

**Calgary Chamber of Voluntary Organizations**  
**Financial Statements**  
*April 30, 2019*

## Management's Responsibility

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To the Members of Calgary Chamber of Voluntary Organizations:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit Committee are composed entirely of members who are neither management nor employees of CCVO. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of CCVO's external auditors.

MNP LLP, an independent firm of chartered professional accountants, is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

June 12, 2019



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David Mitchell  
Chief Executive Officer

To the Members of Calgary Chamber of Voluntary Organizations:

### Opinion

We have audited the financial statements of Calgary Chamber of Voluntary Organizations ("CCVO"), which comprise the statement of financial position as at April 30, 2019, 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 CCVO as at April 30, 2019, 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 CCVO 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.

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

Those charged with governance are responsible for overseeing CCVO'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 CCVO'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 CCVO'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 CCVO 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 12, 2019

*MNP* LLP

Chartered Professional Accountants

**Calgary Chamber of Voluntary Organizations**  
**Statement of Financial Position**

*As at April 30, 2019*

	<b>2019</b>	<b>2018</b>
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents (Note 3)	152,134	475,043
Term deposits (Note 4)	452,600	200,000
Marketable securities (Cost - \$156,084)	193,001	173,938
Accounts receivable	20,774	120,022
Prepaid expenses and deposits	8,398	6,824
	<b>826,907</b>	975,827
<b>Capital assets (Note 5)</b>	<b>20,341</b>	22,354
<b>Intangible asset (Note 6)</b>	<b>51,250</b>	-
	<b>898,498</b>	998,181
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 7)	136,599	129,345
Deferred event revenue	34,520	99,710
Deferred membership revenue	18,043	77,485
Deferred program grants (Note 8)	21,667	63,071
	<b>210,829</b>	369,611
<b>Deferred membership revenue</b>	<b>1,755</b>	10,603
<b>Deferred contributions related to intangible asset (Note 9)</b>	<b>40,000</b>	-
	<b>252,584</b>	380,214
<b>Commitments (Note 11)</b>		
<b>Net Assets</b>		
Unrestricted	138,296	108,336
Internally restricted (Note 10)	487,277	487,277
Invested in capital assets	20,341	22,354
	<b>645,914</b>	617,967
	<b>898,498</b>	998,181

Approved on behalf of the Board

  
Director

  
Director

The accompanying notes are an integral part of these financial statements

**Calgary Chamber of Voluntary Organizations**  
**Statement of Operations**  
*For the year ended April 30, 2019*

	2019	2018
<b>Revenue</b>		
Grants	1,088,837	1,113,292
Earned revenue	451,032	291,464
Donations and sponsorships	88,423	77,650
Membership fees	76,876	76,813
Interest	11,486	6,103
Other revenue	3,740	3,381
	<b>1,720,394</b>	<b>1,568,703</b>
<b>Expenses</b>		
Salaries and benefits	1,039,905	1,057,890
Consulting	307,141	227,636
Memberships and events	100,491	74,935
Rent	67,411	65,104
Office	56,582	54,220
Communications	44,849	29,899
Meetings and travel	29,438	18,221
Interest and bank charges	15,027	12,047
Goods and services tax	13,938	11,405
Dues, memberships, and professional fees	13,776	14,845
Amortization	12,043	14,536
Training and education	6,745	2,498
Professional development and support	1,187	966
	<b>1,708,533</b>	<b>1,584,202</b>
<b>Excess (deficiency) of revenue over expenses before other items</b>	<b>11,861</b>	<b>(15,499)</b>
<b>Other items</b>		
Change in unrealized gain on marketable securities	16,086	6,784
<b>Excess (deficiency) of revenue over expenses</b>	<b>27,947</b>	<b>(8,715)</b>

*The accompanying notes are an integral part of these financial statements*

**Calgary Chamber of Voluntary Organizations**  
**Statement of Changes in Net Assets**

*For the year ended April 30, 2019*

	<i>Unrestricted</i>	<i>Internally restricted</i>	<i>Invested in capital assets</i>	<b>2019</b>	<b>2018</b>
<b>Net assets, beginning of year</b>	108,336	487,277	22,354	<b>617,967</b>	626,682
<b>(Deficiency) excess of revenue over expenses</b>	39,990	-	(12,043)	<b>27,947</b>	(8,715)
<b>Acquisition of capital assets</b>	(10,030)	-	10,030	-	-
<b>Net assets, end of year</b>	<b>138,296</b>	<b>487,277</b>	<b>20,341</b>	<b>645,914</b>	617,967

*The accompanying notes are an integral part of these financial statements*

## Calgary Chamber of Voluntary Organizations

### Statement of Cash Flows

*For the year ended April 30, 2019*

	2019	2018
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Cash receipts from grants	1,137,433	845,196
Cash received from other contributions	535,473	419,521
Cash receipts of interest	8,878	4,793
Cash paid for interest and bank charges	(15,027)	(12,047)
Cash paid for other program expenses	(653,489)	(423,925)
Cash paid for salaries and benefits	(1,022,297)	(1,052,507)
	(9,029)	(218,969)
<b>Investing</b>		
Purchase of capital assets	(10,030)	(14,382)
Acquisition of intangible asset	(51,250)	-
	(70,309)	(233,351)
<b>Change in cash and cash equivalents</b>	<b>(70,309)</b>	<b>(233,351)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>675,043</b>	<b>908,394</b>
	<b>604,734</b>	<b>675,043</b>
<b>Cash and cash equivalents, end of year</b>	<b>604,734</b>	<b>675,043</b>
<b>Cash resources are composed of:</b>		
Cash and cash equivalents	152,134	475,043
Term deposits	452,600	200,000
	604,734	675,043

*The accompanying notes are an integral part of these financial statements*



# Calgary Chamber of Voluntary Organizations

## Notes to the Financial Statements

For the year ended April 30, 2019

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### 1. Incorporation and nature of the organization

The Calgary Chamber of Voluntary Organizations ("CCVO") was incorporated under the Alberta Companies Act on May 6, 2004 as a company limited by guarantee. The mission of CCVO is to promote and strengthen the non-profit and voluntary sector by developing and sharing resources and knowledge, building connections, leading collaborative work, and giving voice to critical issues affecting the sector.

CCVO is registered as a charitable organization under the Income Tax Act ("the Act") and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, CCVO must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

### 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

#### **Cash and cash equivalents**

Cash and cash equivalents include cash and short-term investments cashable within three months or less.

#### **Term deposits**

Term deposits with prices quoted in an active market are measured at fair value. Changes in fair value are recorded in the statement of operations.

#### **Marketable securities**

Marketable securities are portfolio investments recorded at fair value for those with prices quoted in an active market, and cost less impairment for those that are not quoted in an active market. They have been classified as current assets in concurrence with the nature of the investment.

#### **Capital assets**

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution.

Amortization is provided using methods and rates intended to amortize the cost of assets over their estimated useful lives.

	<b>Method</b>	<b>Rate</b>
Computer equipment and software	straight-line	3 years
Office furniture and equipment	straight-line	5 years
Leasehold improvements	straight-line	over life of lease

#### **Intangible asset**

Intangible assets are subject to amortization are recorded at cost. Amortization is provided using the straight-line method at a rate intended to amortize the cost of the intangible asset over its estimated useful life of 5 years.

#### **Revenue recognition**

CCVO 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. Membership revenue is recognized in the period to which they relate. Contributions related to capital assets are recognized in revenue in the year in which the related asset is amortized.

# Calgary Chamber of Voluntary Organizations

## Notes to the Financial Statements

*For the year ended April 30, 2019*

**2. Significant accounting policies** *(Continued from previous page)*

***Volunteer services***

Volunteers contribute a significant number of hours per year to assist CCVO in carrying out its activities. Because of the difficulty of determining their fair value, volunteer services are not recognized on the financial statements.

***Financial instruments***

CCVO recognizes its financial instruments when CCVO becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

Instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. CCVO has not elected to carry any such financial instruments at fair value.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the statement of operations for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, CCVO determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount CCVO expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

***Use of estimates***

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenue and expenses in the periods in which they become known.

**3. Cash and cash equivalents**

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less.

	<b>2019</b>	<b>2018</b>
Cash in bank	<b>152,134</b>	222,707
Term deposits	-	252,336
	<b>152,134</b>	475,043

**Calgary Chamber of Voluntary Organizations**  
**Notes to the Financial Statements**

*For the year ended April 30, 2019*

**4. Term deposits**

	2019	2018
GICs bearing interest at 2.20% and 2.50%, maturing November 13, 2019 (2018 - 1.30%)	<b>452,600</b>	200,000

**5. Capital assets**

	Cost	Accumulated amortization	2019 Net book value	2018 Net book value
Computer equipment and software	97,909	85,013	12,896	14,522
Office furniture and equipment	70,482	65,292	5,190	4,825
Leasehold improvements	3,759	1,504	2,255	3,007
	<b>172,150</b>	<b>151,809</b>	<b>20,341</b>	<b>22,354</b>

**6. Intangible asset**

Intangible asset consists of the Boland Survey database which has a carrying value of \$51,250 (2018 - \$nil). No amortization of this asset has been recorded during the year as it was still in development at April 30, 2019. Amortization will commence in the year ending April 30, 2020, once the database is in use.

**7. Accounts payable and accrued liabilities**

There are \$nil (2018 - \$nil) government remittances payable at year-end.

**8. Deferred program grants**

	2019	2018
Balance, beginning of year	<b>63,071</b>	331,167
Amount received during the year	<b>1,047,433</b>	845,196
Less: amounts recognized as revenue during the year	<b>(1,088,837)</b>	(1,113,292)
	<b>21,667</b>	63,071

**9. Deferred contributions related to intangible asset**

Deferred contributions related to intangible assets consist of the unamortized amount of contributions in the amount of \$40,000 received for the development of the Boland Survey database. Recognition of these amounts as revenue is deferred to periods when the related intangible asset is amortized. The Boland Survey database will not be in use until the 2020 fiscal year, at which point amortization will commence.

**10. Restrictions on net assets**

The Board of Directors established an internally restricted fund with the intent of being able to cover one year's operating expenses and contingencies for CCVO. These funds are not available for use without the approval of the Board of Directors.

During the year, \$nil (2018 - \$nil) was transferred from the unrestricted fund to the internally restricted fund.

**Calgary Chamber of Voluntary Organizations**  
**Notes to the Financial Statements**  
*For the year ended April 30, 2019*

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**11. Commitments**

CCVO is committed to leasing one premise requiring minimum monthly lease payments plus operating costs. This lease expires on September 30, 2022.

CCVO is also committed to leasing a photocopier requiring minimum quarterly lease payments. This lease expires on December 31, 2023.

Annual payments, excluding the operating costs, under the leases over the next five years are as follows:

2020	44,713
2021	48,321
2022	50,897
2023	23,251
2024	2,628

**12. Comparative figures**

Certain comparative figures have been reclassified to conform with current year presentation.