

CANADIAN BRIDGE FEDERATION CHARITABLE FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of Canadian Bridge Federation Charitable Fund

Unqualified Opinion

I have audited the financial statements of Canadian Bridge Federation Charitable Fund, which comprise the statement of financial position as at December 31, 2021, and the statement of revenues and expenditures and changes in net assets and cash flow 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 Entity as at December 31, 2021, 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.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibility 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 Entity 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 **unqualified** audit 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 the Entity's ability to continue as a going concern, disclosing, as appropriate, matters related

to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative to do so,

Those charged with governance are responsible for overseeing the Entity'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 that arise from fraud or error and are considered material if, individually or in the aggregate, they could be expected to influence the economic decisions of users taken on the basis of the 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Entity'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 Entity'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 Entity 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.

Brampton, Ontario

February , 2022

A handwritten signature in cursive script that reads "G. J. Westfall CPA". The signature is written in dark ink and is positioned above the printed name.

G. J. Westfall, CPA. Licensed Public Accountant

CANADIAN BRIDGE FEDERATION CHARITABLE FUND

Statement of Financial Position

December 31

	<u>2021</u>	<u>2020</u>
	\$	\$
ASSETS		
CURRENT		
Cash	9,184	16,628
Short term investments (Note 3)	28,060	5,011
Prepaid expense	-	500
Accounts receivable	-	-
	<u>37,244</u>	<u>22,139</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	3,400	2,000
Due to CBF	-	252
	<u>3,400</u>	<u>2,252</u>
NET ASSETS		
General fund	<u>33,844</u>	<u>19,887</u>
	<u>37,244</u>	<u>22,139</u>

ON BEHALF OF THE BOARD

Director

Director

See notes to financial statements

CANADIAN BRIDGE FEDERATION CHARITABLE FUND

Statement of Revenues and Expenditures and Changes in Net Assets

Year Ended December 31

	<u>2021</u>	<u>2020</u>
	\$	\$
REVENUE		
Proceeds from bridge sessions (Note 4 & 7)	27,872	684
Day of Bridge - Alzheimer's (Note 4 & 6)	3,440	5,025
Donation	150	6,211
Interest earned	72	116
	<u>31,534</u>	<u>12,036</u>
EXPENDITURES		
Schedule of Donation Disbursements (<i>Schedule 1</i>)	10,500	7,000
Longest Day of Bridge - Alzheimer's Society of Canada (Note 4 & 6)	3,440	5,025
Coordinator expense	2,400	1,000
Audit expense	1,000	1,000
Website maintenance	-	200
Bank charges	45	49
Office expenses	192	
Trustee expenses	-	191
	<u>17,577</u>	<u>14,465</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>13,957</u>	<u>(2,429)</u>
NET ASSETS - BEGINNING OF YEAR	19,887	22,316
NET ASSETS - END OF YEAR	<u>33,844</u>	<u>19,887</u>

See notes to financial statements

CANADIAN BRIDGE FEDERATION CHARITABLE FUND

Statement of Cash Flows

December 31

	2021	2020
	<u>\$</u>	<u>\$</u>
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenditures	<u>13,957</u>	<u>(2,429)</u>
Changes in non-cash activities		
Accounts receivable	(252)	1,278
Prepaid expense	500	(500)
Accounts payable	<u>1,400</u>	<u>(1,250)</u>
	<u>1,648</u>	<u>(472)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	<u>15,605</u>	<u>(2,901)</u>
Sale (Purchase) of short term investments	<u>(23,049)</u>	<u>16,989</u>
INCREASE (DECREASE) IN CASH FLOW	(7,444)	14,088
CASH - BEGINNING OF YEAR	<u>16,628</u>	<u>2,540</u>
CASH - END OF YEAR	<u>9,184</u>	<u>16,628</u>
CASH CONSISTS OF;		
Cash	<u>9,184</u>	<u>16,628</u>

See notes to financial statements

CANADIAN BRIDGE FEDERATION CHARITABLE FUND

Notes to Financial Statements

Year Ended December 31, 2021

1 NATURE OF ORGANIZATION

The Canadian Bridge Federation Charitable Fund (CBFCF) is a registered charity and is committed to donating funds to charitable organizations in Canada on behalf of its affiliate, the Canadian Bridge Federation (CBF). The Fund is exempt from income taxes under Section 149 (1) (l) of the Income Tax Act.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements are presented in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Financial instrument 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 revenue. 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 include cash, term deposits and accounts receivable which are reported at amortized cost.

Financial liabilities include accounts payable and are reported at amortized cost.

Revenue recognition

The CBFCF 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.

Revenues from bridge sessions are reported on the accrual basis in the period the related game is played by the contributing Club.

Longest Day revenues are reported on an accrual basis. This will be an annual event with all proceeds going to the Alzheimer's Society of Canada.

CANADIAN BRIDGE FEDERATION CHARITABLE FUND

Notes to Financial Statements

Year Ended December 31, 2021

3 SHORT - TERM INVESTMENTS

The investments consist of cashable and non-redeemable certificates at various rates. The certificate purchased in July, 2020 was redeemed in January, 2021. A redeemable 1 year certificate at .5000 % was purchased in January, 2021 and another redeemable 1 year certificate at .35% was purchased in July, 2021.

4 RELATED PARTY

The Fund is related to the Canadian Bridge Federation (CBF) because the members of the governing board of the CBF are also trustees of the Fund, serving under a Chairperson who is not a member of the CBF board.

In 2021 the revenue of the Fund arose from Virtual club games held by the Canadian clubs in April 2021. The Chairperson and the trustees are charged with making decisions on the allocation of these revenues to registered charities across Canada.

The Fund pays the Coordinator for time invested, the Auditor and any related office supplies.

The Fund is also related to the American Contract Bridge League (ACBL) because this party is a related party to the CBF and fulfils an instrumental role in the Fund's activities. In April 2021 the ACBL held a charitable week for the virtual clubs where the extra entry paid by the players is sent to the CBFCF. A total of \$27,872 was collected.

5 FINANCIAL INSTRUMENTS

The Fund is exposed to various risks through its financial instruments and management has a responsibility to monitor, evaluate and manage these risks. The following analysis provides information about the Fund's risk exposure and concentration as of December 31, 2020

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Fund is exposed to credit risks that Clubs will fail to pass along the required collections in a timely way. The Fund receives monies from a significant number of Clubs which minimizes the concentration of credit risk. This risk is considered low.

CANADIAN BRIDGE FEDERATION CHARITABLE FUND

Notes to Financial Statements
Year Ended December 31, 2021

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Fund budgets the amount it passes along to qualified donees based on available resources o there is little risk of a liquidity problem. These payments are donations and are not the settlement of an obligation.

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 Fund manages exposure through its normal operating and financing activities. The Fund is exposed to interest rate risk primarily through its term deposits but it does not rely on revenues from this source to sustain operations and thus the risk is considered to be low.

6 DAY OF BRIDGE - ALZHEIMER'S SOCIETY OF CANADA

Funds are raised for the various provincial Alzheimer societies in three(3) ways. They are sanction fees, donations to the CBFCF for the Alzheimer societies, and fundraising done at the club level given directly to the provincial Alzheimer society.

	<u>2021</u>	<u>2020</u>
Sanction fees	3,440	4,525
Donations	-	500
Subtotal	<u>3,440</u>	<u>5,025</u>
Fundraising done by clubs	10,680	16,580
<u>TOTAL</u>	<u>14,300</u>	<u>21,605</u>

7 COVID - 19

COVID - 19 has resulted in the cancellation of all bridge club games since March 15, 2020.

These notes are an integral part of the Financial Statements.

CANADIAN BRIDGE FEDERATION CHARITABLE FUND

Schedule of Donation Disbursements

(Schedule 1)

Year Ended December 31

	2021	2020
Battlefords Food Bank	250	
Abundance Canada		400
AGAPE TABLE		450
Alzheimer Society of Nova Scotia & New Brunswick		1,000
Calgary Meals on Wheels		500
Coast Mental Health	1,500	
Covenant House Toronto	500	
Covenant House Vancouver	-	200
Creative Retirement Manitoba	500	-
Crescwnt Valley Resource Centre	500	
Daily Bread Food Banl		1,000
Downtown Eastside Women's Shelter		200
Edmonton Meals on Wheels		500
Fondation Institute de Geriatrie de Montreal		1,000
Gimli New Horizons Bridge Club	200	
Gordon Howard Senior Centre		150
L'Arche Montreal	500	
Lighthouse Mission	500	500
Morden 55+ Friends	300	-
Millenium Support Group	-	-
Mustard Seed Food Bank		200
New Leaf Living & Learning	500	-
Partners in Mission	500	-
Prince Albert Food Bank	250	-
Regina Food Bank	400	-
Rugby Canada	500	
Saskatonn Food Bank	600	-
Salvation Army Penticton Food Bank		200
Shelter to Home		200
Souls Harbour	500	-
The Salvation Army	500	-
The Zhubin Foundation	500	
Thrive Community Support Circle	500	500
War Amps - Champs Program	500	-
Winnipeg Harvest	500	-
	<u>\$ 10,500</u>	<u>\$ 7,000</u>