

CALGARY PRO MUSICA SOCIETY
Financial Statements
Year Ended April 30, 2024

CALGARY PRO MUSICA SOCIETY
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Year Ended April 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of Calgary Pro Musica Society

Opinion

I have audited the financial statements of Calgary Pro Musica Society (the "Society"), which comprise the statement of financial position as at April 30, 2024, and the statements of revenues and expenditures, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at April 30, 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

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 Society in accordance with 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 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

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Independent Auditor's Report to the Members of Calgary Pro Musica Society (*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 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 Society'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 Society'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 conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Society 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, AB
November 21, 2024



Antonio Masone Professional Corporation
Chartered Professional Accountant

CALGARY PRO MUSICA SOCIETY

Statement of Financial Position

April 30, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 74,936	\$ 365,582
Restricted Cash (Note 3)	101,355	71,170
Accounts receivable	8,034	14,578
Interest receivable	3,620	-
Goods and services tax recoverable	4,446	4,711
Prepaid expenses	3,168	3,910
Term deposits (Note 4)	150,000	-
	345,559	459,951
PROPERTY, PLANT AND EQUIPMENT (Note 5)	2,333	1,665
LONG TERM INVESTMENTS (Note 4)	100,000	-
	\$ 447,892	\$ 461,616
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 27,452	\$ 22,392
Deferred contributions (Note 6)	101,355	71,170
Deferred subscription revenue	11,308	8,893
	140,115	102,455
NET ASSETS		
General fund	305,444	357,496
Restricted fund	2,333	1,665
	307,777	359,161
	\$ 447,892	\$ 461,616

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

CALGARY PRO MUSICA SOCIETY
Statement of Revenues and Expenditures
Year Ended April 30, 2024

	2024	2023
REVENUES		
Donations and contributions <i>(Note 7)</i>	\$ 114,655	\$ 98,717
Grants <i>(Note 9)</i>	85,586	165,792
Ticket sales and subscriptions	94,433	74,520
Casino proceeds	28,507	41,206
Miscellaneous income	-	279
Sale of products	-	230
	323,181	380,744
EXPENSES		
Performers Fees	135,201	170,336
Administration fees	93,405	71,961
Advertising and promotion	54,399	43,019
Theatre Operating	39,417	35,449
Memberships	14,912	13,234
Professional fees	9,335	8,115
Travel	8,722	2,800
Office	7,163	7,601
Interest and bank charges	4,015	3,610
Insurance	1,086	1,887
Accounting fees	7,980	5,700
Telephone	831	845
Production and design	808	5,518
Training	437	-
Amortization	575	627
	378,286	370,702
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	(55,105)	10,042
OTHER INCOME		
Interest income	3,721	39
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (51,384)	\$ 10,081

See notes to financial statements

CALGARY PRO MUSICA SOCIETY
Statement of Changes in Net Assets
Year Ended April 30, 2024

	General Fund		Restricted Fund		2024	2023
NET ASSETS - BEGINNING OF YEAR	\$	357,496	\$	1,665	\$ 359,161	\$ 349,080
DEFICIENCY OF REVENUES OVER EXPENSES		(51,384)		-	(51,384)	10,081
ADDITIONS		(1,243)		1,243	-	-
AMORTIZATION		575		(575)	-	-
NET ASSETS - END OF YEAR	\$	305,444	\$	2,333	\$ 307,777	\$ 359,161

CALGARY PRO MUSICA SOCIETY

Statement of Cash Flows

Year Ended April 30, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (51,384)	\$ 10,081
Item not affecting cash:		
Amortization of capital assets	575	627
	(50,809)	10,708
Changes in non-cash working capital:		
Accounts receivable	6,544	(14,427)
Interest receivable	(3,620)	-
Accounts payable and accrued liabilities	5,060	7,368
Deferred income	30,185	(93,527)
Prepaid expenses	742	4,661
Goods and services tax payable	265	(1,405)
Deferred subscription revenue	2,415	(3,898)
	41,591	(101,228)
Cash flow used by operating activities	(9,218)	(90,520)
INVESTING ACTIVITIES		
Purchase of capital assets	(1,243)	-
Proceeds on disposal of capital assets	-	(1,375)
Purchase of Term deposit	(250,000)	-
Cash flow used by investing activities	(251,243)	(1,375)
DECREASE IN CASH FLOW	(260,461)	(91,895)
Cash - beginning of year	436,752	528,647
CASH - END OF YEAR	\$ 176,291	\$ 436,752
CASH CONSISTS OF:		
Cash	\$ 74,936	\$ 365,582
Restricted Cash	101,355	71,170
	\$ 176,291	\$ 436,752

See notes to financial statements

CALGARY PRO MUSICA SOCIETY

Notes to Financial Statements

Year Ended April 30, 2024

1. PURPOSE OF THE ORGANIZATION

Calgary Pro Musica Society (the "Society") is a not-for-profit registered charitable organization incorporated provincially under the Companies Act of Alberta. As a registered charity, the Society is exempt from the payment of income tax under subsection 149(1) of the Income Tax Act.

The Society encourages and celebrates chamber music through organizing concerts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations ("ASNPO") in Part III of the CPA Canada Handbook and include the following significant accounting policies:

Cash

Cash represents cash on hand and bank account balances less cheques issued and outstanding at the reporting period end. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Capital assets

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

Equipment	20%	declining balance method
Computer equipment	30%	declining balance method

The Society regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets' cost.

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

Fund accounting

The general fund accounts for the Society's program delivery and administrative activities. This fund reports unrestricted resources and restricted grants to be used for purposes as specified by the Alberta Gaming and Liquor Commission ("AGLC").

The capital asset fund reports the assets, liabilities, revenues, and expenses related to the Society's capital assets.

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CALGARY PRO MUSICA SOCIETY

Notes to Financial Statements

Year Ended April 30, 2024

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

Casino funds

Pursuant to the AGLC's Approved Use of Proceeds List, current use of casino funds is restricted to the accounting fees/gaming financial reports, administrative costs, bursaries and scholarships, donations within Alberta, program related equipment, promotional activities, registration/affiliation fees, facility rent, uniforms/constumes, wages, salaries, fees for service and honorariums including Artistic Director's fees and performers' fees. The Society follows the latest Approved Use of Proceeds List provided by the AGLC to calculate the maximum of the expenses permitted. Approved Use of Proceeds Lists may be amended upon request by the Society.

Revenue recognition

The Society 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. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Deferred contributions

Contributions and subscriptions received for which the related expenses have not yet been incurred are recorded as deferred income.

Contributed services

Volunteer services contributed on behalf of the Society in carrying out its operating activities are not recognised in these financial statements due to the difficulty in determining their fair value.

Financial instruments policy

Financial instruments are recorded 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 measured at amortized cost include cash, restricted cash, and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities. The Society's financial assets measured at fair value include marketable securities.

Measurement uncertainty

The preparation of financial statements in conformity with ASNPO 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. The society main estimates relate to the useful life of the property, plant and equipment.

CALGARY PRO MUSICA SOCIETY

Notes to Financial Statements

Year Ended April 30, 2024

3. RESTRICTED CASH

Proceeds from casino events are restricted according to AGLC's approved objectives. Unspent funding is restricted in according to the Approved Use of Proceeds List. Restricted cash is classified as deferred contributions until spent.

	2024	2023
Restrict cash in general accounts	\$ 61,838	\$ 49,561
TD casino account	-	21,609
ATB Casino account	39,517	-
Total restricted cash	\$ 101,355	\$ 71,170

As of April 30, 2024, there was \$39,517 (2023 - \$21,609) restricted casino balance. The \$61,838 restricted cash includes \$30,000 deferred contributions from Calgary Arts Development Authority grant and the left was transferred from the ATB Casino account.

4. TERM DEPOSITS

	2024	2023
<u>Short-Term Deposits</u>		
Amplify GIC-redeemable.-interest rate at 3.25000% maturing Dec 21, 2024	\$ 50,000	\$ -
Non-redeemable GIC-interest rate at 4.25000%, maturing Dec 22, 2024.	100,000	-
	150,000	-
<u>Long-Term Deposits</u>		
Non-Redeemable GIC.-interest at 4.20000%, maturing Jun 22, 2025	100,000	-
Grand total	\$ 250,000	\$ -

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Equipment	\$ 2,899	\$ 1,390	\$ 1,509	\$ 488
Computer equipment	5,228	4,404	824	1,177
	\$ 8,127	\$ 5,794	\$ 2,333	\$ 1,665

CALGARY PRO MUSICA SOCIETY**Notes to Financial Statements****Year Ended April 30, 2024****6. DEFERRED CONTRIBUTIONS**

The Society received in advance grants and donations of \$101,355 (2023 - \$71,170) which represent unexpended contributions from the following organizations:

Contributor name	Opening balance	Contributions	Match to expenses	Ending balance
AGLC	17,584	82,278 -	28,507	71,355
Calgary Foundation	5,375	- -	5,375	-
Calgary Arts Development Authority	23,700	30,000 -	23,700	30,000
Alberta Fine Arts (Alberta Govt.)	24,511	- -	24,511	0
Total	71,170	112,278 -	82,093	101,355

Casino proceeds are restricted according to AGLC's Approved Use of Proceeds List. The Calgary Foundation fund was used in community engagement and operation in the fiscal 2023-2024 year and Revenue recognized- matched to expenses \$5,375 (2023 - \$27,000). The Calgary Arts Development Authority grant was used for general operating costs in the fiscal 2023-2024 year. The Alberta Fine Arts grant (Original Contribution of \$96,000 was received in fiscal 2021-2022 year from the donor "Estate of the Late Peter John Pallesen") was used for general operating expenses, and revenue recognized - matched to expenses \$24,511 (2023 - \$49,021) (2022 - \$22,468).

7. DONATIONS AND CONTRIBUTIONS

Donations and contributions consist of the following:

	2024	2023
Donations - Individuals	\$ 29,171	\$ 20,765
Donations - Sponsorship	31,680	27,630
Contribution - Calgary Foundation	53,804	50,322
	\$ 114,655	\$ 98,717

CALGARY PRO MUSICA SOCIETY

Notes to Financial Statements

Year Ended April 30, 2024

8. CALGARY PRO MUSICA SOCIETY FOUNDATION FUND

The Society entered into an agreement with the Calgary Foundation (the "Foundation") in April 2002 to set up and administer an endowment fund called The Calgary Pro Musica Society Foundation Fund (the "Fund"), with the Society designated as its beneficiary. Under the terms of this agreement, the Society will contribute certain funds to the Foundation who will invest these funds according to the investment policies and provisions of the Calgary Foundation Act. The Foundation levies an annual administration fee equal to 1.25% of the fair value of the Fund's market value as at March 31 of each year.

During the year, the Society received \$53,804 ("2023 - \$50,322") from the Foundation and this amount is included in income for the year.

The following is the Fund statement for the year ended April 30, 2024 and April 30, 2023 including the combination of the capital endowment and the undistributed net income both realized and unrealized.

	2024	2023
Beginning fund balance	\$ 1,080,324	\$ 1,064,150
Income and expenditures		
Realized and unrealized gains	42,686	47,262
Interest and dividends	32,705	27,884
Endowment contribution	29,121	-
Transfers between funds	-	1,958
Gain(loss) -Real-Gifts-in-Kind	(465)	-
Operational costs	(10,942)	(10,608)
Annual contribution	(53,804)	(50,322)
Ending fund balance	\$ 1,119,625	\$ 1,080,324

9. GRANTS

	2024	2023
Calgary Arts Development	\$ 30,000	\$ 23,700
Alberta Foundation for the Arts	39,211	69,162
Canadian Heritage	11,000	45,930
The Calgary Foundation	5,375	27,000
	\$ 85,586	\$ 165,792

10. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Society's risk exposure and concentration as of April 30, 2024.

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CALGARY PRO MUSICA SOCIETY

Notes to Financial Statements

Year Ended April 30, 2024

10. FINANCIAL INSTRUMENTS *(continued)*

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society is exposed to credit risk from contributors. The Society has a significant number of contributors which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from its contributors and accounts payable.

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 Society manages exposure through its normal operating activities.

11. COMPARATIVE FIGURES

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