

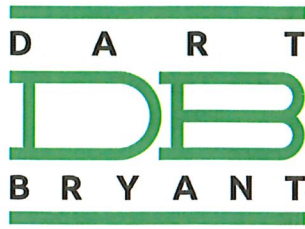
CONFEDERATION PARK 55+ ACTIVITY CENTRE
Financial Statements
Year Ended December 31, 2023

CONFEDERATION PARK 55+ ACTIVITY CENTRE

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Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of Confederation Park 55+ Activity Centre

Qualified Opinion

We have audited the financial statements of Confederation Park 55+ Activity Centre (the Centre), which comprise the statement of financial position as at December 31, 2023, and the statements of operations and 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 our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at December 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Centre derives revenue from donations and contributions and fundraising and other functions 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 Centre. Therefore, we were not able to determine whether any adjustments might be necessary to donations & contributions, fundraising revenue, operating excess, and cash flows from operating activities for the year ended December 31, 2023, and fund balances as at January 1 and December 31 for both 2023 and 2022. Our audit opinion on the financial statements for the year ended December 31, 2022 was modified accordingly because of the possible effects of this limitation of scope. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Centre in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 ASNPO, 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 Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our 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.

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Independent Auditor's Report to the Members of Confederation Park 55+ Activity Centre (*continued*)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 Centre'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 Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Centre 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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 we identify during our audit.

March 13, 2024



Chartered Professional Accountants

CONFEDERATION PARK 55+ ACTIVITY CENTRE

Statement of Financial Position

December 31, 2023

	Operating Fund 2023	Sustainability & Capital Fund 2023	Casino Fund 2023	Total 2023	Total 2022
ASSETS					
CURRENT					
Cash and cash equivalents	\$ 2,303	\$ -	\$ -	\$ 2,303	\$ 99,403
Restricted cash	-	-	20,845	20,845	73,139
Accounts receivable (Note 4)	1,875	-	121,266	123,141	890
Guaranteed investment certificates	-	50,000	-	50,000	50,000
Goods and services tax recoverable	10,325	-	-	10,325	6,517
	14,503	50,000	142,111	206,614	229,949
PROPERTY, PLANT AND EQUIPMENT (Net of accumulated amortization) (Note 6)	-	30,249	-	30,249	29,284
LONG TERM INVESTMENTS (Note 5)	-	303,444	-	303,444	238,334
	\$ 14,503	\$ 383,693	\$ 142,111	\$ 540,307	\$ 497,567
LIABILITIES AND NET ASSETS					
CURRENT					
Accounts payable and accrued liabilities	\$ 48,126	\$ -	\$ -	\$ 48,126	\$ 44,406
Short term debt (Note 9)	-	-	-	-	60,000
Employee deductions payable	10,018	-	-	10,018	9,612
Deferred Revenue - memberships and registrations	34,313	-	-	34,313	34,251
Deferred Contributions (Note 7)	30,000	27,207	116,114	173,321	70,276
	122,457	27,207	116,114	265,778	218,545
NET ASSETS (DEFICIENCY)	(107,954)	356,486	25,997	274,529	279,022
	\$ 14,503	\$ 383,693	\$ 142,111	\$ 540,307	\$ 497,567

On behalf of the Board

Director

Director

CONFEDERATION PARK 55+ ACTIVITY CENTRE
Statement of Operations and Changes in Net Assets
Year Ended December 31, 2023

	Operating Fund	Sustainability & Capital Fund	Casino Fund	2023	2022
REVENUES					
Family and Community Support Services (FCSS) funding	\$ 199,123	\$ -	\$ -	\$ 199,123	\$ 199,123
Class registrations	104,536	-	-	104,536	69,975
Fundraising and other functions	41,070	-	51,610	92,680	56,810
Donations and contributions	40,818	10,622	4,914	56,354	60,718
Government subsidies (Note 9)	20,000	-	-	20,000	35,358
Memberships	20,828	-	-	20,828	17,169
Government grants	31,500	-	-	31,500	3,143
	<u>457,875</u>	<u>10,622</u>	<u>56,524</u>	<u>525,021</u>	<u>442,296</u>
EXPENSES					
Salaries and benefits	243,499	-	25,206	268,705	228,513
Utilities & rent	84,751	-	7,770	92,521	90,966
Class instruction	40,796	-	360	41,156	50,046
Professional services	31,984	-	-	31,984	41,418
Office	42,915	3,990	3,488	50,393	31,682
Fundraising and other functions	27,894	-	4,110	32,004	18,822
Amortization	-	12,703	-	12,703	11,336
Transportation	(6,691)	-	15,590	8,899	11,304
Copier and supplies	7,918	-	-	7,918	4,395
Insurance	6,386	-	-	6,386	4,005
Repairs and maintenance	158	-	-	158	2,316
Telephone	778	-	-	778	866
Janitorial	-	-	-	-	138
	<u>480,388</u>	<u>16,693</u>	<u>56,524</u>	<u>553,605</u>	<u>495,807</u>
DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS	<u>(22,513)</u>	<u>(6,071)</u>	<u>-</u>	<u>(28,584)</u>	<u>(53,511)</u>

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CONFEDERATION PARK 55+ ACTIVITY CENTRE
Statement of Operations and Changes in Net Assets *(continued)*
Year Ended December 31, 2023

	Operating Fund	Sustainability & Capital Fund	Casino Fund	2023	2022
OTHER INCOME					
Interest, investment & other income	1,535	10,335	-	11,870	3,369
Capital Gains	-	12,221	-	12,221	3,003
	1,535	22,556	-	24,091	6,372
NET EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(20,978)	16,485	-	(4,493)	(47,139)
NET ASSETS - BEGINNING OF YEAR	(133,147)	385,488	26,681	279,022	326,161
	(154,125)	401,973	26,681	274,529	279,022
Interfund transfers	46,171	(45,487)	(684)	-	-
NET ASSETS - END OF YEAR	\$ (107,954)	\$ 356,486	\$ 25,997	\$ 274,529	\$ 279,022

CONFEDERATION PARK 55+ ACTIVITY CENTRE

Statement of Cash Flows

Year Ended December 31, 2023

	Operating Fund	Sustainability & Capital Fund	Casino Fund	2023	2022
OPERATING ACTIVITIES					
Excess (deficiency) of revenues over expenses	\$ (20,978)	\$ 16,485	\$ -	\$ (4,493)	\$ (47,139)
Items not affecting cash:					
Amortization of property, plant and equipment	-	12,703	-	12,703	11,336
CEBA loan forgiveness	(20,000)	-	-	(20,000)	-
Unrealized gain on long term investment	-	(11,710)	-	(11,710)	(1,689)
Internal transfers	46,171	(45,487)	(684)	-	-
	<u>5,193</u>	<u>(28,009)</u>	<u>(684)</u>	<u>(23,500)</u>	<u>(37,492)</u>
Changes in non-cash working capital:					
Accounts receivable	(985)	-	(121,266)	(122,251)	(890)
Accounts payable and accrued liabilities	3,720	(1)	-	3,719	(18,155)
Deferred Revenue - memberships and registrations	62	-	-	62	6,138
Goods and services tax payable	(3,808)	-	-	(3,808)	(3,884)
Employee deductions payable	406	-	-	406	9,628
Deferred Contributions - FCSS	30,000	3,390	69,656	103,046	30,939
	<u>29,395</u>	<u>3,389</u>	<u>(51,610)</u>	<u>(18,826)</u>	<u>23,776</u>
Cash flow from (used by) operating activities	<u>34,588</u>	<u>(24,620)</u>	<u>(52,294)</u>	<u>(42,326)</u>	<u>(13,716)</u>
INVESTING ACTIVITIES					
Purchase of property, plant and equipment	-	(13,668)	-	(13,668)	-
Purchase of short term investment	-	-	-	-	(50,000)
Purchase of long term investments	-	(53,400)	-	(53,400)	(236,646)
Restricted cash	-	-	52,294	52,294	(62,630)
Cash flow from (used by) investing activities	<u>-</u>	<u>(67,068)</u>	<u>52,294</u>	<u>(14,774)</u>	<u>(349,276)</u>
FINANCING ACTIVITY					
CEBA loan	(40,000)	-	-	(40,000)	-

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CONFEDERATION PARK 55+ ACTIVITY CENTRE

Statement of Cash Flows (continued)

Year Ended December 31, 2023

	Operating Fund	Sustainability & Capital Fund	Casino Fund	2023	2022
Cash flow from (used by) financing activity	(40,000)	-	-	(40,000)	-
INCREASE (DECREASE) IN CASH FLOW	(5,412)	(91,688)	-	(97,100)	(362,992)
Cash and cash equivalents - beginning of year	7,715	91,688	-	99,403	462,395
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 2,303	\$ -	\$ -	\$ 2,303	\$ 99,403
CASH CONSISTS OF:					
Cash	\$ 2,303	\$ -	\$ -	\$ 2,303	\$ 49,403
Guaranteed investment certificates	-	-	-	-	50,000
	\$ 2,303	\$ -	\$ -	\$ 2,303	\$ 99,403

CONFEDERATION PARK 55+ ACTIVITY CENTRE

Notes to Financial Statements

Year Ended December 31, 2023

1. OVERVIEW

Confederation Park 55+ Activity Centre (the "Centre") is a registered society and charity formed to provide educational, recreational, outreach support programs and special services to members of the community 55 years of age and older to help them maintain an independent life style.

These financial statements include the operations and resources of the Operating, Sustainability & Capital and Casino Funds only. Historically they did not include the operations and resources of any self sufficient but directly controlled Clubs or Committees of the Centre, except for contributions received from these clubs. All Clubs and Committees of the Centre are not included.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. The continued operation of the Centre is dependent on the continued support of government and interested individuals and groups.

The Centre follows Canadian accounting standards for not for profit organizations and a summary of significant accounting policies include:

Fund Accounting

Fund accounting is used to ensure the observance of the purposes, limitations, and restrictions on the use of resources made available to the organization as specified by the donors, contributors, and the Board.

The funds are summarized for reporting as follows:

Operating Fund

- to handle all general fund raising events, general Centre functions, class instruction and support of all other committees and clubs which are in place. It includes government grants relating to budgeted salaries, benefits, rent and utilities. Any deficits are funded by the Sustainability & Capital Fund.

Sustainability & Capital Fund

- to record all funds received and disbursed for property and equipment acquisition and is used to fund any Operating Fund deficits. Bequests with no specific direction are recorded in this fund as well. The Sustainability & Capital Fund is limited to \$500,000.

Casino Fund

- to record all funds received and disbursed from casino for supported events.

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CONFEDERATION PARK 55+ ACTIVITY CENTRE

Notes to Financial Statements

Year Ended December 31, 2023

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

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

The centre's financial instruments consist of cash and cash equivalents, accounts receivable, guaranteed investment certificates, accounts payable, employee deductions payable and short-term debt, which are measured at amortized cost. Under long term investments, cash and cash equivalents and high interest savings are measured at amortized cost, fixed income and equities are measured at fair value.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are term deposits and GIC's having the capacity of prompt liquidation or original maturities of 3 months or less.

Property and Equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life at the following rates and methods.

Leasehold improvements	Term of lease	straight-line method
Computer equipment	5 years	straight-line method

Impairment of Long Lived assets

The Company tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value

Deferred Revenue

Class registration fees, membership fees and facility rental received in advance are recorded as deferred revenue until the class or term is completed.

Revenue Recognition

The Centre follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Until then, they are recorded as deferred contributions. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Fund raising and other function revenue, class registrations, facility rental and memberships are recorded as earned and when collection is reasonably assured. Investment and other income is accrued as earned. Government grants are recorded when there is a reasonable assurance that the organization had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

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CONFEDERATION PARK 55+ ACTIVITY CENTRE

Notes to Financial Statements

Year Ended December 31, 2023

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

Contributed Goods & Services

Management estimates that 193 (2022: 162) volunteers contribute about 6,585 (2022: 9,886) hours to assist the Centre in carrying out its service delivery and support activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

During the year, the Centre received \$0 (2022 \$0) gifts in kind.

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. 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.

The most significant estimates included in these financial statements include the estimate of the amounts of accrued liabilities and allocations of deferred contribution expenditures. (Note 7).

Fundraising Activities

Fundraising revenues and expenses are recorded specifically in the Operating Fund. No salary costs have been allocated to the fundraising costs.

3. FINANCIAL INSTRUMENTS

The Centre is exposed to various risks through its financial instruments, which comprise cash, term deposits and GIC's, account receivable and accounts payable. Unless otherwise noted, it is management's opinion that the Centre is not exposed to significant liquidity, market or interest rate risks arising from these financial instruments.

4. ACCOUNTS RECEIVABLE

Accounts receivable consists of \$121,266 due from AGLC for the Casino held in December 2023, which will be restricted by the AGLC use of proceeds, and the remaining balance consists of accrued interest from the Guaranteed Investment Certificate.

5. LONG-TERM INVESTMENTS

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 4,025	\$ 9,566
Fixed income	131,220	74,972
Equities	131,336	118,435
High interest savings account	36,863	35,361
	<u>\$ 303,444</u>	<u>\$ 238,334</u>

CONFEDERATION PARK 55+ ACTIVITY CENTRE

Notes to Financial Statements

Year Ended December 31, 2023

6. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Computer equipment	\$ 13,668	\$ 1,367	\$ 12,301	\$ -
Leasehold improvements	45,343	27,395	17,948	29,284
	<u>\$ 59,011</u>	<u>\$ 28,762</u>	<u>\$ 30,249</u>	<u>\$ 29,284</u>

7. DEFERRED CONTRIBUTIONS

Certain contributions received are externally restricted and are recorded as deferred contributions until funds are expended at which time they are transferred to revenue to match the expense. A summary of the current year activity follows:

	Opening balances	Restricted contributions received	Amount recognized as revenue	Ending balances
FCSS	\$ -	\$ 199,123	\$ (199,123)	\$ -
Casino funds	46,458	121,266	(51,610)	116,114
CIP Grant	-	50,000	(25,000)	25,000
Deferred contribution for lift and boutique	23,818	-	(9,220)	14,598
Deferred contribution for computers	-	14,010	(1,401)	12,609
Calgary Foundation	-	10,000	5,000	5,000
City of Calgary	-	1,500	1,500	-
	<u>\$ 70,276</u>	<u>\$ 395,899</u>	<u>\$ (292,854)</u>	<u>\$ 173,321</u>

8. LEASE COMMITMENTS

The Centre leases premises under a long term lease that expired on August 01, 2023. Subsequent to year end a new lease was signed that will expire March 30, 2027. The Centre also has a photocopier lease. Future minimum lease payments are as follows:

2024	\$ 90,049
2025	100,176
2026	100,416
2027	25,104
	<u>\$ 315,745</u>

9. CEBA LOAN PAYABLE

The Canadian Emergency Business Account (CEBA) loan payable bore interest at 0% per annum until December 31, 2023. If the loan was not repaid by December 2023, it was to be converted into a 3-year term loan bearing interest at 5% per annum.

Confederation Park 55+ Activity Centre repaid the loan during the year and \$20,000 was forgiven and recognized in revenue for the year.

