

**CALGARY MILITARY FAMILY RESOURCE CENTRE**  
**Financial Statements**  
**Year Ended March 31, 2024**

**CALGARY MILITARY FAMILY RESOURCE CENTRE**  
**Index to Financial Statements**  
**Year Ended March 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Calgary Military Family Resource Centre

### *Opinion*

We have audited the financial statements of Calgary Military Family Resource Centre (the "company"), which comprise the statement of financial position as at March 31, 2024, 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 company as at March 31, 2024, 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*

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 company 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 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 company'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 company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company'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:

(continues)

Independent Auditor's Report to the Members of Calgary Military Family Resource Centre (*continued*)

- 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 company'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 company'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 company 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.

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.

Calgary, Alberta  
June 25, 2024

  
CHARTERED PROFESSIONAL ACCOUNTANTS

**CALGARY MILITARY FAMILY RESOURCE CENTRE**  
**Statement of Financial Position**  
**March 31, 2024**

	2024	2023
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 159,908	\$ 547,623
Casino cash	12,698	58,290
Short term investments	1,128,437	1,013,334
Accounts receivable (Note 3)	9,007	7,517
Inventory (Note 4)	28,423	53,313
Prepaid expenses	37,155	50,980
	1,375,628	1,731,057
PROPERTY AND EQUIPMENT (Note 5)	23,860	33,261
	\$ 1,399,488	\$ 1,764,318
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 6)	\$ 126,912	\$ 40,483
Deferred contributions (Note 7)	77,667	340,508
	204,579	380,991
<b>NET ASSETS</b>		
Internally restricted reserve (Note 8)	539,573	571,402
Internally restricted severance reserve (Note 8)	39,541	42,704
Unrestricted	615,795	769,221
	1,194,909	1,383,327
	\$ 1,399,488	\$ 1,764,318

ON BEHALF OF THE BOARD

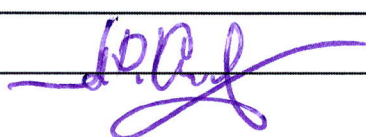
*Jana Thompson* Chair Director  
 \_\_\_\_\_ Director

**CALGARY MILITARY FAMILY RESOURCE CENTRE**  
**Statement of Financial Position**  
**March 31, 2024**

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**ON BEHALF OF THE BOARD**

\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

Please see Notes

**CALGARY MILITARY FAMILY RESOURCE CENTRE****Statement of Operations  
Year Ended March 31, 2024**

	2024	2023
<b>REVENUES</b>		
Military Family Services (Note 10)	\$ 652,311	\$ 726,802
Donations	84,608	169,625
Donations in Kind (Note 9)	49,497	89,793
Activities	36,525	10,110
Grants	70,596	91,332
Casino	50,495	34,774
General (Note 10)	133,870	93,460
Merchandise sales	19,811	13,107
	<u>1,097,713</u>	<u>1,229,003</u>
<b>EXPENSES</b>		
Salaries and wages	761,039	651,091
Administration	74,352	60,120
Donations in Kind	49,497	89,793
Activities	139,217	93,985
Health and Wellness	106,626	85,670
Professional services contract	63,130	29,985
Travel expenses	22,421	10,938
Costs of inventories sold	35,603	10,178
Insurance	7,366	6,705
Bank charges	6,057	2,712
Volunteer management	4,493	588
Fundraising (Note 11)	3,400	1,135
Childcare	2,255	2,570
Workshop and briefing	1,265	-
Benevolence	9	105
Amortization	9,401	11,636
	<u>1,286,131</u>	<u>1,057,211</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ (188,418)</b>	<b>\$ 171,792</b>

**CALGARY MILITARY FAMILY RESOURCE CENTRE**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2024**

	Internally Restricted Reserve	Internally Restricted Severance Reserve	Unrestricted	<b>2024</b>	2023
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 571,402	\$ 42,704	\$ 769,221	<b>\$ 1,383,327</b>	\$ 1,211,535
DEFICIENCY OF REVENUES OVER EXPENSES	-	-	(188,418)	<b>(188,418)</b>	171,792
Transfer from internally restricted reserve	(31,829)	-	31,829	-	-
Transfer from severance reserve	-	(3,163)	3,163	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 539,573</b>	<b>\$ 39,541</b>	<b>\$ 615,795</b>	<b>\$ 1,194,909</b>	<b>\$ 1,383,327</b>



**CALGARY MILITARY FAMILY RESOURCE CENTRE****Statement of Cash Flows****Year Ended March 31, 2024**

	<b>2024</b>	<b>2023</b>
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ (188,418)	\$ 171,792
Item not affecting cash:		
Amortization of property and equipment	<u>9,401</u>	11,636
	<u>(179,017)</u>	<u>183,428</u>
Changes in non-cash working capital:		
Accounts receivable	(1,490)	458
Inventory	24,890	(113)
Accounts payable and accrued liabilities	86,429	8,746
Deferred contributions	(262,841)	(59,614)
Prepaid expenses	<u>13,825</u>	<u>(121)</u>
	<u>(139,187)</u>	<u>(50,644)</u>
Cash flow from (used by) operating activities	<u>(318,204)</u>	<u>132,784</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	-	(4,831)
Redemption (purchase) of short term investments	<u>(115,103)</u>	<u>86,666</u>
Cash flow from (used by) investing activities	<u>(115,103)</u>	<u>81,835</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(433,307)</b>	<b>214,619</b>
Cash - beginning of year	<u>605,913</u>	<u>391,294</u>
<b>CASH - END OF YEAR</b>	<b>\$ 172,606</b>	<b>\$ 605,913</b>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 159,908	\$ 547,623
Casino cash	<u>12,698</u>	<u>58,290</u>
	<u>\$ 172,606</u>	<u>\$ 605,913</u>

# CALGARY MILITARY FAMILY RESOURCE CENTRE

## Notes to Financial Statements

Year Ended March 31, 2024

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### 1. PURPOSE OF THE COMPANY

Calgary Military Family Resource Centre (the "Centre") was incorporated on March 15, 1991 under the Societies Act of Alberta as a not-for-profit organization formed for the purpose of providing family support services to the military community. The Centre is a not-for-profit organization under Section 149(1) of the Income Tax Act and accordingly, is not subject to income tax. Effective March 15, 1991, the Centre was awarded charitable status for income tax purposes.

The continued operations are dependent upon the ongoing support of concerned individuals and organizations.

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

#### Revenue recognition

The Centre follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Restricted contributions for the purchase of property and equipment are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired property and equipment. 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. All revenues and contributions are recognized when the amounts are known, collection is reasonably assured and the following criteria are met:

Military Family Services revenues are deferred until the period the related expenditures are incurred.

Contributions for program related activities include amounts recovered from activities undertaken by the Centre and are recognized when the events occur.

Funds received from sale of merchandise and family passes are recognized at the point of sale.

Casino contributions are deferred until the period the related eligible expenditures are incurred,

Grants are recognized in the period the related expenses are incurred.

Donations in kind are recognized when the donation in kind is received.

#### Cash and cash equivalents

Cash and cash equivalents include deposits in Canadian financial institutions and investments with original maturities of less than ninety days. Cash held in a trading account are presented as short-term investments.

#### Casino cash

Casino cash consists of funds received from casino fundraisers and interest thereon. The usage of these funds is restricted by the funding guidelines of the Alberta Gaming, Liquor and Cannabis Commission.

#### Investments

Short-term investments represent Guaranteed Investment Certificates (GICs) bearing interest rates as mandated by the financial institution maturing within one year from year end and cash held in a trading account. Long-term investments represent Guaranteed Investment Certificates (GICs) bearing interest rates as mandated by the financial institution maturing after one year from year end.

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# CALGARY MILITARY FAMILY RESOURCE CENTRE

## Notes to Financial Statements

Year Ended March 31, 2024

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

#### Inventory

Inventory is measured at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Inventory includes all costs to purchase, convert, and bring the inventories to their present location and condition. Cost is determined using the weighted-average cost formula for all inventory items.

#### Property and equipment

Property and equipment are stated at cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Motor vehicles	30%
Computer equipment	45%
Furniture and fixtures	20%

The Centre regularly reviews its property and equipment for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount is not recoverable and is in excess of its fair value.

Contributed property and equipment used in the Centre's normal course of operations are recorded at fair value, when fair value can be reasonably determined.

#### Contributed services and materials

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

Contributions of materials are recognized in the financial statements at fair value at the date of contribution, when fair value can be reasonably estimated and when the materials are used in the normal course of operations, and would otherwise have been purchased.

#### 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, 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. Estimates include the valuation of inventory including management's estimate of obsolete inventory, amortization and impairment of property and equipment, deferred contributions, and accrued expenses.

#### Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets, if any 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, restricted cash, short-term investments, and accounts receivable.

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

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**CALGARY MILITARY FAMILY RESOURCE CENTRE**

**Notes to Financial Statements**

**Year Ended March 31, 2024**

3. ACCOUNTS RECEIVABLE

Included in accounts receivable is \$9,007 (2023 - \$6,675) representing Goods and Services Tax refund due from the Government of Canada.

4. INVENTORY

Inventory consists of the following

	<b>2024</b>	2023
Support our Troops promotional items	\$ 35,190	\$ 44,633
Passes/Tickets	8,597	8,680
	<b>\$ 43,787</b>	<b>\$ 53,313</b>

5. PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	Cost	Accumulated amortization	<b>2024 Net book value</b>	2023 Net book value
Motor vehicles	\$ 33,044	\$ 31,207	\$ 1,837	\$ 2,624
Furniture and fixtures	32,513	15,957	16,556	20,695
Computer equipment	33,735	28,268	5,467	9,942
	<b>\$ 99,292</b>	<b>\$ 75,432</b>	<b>\$ 23,860</b>	<b>\$ 33,261</b>

6. GOVERNMENT REMITTANCES

Accounts payable and accrued liabilities includes payroll remittances of \$3,551 (2023 - \$3,433)

7. DEFERRED CONTRIBUTIONS

	March 31, 2023	Funds received	Funds recognized	<b>March 31, 2024</b>
MFS Funding				
- Core	\$ 164,214	\$ 449,816	\$ 614,030	\$ -
- Gender-Based Violence	11,386	5,000	11,452	4,934
- Contingency Funding	46,773	-	27,391	19,382
	222,373	454,816	652,873	24,316
Red Deer Golf Tournament	30,536	-	3,095	27,441
Bell True Patriot Love Foundation	12,500	-	6,500	6,000
Casino	58,192	21,345	66,839	12,698
CY Skill Development	7,661	-	7,661	-
Other Externally Restricted	7,367	-	2,188	5,179
Lockheed Martin	1,879	10,000	9,846	2,033
	<b>\$ 340,508</b>	<b>\$ 486,161</b>	<b>\$ 749,002</b>	<b>\$ 77,667</b>

# CALGARY MILITARY FAMILY RESOURCE CENTRE

## Notes to Financial Statements

Year Ended March 31, 2024

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### 8. INTERNALLY RESTRICTED RESERVES

During previous years, the Board of Directors passed motions to set up internal reserve funds to help ensure the long term financial stability of the Centre. These funds are the internally restricted reserve and the internally restricted severance reserve.

The internally restricted reserve is determined each year based on the following amounts included in the last annual audited financial statements: the total liabilities, including deferred revenue and deferred contributions and the lesser of \$350,000 or 15% of expenditures. During the current year \$31,829 was transferred from the internally restricted reserve (2023 - \$88,186 transferred to the internally restricted reserve) based on the Board's policy.

The internally restricted severance reserve is determined each year based on two weeks of earnings for each year of employment at the Centre. During the current year this reserve was decreased by \$31,829 (2023 - decreased by \$24,863) based on the Board's policy.

	<u>2024</u>	<u>2023</u>
Deferred contributions	\$ 340,508	\$ 400,122
Accounts payable and accrued liabilities	40,483	31,737
15% of prior year end expenditures	<u>158,582</u>	<u>139,543</u>
Internally restricted reserve	<u>539,573</u>	571,402
Internally restricted severance accrual	<u>39,541</u>	42,704
	<u>\$ 579,114</u>	<u>\$ 614,106</u>

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### 9. CONTRIBUTED MATERIALS

During the year \$49,497 (2023 - \$89,793) of contributed materials were recognized in revenues and expenses. Contributed materials consisted of office supplies, tickets and printings.

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### 10. RELATED PARTY TRANSACTIONS

During the year the Centre recognized funding of \$652,311 (2023 - \$726,802) from Military Family Services and \$67,981 (2023 - \$62,159) from 3 CDSG Personnel Support Services during the year. Both of these organizations are related parties by way of significant influence, economic dependence and common charitable objectives. The amount from 3 CDSG Personnel Support Services is included in general revenue.

These transactions are in the normal course of operations and are measured at their exchange amount, which is the amount of consideration established and agreed to by the related parties.

The Centre is economically dependent on Military Family Services as its funding represents 59% (2023 - 59%) of the Centre's total revenue. It is also economically dependent to a lesser extent on 3 CDSG Personnel Support Services and Garrison Edmonton (CDSG) as the Centre uses the CDSG's facilities and certain materials and services at no cost.

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### 11. FUNDRAISING EXPENSES

In accordance with the requirement of the Charitable Fund-raising Act and Regulation, the Centre is required to disclose the following information:

Gross contributions received during the year were \$205,699 (2023 - \$295,731). Of this amount, \$168,673 (2023 - \$242,499) was used for program expenses and the remaining \$37,026 (2023 - \$53,232) was used for administrative expenses.

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# CALGARY MILITARY FAMILY RESOURCE CENTRE

## Notes to Financial Statements

Year Ended March 31, 2024

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### 11. FUNDRAISING EXPENSES *(continued)*

Expenses incurred for the purpose of soliciting contributions totaled \$3,400 (2023 - \$1,135). Of this amount, remuneration paid to employees during the year whose principal duties involved fundraising was \$nil (2023 - \$nil).

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### 12. FINANCIAL INSTRUMENTS

The company is exposed to various risks through its financial instruments and has a risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the company's risk exposure and concentration as of March 31, 2024.

#### Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The company is exposed to credit risk from its accounts receivable which consists of GST receivable from the government and other receivables. A substantial portion of the accounts receivable are with well-known and reliable funders and are subject to normal credit risk. Accordingly, the Centre views credit risk as minimal.

The Centre is also exposed to credit risk as a significant portion of its cash, restricted cash and short-term investments are held at one chartered bank. As such, the Centre is exposed to all the risks of that financial institution.

#### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Centre is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Centre has sufficient cash to discharge its liabilities.

#### Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the company manages exposure through its normal operating and financing activities. The company is exposed to interest rate risk primarily through its short-term and long-term investments.

There has been no change to the risk exposures from the previous year.

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