

COALDALE COMMUNITY WELLNESS ASSOCIATION LTD.

Financial Statements

Year Ended March 31, 2022

COALDALE COMMUNITY WELLNESS ASSOCIATION LTD.

Index to Financial Statements

Year Ended March 31, 2022

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 9



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Coaldale Community Wellness Association Ltd.

We have reviewed the accompanying financial statements of Coaldale Community Wellness Association Ltd. (the association) that 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 a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Coaldale Community Wellness Association Ltd. as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Coaldale, Alberta
June 22, 2022

Chartered Professional Accountants

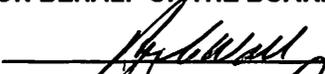
COALDALE COMMUNITY WELLNESS ASSOCIATION LTD.

Statement of Financial Position

March 31, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 1,321	\$ 30,083
Accounts receivable	3,088	2,929
Prepaid expenses	7,768	7,524
	<u>12,177</u>	<u>40,536</u>
CAPITAL ASSETS (Note 3)	50	91
LONG TERM INVESTMENTS (Note 4)	<u>2,587,511</u>	<u>2,568,144</u>
	\$ 2,599,738	\$ 2,608,771
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 616	\$ 145
NET ASSETS		
Unrestricted	2,599,072	2,608,535
Invested in capital assets	50	91
	<u>2,599,122</u>	<u>2,608,626</u>
	\$ 2,599,738	\$ 2,608,771

ON BEHALF OF THE BOARD

 _____ Director
 _____ Director

See accompanying notes to financial statements

COALDALE COMMUNITY WELLNESS ASSOCIATION LTD.

**Statement of Operations
Year Ended March 31, 2022**

	2022	2021
REVENUES		
Investment income (Note 5)	\$ 141,569	\$ 118,306
EXPENSES		
Advertising and promotion	1,557	653
Amortization	41	74
Directors insurance	1,090	1,067
GST unrecoverable	954	808
Interest and bank charges	37	39
Investment management	22,282	17,269
Management and administrative fees	10,788	8,210
Occupancy costs	7,305	7,821
Professional fees	6,516	5,760
Scholarships and awards	2,000	900
Sponsorships	3,500	3,500
	56,070	46,101
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	85,499	72,205
OTHER ITEMS		
Grants and funding	(62,290)	(45,823)
Change in unrealized gain (loss) on investments	(32,713)	433,373
	(95,003)	387,550
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (9,504)	\$ 459,755

See accompanying notes to financial statements

COALDALE COMMUNITY WELLNESS ASSOCIATION LTD.

Statement of Changes in Net Assets

Year Ended March 31, 2022

	Unrestricted	Invested in capital assets	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 2,608,535	\$ 91	\$ 2,608,626	\$ 2,148,871
Deficiency of revenues over expenses	(9,504)	-	(9,504)	459,755
Amortization	41	(41)	-	-
NET ASSETS - END OF YEAR	\$ 2,599,072	\$ 50	\$ 2,599,122	\$ 2,608,626

See accompanying notes to financial statements

COALDALE COMMUNITY WELLNESS ASSOCIATION LTD.**Statement of Cash Flows
Year Ended March 31, 2022**

	2022	2021
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (9,504)	\$ 459,755
Items not affecting cash:		
Amortization of capital assets	41	74
Change in unrealized gain (loss) on investments	32,713	(433,373)
Realized gain on investments	(75,819)	(60,910)
	<u>(52,569)</u>	<u>(34,454)</u>
Changes in non-cash working capital:		
Accounts receivable	(159)	(804)
Accounts payable	474	-
Prepaid expenses	(244)	(773)
	<u>71</u>	<u>(1,577)</u>
Cash flow used by operating activities	<u>(52,498)</u>	<u>(36,031)</u>
INVESTING ACTIVITIES		
Purchase of long-term investments	(437,244)	(670,810)
Proceeds on sale of long-term investments	460,980	727,499
Cash flow from investing activities	<u>23,736</u>	<u>56,689</u>
INCREASE (DECREASE) IN CASH FLOW	(28,762)	20,658
Cash - beginning of year	<u>30,083</u>	<u>9,425</u>
CASH - END OF YEAR	\$ 1,321	\$ 30,083

See accompanying notes to financial statements

COALDALE COMMUNITY WELLNESS ASSOCIATION LTD.

Notes to Financial Statements

Year Ended March 31, 2022

Coaldale Community Wellness Association Ltd. (the "association") was incorporated on January 22, 1954 under the Business Corporations Act of Alberta. The association provides grants and funding to not-for-profit community groups which build community capacity, health and wellness, leadership and innovation, children, youth, families and seniors.

The association is exempt from payment of income tax and is a registered charity under the Income Tax Act.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

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.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents include short-term deposits, which are highly liquid with original maturities of less than three months from the date of acquisition. Cash and equivalents held inside the association's investment management account are presented as long term investments even though they are highly liquid.

Investments

The association holds investments which consist primarily of equities and funds that are easily liquidated and have an active market. In meeting its charitable purpose, the association holds these investments as long term assets and utilizes the corresponding revenue in operations, and as a result classifies its investments as long term in nature.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Office equipment	45%
Furniture	20%

The association regularly reviews its capital assets to eliminate obsolete items. Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the asset no longer has any long-term service potential to the association. Any such impairment is measured by a comparison of the carrying amount of an asset to estimated residual value.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

(continues)

COALDALE COMMUNITY WELLNESS ASSOCIATION LTD.

Notes to Financial Statements

Year Ended March 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

Coaldale Community Wellness Association Ltd. 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.

Endowments and restricted contributions to purchase capital assets which will not be amortized are recorded as direct increases to net assets.

Investment income is unrestricted, and is recognized as revenue when earned. Investments are reported at fair value, where unrealized gains and losses are reported as a separate item on a net basis.

Donations and contributions in kind are recorded at fair value when such value can reasonably be determined.

Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining the fair value, contributed services are not recognized in the financial statements.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. Equity instruments, including fixed income funds, that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at amortized cost, unless management has elected to carry the instruments at fair value. The association has not elected to carry any other financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

2. ACCOUNTS RECEIVABLE

	<u>2022</u>	<u>2021</u>
GST receivable	\$ 590	\$ 523
Accrued interest receivable	2,498	2,406
	<u>\$ 3,088</u>	<u>\$ 2,929</u>

COALDALE COMMUNITY WELLNESS ASSOCIATION LTD.

Notes to Financial Statements

Year Ended March 31, 2022

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Office equipment	\$ 704	\$ 654	\$ 50	\$ 91
Furniture	1,788	1,788	-	-
	\$ 2,492	\$ 2,442	\$ 50	\$ 91

4. LONG TERM INVESTMENTS

	2022	2021
Scotia cash and cash equivalents	\$ 66,577	\$ 53,455
Scotia fixed income funds	832,283	720,239
Scotia Canadian equities fund	660,313	674,573
Scotia US equities fund	549,420	552,304
Scotia international equities fund	478,918	567,573
	\$ 2,587,511	\$ 2,568,144

The fixed income fund investments and all equities are measured at fair value. The fixed income fund investments are all at fixed rates ranging from 0.23% to 5.24% (2021 - 2.00% to 6.39%). The historical cost of the long term investments is \$2,131,915 (2021 - \$2,079,771).

5. INVESTMENT INCOME (LOSS)

	2022	2021
Investment income	\$ 13,841	\$ 19,256
Dividend income	38,534	30,347
Gains on investment	75,819	60,910
Foreign income	14,230	8,291
Foreign taxes paid	(855)	(498)
Realized income	141,569	118,306
Unrealized gains (losses) on investments	(32,713)	433,373
	\$ 108,856	\$ 551,679

COALDALE COMMUNITY WELLNESS ASSOCIATION LTD.

Notes to Financial Statements

Year Ended March 31, 2022

6. FINANCIAL INSTRUMENTS

The association 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 association's risk exposure and concentration as of March 31, 2022.

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 association is mainly exposed to price risk as the value of its investments and income generated by those investments may fluctuate with security markets.

Currency risk

Currency risk is the risk to the association's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The association is exposed to foreign currency exchange risk on cash and investments held in U.S. dollars. The association does not use derivative instruments to reduce its exposure to foreign currency risk.

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

7. COMMITMENTS

As at March 31, 2022, the association's board of directors had approved grants of \$15,325 for community projects which are to be disbursed in future periods.
