

# **CALGARY CO-OPERATIVE MEMORIAL SOCIETY LTD.**

## **FINANCIAL STATEMENTS** (Audited)

**October 31, 2023**

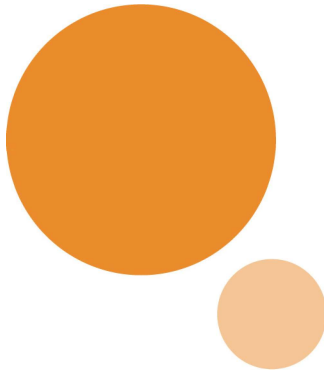


# CALGARY CO-OPERATIVE MEMORIAL SOCIETY LTD.

October 31, 2023

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# Anthony Chiu

## Chartered Professional Accountant

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(403) 244-4111 ext. 221  
anthony.chiu@calgarycommunities.com  
110, 720 - 28 Street NE Calgary, AB T2A 6R3

### **Independent Auditor's Report**

To the Members of the  
**Calgary Co-Operative Memorial Society Ltd.**

#### **Qualified Opinion**

I have audited the financial statements of the Calgary Co-Operative Memorial Society Ltd. (the "Cooperative"), which comprise the Statement of Financial Position as at October 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, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the accompanying financial statements present fairly, in all material respects, the financial position of the Cooperative as at October 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### **Basis for Qualified Opinion**

In common with many not-for-profit organizations, the Cooperative derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Cooperative. Therefore, I was not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenue over expenses, and cash flows from operations for the year ended October 31, 2023, current assets as at October 31, 2023, and net assets as at November 1, 2022 and October 31, 2023.

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 Cooperative in accordance with the 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 qualified audit opinion.

#### **Comparative Information**

The financial statements of the Cooperative for the year ended October 31, 2022 and the statement of financial position at October 31, 2022 are unaudited.

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

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

## **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 Cooperative'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 Cooperative'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 conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Cooperative 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  
February 7, 2024



Anthony Chiu  
Chartered Professional Accountant

**CALGARY CO-OPERATIVE MEMORIAL SOCIETY LTD.**  
**STATEMENT OF FINANCIAL POSITION**  
(Audited)

**As at October 31, 2023**

|  | <b>2023</b>       | <b>2022</b><br>(Unaudited) |
|--|-------------------|----------------------------|
| <b>ASSETS</b>                            |                   |                            |
| <b>CURRENT ASSETS</b>                    |                   |                            |
| Cash and cash equivalents, unrestricted  | \$ 42,824         | \$ 19,697                  |
| Short term investments (Note 3)          | 340,000           | 235,000                    |
| Accounts receivable                      | 11,926            | 5,510                      |
| Prepaid expenses                         | 3,214             | 2,288                      |
|  | <b>397,964</b>    | <b>262,495</b>             |
| <b>LONG TERM INVESTMENTS</b> (Note 3)    | <b>225,000</b>    | <b>310,000</b>             |
|  | <b>\$ 622,964</b> | <b>\$ 572,495</b>          |
| <b>LIABILITIES AND NET ASSETS</b>        |                   |                            |
| <b>CURRENT LIABILITIES</b>               |                   |                            |
| Accounts payable and accrued liabilities | \$ 9,335          | \$ -                       |
| Goods and services tax payable           | 121               | -                          |
|  | <b>9,456</b>      | <b>-</b>                   |
| <b>NET ASSETS</b>                        |                   |                            |
| Unrestricted                             | 413,508           | 372,495                    |
| Internally restricted (Note 4)           | 200,000           | 200,000                    |
|  | <b>613,508</b>    | <b>572,495</b>             |
|  | <b>\$ 622,964</b> | <b>\$ 572,495</b>          |

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

Terry Jaib Director

Debbie Patterson Director

See Notes to the Financial Statements

**CALGARY CO-OPERATIVE MEMORIAL SOCIETY LTD.**  
**STATEMENT OF CHANGES IN NET ASSETS**  
(Audited)

**For the Year Ended October 31, 2023**

|                                   | <u>Unrestricted</u> | <u>Internally<br/>Restricted</u> | <u>2023<br/>Totals</u> | <u>2022<br/>Totals<br/>(Unaudited)</u> |
|-----------------------------------|---------------------|----------------------------------|------------------------|--|
| Net assets, beginning of the year | \$ 372,495          | \$ 200,000                       | \$ 572,495             | \$ 514,113                             |
| Transfer                          | -                   | -                                | -                      | -                                      |
| Excess of revenue over expenses   | <u>41,013</u>       | <u>-</u>                         | <u>41,013</u>          | <u>58,382</u>                          |
| Net assets, end of the year       | <u>\$ 413,508</u>   | <u>\$ 200,000</u>                | <u>\$ 613,508</u>      | <u>\$ 572,495</u>                      |

See Notes to Financial Statements

**CALGARY CO-OPERATIVE MEMORIAL SOCIETY LTD.**  
**STATEMENT OF OPERATIONS**  
(Audited)

**For the Year Ended October 31, 2023**

|  | <b>2023</b>      | <b>2022</b><br>(Unaudited) |
|--|------------------|----------------------------|
| <b>REVENUE</b>                         |                  |                            |
| Donations                              | \$ 228           | \$ 19,084                  |
| Interest                               | 18,379           | 7,428                      |
| Membership fees                        | 62,021           | 58,732                     |
| Record fees                            | 43,979           | 39,555                     |
|  | <b>124,607</b>   | <b>124,799</b>             |
| <b>EXPENSES</b>                        |                  |                            |
| Bank charges                           | 35               | -                          |
| Board expenses                         | 3,584            | 3,969                      |
| Contractors                            | 35,625           | 34,020                     |
| Donation                               | 735              | -                          |
| Insurance                              | 2,191            | 2,088                      |
| Membership and licenses                | 428              | -                          |
| Office                                 | 1,157            | 596                        |
| Outreach expenses                      | 17,933           | 9,545                      |
| Professional fees                      | 6,345            | 1,346                      |
| Rental                                 | 2,076            | 2,036                      |
| Technology                             | 12,169           | 11,831                     |
| Telephone                              | 479              | 449                        |
| Travel                                 | 837              | 537                        |
|  | <b>83,594</b>    | <b>66,417</b>              |
| <b>EXCESS OF REVENUE OVER EXPENSES</b> | <b>\$ 41,013</b> | <b>\$ 58,382</b>           |

See Notes to Financial Statements



**CALGARY CO-OPERATIVE MEMORIAL SOCIETY LTD.****STATEMENT OF CASH FLOWS**

(Audited)

For the Year Ended October 31, 2023

|   | <u>2023</u>             | <u>2022</u><br>(Unaudited) |
|---|-------------------------|----------------------------|
| <b>OPERATING ACTIVITIES</b>                             |                         |                            |
| <b>Excess of revenue over expenses</b>                  | <b>\$ 41,013</b>        | <b>\$ 58,382</b>           |
| <b>Changes in non-cash operating working capital:</b>   |                         |                            |
| Accounts receivable                                     | (6,416)                 | (5,510)                    |
| Goods and services tax receivable                       | 121                     | -                          |
| Prepaid expenses  | (926)                   | (102)                      |
| Accounts payable and accrued liabilities                | <u>9,335</u>            | <u>-</u>                   |
| Cash generated from operating activities                | <u>43,127</u>           | <u>52,770</u>              |
| <b>INVESTING ACTIVITIES</b>                             |                         |                            |
| Purchase of investments                                 | (255,000)               | (120,000)                  |
| Redemption of investments                               | <u>235,000</u>          | <u>60,000</u>              |
| Cash used in investing activities                       | <u>(20,000)</u>         | <u>(60,000)</u>            |
| <b>Increase (Decrease) in Cash and Cash Equivalents</b> | <b>23,127</b>           | <b>(7,230)</b>             |
| <b>Cash and Cash Equivalents, Beginning of The Year</b> | <u>19,697</u>           | <u>26,927</u>              |
| <b>Cash and Cash Equivalents, End of The Year</b>       | <u><u>\$ 42,824</u></u> | <u><u>\$ 19,697</u></u>    |

See Notes to Financial Statements

# CALGARY CO-OPERATIVE MEMORIAL SOCIETY LTD.

## Notes to the Financial Statements

(Audited)

For the Year Ended October 31, 2023

### 1. NATURE OF THE ORGANIZATION

The Calgary Co-Operative Memorial Society Ltd. was registered with the Province of Alberta on October 13, 1966 under the Cooperative Associations Act as a not-for-profit organization and is exempt from paying income tax under Section 149 of the Income Tax Act of Canada.

The Cooperative was established to offer significantly discounted funeral plans to its members in Southern Alberta. In 2022, the Cooperative's area of interest was expanded to the whole of Alberta, when memorial societies located in Red Deer and Edmonton both voted to disband and transfer all of their members to the Cooperative.

### 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant policies summarized below.

**(a) Basis of Accounting**

Management has concluded that the going concern basis of accounting is appropriate for the Cooperative.

**(b) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, balances with bank, and short term deposits with original maturities of three months or less.

**(c) Revenue Recognition**

The Cooperative follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses were incurred.

Unrestricted contributions including donations, funeral homes revenue, membership and other revenue are recognized as revenue according to the accrual method where revenue is recorded when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

**(d) Investments**

Short term investments are comprised of guaranteed investment certificates that mature within 365 days of the year end, and long term investments comprise guaranteed investment certificates maturing for periods after 365 days of the year end.

**(e) Prepaid Expenses**

Prepaid expenses primarily comprise of advance payments made to vendors in the current fiscal year for goods and services to be received in the next fiscal year. Prepaid expenses are recognized as expenses in the period when the goods and services are received.

# CALGARY CO-OPERATIVE MEMORIAL SOCIETY LTD.

## Notes to the Financial Statements

(Audited)

For the Year Ended October 31, 2023

### 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**(f) Capital Assets**

Small not-for-profit organizations can opt to not capitalize purchases of a capital nature. During the year, the Cooperative expensed \$Nil (2022 - \$Nil) of expenditures in the capital nature.

**(g) Financial Instruments**

**Measurement of Financial Instruments**

The Cooperative initially measures its financial assets and financial liabilities at fair value and subsequently at cost or amortized cost. Changes in fair value of these financial instruments are recognized in statement of operations.

Financial instruments measured at amortized cost include cash and cash equivalents, investments, accounts receivable, and accounts payable and accrued liabilities.

**Financial Risk**

It is management's opinion that the Cooperative is not exposed to significant interest, currency, price, market, or credit risks arising from these financial instruments.

**(h) 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, the disclosure of contingent assets and liabilities at the statement of financial position date, and the reported amounts of revenues and expenses for the periods covered.

Estimates and assumptions include the collectability of receivables and the amounts recorded as accrued liabilities. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

**(i) Contributed goods and services**

Contributed goods are recognized in the financial statements when fair value can be reasonably estimated and when the donated goods are used in the normal course of the Cooperative's operations and would otherwise have been purchased.

A number of volunteers have made significant contributions of their time to the Cooperative. The value of this contributed time is not reflected in these financial statements.

# CALGARY CO-OPERATIVE MEMORIAL SOCIETY LTD.

## Notes to the Financial Statements

(Audited)

For the Year Ended October 31, 2023

### 3. INVESTMENTS

Investments are held by the bank and consist of guaranteed income certificates including accrued interest as follows:

|                                    | <u>2023</u>              | <u>2022</u>       |
|------------------------------------|--------------------------|-------------------|
| Matures December 1, 2022 at 0.65%  | \$ -                     | \$ 60,000         |
| Matures January 12, 2023 at 1.10%  | -                        | 95,000            |
| Matures June 1, 2023 at 0.90%      | -                        | 60,000            |
| Matures June 24, 2023 at 1.80%     | -                        | 20,000            |
| Matures November 24, 2023 at 3.45% | <b>100,000</b>           | 100,000           |
| Matures January 16, 2024 at 2.50%  | <b>30,000</b>            | -                 |
| Matures June 24, 2024 at 1.04%     | <b>90,000</b>            | 90,000            |
| Matures October 28, 2024 at 4.60%  | <b>120,000</b>           | 120,000           |
| Matures January 16, 2025 at 4.75%  | <b>75,000</b>            | -                 |
| Matures December 5, 2025 at 4.65%  | <b>80,000</b>            | -                 |
| Matures June 2, 2026 at 3.85%      | <b>70,000</b>            | -                 |
|                                    | <u><b>565,000</b></u>    | <u>545,000</u>    |
| Short term investments             | <u><b>(340,000)</b></u>  | <u>(235,000)</u>  |
| Long term investments              | <u><b>\$ 225,000</b></u> | <u>\$ 310,000</u> |

The intention of the Cooperative is to utilize the investments to maintain Cooperative events and contingencies that may raise. The investments will continue to be reinvested upon maturity until needed.

### 4. INTERNALLY RESTRICTED NET ASSETS

Prior to 2021 yearend, the Board of Directors passed the motion to internally restricted fund of \$200,000 for membership fund.

### 5. COMMITMENTS

The Cooperative entered into an office lease on October 1, 2019 and for extended terms of one month each from month to month thereafter until terminated by either the landlord or the Cooperative. Minimum monthly lease payment is \$169 per month.

### 6. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.