

**THE CALGARY BETWEEN FRIENDS CLUB**  
**Financial Statements**  
**Year Ended December 31, 2023**



CZECHOWSKY, GRAHAM & HANEVELT  
CHARTERED PROFESSIONAL ACCOUNTANTS  
• AN ASSOCIATION OF PROFESSIONAL PRACTICES •

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of The Calgary Between Friends Club

### *Opinion*

I have audited the financial statements of The Calgary Between Friends Club (the Society), which comprise the statement of financial position as at December 31, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Society 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 Opinion*

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 Society in accordance with 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 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

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Independent Auditor's Report to the Members of The Calgary Between Friends Club (*continued*)

*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 Society'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 Society'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 conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Society 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  
April 17, 2024



STEVEN POTTER PROFESSIONAL CORPORATION  
CHARTERED PROFESSIONAL ACCOUNTANT

**THE CALGARY BETWEEN FRIENDS CLUB**  
**Statement of Financial Position**  
**December 31, 2023**

	2023	2022
<b>Assets</b>		
Current		
Cash and cash equivalents	\$ 1,199,343	\$ 957,866
Restricted casino cash (Note 3)	54,566	94,882
Short-term investments (Note 4)	3,156	3,072
Accounts receivable	103,976	58,440
Prepaid expenses	26,052	27,980
Goods and services tax recoverable	7,170	6,401
	<b>1,394,263</b>	1,148,641
Property and equipment (Note 5)	113,589	145,934
Endowment fund investment (Note 6)	1,688,237	1,660,916
Restricted cash (Note 7)	2,307	32,458
	<b>\$ 3,198,396</b>	<b>\$ 2,987,949</b>
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities	\$ 44,568	\$ 46,181
Source deduction payable	292	278
Deferred contributions related to operations (Note 8)	706,406	439,700
Deferred contributions related to casino (Note 9)	54,566	94,882
	<b>805,832</b>	581,041
Deferred contributions related to property and equipment (Note 7)	93,929	146,563
	<b>899,761</b>	727,604
<b>Net Assets</b>		
Property and Equipment Fund	21,967	31,829
General Fund	588,431	567,600
Endowment Fund (Note 6)	1,688,237	1,660,916
	<b>2,298,635</b>	2,260,345
	<b>\$ 3,198,396</b>	<b>\$ 2,987,949</b>

Lease commitments (Note 10)

**ON BEHALF OF THE BOARD**

DocuSigned by:  
 6933822EEF71C7...  
 Cory Vance  
 Director  
 Director

See notes to financial statements

**THE CALGARY BETWEEN FRIENDS CLUB**  
**Statement of Operations**  
**Year Ended December 31, 2023**

	2023	2022
<b>Revenues</b>		
Fundraising (Note 11)	\$ 1,050,032	\$ 974,517
Programs	634,925	524,931
Government grants (Note 12)	153,581	138,807
Investment income - Endowment Fund (Note 6)	51,969	40,751
Investment income - general	32,664	14,140
	<u>1,923,171</u>	<u>1,693,146</u>
<b>Direct costs</b>		
Program wages and benefits	1,023,789	911,960
Program costs	364,358	305,031
Fundraising wages and benefits (Note 11)	182,329	184,943
Fundraising costs (Note 11)	115,555	91,298
	<u>1,686,031</u>	<u>1,493,232</u>
<b>Operating expenses</b>		
General operating costs	80,358	74,706
Operating wages and benefits	64,975	68,161
Amortization	63,236	53,038
Building occupancy	28,409	28,433
Endowment Fund administration charges (Note 6)	19,232	15,466
Communications - publicity & promotions	20,270	13,692
	<u>276,480</u>	<u>253,496</u>
<b>Deficiency of revenues over operating expenses from operations</b>	<u>(39,340)</u>	<u>(53,582)</u>
<b>Other income</b>		
Realized gain on Endowment Fund investment	26,976	21,365
Unrealized (loss) gain on Endowment Fund investment (Note 6)	50,654	(140,963)
	<u>77,630</u>	<u>(119,598)</u>
<b>Excess (deficiency) of revenues over expenses</b>	<u>\$ 38,290</u>	<u>\$ (173,180)</u>

See notes to financial statements

**THE CALGARY BETWEEN FRIENDS CLUB**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2023**

	Property and Equipment Fund	General Fund	Endowment Fund	<b>2023</b>	2022
<b>Net assets - beginning of year</b>	\$ 31,829	\$ 567,600	\$ 1,660,916	<b>\$ 2,260,345</b>	\$ 2,353,525
Excess (deficiency) of revenues over expenses	(10,602)	(61,475)	110,367	<b>38,290</b>	(173,180)
Property and equipment acquisition	740	(740)	-	-	-
Inter-fund transfers	-	83,046	(83,046)	-	-
Endowment contributions	-	-	-	-	80,000
<b>Net assets - end of year</b>	<b>\$ 21,967</b>	<b>\$ 588,431</b>	<b>\$ 1,688,237</b>	<b>\$ 2,298,635</b>	<b>\$ 2,260,345</b>

**THE CALGARY BETWEEN FRIENDS CLUB**  
**Statement of Cash Flows**  
**Year Ended December 31, 2023**

	2023	2022
<b>Operating activities</b>		
(Deficiency) excess of revenues over operating expenses	\$ 38,290	\$ (173,180)
Items not affecting cash:		
Amortization of property and equipment	63,236	53,038
Recognition of deferred contributions related to property and equipment	(52,634)	(42,584)
Unrealized (gain) loss on Endowment Fund	(50,654)	140,963
Gain on disposal of investments	(26,976)	(21,365)
	<u>(28,738)</u>	<u>(43,128)</u>
Changes in non-cash working capital:		
Accounts receivable	(45,536)	16,971
Accounts payable and accrued liabilities	(1,613)	10,356
Prepaid expenses	1,928	(7,318)
Goods and services tax payable	(769)	339
Deferred contributions related to operations	266,706	200,191
Deferred contributions related to casino	(40,316)	80,624
Source deduction payable	14	(12,789)
	<u>180,414</u>	<u>288,374</u>
Cash flow from operating activities	<u>151,676</u>	<u>245,246</u>
<b>Investing activities</b>		
Purchase of property and equipment	(30,891)	(111,212)
Change in Endowment Fund	50,309	53,652
Short-term investments	(84)	(20)
Restricted cash	30,151	93,670
Restricted casino cash	40,316	(80,624)
	<u>89,801</u>	<u>(44,534)</u>
Cash flow from (used by) investing activities	<u>89,801</u>	<u>(44,534)</u>
<b>Increase in cash flow</b>	<b>241,477</b>	<b>200,712</b>
Cash - beginning of year	<u>957,866</u>	<u>757,154</u>
<b>Cash - end of year</b>	<b>\$ 1,199,343</b>	<b>\$ 957,866</b>

See notes to financial statements

**THE CALGARY BETWEEN FRIENDS CLUB**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

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**1. Purpose of the Society**

The Calgary Between Friends Club (the Society) is a not-for-profit organization incorporated provincially under the Societies Act (Alberta). As a registered charity, the Society is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Society operates to provide quality social, recreation, and development opportunities so that people with disabilities can connect, grow, and belong. The intended community of service is all those who have disabilities, or assist in the care of those with disabilities throughout Calgary and the surrounding areas.

**2. Summary of significant accounting policies**

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. While actual results could differ from such estimates, these financial statements have, in management's opinion, been properly prepared using careful judgement within reasonable limits of materiality and within the framework of the significant accounting policies summarized as follows:

Fund accounting

For financial reporting purposes, the accounts of the Society have been classified into funds. The Society ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided.

Revenue and expenses related to program delivery and administrative activities are reported in the General Fund.

The Endowment Fund was created to accumulate assets to generate investment income to help fund the Society's operations. The Endowment Fund's investments are maintained in trust by The Calgary Foundation (TCF). Access to capital contributions within the Endowment Fund are restricted for ten years following the initial date of contributions. Net investment income earned on the assets of the Endowment Fund is unrestricted and can be used to fund operations of the Society as determined by TCF. The Society's access to undistributed net investment income is restricted to a maximum of 4.5% of the market value of the Endowment Fund's pro-rata share of investments held in trust by TCF. Net investment income in excess of the 4.5% maximum is reinvested back into the Endowment Fund.

The Property and Equipment Fund reports the assets, liabilities, revenues, and expenses related to the Society's capital assets.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash deposits held with Canadian chartered banking institutions, and cheques issued and outstanding.

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**THE CALGARY BETWEEN FRIENDS CLUB**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

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**2. Summary of significant accounting policies (continued)**

Property and equipment

Property and equipment are stated at cost less accumulated amortization. Contributed property and equipment are recorded at fair value at the date of contribution. Property and equipment are amortized over its estimated useful life on a straight-line basis at the following rates and methods:

Leasehold improvements	term of the lease	straight-line method
Computer equipment	5 years	straight-line method
Furniture and fixtures	5 years	straight-line method
Equipment	5 years	straight-line method

The Society regularly reviews its property and equipment to eliminate obsolete items.

Impairment of long-lived assets

The Society 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.

Financial instruments

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.

Financial assets measured at amortized cost include cash and cash equivalents, restricted cash, short-term investments, and accounts receivable.

Long-term investments held within the Endowment Fund are recorded at fair value as they are invested by TCF in publicly traded instruments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

At the end of each reporting period the Society assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment might include significant financial difficulty of the issuer, default or delinquency in interest payments, or bankruptcy. When there is an indication of impairment, the Society determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset. Any impairment loss is recognized in the statement of revenues and expenditures in the current period. Impairment losses can be reversed to the extent of the improvement. The amount of the reversal is recognized in the statement of revenues and expenditures in the period the reversal occurs.

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**THE CALGARY BETWEEN FRIENDS CLUB**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

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**2. Summary of significant accounting policies (continued)**

Revenue recognition

The Society follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Revenue from donations and fundraising activities are recorded when committed and collection is reasonably assured. Investment income, except that earned on the assets of the Endowment Fund, is recognized as revenue in the year it is earned.

Endowment contributions are recognized as direct increases in net assets. Investment income earned on the assets in the Endowment Fund is recognized as revenue in the Endowment Fund in the year it is earned.

Contributions received for property and equipment are recognized in revenue in proportion to the annual amortization of the related assets for which the contributions were made.

Contributed services

The operations of the Society depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Contributed goods are recognized where their fair values are readily determinable and the goods would have been purchased had they not be contributed. The amount of gift in kind received during the year was \$23,992 (2022 - \$9,432).

Measurement uncertainty

The preparation of financial statements in conformity with Canadian ASNPO require 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.

Accounts receivable is stated after evaluation of collectability, management considers setting up an allowance for doubtful accounts where necessary.

Amortization of property and equipment is based on estimated useful lives of the underlying assets.

Such estimates are periodically reviewed and any adjustments necessary are reported in statement of operations in the period in which they become known. Actual results could differ from these estimates.

**3. Restricted casino cash**

Restricted cash are funds that have been collected through casino proceeds and are therefore externally restricted by the Alberta Gaming, Liquor & Cannabis Commission. The Society must use the gaming proceeds within 24 months after receiving the proceeds. The Society maintains a separate bank account for casino funds.

**THE CALGARY BETWEEN FRIENDS CLUB**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

**4. Short-term investments**

	<b>2023</b>	<b>2022</b>
Guaranteed investment certificate, bearing interest at 4.25% (2023 - 1.15%) per annum, maturing on July 1, 2024	<b>\$ 3,156</b>	<b>\$ 3,072</b>

**5. Property and equipment**

	Cost	Accumulated amortization	<b>2023 Net book value</b>	2022 Net book value
Leasehold improvements	\$ 756,290	\$ 654,504	<b>\$ 101,786</b>	\$ 122,528
Computer equipment	18,251	7,939	<b>10,312</b>	13,222
Furniture and fixtures	47,428	45,937	<b>1,491</b>	10,184
Equipment	18,021	18,021	-	-
	<b>\$ 839,990</b>	<b>\$ 726,401</b>	<b>\$ 113,589</b>	<b>\$ 145,934</b>

**6. Endowment Fund**

The Endowment Fund was created to accumulate assets to generate investment income to help fund the Society's operations. The funds are managed by TCF.

	<b>2023</b>	<b>2022</b>
Balance - beginning of year	<b>\$ 1,660,916</b>	\$ 1,754,167
Investment income	<b>51,969</b>	40,751
TCF operational costs	<b>(19,232)</b>	(15,466)
Grants approved by TCF	<b>(83,046)</b>	(78,938)
Contributions	-	80,000
Subtotal	<b>1,610,607</b>	1,780,514
Realized gain on disposal of Endowment Fund	<b>26,976</b>	21,365
Unrealized (loss) gain on Endowment Fund	<b>50,654</b>	(140,963)
	<b>\$ 1,688,237</b>	<b>\$ 1,660,916</b>

**THE CALGARY BETWEEN FRIENDS CLUB**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

**7. Deferred contributions related to property and equipment**

	<b>2023</b>	<b>2022</b>
Balance - beginning of year	\$ 146,563	\$ 189,147
Contributions received	-	-
Amount amortized during the year	<b>(52,634)</b>	<b>(42,584)</b>
	<b>\$ 93,929</b>	<b>\$ 146,563</b>

Included in the above deferred contributions is externally restricted cash by funders for property and equipment. During the fiscal year, contributions received in prior years of \$2,307 (2022 - \$32,548) have been deferred for future renovations.

**8. Deferred contributions related to operations**

	Opening balance	Funds received	Funds utilized	<b>2023</b>	<b>2022</b>
Inclusion Services	\$ -	\$ 205,786	\$ -	\$ <b>205,786</b>	\$ -
General Operating	110,000	103,580	(35,000)	<b>178,580</b>	110,000
WESOAR/WeConnect Programming	100,000	30,000	(25,000)	<b>105,000</b>	100,000
Camp Bonaventure (Sandy Beach)	50,000	65,376	(50,000)	<b>65,376</b>	50,000
Adventurers Programs	48,300	55,400	(48,300)	<b>55,400</b>	48,300
Camp Bonaventure (Red Deer)	-	43,440	-	<b>43,440</b>	-
General Programs	27,000	36,187	(27,000)	<b>36,187</b>	27,000
Scholarships	5,000	7,237	(5,000)	<b>7,237</b>	5,000
Fee Assistance / Subsidy	70,000	5,000	(70,000)	<b>5,000</b>	70,000
Social Enterprise	4,400	-	-	<b>4,400</b>	4,400
ICAN Training Module	25,000	-	(25,000)	-	25,000
	<b>439,700</b>	<b>552,006</b>	<b>(285,300)</b>	<b>706,406</b>	<b>439,700</b>
	<b>\$ 439,700</b>	<b>\$ 552,006</b>	<b>\$ (285,300)</b>	<b>\$ 706,406</b>	<b>\$ 439,700</b>

**THE CALGARY BETWEEN FRIENDS CLUB**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

**9. Deferred contributions related to casino**

	<b>2023</b>	<b>2022</b>
Casino		
Balance - beginning of year	\$ 94,882	\$ 14,258
Contributions received	17,700	80,684
Amounts utilized	(58,016)	(60)
	<b>\$ 54,566</b>	<b>\$ 94,882</b>

**10. Lease commitments**

The Society has a long-term lease with respect to its premises. The lease contains renewal options and provides for payment of utilities, property taxes and maintenance costs. Future minimum lease payments as at December 31, 2023, are as follows:

2024	\$ 39,595
2025	39,595
2026	39,595
2027	3,300
	<b>\$ 122,085</b>

**11. Additional information to comply with the disclosure requirement of the Charitable Fundraising Act of Alberta and regulations**

	<b>2023</b>	<b>2022</b>
Fundraising revenue	<b>\$ 1,050,032</b>	<b>\$ 974,517</b>

Expenses incurred for the purposes of soliciting contributions were \$115,555 (2022 - \$91,298).

Remuneration paid to employees for fundraising activities were \$182,329 (2022 - \$184,943).

**12. City of Calgary, Family & Community Support Services**

During the year, the Society received \$27,636 (2022 - \$110,543) from the City of Calgary, Family and Community Support Services (FCSS). The FCSS grants totaling \$27,636 were fully expensed in the calendar period ending December 31, 2023. Expenditures were related to:

- i) Family and Community Support Services Funding: salaries and benefits
- ii) Capacity Building: subcontractor to revamp online Inclusion Training
- iii) Change Can't Wait: salaries, materials and supplies for G.L.O.W. Pilot Workshop

**THE CALGARY BETWEEN FRIENDS CLUB**  
**Notes to Financial Statements**  
**Year Ended December 31, 2023**

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**13. Financial instrument risk**

The following analysis provides information about the Society's risk exposure and concentration as of December 31, 2023.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from its funders and other related sources, obligations under rental leases and accounts payable. Management monitors its cash flows periodically to ensure these obligations are settled when due.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Society is not exposed to interest rate risk as it does not have financial assets or liabilities bearing these risks. The Society is however, exposed to risk of changes in fair value of its Endowment Fund. Management reviews the short-term investments closely to ensure that these investments are made in low-risk instruments and accounts.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant other price risks arising from these financial instruments.