

# **CALGARY COMMUNITY BRIDGE LEAGUE**

## **FINANCIAL STATEMENTS** (Audited)

**June 30, 2023**

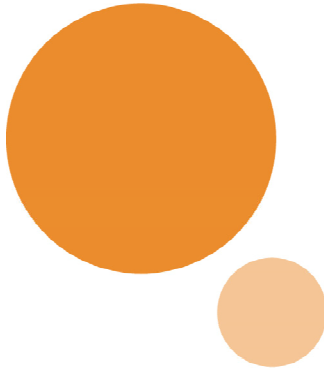


# CALGARY COMMUNITY BRIDGE LEAGUE

June 30, 2023

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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, 2023 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, 2023, 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, 2023, current assets as at June 30, 2023, and net assets as at July 1, 2022 and June 30, 2023. My auditor's opinion on the financial statements for the year ended June 30, 2022 was modified accordingly because of the possible effects of this limitation of scope.

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.

## **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  
October 3, 2023



Anthony Chiu  
Chartered Professional Accountant

**CALGARY COMMUNITY BRIDGE LEAGUE**  
**STATEMENT OF FINANCIAL POSITION**  
(Audited)

**As at June 30, 2023**

	<b>2023</b>	<b>2022</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents, unrestricted	\$ 50,371	\$ 30,200
Externally restricted cash (Note 3)	438	5,182
Short term investments (Note 4)	100,000	164,796
Accounts receivable	5,295	1,401
Goods and Services Tax receivable	10,848	9,500
Prepaid expenses	4,963	4,616
	<b>171,915</b>	<b>215,695</b>
<b>CAPITAL ASSETS</b> (Note 5)	<b>166,805</b>	<b>169,325</b>
	<b>\$ 338,720</b>	<b>\$ 385,020</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 6,515	\$ 10,623
Deposits payable	800	-
Deferred cash contributions (Note 3)	438	5,182
	<b>7,753</b>	<b>15,805</b>
<b>DEFERRED CAPITAL CONTRIBUTIONS</b> (Note 6)	<b>137,976</b>	<b>147,331</b>
	<b>145,729</b>	<b>163,136</b>
<b>NET ASSETS</b>		
Unrestricted	<b>164,162</b>	199,890
Invested in capital assets	<b>28,829</b>	21,994
	<b>192,991</b>	<b>221,884</b>
	<b>\$ 338,720</b>	<b>\$ 385,020</b>

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, 2023**

	<b>Unrestricted</b>	<b>Invested in capital assets</b>	<b>Net 2023</b>	<b>Net 2022</b>
Net assets, beginning of the year	\$ 199,890	\$ 21,994	\$ 221,884	\$ 280,669
Transfer	(12,052)	12,052	-	-
Deficiency of revenue over expenses	(23,676)	(5,217)	(28,893)	(58,785)
Net assets, end of the year	<b>\$ 164,162</b>	<b>\$ 28,829</b>	<b>\$ 192,991</b>	<b>\$ 221,884</b>

See Notes to Financial Statements

**CALGARY COMMUNITY BRIDGE LEAGUE**  
**STATEMENT OF OPERATIONS**  
(Audited)

For the Year Ended June 30, 2023

	<b>2023</b>	<b>2022</b>
<b>REVENUE</b>		
Bridge club rental	\$ 25,576	\$ 4,098
Hall rental	15,654	1,219
Bridge game card fees	9,765	899
Interest	2,967	519
Concession	2,611	318
Bridge lesson fees	2,070	819
Donations (Note 8)	84	8,854
Miscellaneous	55	-
Casino contributions (Note 7)	-	476
	<b>58,782</b>	<b>17,202</b>
<b>EXPENSES</b>		
Facility cleaning	19,376	4,423
Utilities	15,137	7,387
Yard and lot maintenance	8,856	7,966
Insurance	7,505	4,523
Supplies	7,483	3,962
Repair and maintenance	6,814	2,841
Professional fees	6,020	6,769
Salaries, wages, and administrative	4,140	11,115
Bridge director and sanction fees	3,400	316
Alarm monitoring	1,934	901
Computer, audio-visual, and website services	1,398	240
Interest and bank charges	395	230
Bridge Centre start-up costs	-	19,039
Storage space rental	-	793
Donations	-	250
	<b>82,458</b>	<b>70,755</b>
<b>DEFICIENCY OF REVENUE OVER EXPENSES BEFORE AMORTIZATION</b>	<b>(23,676)</b>	<b>(53,553)</b>
Amortization of deferred capital contributions (Note 6)	16,034	17,248
Amortization expense	<b>(21,251)</b>	<b>(22,480)</b>
<b>DEFICIENCY REVENUE OVER EXPENSES</b>	<b>\$ (28,893)</b>	<b>\$ (58,785)</b>

See Notes to Financial Statements



**CALGARY COMMUNITY BRIDGE LEAGUE**  
**STATEMENT OF CASH FLOWS**  
(Audited)

For the Year Ended June 30, 2023

	<b>2023</b>	<b>2022</b>
<b>OPERATING ACTIVITIES</b>		
<b>Deficiency of revenue over expenses</b>	<b>\$ (28,893)</b>	<b>\$ (58,785)</b>
<b>Charges not requiring cash outlay:</b>		
Amortization	21,251	22,480
Amortization of deferred capital contributions (Note 6)	(16,034)	(17,248)
<b>Changes in non-cash operating working capital:</b>		
Accounts receivable	(3,894)	(1,401)
Prepaid expenses	(347)	(2,757)
Accounts payable and accrued liabilities	(4,108)	10,623
Goods and Services Tax	(1,348)	(9,500)
Deposits payable	800	-
	<b>(32,573)</b>	<b>(56,588)</b>
<b>INVESTING ACTIVITIES</b>		
Redemption of investments	64,796	36,661
Purchase of capital assets	(18,731)	(191,805)
	<b>46,065</b>	<b>(155,144)</b>
<b>FINANCING ACTIVITIES</b>		
Use of deferred cash contributions	(4,744)	(171,904)
Receipt of deferred capital contributions	6,679	164,579
	<b>1,935</b>	<b>(7,325)</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>15,427</b>	<b>(219,057)</b>
<b>Cash and Cash Equivalents, Beginning of the Year</b>	<b>35,382</b>	<b>254,439</b>
<b>Cash and Cash Equivalents, End of the Year</b>	<b>\$ 50,809</b>	<b>\$ 35,382</b>
<b>Cash and Cash Equivalents Consist of:</b>		
Cash and cash equivalents, unrestricted	\$ 50,371	\$ 30,200
Externally restricted cash (Note 3)	438	5,182
	<b>\$ 50,809</b>	<b>\$ 35,382</b>

See Notes to Financial Statements

# CALGARY COMMUNITY BRIDGE LEAGUE

## Notes to the Financial Statements

(Audited)

For the Year Ended June 30, 2023

### 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, 2023

### 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 \$50,398 and investments of \$100,000 on June 30, 2023, \$100,465 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, 2023

### 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.

	<u>2023</u>	<u>2022</u>
ATB Casino bank account (Note 7)	\$ 27	\$ 27
Cash held in trust by the Parks Foundation, Calgary (Note 8)	411	5,155
	<u>\$ 438</u>	<u>\$ 5,182</u>

### 4. SHORT TERM INVESTMENTS

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

	<u>2023</u>	<u>2022</u>
Cashable GIC matures November 22, 2023 at 2.75%	\$ 100,000	\$ -
Cashable GIC matures June 23, 2023 at 2.00%	-	164,796
	<u>\$ 100,000</u>	<u>\$ 164,796</u>

# CALGARY COMMUNITY BRIDGE LEAGUE

## Notes to the Financial Statements (Audited)

For the Year Ended June 30, 2023

### 5. CAPITAL ASSETS

	Cost	Accumulated Amortization	2023 Net	2022 Net
Leasehold improvements	\$ 134,610	\$ 16,915	\$ 117,695	\$ 111,169
Furniture and fixtures	66,822	24,056	42,766	53,457
Equipment	9,105	2,761	6,344	4,699
	<u>\$ 210,537</u>	<u>\$ 43,732</u>	<u>\$ 166,805</u>	<u>\$ 169,325</u>

### 6. DEFERRED CAPITAL CONTRIBUTIONS

	2023	2022
Deferred capital contributions, beginning of the year	\$ 147,331	\$ -
Contributed by cash held in trust by the Parks Foundation, Calgary (Note 8)	6,679	129,136
Contributed by Casino fund (Note 7)	-	35,443
Contributed to operations	<u>(16,034)</u>	<u>(17,248)</u>
Deferred capital contributions, end of the year	<u>\$ 137,976</u>	<u>\$ 147,331</u>

### 7. CASINO CONTRIBUTIONS

	2023	2022
Casino cash balance, beginning of the year	\$ 27	\$ 35,941
Interest earned	-	5
Contributed to purchases of capital assets (Note 6)	-	(35,443)
Contributed to operations	<u>-</u>	<u>(476)</u>
Casino cash balance, end of the year (Note 3)	<u>\$ 27</u>	<u>\$ 27</u>

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

	2023	2022
Cash balance, beginning of the year	\$ 5,155	\$ 141,145
Donation collected	2,019	2,000
Contributed to purchases of capital assets (Note 6)	(6,679)	(129,136)
Contributed to operations	<u>(84)</u>	<u>(8,854)</u>
Cash balance, end of the year (Note 3)	<u>\$ 411</u>	<u>\$ 5,155</u>

### 9. COMPARATIVE FIGURES

Some of the prior period comparative figures have been reclassified to conform with the current year's presentation.