



**UNA** UNIVERSITY  
NEIGHBOURHOODS  
ASSOCIATION



# 2012 Annual Report

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# Introduction by the Chair

This year marks a number of “firsts” in the history of our community.

(1) The UNA Board finally passed the first UNA bylaws (one on noise control and another on enforcement and dispute). When the UBC Board of Governors approves them, the UNA will be able to act more like a municipal government.

(2) With the assistance of the provincial Ministry of Transportation and Infrastructure and UBC, the UNA has established interim parking regulations that are now being enforced by BC Commissionaires.

(3) A fifth elected Resident Director may be added to the UNA Board as an additional 1,500 residential units are completed in the UNA neighbourhoods.

(4) UNA and UBC have approved plans for a new Community Centre in Wesbrook Place and a new Skateboard Park on Thunderbird Boulevard.

(5) This year even saw the creation of a society called OUR (Organization of UTown Residents) that ran a slate of candidates for the UNA Board elections.

This year also saw the inauguration of a new kid’s playground in Chancellor Place, the addition of Nobel Park in Wesbrook Place, the approval and construction of a hospice on Stadium Road, the approval of an artificial turf playing field next to the

soon to be opened University Hill Secondary School in Wesbrook Place by UBC, UNA and the Vancouver School Board, and the creation by the UBC Board of Governors of a Working Group to review neighbourhood planning in the UBC campus and future governance options for our five communities. The UNA Board also approved a survey of UNA residents to gather demographic and socio-economic data as well as information on people’s views about future governance options.



I have been a UTown resident for about 20 years and have witnessed many exciting changes in that time. I have participated in community events ranging from neighbourhood garage sales in Hampton Place to the rousing Barn Raising and colourful Lunar New Year festivities in Hawthorn Place. Like other long-time residents, I have waited for almost two decades but, finally, we have a large grocery store, a bank, a sports shop, a coffee shop, a frozen yogurt place, even a sushi joint in our neighbourhood. Things are looking good. To me, however, the most striking changes in our neighbourhoods have not been the physical changes but the social changes in people’s lives as our population grows to more than 8,000. It is natural that as our community grows, residents go through a transition from close interpersonal relations among neighbours to more formalized dealings among individuals who barely know each other. The challenges that face our community will be rooted in how we deal with the qualitative changes involved in this transition. As residents interested in the creation of a vibrant, diverse and sustainable community, we look forward to the establishment of a governance system that will enhance our quality of life. Our continued participation in community activities and support for the UNA will be the best means to achieve that.

“As residents interested in the creation of a vibrant, diverse and sustainable community, we look forward to the establishment of a governance system that will enhance our quality of life.”

*Prod Laquian*

**Prod Laquian**

President and Chair

# Board of Directors



Top left to right: Kiran Mahal, Erica Frank, Nancy Knight, Mankee Mah, Ian Burgess  
Bottom left to right: Prod Laquian, Thomas Beyer

The UNA Board of Directors is comprised of 4 residential directors elected by UNA members, 2 directors from UBC and 1 director from the Alma Mater Society (AMS). Elected directors hold office for 2 years and can be re-elected to the board for two consecutive terms of office. The directors nominate a Chair/President, Vice Chair and Treasurer/Secretary at the first meeting of the new board. The election for directors takes place at the Annual General Meeting held in September of each year.

## **Prod Laquian**

President and Chair  
Elected Resident Director  
Email: board.chair@myuna.ca

## **Thomas Beyer**

Vice Chair  
Elected Resident Director  
Email: board.vicechair@myuna.ca

## **Ian Burgess**

Treasurer and Secretary  
UBC Appointed Director  
Email: ian.burgess@ubc.ca

## **Erica Frank**

Elected Resident Director  
Email: erica.frank@ubc.ca

## **Mankee Mah**

Elected Resident Director  
Email: mmah205@gmail.com

## **Nancy Knight**

UBC Appointed Director  
Email: nancy.knight@ubc.ca

## **Matt Parson (2011 - 2012)**

## **Kiran Mahal (2012 - 2013)**

AMS Appointed Director  
Email: vpacademic@ams.ubc.ca

# Community Engagement

The University Neighbourhoods Association (UNA) engages its residents in many ways. There are an estimated 8,000 residents who now live in the five neighbourhoods of the UNA. These residents come from every age demographic - from the very young to the very old. They are the faculty, staff and students of UBC, and there are also those who have chosen to live on the campus of a world-renowned university even though they may not have a formal affiliation with it. UNA residents come from every corner of the globe and bring their interests and passions to the community. These are the people that the (UNA) engages in building our community. And because of their diverse interests, their skill sets, talents and expertise, the UNA is committed to providing opportunities for the community to become involved.

In 2011 / 2012, the UNA saw a great many accomplishments. These were achieved by the pooled resources of the people who live here and who care deeply for their community. The UNA also acknowledges the contributions of our community partners, the largest of which are the University of British Columbia and UBC Properties Trust.

“Community Engagement is the process of involving, at various levels of participation, empowerment and capacity, groups of citizens affiliated by geographic proximity and/or special interest and/or similar situations to address issues affecting the well being of those citizens”<sup>1</sup>



<sup>1</sup>Manitoba Family Services and Housing, "Community Engagement Framework", 2008, [www.gov.mb.ca/fs/ce/pubs/community\\_engagement\\_framework\\_May08.pdf](http://www.gov.mb.ca/fs/ce/pubs/community_engagement_framework_May08.pdf)

# UNA Accomplishments

## Bylaws and Regulations

For the first time in UNA history, two municipal-like bylaws have been approved and will be implemented in the neighbourhoods. The Neighbours' Agreement 2008 always envisioned the development of bylaws. With the assistance of volunteers and professional legal expertise, the Board of Directors of the UNA, over a number of years, worked on the language of the bylaws. It has been a learning experience for everyone involved, but now that the Enforcement and Dispute Bylaw and Noise Bylaw have been approved by the UBC Board of Governors, other bylaws can follow more quickly. The current UNA Board thanks all the volunteer bylaw development committees and former Boards who worked on this important milestone.

As many know, the roads within the UNA neighbourhoods are dedicated roads to the province under the jurisdiction of the Ministry of Transportation and Infrastructure (MOTI). With the support of the MOTI, the UNA has been able to implement a set of interim parking rules in the neighbourhoods that has finally allowed the community to have a say in who parks on our roads. Although not perfect, nor final, these regulations can be fine-tuned to better serve the needs of residents. One day, the UNA hopes to have a Parking Bylaw, which will require a legislative change to accomplish.



## Governance - the Future

The UNA has a very unique governance model. The UNA Board of Directors encourages and welcomes the comments and opinions of residents on the future of our community. To assist residents in understanding the choices they have in the future, the UNA Board commissioned Jim Taylor, former UNA Board Chair, lawyer and long time resident of the UNA, to write *Governance Options for UNA Residents*, a comprehensive analysis of governance options. This highly detailed and thoughtful examination of governance options is a must read for all residents interested in how the community might evolve in the future. The Board is indebted to Jim for taking on this massive task.



## History - the Past

And to understand where a community is going, it must also understand where it came from. The UNA Board of Directors asked all its former Chairs and Directors to contribute to the UNA History and Fact Binder. This document is a compilation of all important milestones in the history of the UNA and describes critical points in the evolution of the UNA. The UNA History and Fact Binder is an on-going project that will be added to as milestones are reached in the future.



# Sustainability

The UNA remains committed to the principles of sustainability and in 2011 / 2012 expanded our sustainability programming. Over 70,000 kg organics were diverted in 2011 – an increase of 23% from the year before. The UNA Modo car share program added two cars for a total of 7 vehicles in UNA neighbourhoods, and launched a \$100 membership incentive exclusive to UNA residents. The UNA piloted a free residential energy audit program, working with students of UBC’s Clean Energy Research Centre. And once again, the UNA hosted a number of sustainability events that included a yard sale, e-waste drop off and Earth Day programs. Sustainability principles are practiced at all UNA events with the objective of hosting and promoting waste free events.



# Arts, Culture and Recreation

The UNA’s Old Barn Community Centre focused on program diversity and growth this year. Programs were balanced to deliver a mix of social, recreation, and culture to all age groups. Programming became more accessible for community users by increasing the delivery of free programming which made up 39% of the programs offered to the community.

The UNA expanded programming for newcomers by increasing the number of ESL classes and creating a Newcomer Parent Support Group and a Multicultural Women’s Support Group. The UNA’s Multicultural Committee initiated the Social Fitness and Canadian Social Studies groups to help newcomers from all cultural backgrounds meet their neighbours. The 2nd edition of the Newcomers Guide provided an introduction to the local services and resources. Recognizing that many newcomers come from abroad, the UNA provided a separate section for new immigrants that introduced the settlement services available to them. The Newcomers Guide is published in English, Chinese and Korean.

Collaborative programming contributed significantly to programming growth. The Old Barn partnered with S.U.C.C.E.S.S., the Vancouver School Board Settlement Workers in School (SWIS), Kits Neighbourhood House and UBC Campus and Community Planning (C+CP) to bring external funding and the expertise required to develop new programs that meet the diverse needs of the community.

Engaging UNA youth has been one of the primary focuses for the UNA. We are pleased to see a significant increase in participation in the youth leadership program (60%) and youth fitness program (100%). The UNA sponsored the Community Youth Band and Youth Fitness – two initiatives from the UNA Multicultural Committee.

Sometimes, the UNA acts more as a convener in the community-building process. The UNA has many community volunteer committees that are annually given special funding to initiate and plan activities that meet interests of the community. Our most active committees include the Multicultural Committee, the Community Garden Committee, which opened a third community garden in Nobel Park this spring, the Plant Stewardship Committee, and the Children’s Garden Committee.

The UNA partnered with UBC Campus and Community Planning to fund the UTown@UBC Community Grants program that awards grants of up to \$1,000 for projects that contribute to the social vibrancy of the campus community. As of spring 2012, over \$23,000 has been awarded to various community projects. Some projects by UNA residents include Canadian Social Studies Workshop, Community Youth Band, Youth Summer Fitness Club, Children’s Garden, Sharing Youth Experiences, and Green UBC Lipdub.



The UNA holds a series of annual celebrations and one-off events that give residents many great opportunities to celebrate collectively with their neighbours. More than 4,000 residents participated in UNA special events including the very popular annual Barn Raising, Lunar New Year Celebration and the Evening in the Park concerts.

# Volunteerism

Volunteerism is a critical component of community building. By establishing a dedicated position to community engagement and volunteer coordination, UNA residents contributed over 2,000 volunteer hours to programming and events in 2011 / 2012. Volunteer hours by adults increased to 30% of total volunteer hours from 11% in 2008. The UNA connected our volunteers with other programs throughout campus and in the City of Vancouver. Many organizations were very impressed with the enthusiasm of UNA volunteers, and our volunteers truly enjoyed the variety of new opportunities. By offering more volunteer opportunities, the number of youth volunteer hours has increased by 49% in 2011.

# Consultation

The UNA can only progress by obtaining and listening to the community. Residents can provide direct feedback at the monthly Board Meetings, Bylaw and Budget Public Consultations, and the many Open Houses that occur throughout the year. In early 2012, the UNA conducted a Program Needs Assessment (PNA) for residents of the UNA and other users of the Old Barn Community Centre to increase our understanding of the residents' recreational, educational and physical fitness needs. The PNA included an online survey and focus group discussion for newcomers, youth, parents, adults and retired residents. The results of the PNA will assist the UNA to develop services and programs at The Old Barn Community Centre as well as help guide the program planning for the new Wesbrook Place Community Centre, scheduled to open in early 2014.

The Wesbrook Place Community Centre Working Group met regularly throughout the year to develop the program for the new 30,000 sq ft community centre that will be the hub of Wesbrook Place. Residents from all five UNA neighbourhoods, staff and design professionals are currently refining the design of the building.

To support sustainability planning, the UNA created a number of working groups composed of residents, UNA Board members and staff. The Waste and Water Action Plan working group collaborated with UBC to develop a set of goals and actions relevant to the UNA community that is part of a campus-wide waste and water reduction plan. A sub-group of the Wesbrook Community Centre Working Group developed sustainability design objectives for our new community centre, while the REAP Working Group reviewed UBC's green building standards for UNA residential buildings.



# Communications

The UNA has established an extensive set of communication tools consisting of websites, social media, a weekly email newsletter, posters, bulletin boards, sandwich boards, program guides and *The Campus Resident* monthly newspaper. These provide UNA residents with up to date information on a daily, weekly and monthly basis. On the [www.myuna.ca](http://www.myuna.ca) website, residents can read the materials to be presented to the UNA Board of Directors prior to their Board Meetings. The agendas, minutes, financial statements, auditor's reports are available for all past meetings as well. A recent upgrade of the UNA website enhanced the ease of navigation.

The *myuna announcements* – the UNA's weekly email newsletter with over 1,800 subscribers - has an average open rate of 43% and click rate of 11%, compared to the industry average of 11.4% open rate and 3% click rate. *The Campus Resident* published monthly is delivered to 10,000 homes in the area. The Old Barn Community Centre has its own website ([www.oldbarn.ca](http://www.oldbarn.ca)) where residents can learn about programs and services. Both the UNA and the Old Barn have Facebook pages where the community can post comments and share their thoughts.

To assist ESL residents in the community, the UNA published many important parts of our publications in multiple languages – English, Chinese and Korean. Our UNA staff provide services in 7 different languages including English, French, Mandarin, Cantonese, Farsi, Korean, and Spanish.



## THE CAMPUS RESIDENT

Published monthly by the  
University Neighbourhoods Association

email - [advertising@myuna.ca](mailto:advertising@myuna.ca) for information



### Join us on FACEBOOK!

**The Old Barn Community Centre**  
and the  
**The University  
Neighbourhoods Association**

Keep up to date with the latest news, public service announcements, events, and The Old Barn Community Centre's programming!



### Signing up for the weekly UNA e-Newsletter

is the best way to stay informed of the news and activities happening in the UNA community and on UBC campus.

[www.myuna.ca/about-us/enewsletter/](http://www.myuna.ca/about-us/enewsletter/)

# Community Volunteer Recognition

The success of our community is only made possible by the enormous assistance of community volunteers. They have made a wonderful contribution to our community, and we greatly appreciate their commitment to the UNA. As well, we apologize for any names we may have missed, and graciously thank everyone for their efforts.

Aaron Kopelow  
Aaron Qi  
Alan Chen  
Albert Xing  
Alfred Xing  
Alice Bradley  
Alice Jin  
Alice Kim  
Alice Yuan  
Amily Yao  
Andrew zhang  
Anita Chiu  
Anna Chen  
Anna Zhang  
Annie Han  
Armita Shadgan  
Audrey Hao  
Aura Cao  
Bahar Heravi  
Becky Xu  
Benjamin Oh  
Bennett Oh  
Bill Huang  
Bonnie Duff  
Brenda Stewart  
Bruce Zhang  
Candice Chen  
Cara Jin  
Caroline Chu  
Caroline Gao  
Charli Jin  
Chen Qing  
Chen Wang  
Cherrie Kwok  
Chris Lim

Claire Chen  
Claire Shao  
Claire Shen  
Daisy Qiao  
Dan Xiao  
Danwei Ma  
Dee Wang  
Dilan Perera  
Donovan Zhao  
Edward Chang  
Eliot Escalona  
Eric Kim  
Erica Song  
Erica Zhu  
Eugene Xie  
Eustina Na  
Fahim Salam  
Farha Khan  
Ferrero Zhang  
Florence Luo  
Frank Zhu  
Gina Guo  
Glen Lockhart  
Gloria Zhang  
Harini Rajagopal  
Haske Sumaila  
Heather Friesen



Henry Deng  
Hye Young  
Inpio Lee  
Ivan Zhou  
Ivy Ding  
Jacqueline Yang  
Janet Lu  
Janice Mok  
Jasmine Yang  
Jason Ye  
Jeffery Chen  
Jena Leung  
Jenny Xu  
Jessica Liang  
Ji Eun Park  
Jiang Shao  
Jim Taylor  
Jimin Choi  
Jinyi Ye  
Joanne Lee  
Jody Kim  
Juajarungjai Net  
Judy Taylor  
Julia Yu  
Julia Zhang  
Julianne Lee  
Julie Cao  
Justin Shin  
Justin Wang  
Kathy Regelous  
Katrina Zhou  
Kay Trenker  
Kaylie Hu  
Kerrie Zhang  
Kevin Shin

Kristy Xiao  
Lily Chen  
Lina Li  
Linda Song  
Lior Sitkovsky  
Lucy Shi  
Luke Qi  
Madelaine Li  
Mai Vo  
Mary Xu  
May Xing  
Michelle Fan  
Michelle Feng  
Michelle Row  
Mike Park  
Min-ha Kim  
Misaki Abe  
Monique Wu  
Mostafa Aly  
Nancy Wu  
Nicole Fitzsimon



Niki Wong  
Paris Chen  
Pat Moore  
Patti Shane



Pauline Hong  
Peter Li  
Phoebe Chen  
Qing Cheng

Reihaneh Noorbakhsh  
Ryan Lo  
Ryan Xia  
Sabrina He  
Sam Huang



Sandra Price-Hosie  
Sandy Zeng  
Sara Zhang  
Sean Yi  
Seo Young  
Sherry Chen  
Sherry Guo  
Sibel Tezok  
Steven Zhou  
Sujin Park  
Sun Nee Tan  
Sunmi Park  
Susan Cheng  
Susan Yu  
Taylor Chau  
Theodore Lau  
Tim Yu  
Veronica McCaffery  
Vincent Tu  
Virginia Su  
Wanning Luo  
Wenby Zhuo  
William Jang  
Xiao Dan  
Yelena Zhao  
Yiding Jiang  
Ying Ni  
Ying Zhou  
Yumin Choi  
Yusuf Liu  
Yvonne Li  
Zoe Li  
Zoe Todd



# A Message of Appreciation

The UNA Board of Directors, residents and staff have been so fortunate to have had the talents of Mankee Mah and Prod Laquian - two committed and determined directors on the UNA Board. We're sorry to see them go, but so appreciative that we've been able to utilize their skills, talents and expertise for the benefit of the residents in our community.



## **Prod Laquian**

UNA Director 2008 - 2012

UNA President and Chair 2011-2012

Prod Laquian has lived in Hampton Place for nearly twenty years, contributing to the UBC community throughout his time here. Prod loves thinking about community – a passion that started many years ago in his native Philippines. His expertise in community planning (professor emeritus from UBC SCARP) has been an invaluable asset to the UNA. For the past four years he has served as an elected UNA director, and for the last year, as the Chair and President. We're going to miss his responsive leadership.

## **Mankee Mah**

UNA Director

2010 - 2012

Mankee Mah, also a long time resident of the UNA in Hawthorn Place, brought her commitment to campus living to the UNA Board. Mankee's volunteer experience in schools and sports, and her professional expertise with Information Technology brought a valuable skill set to the Board. Mankee chaired the Governance Standing Committee and through her thoughtful and unwavering approach, the UNA Board has implemented a number of corporate governance policies that will guide UNA Boards in making decisions long into the future.



On behalf of the Board, staff, and all UNA residents, I want to wish Prod and Mankee all the best, and to convey to them our thanks and appreciation for their dedicated service to the community.

*Erica Frank*

**Resident Director**

on behalf of the UNA Board of Directors

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**UNIVERSITY NEIGHBOURHOODS ASSOCIATION**

**Financial Statements**

**Year Ended March 31, 2012**

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**UNIVERSITY NEIGHBOURHOODS ASSOCIATION**  
**Index to Financial Statements**  
**Year Ended March 31, 2012**

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## INDEPENDENT AUDITORS' REPORT

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To the Members of University Neighbourhoods Association

### *Report on the Financial Statements*

We have audited the accompanying financial statements of University Neighbourhoods Association, which comprise the statement of financial position as at March 31, 2012, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

### *Auditors' Responsibility*

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of University Neighbourhoods Association as at March 31, 2012, its results of operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Surrey, B.C.  
August 9, 2012

*Johnsen Archer LLP*

CHARTERED ACCOUNTANTS

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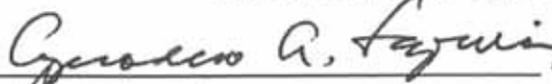


**UNIVERSITY NEIGHBOURHOODS ASSOCIATION**  
**Statement of Financial Position**  
**March 31, 2012**

	2012	2011
<b>ASSETS</b>		
Current assets		
Cash	\$ 395,502	\$ 486,061
Accounts receivable	168,471	201,284
Prepaid expenses	45,071	56,538
	<b>609,044</b>	743,883
Capital assets (Note 4)	<b>623,255</b>	686,080
	<b>\$ 1,232,299</b>	<b>\$ 1,429,963</b>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 317,573	\$ 433,291
Due to Neighbours Fund Reserves (Note 5)	44,964	60,000
	<b>362,537</b>	493,291
Deferred capital contribution (Note 6)	<b>288,920</b>	335,830
	<b>651,457</b>	829,121
<b>NET ASSETS</b>		
Invested in capital assets	<b>334,335</b>	350,250
Internally restricted (Note 7)	37,000	121,700
Unrestricted	<b>209,507</b>	128,892
	<b>580,842</b>	600,842
	<b>\$ 1,232,299</b>	<b>\$ 1,429,963</b>

Commitments (Note 9)

ON BEHALF OF THE BOARD

 Director  
 Director

See notes to financial statements

**UNIVERSITY NEIGHBOURHOODS ASSOCIATION**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2012**

	2012	2011
<b>Revenue</b>		
Community centre	\$ 151,300	\$ 113,917
Other revenue	117,957	105,263
Province of B.C.	48,072	48,072
Neighbours levies	2,897,694	2,626,717
	<b>3,215,023</b>	<b>2,893,969</b>
<b>Expenses</b>		
Communication	87,176	79,157
Community access	576,467	508,186
Community centre		
Direct operating costs	181,139	154,246
Programming	112,661	85,691
Salaries and benefits	242,521	237,177
Community support	104,477	63,428
General meetings and directors' liability	21,495	61,506
General and administrative	336,979	234,595
Salaries and benefits	437,900	390,256
Sustainability	19,446	25,529
	<b>2,120,261</b>	<b>1,839,771</b>
<b>Municipal services</b>		
Landscaping	595,501	494,348
Parking and security	100,910	82,768
Road, gutter, sidewalk maintenance	20,926	14,319
Sewer and drainage	162,402	131,375
Streetlights	65,012	72,298
Property management	80,000	80,000
Other	41,824	14,187
	<b>1,066,575</b>	<b>889,295</b>
	<b>28,187</b>	<b>164,903</b>
Amortization of capital assets	75,097	62,984
Amortization of deferred capital contribution	(46,910)	(46,910)
	<b>28,187</b>	<b>16,074</b>
<b>Excess of revenue over expenditures for the year</b>	<b>\$ -</b>	<b>\$ 148,829</b>

**UNIVERSITY NEIGHBOURHOODS ASSOCIATION**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2012**

	Invested in capital assets	Internally restricted (Note 7)	Unrestricted	2012	2011
<b>Net assets - beginning of year</b>	\$ 350,250	\$ 121,700	\$ 128,892	\$ 600,842	\$ 452,013
Excess (deficiency) of revenue over expenditures	(28,187)	-	28,187	-	148,829
Investment in capital assets	10,572	-	(10,572)	-	-
Internally restricted expenditures	1,700	(75,598)	53,898	(20,000)	-
Interfund transfers	-	(9,102)	9,102	-	-
<b>Net assets - end of year</b>	<b>\$ 334,335</b>	<b>\$ 37,000</b>	<b>\$ 209,507</b>	<b>\$ 580,842</b>	<b>\$ 600,842</b>

**UNIVERSITY NEIGHBOURHOODS ASSOCIATION**  
**Statement of Cash Flows**  
**Year Ended March 31, 2012**

	2012	2011
<b>Operating activities</b>		
Excess of revenue over expenditures	\$ -	\$ 148,829
Items not affecting cash:		
Amortization of capital assets	75,097	62,984
Amortization of deferred capital contribution	(46,910)	(46,910)
	<b>28,187</b>	164,903
Changes in non-cash working capital:		
Accounts receivable	32,813	432,588
Prepaid expenses	11,467	(3,491)
Accounts payable and accrued liabilities	(115,718)	138,302
Due to Neighbours Fund Reserves	(15,036)	(335,000)
Internally restricted expenditures	(20,000)	-
	<b>(106,474)</b>	232,399
Cash flow from (used by) operating activities	<b>(78,287)</b>	397,302
<b>Investing activity</b>		
Purchase of capital assets	<b>(12,272)</b>	(309,409)
<b>Increase (decrease) in cash</b>	<b>(90,559)</b>	87,893
Cash - beginning of year	486,061	398,168
<b>Cash - end of year</b>	<b>\$ 395,502</b>	<b>\$ 486,061</b>

# UNIVERSITY NEIGHBOURHOODS ASSOCIATION

## Notes to Financial Statements

Year Ended March 31, 2012

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### 1. NATURE 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 designated 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 (the "Agreement") between the Association and the University of British Columbia ("U.B.C.").

The Association's operations are primarily funded by Neighbours levies which consists of Service Levies and the General Municipal Services Levy ("GMSL") collected by U.B.C. pursuant to the Agreement. As a not-for-profit organization, the Association is not subject to income taxes.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations and incorporate the following significant accounting policies:

#### Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. These estimates include valuation of accounts receivable and capital assets. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

#### Capital assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Computer hardware	3 years	straight-line method
Leasehold improvements	15 years	straight-line method
Office equipment and fixtures	10 years	straight-line method

Capital assets are amortized at one-half of the normal annual rate in the year of acquisition. No amortization is taken in the year of disposal.

The Association regularly reviews its capital assets to eliminate obsolete items.

*(continues)*

**UNIVERSITY NEIGHBOURHOODS ASSOCIATION**  
**Notes to Financial Statements**  
**Year Ended March 31, 2012**

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

The Association follows the deferral method of accounting for contributions.

Unrestricted contributions including services 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 expenses are incurred. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at the amortization rate of the related capital assets.

Investment income is recognized as revenue when earned.

Donated materials and services

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

*(continues)*

## UNIVERSITY NEIGHBOURHOODS ASSOCIATION

### Notes to Financial Statements

Year Ended March 31, 2012

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#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### Financial instruments

The Association applies the CICA Handbook sections 3855, "Financial Instruments - Recognition and Measurement" and, as permitted for not-for-profit organizations, 3861, "Financial Instruments - Disclosure and Presentation". Under these sections, all financial instruments are classified into one of five categories: held for trading, held-to-maturity investments, loans and receivables, available for sale financial assets or other financial liabilities. All financial instruments are initially measured fair value. After initial recognition, held-for trading and available-for-sale financial assets are measured at the balance sheet date at fair value, and loans and receivables, held-to-maturity investments and other financial liabilities are measured at amortized cost.

1. Held for trading:

Cash is measured and reported at fair value with any subsequent changes in fair value being recognized as unrealized gains or losses in the statement of operations in the period in which the change in value takes place.

2. Available-for-sale:

Term deposits are measured and reported at fair value with any subsequent changes in fair value being recognized as unrealized gains or losses in the statement of operations in the period in which the change in value takes place.

3. Loans and receivables:

Accounts receivable are initially recorded at fair value and subsequently measured at amortized cost less any impairment losses recognized, and approximate their fair values due to the relatively short periods to maturity.

4. Other financial liabilities:

Accounts payable and accrued liabilities and due to Neighbours Fund reserves are measured at amortized cost and approximate their fair values due to the relatively short periods to maturity.

5. Transaction costs:

Transaction that are directly attributable to the issuance of financial assets or liabilities are accounted for as part of the carrying value at inception, and are recognized over the term of the assets or liabilities using the effective interest method.

##### Future accounting framework

The CICA is issuing a new accounting framework applicable to Canadian not-for-profit organizations. Effective for fiscal years beginning on or after January 1, 2012, not-for-profit organizations will be required to choose between International Financial Reporting Standards and Generally Accepted Accounting Principals for Not-For-Profit Organizations. The Association has chosen to adopt Generally Accepted Accounting Principals for Not-For-Profit Organizations and is currently assessing the impact of the transition to that method and preparing to determine comparative information.

# UNIVERSITY NEIGHBOURHOODS ASSOCIATION

## Notes to Financial Statements

Year Ended March 31, 2012

### 3. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and due to Neighbours Fund Reserves. The Association has exposure to the following risk from its use of financial instruments:

#### Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk from customers. In order to reduce its credit risk, the Association reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

#### Fair Value

The Association's carrying value of cash, accounts receivable, accounts payable and accrued liabilities and due to Neighbours Fund Reserves approximates its fair value due to the immediate or short term maturity of these instruments.

#### Currency Risk

Currency risk is the risk to the Association's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. It is management's opinion that the Association is not exposed to significant foreign currency exchange risk.

#### Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. It is in management's opinion that the Association is not exposed to any interest rate risk.

### 4. CAPITAL ASSETS

	Cost	Accumulated amortization	2012 Net book value	2011 Net book value
Computer hardware	\$ 15,578	\$ 14,495	\$ 1,083	\$ -
Leasehold improvements	500,580	108,865	391,715	420,817
Office equipment and fixtures	419,880	189,423	230,457	265,263
	\$ 936,038	\$ 312,783	\$ 623,255	\$ 686,080

### 5. DUE TO NEIGHBOURS FUND RESERVES

As per the agreement between the Association and the University of British Columbia, certain surpluses at the end of each fiscal year are returned to the University for deposit to the Rate Stabilization Reserve in the Neighbours' Fund.

**UNIVERSITY NEIGHBOURHOODS ASSOCIATION**

**Notes to Financial Statements**

**Year Ended March 31, 2012**

**6. DEFERRED CAPITAL CONTRIBUTION**

Deferred capital contribution represents funding received from the Neighbours Fund to acquire equipment and leasehold improvements for the Community Centre. This deferred contribution is amortized to operations on the same basis as the related equipment and leasehold improvements.

	2012	2011
Deferred capital contribution	\$ 524,900	\$ 524,900
Accumulated amortization	(235,980)	(189,070)
	<b>\$ 288,920</b>	<b>\$ 335,830</b>

**7. INTERNALLY RESTRICTED NET ASSETS**

Internally restricted net assets consists of deferred operating contributions internally restricted by the Association to be used for board-approved projects, as well as funds internally restricted for future capital purchases.

	2012	2011
<b>Deferred operating contributions</b>		
Opening	\$ 79,000	\$ -
Funds internally restricted	-	79,000
Funds repaid to Neighbours Fund Reserves	(20,000)	-
Funds transferred to unrestricted net assets	(5,102)	-
Expenditures incurred	(53,898)	-
	-	79,000
<b>Future capital purchases</b>		
Opening	42,700	250,000
Funds internally restricted	-	87,700
Funds transferred to unrestricted net assets	(4,000)	-
Expenditures incurred	(1,700)	(295,000)
	37,000	42,700
	<b>\$ 37,000</b>	<b>\$ 121,700</b>

# UNIVERSITY NEIGHBOURHOODS ASSOCIATION

## Notes to Financial Statements

Year Ended March 31, 2012

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### 8. NEIGHBOURS FUND

The Neighbours Fund is a fund held by U.B.C. The Neighbours Fund funds the operation of the University Neighbourhoods Association to provide for the operation, maintenance, repair and replacement of the Municipal-like Services and Facilities and Amenities provided to residents in the Designated Local Areas. U.B.C. deposits into the Neighbours Fund the Services Levy that U.B.C. levies annually against the leasehold strata owners pursuant to their lease agreement, and the GMSL that U.B.C. levies against commercial and residential buildings. The Neighbours Fund also includes Subfunds: the Access Fund, the Capital Replacement Fund, the Contingency Reserve Fund, the Infrastructure Reserve Fund and the Rate Stabilization Fund.

### 9. COMMITMENTS

The Association has entered into a lease agreement for its premises. The Association has also entered into agreements to provide support payments for certain UBC recreational facilities and the UBC Botanical Garden. The aggregate future minimum lease payments and support payments are as follows:

2013	\$ 583,818
2014	583,818
2015	71,475
2016	11,913
	<hr/>
	<u>\$ 1,251,024</u>

### 10. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.



**THE UNIVERSITY OF BRITISH COLUMBIA**

**THE NEIGHBOURS' FUND**

**FINANCIAL STATEMENTS**

**March 31, 2012**

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Statement of Financial Position	2
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Statement of Cash Flows	5
Notes to Financial Statements	6



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Internet www.kpmg.ca

## INDEPENDENT AUDITORS' REPORT

To the Members of the Board of Governors of the University of British Columbia

We have audited the accompanying financial statements of The Neighbours Fund, which comprise the statement of financial position as at March 31, 2012, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

### *Auditors' Responsibility*

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Neighbours Fund as at March 31, 2012, and its results of operations, its changes in net assets and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

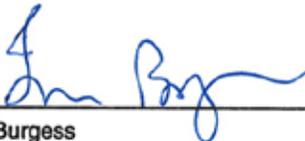
Chartered Accountants  
September 14, 2012  
Burnaby, Canada

**THE UNIVERSITY OF BRITISH COLUMBIA**  
**THE NEIGHBOURS' FUND**  
**Statement of Financial Position**  
**As at March 31**

	<u>2012</u>	<u>2011</u>
<b>ASSETS</b>		
Current Assets		
Due from the University of British Columbia (Note 3)	\$ 8,392,239	\$ 7,266,289
Accounts receivable	110,198	93,109
Services levy receivable	<u>1,035,452</u>	<u>948,085</u>
<b>Total assets</b>	<b><u>\$ 9,537,889</u></b>	<b><u>\$ 8,307,483</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable and Accrued liabilities	<u>\$ 9,068</u>	<u>\$ 6,500</u>
<b>Net assets</b>		
Reserves		
Infrastructure Replacement Reserve (Note 5)	3,684,056	3,509,100
Capital Reserve (Note 6)	1,404,120	1,326,406
Community Access Reserve (Note 7)	852,218	833,215
Contingency Reserve (Note 8)	990,953	930,186
Rate Stabilization Reserve (Note 9)	<u>1,340,022</u>	<u>1,228,084</u>
	8,271,369	7,826,991
Unappropriated reserves	<u>1,257,452</u>	<u>473,992</u>
	<u>9,528,821</u>	<u>8,300,983</u>
<b>Total liabilities and net assets</b>	<b><u>\$ 9,537,889</u></b>	<b><u>\$ 8,307,483</u></b>

(See accompanying notes to the financial statements)

Approved:



\_\_\_\_\_  
Ian Burgess  
Comptroller

**THE UNIVERSITY OF BRITISH COLUMBIA**  
**THE NEIGHBOURS' FUND**  
**Statement of Operations**  
**Year ended March 31**

	<b>2012</b>	<b>2011</b>
<b>Revenue</b>		
Residential services levy	\$ 3,319,936	\$ 2,755,598
General municipal services levy	666,450	438,669
Interest and miscellaneous income	189,507	146,524
	4,175,893	3,340,791
<b>Expenses</b>		
University Neighbourhoods Association (Note 10)	2,897,754	2,626,762
Administration (Note 10)	57,000	50,000
Bad debts	4,185	1,465
Professional fees	7,488	7,436
Communications	1,628	1,661
	2,968,055	2,687,324
<b>Excess of revenue over expenses</b>	<b>\$ 1,207,838</b>	<b>\$ 653,467</b>

(See accompanying notes to the financial statements)

**THE UNIVERSITY OF BRITISH COLUMBIA**  
**THE NEIGHBOURS' FUND**  
**Statement of Changes in Net Assets**  
**As at March 31**

	<u>Unappropriated Reserves</u>	<u>Appropriated Reserves</u>	<u>2012</u>	<u>2011</u>
<b>Net assets, beginning of year</b>	\$ 473,992	\$ 7,826,991	\$ 8,300,983	\$ 7,647,516
Excess of revenue over expenses	1,031,662	176,176	1,207,838	653,467
UNA return of prior years' surplus	-	20,000	20,000	-
Transfers	<u>(248,202)</u>	<u>248,202</u>	<u>-</u>	<u>-</u>
	783,460	444,378	1,227,838	653,467
<b>Net assets, end of year</b>	<u>\$ 1,257,452</u>	<u>\$ 8,271,369</u>	<u>\$ 9,528,821</u>	<u>\$ 8,300,983</u>

**THE UNIVERSITY OF BRITISH COLUMBIA**  
**THE NEIGHBOURS' FUND**  
**Statement of Cash Flows**  
**Year ended March 31**

	<b>2012</b>	<b>2011</b>
<b>Cash provided from:</b>		
<b>Operating activities</b>		
Excess of revenue over expenses	\$ 1,207,838	\$ 653,467
UNA return of prior years' surplus	20,000	-
Change in:		
Due from the University of British Columbia	(1,125,950)	(229,067)
Accounts receivable	(17,089)	334,337
Services levy receivable	(87,367)	(205,747)
Accrued liabilities	2,568	(552,990)
	(1,227,838)	(653,467)
Change in cash	-	-
<b>Cash, beginning of year</b>	-	-
<b>Cash, end of year</b>	\$ -	\$ -

**THE UNIVERSITY OF BRITISH COLUMBIA**  
**THE NEIGHBOURS' FUND**  
**Notes to Financial Statements**  
**Year ended March 31, 2012**

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**1. Nature of Fund**

The Neighbours' Fund (the Fund) is an unincorporated entity that collects a Services Levy from residents and residential developers, together with a portion of a General Municipal Services Levy for rental housing and commercial space, all located at the University of British Columbia (UBC or the University) within the Designated Local Areas. For fiscal year 2012, the Designated Local Areas are the neighbourhood properties of Hampton Place, Hawthorn Place, Chancellor Place, Wesbrook Place and East Campus.

Funding for the annual operations of the University Neighbourhoods Association (UNA) is transferred to the UNA from the Fund and managed directly by the UNA (Note 4).

**2. Significant Accounting Policies**

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles (GAAP).

**a) Revenue Recognition**

Residential service levies, general municipal service levies and funding from the University are recognized as revenue in the year received or receivable if the amount to be received can be reasonably established and collection is reasonably assured.

Residential service levies and general municipal service levies are charged to tenants on a calendar year basis and reported in the financial statements on an accrual basis.

The Fund also receives investment interest income which is recorded on an accrual basis.

**b) Financial Instruments**

Financial instruments are classified as loans and receivables, or other financial liabilities, which are measured at amortized cost using the effective interest rate method. The Fund's financial instruments include due from the University of British Columbia, accounts receivable, services levy receivable and accrued liabilities. The Fund classifies all of its assets as loans and receivables and its accrued liabilities as other financial liabilities. The fair values of these financial instruments approximate book values due to their short-term nature.

**c) Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant areas requiring the use of management estimates relate to valuation of accounts receivable and services levy receivable and provisions for accrued liabilities and contingencies. Actual results could differ from those estimates, as additional information becomes available in the future.

**THE UNIVERSITY OF BRITISH COLUMBIA  
THE NEIGHBOURS' FUND  
Notes to Financial Statements  
Year ended March 31, 2012**

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**d) Future Accounting and Reporting Changes**

Effective April 1, 2012, the Fund will transition to a new accounting framework which will include Public Sector Accounting Standards (PSAB) supplemented by directives from the Government of British Columbia Treasury Board. The transition to the new framework will be applied on a retroactive basis. The Fund is currently reviewing the impact of these standards on the financial statements.

**3. Due from the University of British Columbia**

The University of British Columbia collects service levies on behalf of the Fund and deposits these monies in the University's account. These funds are invested with the overall cash reserves of the University. Investment interest of \$183,433 (2011 - \$139,694), calculated at an average of 2.28% per annum (2011 - 1.91%), was earned on this balance during 2012.

**4. University Neighbourhoods Association (UNA)**

The UNA was formed under the Society Act in May 29, 2002 to act as the organization to serve certain residential housing communities on UBC lands. Commencing April 2004, the UNA is responsible for providing municipal-like services, such as landscaping and street and road maintenance to the residents. The Fund pays a portion of the Services Levy collected by the University to the UNA as funding for the UNA's operations. The amount recognized as expenses in the year is the net amount paid to the UNA. The amount paid to the UNA in a year is established based on the UNA budget, which represents the estimated expense for the year.

**5. Infrastructure Replacement Reserve**

2.4% (2011 - 2.4%) of the services levy is set aside to replace infrastructure works, such as sidewalks, roads, water lines, storm and sanitary sewers in future years. Once the reserve reaches \$10 million, the Board of Directors of UNA and Board of Governors of UBC will review future funding levels. Interest is calculated monthly based on the reserve balance in the account.

	<u>2012</u>	<u>2011</u>
Balance, beginning of year	\$ 3,509,100	\$ 3,367,937
Transfer from unappropriated reserves	95,673	76,662
Interest earned during the year	79,283	64,501
	<u>174,956</u>	<u>141,163</u>
Balance, end of year	<u>\$ 3,684,056</u>	<u>\$ 3,509,100</u>

**THE UNIVERSITY OF BRITISH COLUMBIA**  
**THE NEIGHBOURS' FUND**  
**Notes to Financial Statements**  
**Year ended March 31, 2012**

**6. Capital Reserve**

1.2% (2011 – 1.2%) of the services levy is set aside to fund the community centre facility. Once the reserve reaches \$5 million, the Board of Directors of UNA and Board of Governors of UBC will review future funding levels. Interest is calculated monthly based on the reserve balance in the account.

	<u>2012</u>	<u>2011</u>
Balance, beginning of year	\$ 1,326,406	\$ 1,263,872
Transfer from unappropriated reserves	47,837	38,331
Interest earned during the year	<u>29,877</u>	<u>24,203</u>
	77,414	62,534
Balance, end of year	<u>\$ 1,404,120</u>	<u>\$ 1,326,406</u>

**7. Community Access Reserve**

The Community Access Reserve is comprised of funds set aside to make payments to UBC for the operating costs of the facilities to which the UNA has obtained access in accordance with an agreement between UBC and the UNA. Interest is calculated monthly based on the reserve balance in the account.

	<u>2012</u>	<u>2011</u>
Balance, beginning of year	\$ 833,215	\$ 817,555
Interest earned during the year	<u>19,003</u>	<u>15,660</u>
Balance, end of year	<u>\$ 852,218</u>	<u>\$ 833,215</u>

**8. Contingency Reserve**

1.0% of the service levy (2011 – 1.0%) is set aside to pay for unexpected or unbudgeted repairs and expenses which require immediate action. The maximum amount of the reserve is \$1 million. Once the maximum is reached, annual contributions are to cease. Interest is calculated monthly based on the reserve balance in the account.

	<u>2012</u>	<u>2011</u>
Balance, beginning of year	\$ 930,186	\$ 881,146
Transfer from unappropriated reserves	39,864	31,943
Interest earned during the year	<u>20,903</u>	<u>17,097</u>
	60,767	49,040
Balance, end of year	<u>\$ 990,953</u>	<u>\$ 930,186</u>

**THE UNIVERSITY OF BRITISH COLUMBIA**  
**THE NEIGHBOURS' FUND**  
**Notes to Financial Statements**  
**Year ended March 31, 2012**

**9. Rate Stabilization Reserve**

1.0% of the service levy (2011 – 1.0%) is set aside to guard against unforeseen changes in the City of Vancouver tax rates. The maximum amount of the reserve is \$2 million. Once the maximum is reached, annual contributions are to cease. Any surplus from the UNA's annual budget is deposited to this reserve. Interest is calculated monthly based on the reserve balance in the account.

	<u>2012</u>	<u>2011</u>
Balance, beginning of year	\$ 1,228,084	\$ 1,117,866
Transfer from unappropriated reserves	84,828	91,943
Interest earned during the year	27,110	18,275
	<u>111,938</u>	<u>110,218</u>
Balance, end of year	<u>\$ 1,340,022</u>	<u>\$ 1,228,084</u>

**10. Related Party**

Two of the seven members of the UNA Board of Directors are appointed by UBC.

Related party transactions for the 2012 fiscal year are funding of \$2,897,754 (2011 - \$2,626,762) provided to the UNA, and administration fees of \$57,000 (2011 - \$50,000) charged to the Fund by UBC for administrative costs. The UNA also returned prior years' surplus funds in the amount of \$20,000 to the Fund during 2012.

**11. Capital Disclosures**

The Fund receives its principal source of capital through residential service levies and general municipal service levies charged to tenants and investment income. The Fund defines capital to be net assets. The Fund's objective when managing capital is to promote the creation of a vibrant and sustainable community for the residents of UBC's residential neighbourhoods.

The Fund's capital is used to replace infrastructure works, to fund the community centre facility, to make annual payment for the operating costs of the facilities, to pay for unexpected or unbudgeted repairs and expenses, and to guard against unforeseen changes in the tax rate.

The Fund's capital is set aside annually in the applicable reserves in the amounts established by the UNA's reserve policy. Expenditures from any of the reserves may only be made with the approval of the UNA Board of Directors.

**12. Comparative figures**

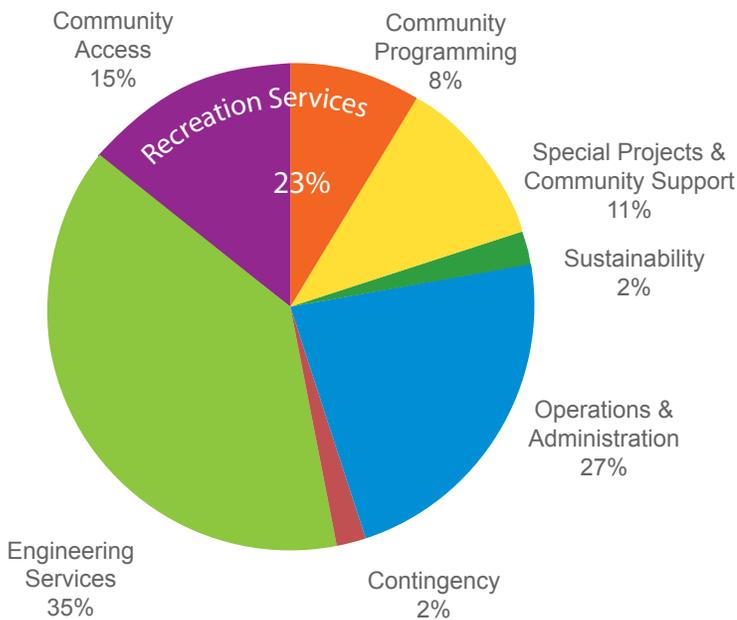
Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current period.



# 2012/13

## Services Levy and Operating Budget

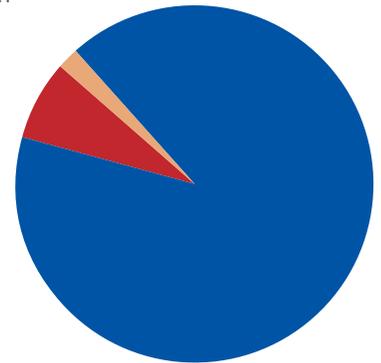
UNA Operating Budget 2012/13 = \$4.21 Million



The Services Levy you pay to UBC is administered by the University Neighbourhoods Association (UNA) to provide municipal-like services and to maintain municipal-like reserves on your behalf. The UNA Board of Directors prepares its annual operating budget before the Services Levy is calculated. The Services Levy to be collected in 2012 is estimated at \$4.13 million. The UNA has allocated \$3.74 million of this amount in its 2012/13 Operating Budget. The remaining Services Levy will be allocated to Reserves, with an additional \$57,000 to cover the cost of collecting the Services Levy and administering the Neighbours' Fund. The UNA will generate an additional \$470,400 from its programs and services.

Services Levy Collected in 2012 = \$4.13 Million

Services Levy collection & Neighbours' Fund Administration 1%  
 To be allocated to Reserves 8%  
 Services Levy contributing to UNA 2012/13 Operating Budget 91%



### UNA Operating Budget Expenditure

- Engineering Services**  
Maintenance of public spaces and infrastructure
- Community Access**  
UBC athletic/cultural facilities; the Vancouver Public Library
- Community Programming**  
Programming and operation of the Community Centre
- Special Projects and Community Support**  
One-time projects and community initiatives
- Sustainability**  
Composting, recycling and energy saving programs
- Operations & Administration**  
UNA administrative costs



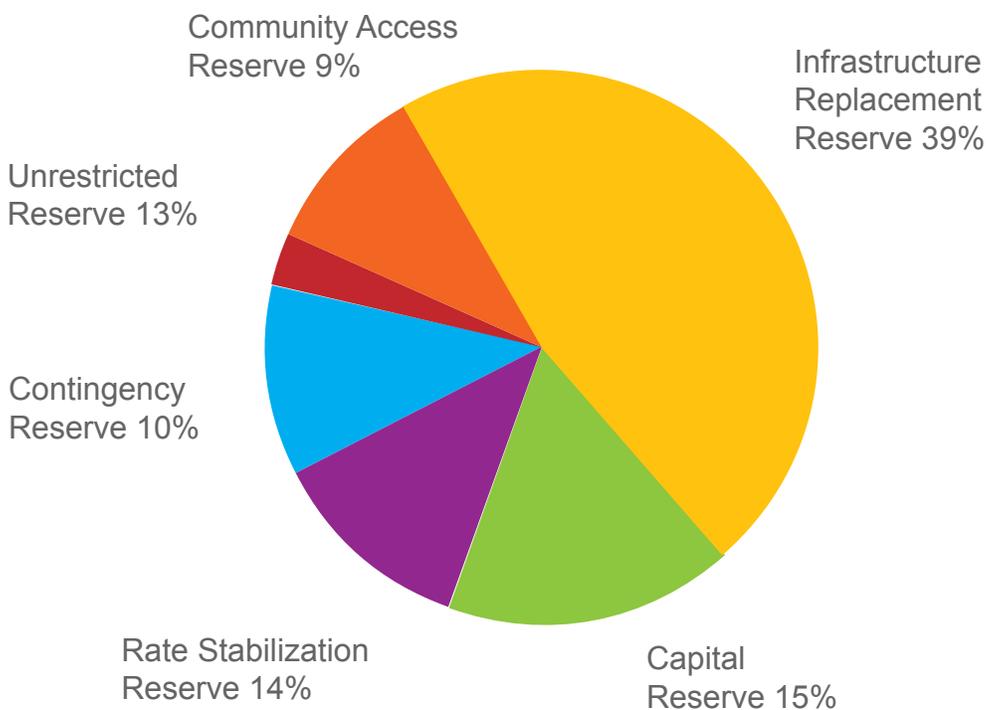
# Neighbours' Fund Reserves as of March 2012

## March 2012

The annual Services Levy collected by UBC is deposited into the Neighbours' Fund (held separately by UBC from academic funds) to be used for the provision of municipal-like services and UNA programs. The Neighbours' Fund also holds Reserves that are being accumulated to meet the future needs of the community.



Neighbours' Fund Reserves as of March 2012  
=\$9.5 Million



- 
**Infrastructure Replacement Reserve**  
 to cover the anticipated replacement of roads, lighting, utilities and green space.  
 Contribution of 2.4% of annual Services Levy. Total required over 100 years: \$23.75 million.
- 
**Capital Reserve**  
 to cover the anticipated replacement of community centres and play equipment.  
 Contribution of 1.2% of annual Services Levy. Total required over 100 years: \$10 million.
- 
**Rate Stabilization Reserve**  
 to guard against unforeseen changes in the City of Vancouver mil rates.  
 Contribution of 1% of the annual Services Levy to a maximum value of \$2 million.
- 
**Contingency Reserve**  
 to guard against unforeseen annual operating expenses.  
 Contribution of 1% of the annual Services Levy to a maximum value of \$1 million.
- 
**Community Access Reserve**  
 to cover unforeseen increases for access to UBC athletic facilities.



**University Neighbourhoods Association**  
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