

TABER & DISTRICT COMMUNITY ADULT LEARNING ASSOCIATION

NON-CONSOLIDATED FINANCIAL STATEMENTS

Draft - September 17, 2025

For the year ended June 30, 2025

TABER & DISTRICT COMMUNITY ADULT LEARNING ASSOCIATION

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INDEPENDENT AUDITOR'S REPORT

Draft - September 17, 2025

To: The board of directors of
Taber & District Community Adult Learning Association

Opinion

We have audited the non-consolidated financial statements of Taber & District Community Adult Learning Association, which comprise the non-consolidated statement of financial position as at June 30, 2025, and the non-consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the organization as at June 30, 2025, and the non-consolidated results of its operations and its non-consolidated 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 Non-consolidated Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the non-consolidated 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 Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated 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:

INDEPENDENT AUDITOR'S REPORT, continued

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, continued

- ◆ Identify and assess the risks of material misstatement of the non-consolidated 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 organization'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 organization'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 non-consolidated 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 organization to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated 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.

Lethbridge, Alberta

September 24, 2025

Chartered Professional Accountants

TABER & DISTRICT COMMUNITY ADULT LEARNING ASSOCIATION
NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at June 30, 2025
Draft - September 17, 2025

	2025	2024
ASSETS		
Current		
Cash	\$ 1,584,589	\$ 917,768
Short-term investment	-	26,930
Accounts receivable	24,845	60,699
GST receivable	15,233	6,762
Prepaid expenses and deposits	3,100	6,000
	1,627,767	1,018,159
Investment (note 3)	28,096	-
Capital assets (note 4)	573,403	40,091
	\$ 2,229,266	\$ 1,058,250
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	\$ 18,522	\$ 8,822
Deferred revenue (note 5)	559,218	78,142
Current portion of loans payable	15,000	-
	592,740	86,964
Loans payable (note 6)	135,000	-
Deferred capital contributions (note 7)	150,000	-
Unamortized capital contributions (note 8)	311,740	14,652
	1,189,480	101,616
Contingent liabilities (note 9)		
Net assets		
Unrestricted	741,820	894,892
Invested in capital assets	261,663	25,439
Internally restricted reserves (note 10)	36,303	36,303
	1,039,786	956,634
	\$ 2,229,266	\$ 1,058,250

Approved on behalf of the board:

Director _____

Director _____

TABER & DISTRICT COMMUNITY ADULT LEARNING ASSOCIATION
NON-CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended June 30, 2025
Draft - September 17, 2025

	2025 Budget (Unaudited)	2025 Actual	2024 Actual
Revenue			
Grants	\$ 1,405,653	\$ 1,142,527	\$ 1,353,656
Other income	87,268	75,835	91,377
Registration fees	16,455	24,716	36,864
Amortization of capital contributions	-	2,912	2,912
	1,509,376	1,245,990	1,484,809
Expenses			
Wages and benefits	1,224,390	916,368	1,103,197
Rent	64,539	61,194	61,081
Professional fees	26,520	54,194	17,374
Travel	27,823	24,188	26,846
Advertising and promotion	26,940	23,781	34,744
Materials and supplies	68,261	17,480	23,740
Telephone and utilities	9,306	15,600	10,460
Office and administration	25,296	11,347	25,022
Dues and memberships	4,811	5,334	5,458
Conferences	11,910	4,825	14,309
Repairs and maintenance	9,459	3,733	8,361
Special projects	-	3,269	586
Insurance	4,484	2,338	2,338
Interest and bank charges	500	1,987	1,453
Graduation	510	586	828
Honorariums	-	-	933
Amortization	-	16,614	15,631
	1,504,749	1,162,838	1,352,361
Excess of revenue over expenses	\$ 4,627	\$ 83,152	\$ 132,448

TABER & DISTRICT COMMUNITY ADULT LEARNING ASSOCIATION
NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
For the year ended June 30, 2025
Draft - September 17, 2025

	Unrestricted net assets	Net assets invested in capital assets	Internally restricted reserves	Total 2025	Total 2024
Balance, beginning of year	\$ 894,892	\$ 25,439	\$ 36,303	\$ 956,634	\$ 824,186
Excess of revenue over expenses	83,152	-	-	83,152	132,448
Purchase of capital assets	(549,926)	549,926	-	-	-
Capital contributions	300,000	(300,000)	-	-	-
Amortization of capital assets	16,614	(16,614)	-	-	-
Amortization of capital contributions	(2,912)	2,912	-	-	-
Balance, end of year	\$ 741,820	\$ 261,663	\$ 36,303	\$ 1,039,786	\$ 956,634

TABER & DISTRICT COMMUNITY ADULT LEARNING ASSOCIATION
NON-CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended June 30, 2025
Draft - September 17, 2025

	2025	2024
Cash flows from operating activities		
Excess of revenue over expenses	\$ 83,152	\$ 132,448
Adjustments for items which do not affect cash		
Amortization	16,614	15,631
Amortization of capital contributions	(2,912)	(2,912)
	96,854	145,167
Change in non-cash working capital items		
Accounts receivable	35,854	30,186
GST	(8,471)	(3,574)
Prepaid expenses and deposits	2,900	(5,000)
Accounts payable and accrued liabilities	9,700	(21,374)
Deferred revenue	481,076	(301,115)
	617,913	(155,710)
Cash flows from investing activities		
Purchase of investment	(28,096)	-
Proceeds on disposal of capital assets	-	25,000
Purchase of capital assets	(549,926)	(10,810)
	(578,022)	14,190
Cash flows from financing activities		
Increase in loans payable	150,000	-
Capital contributions	450,000	10,809
	600,000	10,809
Net increase (decrease) in cash	639,891	(130,711)
Cash, beginning of year	944,698	1,075,409
Cash, end of year	\$ 1,584,589	\$ 944,698
Cash consists of:		
Cash	\$ 1,584,589	\$ 917,768
Short-term investment	-	26,930
	\$ 1,584,589	\$ 944,698

TABER & DISTRICT COMMUNITY ADULT LEARNING ASSOCIATION
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS
For the year ended June 30, 2025
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1. **Nature of operations**

Taber & District Community Adult Learning Association (the "Association") is a not-for-profit organization incorporated under the Societies Act of Alberta. The Association was formed to provide adult based learning courses to the residents of Taber and surrounding area. The Association operates these courses under three main divisions, the Community Adult Learning Program (CALP), Taber Employment Assistance (TEA), and Youth Employment Program (YEP).

2. **Significant accounting policies**

These non-consolidated financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Non-consolidation

These financial statements are in accordance with Canadian accounting standards for not-for-profit organizations prepared on a non-consolidated basis.

The operations of the controlled entity, Friends of Taber Literacy Association, are not consolidated in these financial statements.

(b) Cash and cash equivalents

The Association includes cash on hand, amounts held by financial institutions in operating and saving accounts, short-term investments, and cheques issued in excess of cash on deposit in the determination of cash and cash equivalents.

(c) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. The Association provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Buildings	40 years
Computers	5 years
Equipment	5 years

Amortization of leasehold improvements is recorded over the remaining term of the lease plus the first renewal option.

(d) Unamortized capital contributions

Unamortized capital contributions are amortized to revenue on the same basis as the amortization expense of the corresponding capital asset.

(e) Revenue recognition

The Association 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. Revenue from registration fees is recognized when services are provided. Interest and other revenue is recognized as revenue when earned.

TABER & DISTRICT COMMUNITY ADULT LEARNING ASSOCIATION
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS
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2. Significant accounting policies, continued

- (f) **Investments**
The Association accounts for its investment in a controlled entity, Friends of Taber Literacy Association, using the cost method written down for any impairment in value that is considered other than temporary.
- (g) **Financial instruments**
The Association initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Association subsequently measures all its financial assets and financial liabilities at amortized cost.
- (h) **Net assets**
Unrestricted net assets represents the Association's accumulated surplus (deficit). Net assets invested in capital assets represents the unamortized portion of capital assets purchased with unrestricted resources, less related debt. The Association has chosen to treat net assets invested in capital assets as a separate component of net assets.
- (i) **Contributed services**
Volunteers contributed time to assist the Association in carrying out its programs. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.
- (j) **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 amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

3. Investment

The investment consists of a guaranteed investment certificate which bears interest at 3.50% and matures on January 29, 2027.

4. Capital assets

			2025	2024
	Cost	Accumulated amortization	Net	Net
Land	\$ 108,654	\$ -	\$ 108,654	\$ -
Buildings	434,616	-	434,616	-
Leasehold improvements	73,738	73,738	-	-
Computers	267,674	241,397	26,277	33,239
Equipment	63,376	59,520	3,856	6,852
	\$ 948,058	\$ 374,655	\$ 573,403	\$ 40,091

TABER & DISTRICT COMMUNITY ADULT LEARNING ASSOCIATION
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS
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5. **Deferred revenue**

Deferred revenue relates to revenue received for subsequent years, as follows:

	Balance, beginning of year	Received	Recognized as revenue in current year	Repaid to grantor	Balance, end of year
Community Adult Learning	\$ -	\$ 682,090	\$ (344,413)	\$ -	\$ 337,677
Youth Employment Program	-	421,217	(283,090)	-	138,127
EAL Drop In Centre	-	68,705	(51,064)	-	17,641
Newcomers Program	47,339	150,148	(136,062)	-	61,425
New Horizons program	4,348	-	-	-	4,348
Taber Employment Assistance	-	251,442	(251,442)	-	-
Southern Alberta Employer Supports and Training	26,455	-	(23,451)	(3,004)	-
Work Foundation	-	31,050	(31,050)	-	-
General Educational Development	-	18,000	(18,000)	-	-
Canada Summer Job	-	3,455	(3,455)	-	-
Family Literacy	-	500	(500)	-	-
	\$ 78,142	\$ 1,626,607	\$(1,142,527)	\$ (3,004)	\$ 559,218

TABER & DISTRICT COMMUNITY ADULT LEARNING ASSOCIATION
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS
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6. **Loans payable**

	2025	2024
Town of Taber This loan is interest free and repayable at \$7,500 semi-annually. The loan is due in 2035.	\$ 150,000	\$ -
Less current portion	15,000	-
	\$ 135,000	\$ -
Estimated principal repayments are as follows:		
2026	\$ 15,000	
2027	15,000	
2028	15,000	
2029	15,000	
2030	15,000	
Subsequent years	75,000	
	\$ 150,000	

7. **Deferred capital contributions**

Deferred capital contributions represent the unspent portion of contributions received for capital projects. Changes in deferred capital contributions are as follows:

	2025	2024
Contributions received	\$ 450,000	\$ -
Contributions used during year	(300,000)	-
	\$ 150,000	\$ -

8. **Unamortized capital contributions**

Unamortized capital contributions represent the unamortized portion of contributions received and spent on capital projects. Changes in unamortized capital contributions are as follows:

	2025	2024
Balance, beginning of year	\$ 14,652	\$ 6,755
Capital contributions	300,000	10,809
Less amount recognized as revenue	(2,912)	(2,912)
	\$ 311,740	\$ 14,652

TABER & DISTRICT COMMUNITY ADULT LEARNING ASSOCIATION
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9. Contingent liabilities

The Association is contingently liable for claims from former employees. The likelihood or amount of any liability under these agreements cannot be reasonably determined and as such no liability has been accrued in these financial statements.

10. Internally restricted reserves

	2025	2024
Work Foundation	\$ 17,179	\$ 17,179
English as a Another Language (EAL) Drop in Centre	19,124	19,124
	\$ 36,303	\$ 36,303

11. Bank indebtedness

The Association has an authorized line of credit of \$25,000 with 1st Choice Savings and Credit Union Ltd. At June 30, 2025 the balance owing was nil.

12. Related party transactions

During the year Friends of Taber Literacy Association ("Friends"), a registered charity controlled by the Association, donated \$30,000 (2024 - \$13,310) to the Association. The amount included in accounts receivable as at June 30, 2025 is nil (2024 - nil).

This transaction is in the normal course of operations and is measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Friends was formed to raise funds for the Association. Friends total revenue for the year ended December 31, 2024 was \$30,150 (2023 - \$14,620) and total expenditures were \$13,310 (2023 - \$11,210). Net assets were \$32,697 (2023 - \$15,857) as at December 31, 2024.

13. Financial instruments

(a) Credit risk

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

(b) Other risk

It is management's opinion that the Association is not exposed to significant interest rate, currency or other risks arising from its financial statements.

TABER & DISTRICT COMMUNITY ADULT LEARNING ASSOCIATION
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14. **Commitments**

The Association is committed to spend \$54,889 in facility lease payments, as follows:

2026	\$ 32,222
2027	22,667
<hr/>	
	\$ 54,889

15. **Subsequent event**

Subsequent to year end the Association has entered into a contract to renovate the new building for an estimated cost of \$629,000.

16. **Economic dependence**

The Association received a significant portion of its revenue directly and indirectly from the Province of Alberta and Ministries which are funded by the Province of Alberta as well as the Government of Canada. As such, the Association is economically dependent on the Province of Alberta and the Government of Canada.