
**ST. LAWRENCE NEIGHBOURHOOD
ASSOCIATION**

FINANCIAL STATEMENTS

DECEMBER 31, 2009

AUDITORS' REPORT

To the Members,
St. Lawrence Neighbourhood Association

We have audited the statement of financial position of St. Lawrence Neighbourhood Association as at December 31, 2009 and the statements of operations and net assets for the year then ended. These financial statements are the responsibility of the association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many not-for-profit organizations, the association derives revenue from memberships and fundraising, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, verification of this revenue was limited to the amounts recorded in the records of the association and we were not able to determine whether any adjustments might be necessary to memberships and fundraising revenue, excess of revenue over expenses for the year, assets and net assets.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of donation and fundraising revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the association as at December 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants
Licensed Public Accountants

March 16, 2010
Toronto, Ontario

ST. LAWRENCE NEIGHBOURHOOD ASSOCIATION

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2009

2009

2008

ASSETS

Current assets

Cash

\$ 29,466

\$ 32,190

LIABILITIES AND NET ASSETS

Current liabilities

Accounts payable and accrued liabilities

\$ 800

\$ 800

Deferred grant

6,240

800

7,040

Net assets

Unrestricted

28,666

25,150

\$ 29,466

\$ 32,190

Approved on behalf of the Board:

_____, Director

_____, Director

see accompanying notes

ST. LAWRENCE NEIGHBOURHOOD ASSOCIATION

STATEMENT OF OPERATIONS AND NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2009

2009

2008

REVENUE

Fundraising	\$ 22,980	\$ 18,005
Membership fees	9,218	8,978
Government grant	<u>6,240</u>	<u>2,560</u>
	<u>38,438</u>	<u>29,543</u>

EXPENSES

Special events	21,002	8,505
Project costs	7,132	8,121
Community donations	2,000	2,960
Recording secretary	1,671	1,960
Telephone	1,422	1,150
Professional fees	1,019	1,019
Office supplies	476	1,448
Other	<u>200</u>	<u>150</u>
	<u>34,922</u>	<u>25,313</u>

EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR

3,516 4,230

Net assets, beginning of year

25,150 20,920

NET ASSETS, END OF YEAR

\$ 28,666 \$ 25,150

see accompanying notes

ST. LAWRENCE NEIGHBOURHOOD ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2009

1. THE ORGANIZATION

St. Lawrence Neighbourhood Association (the "association") is a not-for-profit organization incorporated without share capital in the Province of Ontario. The association's objective is to enhance the quality of life in the St. Lawrence neighbourhood in the City of Toronto. It does this by encouraging change and development in a manner beneficial to all its residents and holding events that nurture a sense of community.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles on a basis consistent with prior years and include the following significant policies:

Capital assets

Capital assets having an individual cost of \$1,000 or greater are recorded at cost and capitalized in the accounts. Capital assets are amortized on a straight-line basis over three years.

Revenue recognition

The organization follows the deferral method of revenue recognition. Its principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

- i) Membership fees are recorded when received.
- ii) Government grants related to current expenditures are reflected in the accounts as a revenue item in the current year. Grants received in the year for expenses to be incurred in the following fiscal year are recorded as deferred revenue. Grants related to the purchase of furniture and equipment are recorded as revenue in the same period the related furniture and equipment are charged to operations.
- iii) Fundraising and donation revenue is recorded when funds are received. Donated materials and services which are normally purchased by the organization are not recorded in the accounts.

Expense recognition

Expenses are recorded when goods or services are consumed.

3. FINANCIAL INSTRUMENTS

The organization classifies the financial assets and financial liabilities into one of the following categories:

Held-for-trading - This category is comprised of cash.

Other financial assets and liabilities - Other financial assets and liabilities are carried at cost, which approximates their fair value due to their short-term nature.

It is management's opinion that the organization is not exposed to significant interest, currency or credit risks.

ST. LAWRENCE NEIGHBOURHOOD ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2009

4. MANAGEMENT OF CAPITAL

In managing capital, the organization focuses on liquid resources available for operations. The organization's objective is to have sufficient liquid resources to continue operating despite adverse events with financial consequences and to provide it with the flexibility to take advantage of opportunities that will advance its purposes. The need for sufficient liquid resources is considered in the preparation of an annual budget and in the monitoring of cash flows and actual operating results compared to the budget. As at December 31, 2009, the organization had met its objective of having sufficient liquid resources to meet its current obligations.

5. INCOME TAX STATUS

The association is exempt from income tax in Canada as a not-for-profit organization under Section 149(1)(L) of the Income Tax Act (Canada).

6. CASH FLOWS

A cash flow statement has not been provided as the cash flow information is readily apparent from other statements.