

Calgary Jewish
Federation

Financial Statements
August 31, 2024



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Independent Auditor's Report

To the Board of Directors of Calgary Jewish Federation

Opinion

We have audited the financial statements of Calgary Jewish Federation (the "Federation"), which comprise the statement of financial position as at August 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 Federation as at August 31, 2024, 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 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 Federation 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 these 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 Federation'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 Federation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing 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 Federation'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 Federation'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 Federation 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.

Chartered Professional Accountants

Calgary, Alberta
February 19, 2025

Calgary Jewish Federation
Statement of Financial Position
As at August 31

	2024 \$	2023 \$
Assets		
Current assets		
Cash and cash equivalents (note 2b)	3,169,806	1,683,091
Restricted cash (note 2c)	66,028	26,914
Accounts receivable (note 8)	19,754	19,221
Prepaid expenses	42,732	50,467
	<u>3,298,320</u>	<u>1,779,693</u>
Investments (State of Israel Bonds) (note 7)	314,407	314,407
Endowment funds (note 7)	781,236	702,408
Property and equipment (note 3)	56,465	46,665
Loan to related party (note 11c)	250,000	250,000
	<u>4,700,428</u>	<u>3,093,173</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 11c)	65,258	142,005
Deferred revenue (note 4)	1,072,845	1,104,439
Israel crisis emergency funds (note 5)	1,741,285	-
	<u>2,879,388</u>	<u>1,246,444</u>
Deferred contributions (note 6)	527,601	529,951
	<u>3,406,989</u>	<u>1,776,395</u>
Net assets		
Unrestricted	382,463	472,674
Internally restricted (note 13)	141,696	141,696
Endowment contributions (note 7)	769,280	702,408
	<u>1,293,439</u>	<u>1,316,778</u>
	<u>4,700,428</u>	<u>3,093,173</u>

Commitments (Note 12)

Approved on behalf of the Directors:

Director

Director

Calgary Jewish Federation

Statement of Operations

For the years ended August 31

	2024 \$	2023 \$
Revenue		
Annual campaign donations	2,639,150	2,512,805
Israel crisis emergency fund donations (note 5)	1,580,123	-
Program revenue (schedule A)	158,882	167,334
Campaign event fees	2,024	5,704
Grants, donations, fundraising, and other (note 10)	202,975	257,281
Life and Legacy revenue	25,348	51,522
Investment income	109,764	56,381
Amortization of deferred contribution property and equipment	3,975	2,350
	<u>4,722,241</u>	<u>3,053,377</u>
Expenses		
Agency funding (note 9)	3,305,789	1,770,407
Salaries and benefits (note 14)	644,931	642,064
Community program direct service costs (note 11; schedule A)	551,053	496,595
Administration	254,623	221,022
Campaign event costs	31,664	31,673
Life and Legacy direct costs	7,493	23,588
Campus development project costs	-	768
Foreign exchange - net	19,522	27,392
Amortization of property and equipment	17,377	18,820
	<u>4,832,452</u>	<u>3,232,329</u>
(Deficiency) of revenue over expenses before extraordinary items	(110,211)	(178,952)
Extraordinary item		
– CEBA Loan Forgiveness	20,000	-
(Deficiency) of revenue over expenses	<u>(90,211)</u>	<u>(178,952)</u>

Calgary Jewish Federation

Statement of Changes in Net Assets

For the years ended August 31

2024	Total	Unrestricted	Internally Restricted	Endowment
Opening balance	1,316,778	472,674	141,696	702,408
Deficiency of revenue over expenses	(90,211)	(90,211)	-	-
Endowment contributions (note 7)	66,872	-	-	66,872
Closing balance	1,293,439	382,463	141,696	769,280

2023	Total	Unrestricted	Internally Restricted	Endowment
Opening balance	1,477,988	651,626	141,696	684,666
Excess of revenue over expenses	(178,952)	(178,952)	-	-
Endowment contributions (note 7)	7,346	-	-	7,346
Endowment contributions (note 7)	10,396	-	-	10,396
Closing balance	1,316,778	472,674	141,696	702,408

Calgary Jewish Federation

Statement of Cash Flows

For the years ended August 31

	2024 \$	2023 \$
Cash provided by (used in)		
Operating activities		
(Deficiency) of revenue over expenses	(90,211)	(178,952)
Item not affecting cash:		
Amortization of property and equipment	17,377	18,820
Amortization of property and equipment deferred contribution	(3,975)	(2,350)
Deferred capital contribution	1,625	-
CEBA loan forgiveness	(20,000)	-
Change in fair value of investments	-	(1,064)
Net change in non-cash working capital	1,700,146	(172,490)
	1,604,962	(336,036)
Investing activities		
Changes in restricted cash	(39,114)	35,633
Changes in endowment funds	(78,828)	(21,895)
Purchase of property and equipment	(27,177)	(16,197)
	(145,119)	(2,459)
Financing activities		
Endowment contributions (note 7)	66,872	17,742
CEBA loan payment	(40,000)	-
	26,872	17,742
Increase / (Decrease) in cash and equivalents	1,486,715	(320,753)
Cash and cash equivalents – Beginning of year	1,683,091	2,003,844
Cash and cash equivalents – End of year	3,169,806	1,683,091

Calgary Jewish Federation

Notes to Financial Statements

August 31, 2024

1 Purpose of the organization

The Calgary Jewish Federation (the "Federation") was formed on December 11, 2009 under the Societies Act of Alberta as a registered charitable public foundation. On September 1st 2018, the Calgary Jewish Community Council (the "Council") amalgamated with the Federation. As a registered charitable foundation under Section 149 (1) of the Income Tax Act, the Federation is exempt from income taxes.

The Federation is the community's central funding, planning and coordinating body. The Federation proudly funds vital programs and services through the annual United Jewish Appeal ("UJA") Campaign and allocates resources according to a strategic plan based on Jewish communal needs and priorities. The Federation offers programming as approved by the Canada Revenue Agency. The Federation operations include the community Mikveh program, community relations, and the Hillel programs at the two Calgary Universities. The programs conducted by the Federation have specific emphasis on leadership development, outreach and Holocaust education.

2 Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). These financial statements have, in management's opinion, been properly prepared within the framework of the accounting policies summarized as follows:

a) Revenue recognition

Calgary Jewish Federation follows the deferral method of accounting. Restricted contributions for operating purposes 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 that the related assets are amortized. 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.

Investment income is recorded when earned. Donations are recorded upon receipt and pledges are not recognized. Revenue from fees for programs and event fees are recognized when services are provided.

b) Cash and cash equivalents

Cash consists of balances held in bank and mutual funds.

c) Restricted cash

Restricted cash represents funds which can only be used for eligible expenses as determined by the Alberta Gaming and Liquor Commission, being proceeds from a casino.

d) Property and equipment

Purchased property and equipment are recorded at cost. Contributed property and equipment are recorded at fair value at the date of the contribution. Amortization is recorded on a straight-line basis as follows:

Asset category	
Computer software	3 – 10 years
Computer hardware	4 years
Equipment and furniture	5 – 10 years
Interest in Mikveh	10 – 25 years

e) Contributed materials and services

Donated materials and services are recorded in the financial statements at market value when fair market value can be reasonably estimated and the materials and services would otherwise have been purchased. Volunteers contribute time to assist the Federation in carrying out its services and delivery of its activities. Due to the difficulty of determining their fair value, contributed services are not recorded in the financial statements.

f) Controlled organizations

Federation accounts for not-for-profit organizations, over which it exercises control, by providing disclosure of key information for those organizations (note 11).

g) Investments

Investments consist of government bonds. The investments will mature between November 1, 2024, and May 1, 2034, and bear interest at rates from 2.43% - 5.38% (2023 – 2.43% -5.07%).

h) Financial instruments

The federation records financial instruments at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets 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 are tested for impairment when changes in circumstances indicate that the asset could be impaired. Transaction costs on the acquisition and sale of financial instruments are expensed for those items measured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

Calgary Jewish Federation

Notes to Financial Statements

August 31, 2024

i) Foreign currency transactions

Monetary assets and liabilities of the Federation which are denominated in foreign currencies are translated at year-end exchange rates. Revenue and expenses are translated at the rates of exchange in effect at their transaction dates. The resulting gains or losses are included in operations.

j) Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant.

3 Property and equipment

	2024		
	Cost	Accumulated	Net book
	\$	amortization	value
		\$	\$
Computer software	75,364	57,151	18,213
Computer hardware	35,004	25,556	9,448
Equipment and furniture	36,357	8,353	28,004
Interest in Mikveh	27,878	27,078	800
	174,603	118,138	56,465

	2023		
	Cost	Accumulated	Net book
	\$	amortization	value
		\$	\$
Computer software	75,364	49,615	25,749
Computer hardware	33,092	20,949	12,143
Equipment and furniture	11,092	5,519	5,573
Interest in Mikveh	27,878	24,678	3,200
	147,426	100,761	46,665

Calgary Jewish Federation

Notes to Financial Statements

August 31, 2024

4 Deferred revenue

	2024	2023
	\$	\$
Anti Semitism grant from AB Govt	50,000	-
Steven Blitz Estate deferred revenue	627,695	695,098
Leadership development project	36,732	36,232
Deferred Covid Human Services grant	26,194	41,193
Life and Legacy fund	103,468	134,288
Deferred afterschool / IBP bursary fund	-	9,630
Deferred IBP revenue endowment (note 7)	6,839	30,494
Deferred Casino funding	66,028	26,914
Deferred Lion of Judah project funds	23,604	24,764
Deferred Anne Frank Library fund	12,120	12,720
Deferred Outreach and Engagement	18,048	76,577
Deferred Holocaust	10,918	-
Deferred Hillel grants	5,592	2,250
Deferred PJ Library	21,126	-
Deferred PJ Library legacy fund	30,972	-
Deferred Israel Partnership	4,055	-
Deferred miscellaneous funds	29,454	14,279
	<u>1,072,845</u>	<u>1,104,439</u>

5 Israel crisis emergency funds

During fiscal 2024, the Federation raised Israel crisis emergency funds in support of rebuilding Israel post the October 7, 2023 terrorist attacks. All funds received were from Calgary donors with the implied consent to use as needed.

	2024
	\$
Balance – August 31, 2023	-
Contributions received	3,334,705
Agency funding - United Israel Appeal of Canada (note 9)	(1,580,123)
Agency funding - Camp BB-Riback– Israel teen travel (note 9)	(12,000)
Community program direct service costs (Schedule A)	(1,297)
Balance – August 31, 2024	<u>1,741,285</u>

6 Deferred contributions

Deferred contributions consist of unspent funds designated by the donor for capital projects. \$50,000 (2023 - \$50,000) was set aside for the development of a program that encourages endowments and \$471,922 (2023 - \$471,922) for the development of a Jewish campus. During 2016, \$23,500 was received from the provincial government towards database software. The depreciated balance is \$5,679 at year-end (2023 - \$8,029).

Calgary Jewish Federation

Notes to Financial Statements

August 31, 2024

7 Endowment contributions

During fiscal 2015, \$100,000 was contributed for the purpose of providing subsidies as part of the Integrated Bursary Program. The donor requested that the funds be invested in State of Israel Bonds. Income from the investment is to be paid out as needed, to IBP recipients as determined by the donor's eligibility criteria. Additional endowment contributions were received during the 2022 fiscal year for PJ Library - \$330,926; UJA - \$137,000; Israel - \$90,860. Funds are invested with the Jewish Community Foundation of Calgary.

8 Accounts receivable

Accounts receivable includes GST receivable of \$1,606 (2023 - \$2,381) and miscellaneous receivables of \$18,148 (2023 - \$16,840).

9 Agency funding

The Federation funded agencies during the year as follows:

	2024 \$	2023 \$
United Israel Appeal of Canada – domestic & overseas	165,300	159,025
United Israel Appeal of Canada – Jewish Agency for Israel core	152,000	152,000
United Israel Appeal of Canada – Israel projects	2,977	2,959
United Israel Appeal of Canada – Israel crisis emergency funds	1,580,123	-
Calgary Jewish Community Campus Corporation – programming	126,894	136,944
Calgary Jewish Community Campus Corporation – living room commitment	420,054	405,000
Calgary Jewish Community Campus Corporation – integrated bursary	45,943	28,246
Jewish Family Services – programming	216,132	216,132
Calgary Jewish Academy – programming	82,404	82,400
Calgary Jewish Academy - integrated bursary	300,000	303,003
Akiva Academy – programming	23,076	23,072
Akiva Academy – integrated bursary	99,996	97,000
Camp BB-Riback– integrated bursary	75,726	43,034
Camp BB-Riback– community initiatives funding	-	20,000
Camp BB-Riback– Israel teen travel	12,000	-
Other donor directed	3,164	101,592
	<u>3,305,789</u>	<u>1,770,407</u>

Calgary Jewish Federation

Notes to Financial Statements

August 31, 2024

10 Grants, donations, fundraising and other

	2024 \$	2023 \$
Donations and deferred donations recognized	159,722	216,801
Casino funds revenue recognition	43,253	40,480
	<u>202,975</u>	<u>257,281</u>

11 Controlled organization

The Federation effectively controls the resources of the Calgary Jewish Community Campus Corporation ("CJCCC"), by virtue of holding the majority of the Board of Directors positions. Formerly, the Calgary Jewish Centre ("JCC"), it was formed in 1983 under the Calgary Jewish Centre Act. CJCCC is a registered charity under the Income Tax Act and therefore is exempt from income taxes. The purpose of the CJCCC is to serve the recreational, fitness, social and cultural needs of both the Calgary Jewish community and the community at large. Continued operation of the CJCCC is dependent on the ongoing financial support of its members and the annual allocations from the Calgary Jewish Federation.

Except as noted elsewhere, the Federation was involved in the following transactions with the CJCCC:

- a) During the year, the Federation paid overhead recoveries of \$74,044 (2023 - \$73,250) to the CJCCC.
- b) The Federation allocated funding to the CJCCC as per note 9, for programming, the living room commitment and the integrated bursary program for memberships and summer camp.
- c) Included in the accounts payable balance is \$19,547 (2023 - \$21,067) owed to the CJCCC. At year-end, there is an amount receivable from the CJCCC of \$250,000 (2023 - 250,000), which was advanced towards capital expenditures. This loan is unsecured, does not bear interest and has no repayment terms.

These transactions are in the normal course of operations and are recorded at the exchange amount, which is the agreed upon amount between the two parties.

The CJCCC has not been consolidated into the Federation's financial statements, but their financial statements are available upon request. The financial summary of the CJCCC as at August 31, 2024 and 2023 for the years then ended is as follows:

	2024 \$	2023 \$
Financial position		
Total assets	17,924,373	17,979,194
Total liabilities	5,470,768	5,666,103
Total net assets	<u>12,453,605</u>	<u>12,313,091</u>

Calgary Jewish Federation

Notes to Financial Statements

August 31, 2024

Results of operations		
Total revenues	5,516,204	4,948,453
Total expenses	5,375,690	4,939,570
Extraordinary items / Federal Wage Subsidies	-	87,923
Excess of revenues over expenses	<u>140,514</u>	<u>96,806</u>
Cash flows		
Cash flow from operating activities	424,337	448,405
Cash flow from investing activities	(175,308)	(823,217)
Cash flow from financing activities	(80,464)	(34,546)
Decrease in cash and cash equivalents	<u>168,565</u>	<u>(409,358)</u>

12 Commitments

The Federation has committed to allocate a total of \$1,507,944 to qualified local donees in fiscal 2025, from its UJA fundraising campaign to be held in the fall of 2024. In addition, funds to be paid to national and overseas donees through December 31, 2024, are \$105,767, with the remaining amount to August 31, 2025 to be determined at the December national board meeting.

13 Internally restricted net assets

The Federation Board passed a motion in fiscal 2013 to create a reserve fund for surpluses from Asper or March of the Living, entitled: "Holocaust and Human Rights Education Program Reserve Fund". As of year-end, this fund has accumulated \$27,903 (2023 - \$27,903).

In fiscal 2015, due to low demand on the Calgary flood funds collected, the Board passed a motion to create a "Federation Fund for Emergencies" with the residual from the Calgary flood funds. The total in this fund at year-end is \$47,083 (2023 - \$47,083).

During fiscal 2016, the Federation received a donation of \$220,000 from the Estate of Steven Blitz. The Board passed a motion to internally restrict these funds as follows: \$135,000 towards an Operating Reserve, to serve as a "rainy day" fund, (\$128,290 was used in the 2019 fiscal year to effect the amalgamation donation); \$25,000 towards a Technology Reserve to assist with the database replacement project in fiscal 2017 (this was utilized during the 2017 fiscal year); \$60,000 towards a Capacity Building Reserve.

14 Charitable fundraising disclosures

As required under Section 7(2) of the Charitable Fundraising Regulation, the following amounts are disclosed:

	2024	2023
	\$	\$
Remuneration to employees whose principal duties involve fundraising	149,752	143,932

15 Comparative figures

Some of the comparative figures have been reclassified to conform to the current year's presentation. The reclassifications have no impact on prior year's deficiency of revenues and expenses.

16 Financial instrument risk

The Federation is exposed to the following risks:

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. The Federation is exposed to credit risk arising from its accounts receivable, as there is a risk that the counterparty to the transaction will not pay. The risk is somewhat mitigated as the Federation's receivables comprise smaller amounts from a diverse population and the Federation reviews its accounts receivable to follow up on collections in a timely manner. There have been no changes with the credit risk from the prior year.

b) Liquidity risk

Liquidity risk is the risk that the Federation would encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Federation would not have sufficient funds to settle a transaction on the due date, would be forced to sell financial assets at a value which is less than what they are worth, or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable and accrued liabilities, its capital leases and loans. The Federation mitigates this risk by preparing and monitoring budgets and cash flows on a monthly basis, and ensuring adequate facilities are in place with funders. There have been no changes with the liquidity risk from the prior year.

Calgary Jewish Federation
Program Operations
(Unaudited)
For the years ended August 31

Schedule A

	2024			2023		
	Gross revenue \$	Direct costs \$	Net surplus (loss) before administrative and other indirect costs \$	Gross revenue \$	Direct costs \$	Net surplus (loss) before administrative and other indirect costs \$
Community Mikveh program	315	19,799	(19,484)	879	26,339	(25,460)
Emerging Gen program	6,781	46,304	(39,523)	18,467	68,639	(50,172)
Holocaust public education program	29,467	85,776	(56,309)	31,655	96,502	(64,847)
Community outreach program	51,069	359,263	(308,194)	65,914	171,629	(105,715)
Community relations	71,250	39,911	31,339	50,419	133,486	(83,067)
	158,882	551,053	(392,171)	167,334	496,595	(329,261)