394</u>

The GICs are held in the following funds:

General fund	120,911	181,016
Casino fund (note 3)	267,845	416,378
Total	<u>\$ 388,756</u>	<u>\$ 597,394</u>

Internally restricted cash as follows:

Cash in GIC account - Internally restricted	<u>\$ 155,717</u>	<u>\$ 94,959</u>
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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, 2021

**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 \$7,742 receivable from Canada Wage Subsidy Program (Note 10).

**8. Capital assets**

	Cost	Accumulated Amortization	2021 Net Book Value
Arena improvement	\$ 1,332,299	\$ 722,464	\$ 609,835
Equipment and furniture	345,572	283,466	62,106
Leasehold improvements	234,875	64,305	170,570
Community centre improvement	217,684	130,365	87,319
SECCRC	176,622	176,113	509
Hall Expansion - Construction in Progress	170,943	-	170,943
	<u>\$ 2,477,995</u>	<u>\$ 1,376,713</u>	<u>\$ 1,101,282</u>
Arena improvement	\$ 1,332,299	\$ 679,294	\$ 653,005
Equipment and furniture	344,115	267,858	76,257
Leasehold improvements	234,875	53,284	181,591
Community centre improvement	200,248	118,453	81,795
SECCRC	176,622	175,943	679
	<u>\$ 2,288,159</u>	<u>\$ 1,294,832</u>	<u>\$ 993,327</u>

Hall Expansion - Construction in progress as a result asset is not in use, therefore no amortization claimed for the year.

**MILLICAN OGDEN COMMUNITY ASSOCIATION**  
**Notes to the Financial Statements**  
May 31, 2021

**9. Deferred Capital Contributions**

	2021	2020
Balance from previous year	\$ 835,721	\$ 867,391
Adjustments	-	1,297
Additions	189,837	46,921
Amortization	(80,424)	(79,888)
	945,134	835,721
<b>Amortization of deferred capital as follows:</b>		
General operations	13,057	10,772
Arena operations	34,570	37,950
Casino operations	32,627	30,996
SECCRC	170	170
	\$ 80,424	\$ 79,888

**10. 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 12), and other grants for the operational purpose (note 12).

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, 2021, management has determined that there are no issues with the M.O.C.A's ability to continue as a going concern.

**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 \$1,692 (2020 - \$9,679). Amounts paid as remuneration to employees whose principal duties involve fundraising \$Nil, (2020 - \$Nil).

**MILLICAN OGDEN COMMUNITY ASSOCIATION**  
**Notes to the Financial Statements**  
May 31, 2021

12. Funds allocation	Opening	Additions	Contributed capital assets	Contributed to operations	2021	2020
<b>General funds</b>						
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 - Covid 19 Relief Funding	-	65,923	-	(65,923)	-	-
Canada emergency wage subsidy COVID 19 program	-	171,632	-	(171,632)	-	-
Government of Alberta small and medium business grant	-	20,000	-	(20,000)	-	-
Microgrant program	5,000	-	-	-	5,000	5,000
<b>TOTAL GENERAL FUNDS</b>	<b>405,000</b>	<b>257,555</b>	<b>-</b>	<b>(257,555)</b>	<b>405,000</b>	<b>405,000</b>



**MILLICAN OGDEN COMMUNITY ASSOCIATION**  
**Notes to the Financial Statements**  
May 31, 2021

12. Funds allocation, continued	Opening	Additions	Contributed capital assets	Contributed to operations	2021	2020
<b>SECCRC funds</b>						
Family and Community Support Services - Capital	-	86,236	-	(86,236)	-	-
Family and Community Support Services - Critical	-	72,145	-	(72,145)	-	-
United Way	-	52,558	-	(52,558)	-	-
United Way - Covid 19 relief provincial matching	-	35,000	-	(35,000)	-	-
United way - Phase 1	-	2,000	-	(2,000)	-	-
Second Harvest	-	10,000	-	(10,000)	-	-
Sunrise - Scarcity to Strength	-	30,556	-	(30,556)	-	-
Collobration (Sunrise & BowWest)	-	26,480	-	(26,480)	-	-
City of Calgary resiliency fund	-	50,000	-	(50,000)	-	-
Alberta critical worker benefits	-	3,876	-	(3,876)	-	-
United Way Other Resource Center Grant	-	11,667	-	(11,667)	-	-
<b>TOTAL SECCRC FUNDS</b>	-	380,518	-	(380,518)	-	-

**MILLICAN OGDEN COMMUNITY ASSOCIATION**  
**Notes to the Financial Statements**  
May 31, 2021

12. Funds allocation, continued	Opening	Additions	Contributed capital assets	Contributed to operations	2021	2020
<b>Casino Funds</b>						
AGLC Casino contributions	-	56,304	(56,304)	-	-	-
City of Calgary - Capital Conversation Grant	-	94,599	(94,599)	-	-	-
Legion Funds	-	37,476	(37,476)	-	-	-
<b>TOTAL CASINO FUNDS</b>	-	188,379	(188,379)	-	-	-
<b>TOTAL FUNDS ALLOCATION</b>	\$ 405,000	\$ 826,452	\$ (188,379)	\$ (638,073)	\$ 405,000	\$ 405,000

**13. 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.

**14. 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

**(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.

**14. Financial instruments, continued**

**(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.

**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 received \$16,000 grant from City of Calgary.