

Financial statements of

**University Neighbourhoods
Association**

March 31, 2007

University Neighbourhoods Association

March 31, 2007

Table of contents

Auditors' report	1
Statement of operations	2
Statement of changes in net assets	3
Statement of financial position	4
Statement of cash flows	5
Notes to the financial statements.....	6-7

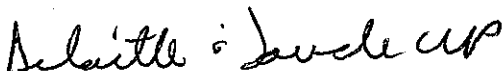
Auditors' report

To the Board of Directors of
University Neighbourhoods Association

We have audited the statement of financial position of University Neighbourhoods Association as at March 31, 2007 and the statements of operations, changes in net assets and cash flows 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.

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 our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2007 and the results of its operations, changes in its net assets and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants
July 4, 2007

University Neighbourhoods Association

Statement of operations

year ended March 31, 2007

	2007	2006
	\$	\$
Revenues		
Grants	1,151,230	630,161
Province of B.C.	-	20,000
Campus Community Planning	-	13,500
Municipal consulting support	-	66,667
Other	23,046	36,220
	1,174,276	766,548
Expenses		
Landscaping	270,100	148,988
Salaries and benefits	189,411	207,697
Sewer and drainage	109,605	56,092
Community service cards and community support	90,329	114,714
Office	73,698	62,577
Management fees	42,500	21,400
Sustainability Committee	34,926	-
Community support	32,294	8,914
Street lights	25,423	18,385
Road, gutter and sidewalk maintenance	22,124	13,139
Parking and security	19,485	50,503
General meetings and board meetings	14,367	12,531
Amortization of equipment	9,633	9,447
Communication	5,016	16,860
Miscellaneous	1,118	-
Library services	-	37,147
	940,029	778,394
Excess (deficiency) of revenues over expenses	234,247	(11,846)

University Neighbourhoods Association

Statement of changes in net assets
year ended March 31, 2007

	2007			2006
	Invested in equipment	Unrestricted	Total	Total
	\$	\$	\$	\$
Balance, beginning of year	22,810	20,697	43,507	55,353
Excess (deficiency) of revenues over expenses	(9,633)	243,880	234,247	(11,846)
Investment in equipment	10,900	(10,900)	-	-
Balance, end of year	24,077	253,677	277,754	43,507

University Neighbourhoods Association

Statement of financial position
as at March 31, 2007

	2007	2006
	\$	\$
Assets		
Current assets		
Cash and term deposit	553,999	223,898
Accounts receivable	3,910	4,040
Prepaid expenses	12,917	22,167
	570,826	250,105
Equipment (Note 3)	24,077	22,810
	594,903	272,915
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	302,232	208,741
Deferred revenues	14,917	20,667
	317,149	229,408
Net assets		
Invested in equipment	24,077	22,810
Unrestricted	253,677	20,697
	277,754	43,507
	594,903	272,915

Approved by the Board of Directors

Director

Director

University Neighbourhoods Association

Statement of cash flows

year ended March 31, 2007

	2007	2006
	\$	\$
Operating activities		
Excess (deficiency) of revenues over expenses	234,247	(11,846)
Item not involving cash		
Amortization of equipment	9,633	9,447
	243,880	(2,399)
Changes in non-cash operating items		
Accounts receivable	130	460
Prepaid expenses	9,250	7,393
Accounts payable, accrued liabilities and deferred revenues	87,741	(66,747)
	341,001	(61,293)
Investing activity		
Purchase of equipment	(10,900)	(13,162)
Net cash inflow (outflow)	330,101	(74,455)
Cash and term deposit, beginning of year	223,898	298,353
Cash and term deposit, end of year	553,999	223,898
Cash and term deposit is comprised of		
Cash	501,222	171,937
Term deposit	52,777	51,961
	553,999	223,898

University Neighbourhoods Association

Notes to the financial statements

March 31, 2007

1. Description of operations

University Neighbourhoods Association (the "Association") is a not-for-profit organization incorporated under the Society Act of British Columbia on May 29, 2002. The Association represents the residents of the local areas and Hampton Place, and delivers municipal like services to them. The Association operates within the guidelines of its constitution and by-laws, and the Neighbours' Agreement between the Association and the University of British Columbia (the "Agreement").

The Association's operations are funded by service levies (property taxes) pursuant to the Agreement. During the year, the Association received \$1,134,980 (2006 - \$630,161) in funding pursuant to this Agreement. As a not-for-profit organization, the Association is not subject to income taxes.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles and reflect the following significant accounting policies:

(a) Revenue recognition

The Association follows the deferral method of accounting for contributions.

Unrestricted contributions including service levies are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the year in which the related expenditures are made. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at the amortization rate of the related capital assets.

Endowment contributions are recognized as direct increases in net assets when received.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

(b) Equipment

Purchased equipment is stated at cost. Amortization is recorded on a declining balance basis as follows:

Office equipment and fixtures	20%
Software	100%

Leasehold improvements are amortized over the life of the lease (three years) and one renewal period (one year) using the straight-line method.

(c) Donated materials and services

The Association does not record the value of donated materials and services.

University Neighbourhoods Association

Notes to the financial statements

March 31, 2007

2. Significant accounting policies (continued)

(d) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Equipment

			2007	2006
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Office equipment and fixtures	38,667	14,590	24,077	19,196
Leaseholds	22,900	22,900	-	2,859
Software	2,021	2,021	-	755
	63,588	39,511	24,077	22,810

4. Financial instruments

The carrying value of the Association's cash and term deposit, accounts receivable and accounts payable approximate their fair values.