

**The Hamilton Association  
for the Advancement of Literature, Science and Art**

Financial Statements

(Unaudited)

**For the Fiscal Year  
1 July 2021 to 30 June 2022**

Updated 8 Nov 2022

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Hamilton, Ontario, Canada

[www.haalsa.org](http://www.haalsa.org)

Canada Revenue Agency BN 11923 6651 RR0001

**Financial statements (Unaudited)****Introduction**

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*Please Note*

HAALSA follows the "cash" method of accounting, which recognizes a financial transaction only when cash (or equivalents) is received or paid out. (Cash equivalents include cheques, e-deposits and e-transfers.)

This method prescribes how financial activity is recorded in financial records and what may be included in the principal tables in annual financial statements. Since fiscal 2021-2022 the principal tables in this report have been prepared with a stricter regard than in previous years for the conventions of the cash method of reporting.

The basic rules are: All cash revenue (income) must be reported in the fiscal year received and all cash out-flows (expenses) must be reported in the fiscal year paid out. No portion of revenue or expenses may be assigned to a future fiscal year. No portion of anticipated revenue, traditionally reported as Accounts Receivable, or anticipated expenses, traditionally reported as Accounts Payable, may be reported in the principal tables.

Thus, for example, there is no table reporting, under "Assets", the cost of purchased property (normally reported as an expense) or the fair market value of donated property. Similarly no table distributes across two or more fiscal years the annual reduction (depreciation) in the market value of such assets due to wear and tear through use or functional obsolescence. In addition, the current value of tangible property that is traditionally labelled Inventory (under Assets) — property acquired before or during a fiscal period for use in charitable activities in a future fiscal period — is also excluded from the principal tables.

Readers who are only familiar with the "accrual" method of accounting may be surprised by some of the omissions from the principal tables in this report. Some of these omissions are addressed in line items in the endnotes below some of the tables.

For more information about HAALSA's accounting and reporting practices, see the Additional Notes section in this report.

**Financial statements (Unaudited)****Statement of Financial Position (Net Assets) <sup>a</sup>**

For the fiscal year ending 30 June	2022	2021
<b>Assets</b>		
Cash and cheques on hand <sup>b</sup>	\$ 30.00	\$ 30.00
Cash deposits (TD Bank, Meridian Credit Union) <sup>c</sup>	4,695.33	5,424.30
	<u>4,725.33</u>	<u>5,454.30</u>
Investments		
Short term	24,026.93	23,800.02
Long term	2,117.85	2,058.16
	<u>26,144.78</u>	<u>25,858.18</u>
	<u>30,870.11</u>	<u>31,312.48</u>
<b>Liabilities <sup>d</sup></b>		
Internal		
Restricted funds: the Awards Funds	1,273.25	1,477.01
	<u>1,273.25</u>	<u>1,477.01</u>
	<u><b>29,596.86</b></u>	<u><b>29,835.47</b></u>

**Notes**

a Assets less Liabilities (the "Unrestricted Surplus").

b Includes Cash Box float 30.00 30.00

c Cash deposits at: TD Canada Trust (chequing) 4,945.33 5,474.30

Less cheques outstanding -250.00 -50.00

Meridian Credit Union (savings) 0.00 0.00

d Excludes amounts owed to other organizations and individuals:

Owing to non-arms-length persons 0.00 27.34

**Financial statements (Unaudited)****Statement of Revenue <sup>a</sup>**

For the fiscal year ending 30 June

2022

2021

**Tax-Receiptable Gifts <sup>b, c</sup>**For membership <sup>d</sup>

Individual	\$	541.12	\$	260.32
Household		599.28		358.80
Life		601.60		0.00
		<u>1,742.00</u>		<u>619.12</u>

For an award fund

Maitland Banting Silver Quill fund		71.48		192.00
Science (da Vinci) fund		217.60		10.00
Young Musician fund		224.76		256.80
Young Poet fund		62.60		10.00
		<u>576.44</u>		<u>468.80</u>

For other uses ("Other (Unrestricted)")

	597.24	371.44
	<u>2,915.68</u>	<u>1,459.36</u>

**Non-Tax-Receiptable Gifts and Other Income**

Attendees (excluding guests) at the annual tour/dinner	0.00	0.00
Sales tax rebates <sup>e</sup>	146.25	34.95
Other	224.87 <sup>f</sup>	160.00 <sup>f</sup>
	<u>371.12</u>	<u>194.95</u>

**Interest**

286.60	548.31
<u>3,573.40</u>	<u>2,202.62</u>

**Notes**

a Excludes accounts receivable: Estimated sales tax rebate:	54.58	53.42
Also excludes tax-receiptable non-cash donations	515.00	0.00
b Donated indirectly via a Qualified Donee (CanadaHelps.org)	631.68	639.36
c Donated directly to HAALSA	2,284.00	820.00
d For memberships		
Via direct donation (\$)	n	n
Individual	20	13
Household	30	12
Life	200	0
	<u>49</u>	<u>25</u>
e For 1 Jan to 30 June in the previous fiscal year	53.42	8.30
For 1 Jul to 31 Dec in the reported fiscal year	92.83	26.65
Total rebates received in the reported fiscal year	<u>146.25</u>	<u>34.95</u>
For 1 Jan to 30 Jun: To be claimed   was claimed in July	54.58	53.42
f McMaster Womens Club: For technical assistance re. Zoom		

See also "Additional Notes"

**Financial statements (Unaudited)****Statement of Expenses <sup>a</sup>**

For the fiscal year ending 30 June

2022

2021

**Administration**

Banking & related charges	\$	1.50	\$	3.00
Postage		10.40		12.59
Printing and photocopying		0.00		0.00
Software		236.19		35.00
Supplies		55.92		23.72
Office equipment		372.78		0.00
Other		0.00		0.00
		<u>676.79</u>		<u>74.31</u>

**Annual Dinner**

Payment to restaurant <sup>b</sup>		0.00		0.00
Less cost assigned to "Lectures/Honoraria" <sup>c</sup>		0.00		0.00
Less funds received from those who were not guests <sup>d</sup>		<u>0.00</u>		<u>0.00</u>
		0.00 <sup>e</sup>		0.00 <sup>e</sup>

**Notes**

a Expenses are reported at 100% of their total post-tax cost.

b The cost incurred by the Association for all food and drink consumed by all attendees.

c The cost for food and beverages incurred on behalf of those who attended as guests of the Association. All speakers in the period's lectures series are invited to attend with a guest of their choosing.

d Payments received for the cost of meals consumed by attendees who were not guests, including members of Council. All such persons are required to provide the Treasurer with payment at the advertised rate before leaving the event. Non-guests also pay the restaurant directly for any alcoholic beverages they ordered.

e A net cost is incurred when:

- o the advertised dinner rate proves to be less than the actual per-person cost due to unanticipated fees or other charges; or
- o additional incidental charges are approved by the President during the dinner; or
- o the number of attendees (n) is less than the minimum number (N) specified in the Association's contract with the restaurant, in which case the restaurant charges an additional amount, usually equal to the advertised per-person fee multiplied by the number of non-attendees (N minus n).

**Financial statements (Unaudited)****Statement of Expenses (continued) <sup>a</sup>**

For the fiscal year ending 30 June

2022

2021

**Charitable Works**

## Annual tour

Payment to host	\$	0.00	\$	0.00
Less cost assigned to "..\Lectures\Honoraria"		0.00		0.00
Less funds received from those who were not guests <sup>b</sup>		0.00		0.00
		<u>0.00</u>		<u>0.00</u>

## Awards and gifts

## Awards to individuals

Maitland Banting Silver Quill Award	250.00	250.00
Young Musician Award	250.00	250.00
Young Poet Award	250.00	250.00
	<u>750.00</u>	<u>750.00</u>

Gifts to qualified donees <sup>c</sup>

BASEF (administration cost and Science award) <sup>d</sup>	300.00	300.00
Hamilton Philharmonic Orchestra (joint event)	0.00	0.00
	<u>300.00</u>	<u>300.00</u>

## Gifts to non-qualified donees

0.00 0.00

## Other (photocopying and supplies)

0.00 0.52

1,050.00 1,050.52

## Lecture Series

## Brochure

Postage	0.00	0.00
Printing	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

Honoraria <sup>e</sup>1,100.00 <sup>g</sup> 0.00

## Notices (printing)

0.00 0.00

## Refreshments

0.00 0.00

## Room rental and equipment

1,161.64 <sup>h</sup> 682.52 <sup>h</sup>

## Supplies

0.00 0.00

Travel, food and accommodation <sup>f</sup>

0.00 47.64

2,261.64 730.16

## Internet Services (website, email)

0.00 284.35

3,311.64 2,065.03**Notes**

See page 5.

See also "Additional Notes"

**Financial statements (Unaudited)****Statement of Expenses (continued) <sup>a</sup>**

For the fiscal year ending 30 June	2022	2021
<b>Total Expenses</b>		
Administration	676.79	74.31
Annual Dinner	0.00	0.00
Charitable Works	3,311.64	2,065.03
	<u>3,988.43</u>	<u>2,139.34</u>
Less goods or services received for which payment has not yet been made	0.00	-27.34
	<u><u>3,988.43</u></u>	<u><u>2,112.00</u></u>
Administration costs as a percentage of Total Expenses:	17.0%	3.5%

**Notes**

- a Expenses are reported at 100% of their total post-tax cost.
- b At Council's discretion persons who are not the Association's guests may be asked to reimburse the Association for the amount paid to the tour host on their behalf.
- c Qualified Donee: An organization, including registered Canadian charities, that can, under the Income Tax Act, issue official tax receipts for gifts donated to the organization.
- d BASEF: Bay Area Science and Engineering Fair. At the donee's request, \$50 of our donation is applied to BASEF's administrative costs. BASEF provides the Science Award recipient with a cheque for the amount specified by HAALSA. However, due to the impact of COVID-19 restrictions on judging procedures, Council decided not to identify a recipient for the 2020, 2021, and 2022 fairs. Council supported BASEF in those years by donating our usual total amount.
- e Costs incurred by or on behalf of the Association's guests (season's speakers and others) for any of the following: a) the annual dinner and tour; b) a pre-lecture dinner for a speaker coming from out-of-town; c) a gift, usually a book, given to a speaker immediately post-lecture.
- f Costs incurred by or on behalf of the Association's guests (speakers and others) for: a) travel mileage and meals on route; b) local accommodation (including meals) for speakers coming from out-of-town (but excluding the pre-lecture dinner assigned to Honoraria); and c) on-campus or other parking.
- g Gift certificates for presenters in the fiscal years 2019-2020, 2020-2021, and 2021-2022, in which, due to COVID-19 restrictions, HAALSA hosted no annual dinners or tours.
- h Monthly Zoom licences for meetings and webinars (www.zoom.us). These account for 100% of the amount reported for this category in each period.

**Financial statements (Unaudited)****Statement of Net Revenue**

For the fiscal year ending 30 June	2022	2021
<b>Net Revenue (Loss)</b>		
Total revenue including flow-throughs	\$ 3,573.40	\$ 2,202.62
Less fees paid to HAALSA by tour/dinner attendees	0.00	0.00
	3,573.40	2,202.62
Less Total Expenses	-3,988.43	-2,112.00
	<u>(415.03)</u>	<u>90.62</u>
<b>Change in Net Revenue (the Unrestricted Surplus)</b>		
Balance at start of fiscal year (from 2021   from 2020 )	29,835.47	29,877.43
One-time changes to accord with current tables		
Less: Accounts Receivable	n.a.	-8.30
Other assets (includes inventory)	n.a.	-176.00
Add: Accounts Payable (External)	n.a.	0.00
	n.a.	29,693.13
Additions during the fiscal year		
Total revenue including flow-throughs	3,573.40	2,202.62
Expenses paid from the awards funds	1,050.00	1,050.52
	4,623.40	3,253.14
Deductions during the fiscal year		
Revenue assigned to the awards funds	-576.44	468.80
Transferred to the awards funds	-269.80	530.00
Payment of previous fiscal year's unpaid expenses	-27.34	0.00
Total expenses	-3,988.43	2,112.00
	-4,862.01	3,110.80
Bring to actual	0.00	0.00
	<u>29,596.86</u>	<u>29,835.47</u>

See also "Additional Notes"

**Financial statements (Unaudited)****Statement of Restricted Funds <sup>a</sup>**

For the fiscal year ending 30 June	2022	2021
<b>Maitland Banting Silver Quill Award</b>		
Balance at start of year	\$ 1,420.21	\$ 1,478.73
Additions		
Tax-receipted gifts	71.48	192.00
Less Expenditures		
Miscellaneous (chiefly photocopying)	0.00	-0.52
Award(s) to individuals	<u>-250.00</u>	<u>-250.00</u>
Balance at end of year	1,241.69	1,420.21
<b>Science (da Vinci) Award</b>		
Balance at start of year	0.00	0.00
Additions		
Tax-receipted gifts	217.60	10.00
From the Unrestricted Surplus	82.40	290.00
Less Expenditures		
Gift(s) to BASEF <sup>c</sup>	<u>-300.00</u>	<u>-300.00</u>
Balance at end of year	0.00	0.00
<b>Young Musician Award</b>		
Balance at start of year	56.80	50.00
Additions		
Tax-receipted gifts	224.76	256.80
From the Unrestricted Surplus	0.00	0.00
Less Expenditures		
Award(s) to individuals	<u>-250.00</u>	<u>-250.00</u>
Balance at end of year	31.56	56.80
<b>Young Poet Award</b>		
Balance at start of year	0.00	0.00
Additions		
Tax-receipted gifts	62.60	10.00
From the Unrestricted Surplus	187.40	240.00
Less Expenditures		
Award(s) to individuals	<u>-250.00</u>	<u>-250.00</u>
Balance at end of year	0.00	0.00
	<u>1,273.25</u>	<u>1,477.01</u>
Total transferred in from the Unrestricted Surplus	269.80	530.00
Total paid out to individuals and qualified donees	1,050.00	1,050.00

See also "Additional Notes"

**Financial statements (Unaudited)****Statement of Reserve Fund** <sup>a,b</sup>

For the fiscal year ending 30 June

2022

2021

Purchased	Matures	Instn Term Type (#)	Annual Rate	Principal	Principal
<b>Term Deposits: Short Term</b>					
07-Jul-20	07-Jul-21	MCU 1-Yr (40)	1.50%	\$	\$ 2,309.20
04-Aug-20	04-Aug-21	MCU 1-Yr (31)	1.25%		1,920.45
04-Sep-20	04-Sep-21	MCU 1-Yr (32)	0.95%		1,928.01
04-Oct-20	04-Oct-21	MCU 1-Yr (42)	0.85%		1,879.30
15-Nov-20	15-Nov-21	MCU 1-Yr (35)	0.85%		1,868.21
15-Dec-20	15-Dec-21	MCU 1-Yr (36)	0.85%		1,860.04
15-Jan-21	15-Jan-22	MCU 1-Yr (37)	0.85%		1,861.67
04-Feb-21	04-Feb-22	MCU 1-Yr (38)	0.85%		1,849.91
04-Mar-21	04-Mar-22	MCU 1-Yr (39)	0.85%		1,834.57
04-Apr-21	04-Apr-22	MCU 1-Yr (27)	0.85%		1,842.55
04-May-21	04-May-22	MCU 1-Yr (28)	0.85%		2,315.01
04-Jun-21	04-Jun-22	MCU 1-Yr (29)	0.85%		2,331.10
07-Jul-21	07-Jul-22	MCU 1-Yr (40)	1.00%	2,343.84	
04-Aug-21	04-Aug-22	MCU 1-Yr (31)	1.00%	1,944.46	
04-Sep-21	04-Sep-22	MCU 1-Yr (32)	1.00%	1,946.33	
04-Oct-21	04-Oct-22	MCU 1-Yr (42)	1.00%	1,895.27	
15-Nov-21	15-Nov-22	MCU 1-Yr (35)	1.00%	1,884.09	
15-Dec-21	15-Dec-22	MCU 1-Yr (36)	1.40%	1,875.85	
15-Jan-22	15-Jan-23	MCU 1-Yr (37)	1.40%	1,877.49	
04-Feb-22	04-Feb-23	MCU 1-Yr (38)	1.65%	1,865.63	
04-Mar-22	04-Mar-23	MCU 1-Yr (39)	2.00%	1,850.16	
04-Apr-22	04-Apr-23	MCU 1-Yr (27)	2.00%	1,858.21	
04-May-22	04-May-23	MCU 1-Yr (28)	2.75%	2,334.69	
04-Jun-22	04-Jun-23	MCU 1-Yr (29)	3.25%	2,350.91	
				<u>24,026.93</u>	<u>23,800.02</u>

Purchased	Matures	Instn Term Type (#)	Mean Annual Rate <sup>d</sup>	Principal + interest to date	Principal + interest to date
<b>Term Deposits: Long Term <sup>c</sup></b>					
18-Oct-19	18-Oct-22	MCU 3-Yr BCTD (34)	2.90%	2,117.85	2,058.16
				<u>26,144.78</u>	<u>25,858.18</u>

See also "Additional Notes"

**Financial statements (Unaudited)****Statement of Reserve Fund (continues)** <sup>a,b</sup>

For the fiscal year ending 30 June	2022	2021
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**Notes**

a This section was titled "Investments (Term Deposits)" prior to the report for FY 2021–2022.

b Principal and interest are guaranteed by the Deposit Insurance Corporation of Ontario.

c Value of Long Term investments maturing in the next 12 months, excluding final interest payments:	2,117.85	2,058.16
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d Mean Annual Rate (n`-year term): (Year-1 rate + Year-2 rate + ...) / n.

Annual rates vary within and across long-term deposits.

**Abbreviations**

MCU Meridian Credit Union

3-Yr Esc 3-Year Escalator. Fully cashable on each anniversary date. Interest compounded annually.

3-Yr BCTD 3-Year Business Cashable Term Deposit. Redeemable after 90 days. Reduced rate if redeemed before maturity date.

**Financial statements (Unaudited)****Additional Notes**

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**1. Organization**

The Hamilton Association for the Advancement of Literature, Science, and Art (HAALSA), is an unincorporated, not-for-profit organization based in Hamilton, Ontario. HAALSA is a registered Canadian charity under the Income Tax Act (Canada) and, as such, is generally exempt from income taxes and able to issue donation receipts for income tax purposes.

HAALSA fosters public education in the Hamilton region across a broad range of subjects within the fields of literature, science and art, all broadly defined. We do this by providing an annual series of free public lectures from September to April. We also encourage, by means of cash awards, talented high school students' efforts in the fields of fiction writing in the short story and poetry formats, the physical sciences, and music (performance and composition). Our current partners in these endeavours are the Hamilton Public Library, the Bay Area Science and Engineering Fair, and the Dundas Valley Orchestra.

The Association is governed by an all-volunteer Executive Council (the Council), which is chaired by its President. The other senior officers are the Vice President, the Past President, the Treasurer, and the Corresponding Secretary.

**2. Definitions****Capital and Intangible Assets**

Tangible and intangible property that is both expected to be of use to the Association for two or more years following its purchase or donation and not considered "inventory".

**CRA**

Canada Revenue Agency. Charities are regulated by the Charities Directorate, a division of the CRA.

**Depreciation**

The loss over time in the value of property due to wear and tear, increasing obsolescence, or both. In Canada depreciation is generally synonymous with amortization.

**Inventory**

Tangible property acquired for current or later use in carrying out the Association's charitable works.

**Net Cost of Acquisition (NCA)**

A property's pre-tax cost plus the non-rebatable portion of any sales tax paid on the purchase price and any associated legal or other costs incurred in its acquisition.

**Term Deposits | Guaranteed Investment Certificates (GICs)**

Interest-earning instruments that are insured against loss of the principal amount of the investment.

**Financial statements (Unaudited)****Additional Notes**

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**3. Significant Accounting Policies**

The annual financial statements are prepared by the Treasurer and presented to Council for review and approval. The statements are not audited by a professional auditor because the cost of a professional audit would, in Council's view, consume an unacceptably high proportion of the Association's annual income.

**Net Assets | The Unrestricted Surplus**

The unrestricted surplus is the cumulative excess of revenue over expenses that is not restricted and is thus available for general use by the Association.

Most of the surplus is invested in GICs. These are reported under 'Reserve Fund'.

The remainder of the surplus is held as cash in the Association's bank accounts and is used to pay annual cash expenses. In addition, the surplus is drawn on annually at year-end, via a non-cash transfer, to off-set a negative net balance in any award fund.

**Fund Accounting****Restricted Funds**

Amounts reported in this section must be used to fund the Association's annual awards programs. Donors may assign any portion of their donation to any of the award funds. Such funds are not included among the (external) liabilities that the Association reports annually to the Canada Revenue Agency.

Funds assigned to an award fund are held, unsegregated, as cash in one of the Association's bank accounts.

**Reserve Fund**

The fund was established by Council to facilitate modest no-risk growth in the portion of the unrestricted surplus that does not need to be held in the Association's bank accounts.

The fund consists of GICs. The principal and earned interest of a GIC are normally re-invested in a new GIC.

**Investments: Short- and Long-Term Deposits**

Short-term GICs mature within one year of purchase. They are reported at their initial cost (the "principal"). Longer-term GICs are reported at their year-end net value, which includes interest added to the principal amount during the life of the deposit. At maturity GICs are normally renewed for a like term.

**Financial statements (Unaudited)****Additional Notes**

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**3. Significant Accounting Policies** (continues)**Inventory**

Tangible property, such as books and gift certificates, to be given immediately post-lecture to a speaker or an occasional guest of the Association, are reported under `Expenses > Lecture Series > Honoraria` only if the property is gifted in the fiscal year in which it was purchased. Inventory purchased in an earlier fiscal period, having already been reported as an expense in that period's annual statements, is not reported in the statement of expenses for any subsequent fiscal year.

**Government of Canada Sales Tax Rebates**

Registered Canadian charities may request a refund (rebate) of a portion of federal and provincial sales tax paid on their purchases. HAALSA requests an HST rebate in July for tax paid in the second half of the previous fiscal year (1 January to 30 June). A second request is submitted in January for tax paid on purchases in the first half of the current fiscal year (1 July to 31 December). The CRA requires charities to report a sales tax rebate as revenue when the charity's statement of expenses includes 100% of sales tax paid.

Rebates received are reported under `Revenue > Non-Tax-Receiptable Gifts and Other Income`. For the reader's convenience, the rebate that HAALSA expects to receive in the /next/ fiscal period for tax paid in the last half of the fiscal year covered by the current report, is listed in an endnote on the Revenue page.

**4. Comparative Figures**

Names displayed for some accounts, income categories, and expense categories may have been modified for this report. Some accounts and categories may have been added, deleted, or hidden (as when both the current and prior periods have \$0.00 balances). In addition, some prior-period amounts have been recalculated to conform with the modified labels of certain accounts and categories used in this report.

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