

CALGARY COMMUNITY BRIDGE LEAGUE

FINANCIAL STATEMENTS (Audited)

June 30, 2022

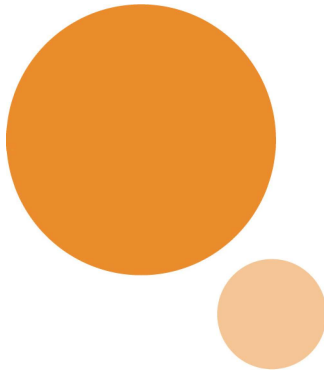


CALGARY COMMUNITY BRIDGE LEAGUE

June 30, 2022

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Anthony Chiu

Chartered Professional Accountant

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Independent Auditor's Report

To the Members of the
Calgary Community Bridge League

Qualified Opinion

I have audited the financial statements of the Calgary Community Bridge League (the "Association"), which comprise the Statement of Financial Position as at June 30, 2022 and the Statements of Operations, Changes in Net Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at June 30, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Association derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Association. Therefore, I was not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenue over expenses, and cash flows from operations for the year ended June 30, 2022, current assets as at June 30, 2022, and net assets as at July 1, 2021 and June 30, 2022.

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

Comparative Information

The financial statements of the Association for the year ended June 30, 2021 and the statement of financial position as at June 30, 2021 are unaudited.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Calgary, Alberta
September 14, 2022



Anthony Chiu
Chartered Professional Accountant

CALGARY COMMUNITY BRIDGE LEAGUE
STATEMENT OF FINANCIAL POSITION

(Audited)

As at June 30, 2022

	<u>2022</u>	<u>2021</u> (Unaudited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents, unrestricted	\$ 30,200	\$ 77,353
Externally restricted cash (Note 3)	5,182	177,086
Short term investments (Note 4)	164,796	201,457
Accounts receivable	1,401	-
Goods and Services Tax receivable	9,500	-
Prepaid expenses	4,616	1,859
	<u>215,695</u>	<u>457,755</u>
CAPITAL ASSETS (Note 5)	<u>169,325</u>	<u>-</u>
	<u>\$ 385,020</u>	<u>\$ 457,755</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 10,623	\$ -
Deferred cash contributions (Note 3)	5,182	177,086
	<u>15,805</u>	<u>177,086</u>
DEFERRED CAPITAL CONTRIBUTIONS (Note 6)	<u>147,331</u>	<u>-</u>
	<u>163,136</u>	<u>177,086</u>
NET ASSETS		
Unrestricted	199,890	280,669
Invested in capital assets	21,994	-
	<u>221,884</u>	<u>280,669</u>
	<u>\$ 385,020</u>	<u>\$ 457,755</u>

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

 Director

 Director

See Notes to the Financial Statements

CALGARY COMMUNITY BRIDGE LEAGUE
STATEMENT OF CHANGES IN NET ASSETS
(Audited)

For the Year Ended June 30, 2022

	Unrestricted	Invested in capital assets	Net 2022	Net 2021 (Unaudited)
Net assets, beginning of the year	\$ 280,669	\$ -	\$ 280,669	\$ 276,502
Transfer	(27,226)	27,226	-	-
(Deficiency) excess of revenue over expenses	<u>(53,553)</u>	<u>(5,232)</u>	<u>(58,785)</u>	<u>4,167</u>
Net assets, end of the year	<u>\$ 199,890</u>	<u>\$ 21,994</u>	<u>\$ 221,884</u>	<u>\$ 280,669</u>

See Notes to Financial Statements

CALGARY COMMUNITY BRIDGE LEAGUE
STATEMENT OF OPERATIONS
(Audited)

For the Year Ended June 30, 2022

	<u>2022</u>	<u>2021</u> (Unaudited)
REVENUE		
Donations (Note 8)	\$ 8,854	\$ -
Rental	5,317	-
Bridge programs	1,718	132
Interest	519	2,576
Casino contributions (Note 7)	476	3,444
Concession	318	-
	<u>17,202</u>	<u>6,152</u>
EXPENSES		
Bridge Centre start-up costs	19,039	-
Repair and maintenance	16,130	-
Utilities	7,387	-
Salaries and wages	6,850	-
Professional fees	6,769	-
Administration	4,815	-
Insurance	4,523	951
Supplies	3,653	100
Rental	793	634
Bridge programs	316	300
Donations	250	-
Interest and bank charges	230	-
	<u>70,755</u>	<u>1,985</u>
(Deficiency) Excess of Revenue over Expenses before Amortization	(53,553)	4,167
Amortization of deferred capital contributions (Note 6)	17,248	-
Amortization expense	<u>(22,480)</u>	<u>-</u>
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES	\$ (58,785)	\$ 4,167

See Notes to Financial Statements

CALGARY COMMUNITY BRIDGE LEAGUE
STATEMENT OF CASH FLOWS
(Audited)

For the Year Ended June 30, 2022

	<u>2022</u>	<u>2021</u> (Unaudited)
OPERATING ACTIVITIES		
(Deficiency) excess of revenue over expenses	\$ (58,785)	\$ 4,167
Charges not requiring cash outlay:		
Amortization	22,480	-
Amortization of deferred capital contributions (Note 6)	(17,248)	-
Changes in non-cash operating working capital:		
Accounts receivable	(1,401)	-
Prepaid expenses	(2,757)	(1,859)
Accounts payable and accrued liabilities	10,623	(1,119)
Goods and Services Tax	(9,500)	-
	<u>(56,588)</u>	<u>1,189</u>
INVESTING ACTIVITIES		
Redemption (purchase) of investments	36,661	(2,546)
Purchase of capital assets	(191,805)	-
	<u>(155,144)</u>	<u>(2,546)</u>
FINANCING ACTIVITIES		
Used of deferred cash contributions	(171,904)	(2,325)
Deferred capital contributions	164,579	-
	<u>(7,325)</u>	<u>(2,325)</u>
Decrease in Cash and Cash Equivalents	(219,057)	(3,682)
Cash and Cash Equivalents, Beginning of the Year	254,439	258,121
Cash and Cash Equivalents, End of the Year	\$ 35,382	\$ 254,439
Cash and Cash Equivalents Consist of:		
Cash and cash equivalents, unrestricted	\$ 30,200	\$ 77,353
Externally restricted cash (Note 3)	5,182	177,086
	<u>\$ 35,382</u>	<u>\$ 254,439</u>

See Notes to Financial Statements

CALGARY COMMUNITY BRIDGE LEAGUE

Notes to the Financial Statements

(Audited)

For the Year Ended June 30, 2022

1. NATURE OF THE ORGANIZATION

The Calgary Community Bridge League (the "Association") was incorporated under the Societies Act of Alberta on June 30, 2010 as a not-for-profit organization with a vested interest in the future of bridge in Calgary and is exempt from paying income tax under Section 149 of the Income Tax Act.

The Association was established to provide a friendly, viable and accessible facility for playing and learning the game of bridge in Calgary and to make the bridge experience enjoyable for players of all levels, offering multiple opportunities for social, duplicate and tournament play that enhance wellbeing and inspire passion and interest in the game.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are as follows:

(a) Basis of Accounting

Management has concluded that the going concern basis of accounting is appropriate for the Association.

(b) Revenue Recognition

The Association follows the deferral method of accounting for external restricted contributions where revenues are recognized when the related expenses are incurred. Externally restricted contributions contributed to the purchase of capital assets have been recorded as deferred capital contributions and are amortized on the same basis as the related capital assets.

Unrestricted contributions including donations, rentals, membership, program, and other revenues are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, balances with banks, and short term deposits with original maturities of three months or less.

(d) Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives. Amortization is calculated using the following rates.

Leasehold improvements	Straight line	15 years
Furniture and fixtures	Declining balance	20%
Equipment	Declining balance	20%

No residual value and half year rule have been taken into consideration.

CALGARY COMMUNITY BRIDGE LEAGUE

Notes to the Financial Statements

(Audited)

For the Year Ended June 30, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Financial Instruments

Measurement of Financial Instruments

The Association initially measures its financial assets and financial liabilities at fair value and subsequently at cost or amortized cost. Changes in fair value of these financial instruments are recognized in the statement of operations.

Financial instruments measured at amortized cost include cash, investments, accounts receivable, and accounts payable and accrued liabilities. Due to their short term natures, the carrying value of these financial instruments approximate their fair value.

Financial Risk

It is management's opinion that the Association is not exposed to significant interest, currency, price, or market risks arising from these financial instruments.

Liquidity Risk

Liquidity risk is the risk that the Association will be unable to fulfil its obligations on a timely basis or at a reasonable cost. The Association's overall liquidity risk is monitored on a regular basis.

Credit Risk

Credit risk relates to cash, investments, and accounts receivable. The Association's cash and investment balances are held with reputable Canadian financial institutions. Accounts receivable are primarily from bridge clubs and interest accrued on investments.

Of the Association's total cash of \$30,277 and investments of \$164,796 on June 30, 2022, \$130,277 was insured by the Canada Deposit Insurance Corporation.

(f) Measurement Uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the statement of financial position date, and the reported amounts of revenues and expenses for the periods covered.

Estimates and assumptions include the collectability of accounts receivable, the useful life of capital assets, and the amounts recorded as accrued liabilities. By their nature, these estimates are subject to measurement uncertainty. The effect on the financial statements of changes in such estimates in future periods could be significant.

CALGARY COMMUNITY BRIDGE LEAGUE

Notes to the Financial Statements

(Audited)

For the Year Ended June 30, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Contributed Goods and Services

Contributed goods and donated items are recognized in the financial statements when the fair value can reasonably be estimated and when the services are used in the normal course of the Association's operations and would otherwise have been purchased.

A substantial number of volunteers have made significant contributions of their time to develop the Association's programs. The value of this contributed time is not reflected in these financial statements.

3. EXTERNALLY RESTRICTED CASH/ DEFERRED CASH CONTRIBUTIONS

Casino cash balance is externally restricted by the Alberta Gaming and Liquor Commission ("AGLC") and accordingly can only be used for approved costs.

Cash held in trust by the Parks Foundation, Calgary, are donations collected by the Parks Foundation, Calgary on behalf of the Association which are restricted for construction projects or equipment purchase on reimbursement basis. GST portion of reimbursement received is recognized as donation revenue.

	2022	2021
ATB Casino bank account (Note 7)	\$ 27	\$ 35,941
Cash held in trust by the Parks Foundation, Calgary (Note 8)	5,155	141,145
	<u>\$ 5,182</u>	<u>\$ 177,086</u>

4. SHORT TERM INVESTMENTS

Investments are held by the bank and consist of guaranteed income certificates. Accrued interest are recorded as accounts receivable.

	2022	2021
Cashable GIC matures June 23, 2023 at 2.00%	\$ 164,796	\$ -
Cashable GIC matures June 23, 2022 at 0.20%	-	164,467
Cashable GIC matures January 18, 2022 at 0.25%	-	36,990
	<u>\$ 164,796</u>	<u>\$ 201,457</u>

CALGARY COMMUNITY BRIDGE LEAGUE

Notes to the Financial Statements

(Audited)

For the Year Ended June 30, 2022

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	2022 Net	2021 Net
Leasehold improvements	\$ 119,110	\$ 7,941	\$ 111,169	\$ -
Furniture and fixtures	66,822	13,364	53,458	-
Equipment	5,873	1,175	4,698	-
	<u>\$ 191,805</u>	<u>\$ 22,480</u>	<u>\$ 169,325</u>	<u>\$ -</u>

6. DEFERRED CAPITAL CONTRIBUTIONS

	2022	2021
Deferred capital contributions, beginning of the year	\$ -	\$ -
Contributed by cash held in trust by the Parks Foundation, Calgary (Note 8)	129,136	-
Contributed by Casino fund (Note 7)	35,443	-
Contributed to operations	(17,248)	-
	<u>\$ 147,331</u>	<u>\$ -</u>

7. CASINO CONTRIBUTIONS

	2022	2021
Casino cash balance, beginning of the year	\$ 35,941	\$ 39,370
Interest earned	5	15
Contributed to purchases of capital assets (Note 6)	(35,443)	-
Contributed to operations	(476)	(3,444)
	<u>\$ 27</u>	<u>\$ 35,941</u>

8. CASH HELD IN TRUST BY THE PARKS FOUNDATION, CALGARY

	2022	2021
Cash balance, beginning of the year	\$ 141,145	\$ 141,145
Donation collected	2,000	-
Contributed to purchases of capital assets (Note 6)	(129,136)	-
Contributed to operations	(8,854)	-
	<u>\$ 5,155</u>	<u>\$ 141,145</u>

CALGARY COMMUNITY BRIDGE LEAGUE

Notes to the Financial Statements (Audited)

For the Year Ended June 30, 2022

9. COVID-19 PANDEMIC

The global Covid-19 pandemic has disrupted economic activities and supply chains since March 2020. Although the disruption from the virus is expected to be temporary, there is still uncertainty at the end of the 2022 fiscal year. The duration of business disruption and the related financial impact cannot be reasonably estimated at this time. The Association's ability to continue to serve its members is dependent on the continued ability to generate revenue and manage expenses.