

Financial Statements

*Camrose Association For Community Living*

March 31, 2022

## Contents

	<b>Page</b>
Independent Auditor's Report	1 - 3
Statement of Operations	4
Statement of Financial Position	5
Statement of Changes in Net Assets	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 14

## Independent Auditor's Report

---

**Grant Thornton LLP**  
1701 Rice Howard Place 2  
10060 Jasper Avenue NW  
Edmonton, AB  
T5J 3R8

T +1 780 422 7114  
F +1 780 426 3208  
[www.GrantThornton.ca](http://www.GrantThornton.ca)

To the Board of Directors of  
Camrose Association For Community Living

### Opinion

We have audited the financial statements of Camrose Association For Community Living, which comprise the statement of financial position as at March 31, 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 our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for opinion

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 Association in accordance with the 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 opinion.

### Other information

Management is responsible for the other information. The other information comprises:

The Annual Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The Annual Report is expected to be made available to us after the date of the auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

# Independent Auditor's Report (continued)

## **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**

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. 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 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 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 Association to cease to continue as a going concern.

## Independent Auditor's Report (continued)

- 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.

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.

*Grant Thornton LLP*

Edmonton, Canada  
June 7, 2022

Chartered Professional Accountants

# Camrose Association For Community Living

## Statement of Operations

Year ended March 31	2022	2021
<b>Revenues</b>		
Government contracts and grants	\$ 5,224,414	\$ 5,218,535
Investment income	223,806	186,315
Rent	152,900	152,750
Other grants	138,907	170,827
Other income	90,408	27,799
Amortization of deferred capital contributions	83,435	86,610
Donations	24,039	22,521
Fees and recoveries	12,029	23,900
Fundraising (Note 5)	7,862	41,435
Membership dues	2,807	2,737
	<u>5,960,607</u>	<u>5,933,429</u>
<b>Expenditures</b>		
Wages and employee benefits	5,124,007	5,178,356
Program materials, projects and recreation	123,333	113,249
Telephone and utilities	104,621	91,493
Amortization	94,528	96,756
Repairs and maintenance	72,617	82,007
Travel	45,228	39,575
Rent and repayments	40,814	40,447
Insurance and licenses	39,612	37,919
Development and training	36,017	108,279
Office supplies and postage	30,924	20,771
Investment management fees	30,772	27,628
Professional fees	21,512	23,063
Bank charges and interest	9,405	10,376
Advertising and promotion	7,939	925
Memberships	6,398	6,069
Scholarships	4,600	2,500
Consultation	3,004	2,234
Janitorial supplies	1,536	2,522
Meetings	434	420
Food and household supplies	166	-
	<u>5,797,467</u>	<u>5,884,589</u>
Excess of revenues over expenses before other item	163,140	48,840
(Decrease) increase in fair value of investments	<u>(5,537)</u>	<u>333,413</u>
Excess of revenues over expenses	<u>\$ 157,603</u>	<u>\$ 382,253</u>

See accompanying notes to the financial statements.

# Camrose Association For Community Living Statement of Financial Position

March 31

2022

2021

**Assets**

Current

Cash	\$ 1,126,866	\$ 1,468,642
Investments (Note 3)	2,856,640	2,669,903
Accounts receivable	411,107	57,965
Prepaid expenses	4,363	1,581
Goods and services tax receivable	<u>8,673</u>	<u>10,235</u>
	<b>4,407,649</b>	<b>4,208,326</b>
Capital assets (Note 4)	<u>2,120,521</u>	<u>2,215,049</u>
	<b><u>\$ 6,528,170</u></b>	<b><u>\$ 6,423,375</u></b>

**Liabilities**

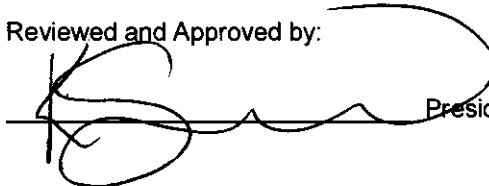
Current

Accounts payable and accrued liabilities	\$ 100,525	\$ 70,843
Wages, vacation and benefits payable	355,633	441,993
Deferred contributions (Note 5)	<u>242,953</u>	<u>155,648</u>
	<b>699,111</b>	<b>668,484</b>
Deferred capital contributions (Note 6)	<u>1,064,222</u>	<u>1,147,657</u>
	<b><u>1,763,333</u></b>	<b><u>1,816,141</u></b>

**Net Assets**

Invested in capital assets (Note 7)	1,056,299	1,067,392
Internally restricted (Note 8)	3,346,818	3,341,168
Unrestricted	<u>361,720</u>	<u>198,674</u>
	<b><u>4,764,837</u></b>	<b><u>4,607,234</u></b>
	<b><u>\$ 6,528,170</u></b>	<b><u>\$ 6,423,375</u></b>

Reviewed and Approved by:

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Treasurer

## Camrose Association For Community Living Statement of Changes in Net Assets

Year ended March 31

	Invested in Capital Assets	Internally Restricted	Unrestricted	Total 2022	Total 2021
Balance, beginning of year	\$ 1,067,392	\$ 3,341,168	\$ 198,674	\$ 4,607,234	\$ 4,224,981
Excess of revenues over expenses	-	-	157,603	157,603	382,253
Amortization	(94,528)	-	94,528	-	-
Amortization of deferred capital contributions	83,435	-	(83,435)	-	-
Transfers to (from) reserves	-	5,650	(5,650)	-	-
Balance, end of year	<u>\$ 1,056,299</u>	<u>\$ 3,346,818</u>	<u>\$ 361,720</u>	<u>\$ 4,764,837</u>	<u>\$ 4,607,234</u>

See accompanying notes to the financial statements.



## Camrose Association For Community Living Statement of Cash Flows

Year ended March 31	2022	2021
(Decrease) increase in cash		
<b>Operating</b>		
Excess of revenues over expenses	\$ 157,603	\$ 382,253
Items not affecting cash		
Amortization	94,528	96,756
Amortization of deferred capital contributions	(83,435)	(86,610)
Fair market value adjustment of investments	5,537	(333,413)
	174,233	58,986
Change in non-cash working capital items		
Accounts receivable	(353,142)	(36,121)
Prepaid expenses	(2,782)	4,866
Goods and services tax	1,562	803
Accounts payable and accrued liabilities	29,682	(38,756)
Wages, vacation and benefits payable	(86,360)	67,225
Deferred contributions	87,305	77,649
	(149,502)	134,652
<b>Investing</b>		
Purchase of investments, net	(192,274)	(158,013)
Decrease in cash	(341,776)	(23,361)
<b>Cash</b>		
Beginning of year	1,468,642	1,492,003
End of year	\$ 1,126,866	\$ 1,468,642

---

# **Camrose Association For Community Living**

## **Notes to the Financial Statements**

March 31, 2022

---

### **1. Authority and purpose**

Camrose Association For Community Living ("the Association") is a local organization serving Camrose and area, operating programs to provide service to and advocate for persons with developmental disabilities, acquired brain injury and families facing barriers.

The Association is incorporated under the Societies Act, Alberta as a not for profit organization and is a registered charity under the Income Tax Act (Canada). As such it is exempt from income taxes, able to issue donation receipts for income tax purposes and is annually required to disburse a minimum amount.

---

### **2. Significant accounting policies**

The Association applies the Canadian accounting standards for not-for-profit organizations ("ASNPO").

#### **Revenue recognition**

The Association follows the deferral method of accounting for contributions.

Government operating grants are recognized as revenue either in the period received, or, where the grants relate to a future period, they are deferred and recognized in a subsequent period. Revenues received for the provision of goods and services are recognized in the period in which the goods are provided or the services rendered.

Contributions restricted for purposes other than the acquisition of capital assets are deferred and recognized as revenue in the year in which the related expenses are incurred. Contributions restricted for the acquisition of capital assets having a limited life are deferred and recorded as deferred capital contributions in the period in which they are expended. Deferred capital contributions are amortized to revenue over the useful lives of the related assets.

Interest income is recognized when earned, dividend income when received and realized gains and losses on investments on the actual settlement date.

#### **Cash**

Cash includes cash on hand and balances with banks, net of outstanding cheques and deposits.

---

# Camrose Association For Community Living

## Notes to the Financial Statements

March 31, 2022

---

### 2. Significant accounting policies (continued)

#### Capital assets

Capital assets are stated at original cost. Amortization is recorded on the straight line method over the useful life of the assets as follows:

Buildings	40 years
Furniture and equipment	5 years
Automotive	5 years
Suites	20 years
Computer hardware	5 years
Computer software	5 years

The amortization method and estimated useful life is reviewed on a regular basis.

#### Impairment of long-lived assets

The Association tests for impairment when events or changes in circumstances indicate the carrying amount of an item or class of capital assets may not be recoverable. The recoverability of long-lived assets is based on the net recoverable amounts determined on an undiscounted cash flow basis. If the carrying amount of an asset exceeds its net recoverable amount, an impairment loss is recognized to the extent that fair value is below the asset's carrying amount. Fair value is determined based on quoted market prices where available, otherwise on discounted cash flows over the life of the asset.

#### Contributed services

The Association benefits from the value of service donated by members interested in furthering its objectives. No amount is recorded for the year ended March 31, 2022 since the value is not readily determinable.

#### Financial instruments

The Association considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Association accounts for the following as financial instruments:

- Cash
- Accounts receivable
- Accounts payable and accrued liabilities
- Investments

A financial asset or liability is recognized when the Association becomes party to contractual provisions of the instrument.

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

Financial assets and financial liabilities are subsequently measured according to the following methods:

# Camrose Association For Community Living

## Notes to the Financial Statements

March 31, 2022

### 2. Significant accounting policies (continued)

#### Financial instruments (continued)

<u>Financial instrument</u>	<u>Subsequent measurement</u>
Cash	Amortized cost
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Investments	Fair value

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in the statement of operations.

#### Use of estimates and measurement uncertainty

In preparing the Association's financial statements in conformity with ASNPO, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. Accrual results could differ from those estimates.

Items subject to significant estimates are allowance for uncollectible accounts receivable and useful lives of capital assets, and fair value of investments.

### 3. Investments

	<u>2022</u> Cost	<u>2022</u> Market	<u>2021</u> Market
Equities quoted in an active market	\$ 1,043,550	\$ 1,499,352	\$ 1,618,708
Bonds and preferred shares quoted in an active market	1,356,268	1,277,766	977,675
Cash and cash equivalents	<u>79,522</u>	<u>79,522</u>	<u>73,520</u>
	<u>\$ 2,479,340</u>	<u>\$ 2,856,640</u>	<u>\$ 2,669,903</u>

## Camrose Association For Community Living Notes to the Financial Statements

March 31, 2022

### 4. Capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2022 Net Book Value</u>	<u>2021 Net Book Value</u>
Land	\$ 207,610	\$ -	\$ 207,610	\$ 207,610
Buildings	3,452,626	1,547,823	1,904,803	1,988,687
Furniture and equipment	356,043	347,935	8,108	10,136
Automotive	110,565	110,565	-	8,616
Suites	61,781	61,781	-	-
Computer hardware	66,831	66,831	-	-
Computer software	16,811	16,811	-	-
	<u>\$ 4,272,267</u>	<u>\$ 2,151,746</u>	<u>\$ 2,120,521</u>	<u>\$ 2,215,049</u>
Land consists of:				
Erik's residence	\$ 29,409	\$ -	\$ 29,409	\$ 29,409
Sam's residence	31,800	-	31,800	31,800
Burgess	42,500	-	42,500	42,500
Phyl's residence	13,321	-	13,321	13,321
Barrier free house	90,580	-	90,580	90,580
	<u>\$ 207,610</u>	<u>\$ -</u>	<u>\$ 207,610</u>	<u>\$ 207,610</u>
Buildings consists of:				
Erik's residence	\$ 363,560	\$ 208,532	\$ 155,028	\$ 164,117
Sam's residence	331,951	192,678	139,273	147,572
Burgess	1,703,502	843,315	860,187	902,775
Phyl's residence	366,955	182,870	184,085	190,826
Barrier free house	686,658	120,428	566,230	583,397
	<u>\$ 3,452,626</u>	<u>\$ 1,547,823</u>	<u>\$ 1,904,803</u>	<u>\$ 1,988,687</u>

# Camrose Association For Community Living

## Notes to the Financial Statements

March 31, 2022

### 5. Deferred contributions

Deferred contributions represent unspent funds externally restricted for specific purposes as well as restricted operating funds received in the current year and spent in a subsequent year. The deferred contribution balances for the year are as follows:

	<u>2022</u>	<u>2021</u>
Healthy Families	\$ 65,359	\$ 39,086
Family Support Core	49,500	5,000
10% Temporary Wage Subsidy	25,000	25,000
Home Visitation - Wainwright	17,713	-
Jobs4Youth Federal Opportunity Fund	14,039	16,141
Barrier Reduction	12,255	11,220
Battle River Community Foundation - Summer Camp	12,094	13,196
SingAble	11,957	2,068
Community Inclusive Learning	9,267	7,754
Home Visitation - Camrose	7,231	-
Fund Development (Scholarships)	1,350	-
Casino	754	22,492
Camrose & District Support Services - Community Kitchen	751	769
PDD - \$2 Wage Top Up	-	10,697
Battle River Community Foundation - Safety Equipment	-	1,500
Other	15,683	725
	<u>\$ 242,953</u>	<u>\$ 155,648</u>

During the year ending March 31, 2022, the Association raised \$51,277 through various fundraising activities, of which \$7,862 has been recognized as revenue during the year. Included in deferred contributions as at March 31, 2022 is the remaining of \$43,415, of which \$35,000 is for Family Support and \$8,415 is for SingAble.

### 6. Deferred capital contributions

Deferred capital contributions are donations and grants with which the Burgess Building capital assets and vans were originally purchased, and with which the Barrier Free house was constructed. The donations and grants are recognized as revenue at the same rate as the capital assets are amortized. The changes in the deferred contributions during the year are as follows:

	<u>2022</u>	<u>2021</u>
Balance at beginning of the year	\$ 1,147,657	\$ 1,234,267
Amortized to revenue for the year	(83,435)	(86,610)
Balance at end of the year	<u>\$ 1,064,222</u>	<u>\$ 1,147,657</u>

---

## Camrose Association For Community Living

### Notes to the Financial Statements

March 31, 2022

---

#### 7. Net assets invested in capital assets

	2022	2021
Balance at beginning of the year	\$ 1,067,392	\$ 1,077,538
Amortization expense	(94,528)	(96,756)
Amortization of deferred capital contributions	83,435	86,610
	\$ 1,056,299	\$ 1,067,392

---

#### 8. Internally restricted net assets

The Board of Directors has reserved funds for the following purposes:

	2021	Interfund Transfers	2022
Building and equipment reserve	\$ 503,755	\$ 53,123	\$ 556,878
Program reserve	886,679	(22,141)	864,538
Contingency reserve	1,950,734	(25,332)	1,925,402
	\$ 3,341,168	\$ 5,650	\$ 3,346,818

---

#### 9. Financial instruments

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Association's risk exposures and concentrations at March 31, 2022.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As the Association is funded primarily by government and other grants, it is not subject to significant credit risk.

(b) Liquidity risk

The Association's liquidity risk represents the risk that the Association could encounter difficulty in meeting obligations associated with its financial liabilities, specifically its accounts payable. The Association has determined that it is not exposed to a significant amount of liquidity risk with respect to its accounts payable. There has been no significant change in exposure from the prior year.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument (equity investments) will fluctuate because of changes in market prices. The Association is subject to market risk on its equity investments. The Association mitigates market risk through asset class diversification and quality constraints.

---

**Camrose Association For Community Living**  
**Notes to the Financial Statements**

March 31, 2022

---

**9. Financial instruments (continued)**

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument (equity investments) will fluctuate because of changes in market interest rates.

---