

**YOUTH SINGERS OF CALGARY SOCIETY**  
**Financial Statements**  
**Year Ended June 30, 2025**

**YOUTH SINGERS OF CALGARY SOCIETY**

**Index to Financial Statements**

**Year Ended June 30, 2025**

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**BUCHANAN BARRY LLP**  
CHARTERED PROFESSIONAL ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Youth Singers of Calgary Society

*Qualified Opinion*

We have audited the financial statements of Youth Singers of Calgary Society (the 'Society'), which comprise the statement of financial position as at June 30, 2025, and the statements of revenues and expenses, 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, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at June 30, 2025, 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 Qualified Opinion*

In common with many charitable organizations, the Society derives revenue from fundraising activities the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, deficiency of revenues over expenses, and cash flows from operations for the years ended June 30, 2025 and June 30, 2024. Our audit opinion on the financial statements for the year ended June 30, 2024 was modified accordingly because of the possible effects of this limitation of scope.

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 Society in accordance with 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 qualified 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 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.

(continues)

Independent Auditor's Report to the Members of Youth Singers of Calgary Society (*continued*)

*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 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 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 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.

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.

Calgary, Alberta  
September 25, 2025

*Buchanan Barry LLP*  
CHARTERED PROFESSIONAL ACCOUNTANTS

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60  
years  
1960 - 2020 2



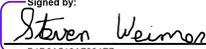
**YOUTH SINGERS OF CALGARY SOCIETY**  
**Statement of Financial Position**  
**June 30, 2025**

	<b>2025</b>	<b>2024</b> <i>(Restated - Note 2)</i>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and restricted cash <i>(Note 4)</i>	\$ 781,178	\$ 538,894
Accounts receivable <i>(Note 17)</i>	379,552	266,563
Goods and services tax recoverable	10,333	21,367
Prepaid expenses and deposits	91,468	17,885
Government remittances recoverable	25,608	-
	1,288,139	844,709
<b>TANGIBLE CAPITAL ASSETS</b> <i>(Note 5)</i>	<b>2,332,566</b>	2,426,389
	<b>\$ 3,620,705</b>	<b>\$ 3,271,098</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 58,532	\$ 122,768
Deferred revenue	611,689	255,685
Employee deductions payable	-	25,753
Deferred contributions <i>(Note 6)</i>	71,653	88,693
Mortgages payable <i>(Note 7)</i>	1,160,000	1,200,000
	1,901,874	1,692,899
<b>DEFERRED CONTRIBUTIONS FOR TANGIBLE CAPITAL ASSETS</b> <i>(Note 9)</i>	<b>1,239,482</b>	968,937
	<b>3,141,356</b>	2,661,836
<b>NET ASSETS</b>		
<b>UNRESTRICTED</b>	<b>83,488</b>	197,415
<b>INTERNALLY RESTRICTED</b>	<b>141,246</b>	154,396
<b>INVESTED IN TANGIBLE CAPITAL ASSETS</b>	<b>254,615</b>	257,451
	<b>479,349</b>	609,262
	<b>\$ 3,620,705</b>	<b>\$ 3,271,098</b>

**SUBSEQUENT EVENT** *(Note 17)*

**APPROVED ON BEHALF OF THE BOARD**

Signed by:  \_\_\_\_\_ Director  
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Signed by:  \_\_\_\_\_ Director  
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**YOUTH SINGERS OF CALGARY SOCIETY**  
**Statement of Revenues and Expenses**  
**Year Ended June 30, 2025**

	2025	2024
<b>REVENUES</b>		
Administration and expense recoveries	\$ 27,823	\$ 6,387
Booking	78,046	53,615
Building	43,709	30,885
Donations and grants (Note 11)	215,379	253,701
Fundraising (Note 13)	262,218	217,591
Gaming	311,550	436,142
General	35,076	19,563
Government grants and subsidies (Note 10)	151,832	120,680
In-kind donations	12,800	5,635
Interest	8,605	9,853
Registration fees	4,000	-
Recognition of facility, equipment, and wardrobe levies	37,850	26,600
Ticket sales	109,679	103,782
Tour	119,655	115,259
Tuition	458,297	483,933
	<b>1,876,519</b>	<b>1,883,626</b>
<b>EXPENSES (Schedule 1)</b>	<b>1,941,847</b>	<b>1,746,728</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<b>(65,328)</b>	<b>136,898</b>
<b>OTHER INCOME (EXPENSES)</b>		
Recognition of deferred contributions for tangible capital assets (Note 9)	65,986	64,915
Loss on foreign exchange	(4,869)	(3,498)
Legal settlement	-	(50,000)
Amortization of tangible capital assets	(125,702)	(112,081)
	<b>(64,585)</b>	<b>(100,664)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ (129,913)</b>	<b>\$ 36,234</b>

**YOUTH SINGERS OF CALGARY SOCIETY**  
**Statement of Changes in Net Assets**  
**Year Ended June 30, 2025**

	Unrestricted	Internally Restricted	Invested in Tangible Capital Assets	2025	2024
<b>NET ASSETS - BEGINNING OF YEAR</b>					
As previously reported	\$ 279,462	\$ 154,396	\$ 175,404	\$ 609,262	\$ 573,028
Restatement of opening net assets (Note 2)	(82,047)	-	82,047	-	-
As restated	197,415	154,396	257,451	609,262	573,028
Excess (deficiency) of revenues over expenses	(70,197)	-	(59,716)	(129,913)	36,234
Purchases of capital assets	(31,880)	-	31,880	-	-
Transfer of funds to pay down mortgages (Note 14)	-	(40,000)	40,000	-	-
Transfer of funds to pay for roof repair (Note 14)	11,000	(11,000)	-	-	-
Transfer of restricted contributions (Note 14)	15,000	-	(15,000)	-	-
Transfer of unrestricted funds to reserve (Note 14)	(37,850)	37,850	-	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 83,488</b>	<b>\$ 141,246</b>	<b>\$ 254,615</b>	<b>\$ 479,349</b>	<b>\$ 609,262</b>

**YOUTH SINGERS OF CALGARY SOCIETY****Statement of Cash Flows****Year Ended June 30, 2025**

	<b>2025</b>	<b>2024</b>
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ (129,913)	\$ 36,234
Items not affecting cash:		
Amortization of tangible capital assets	125,702	112,081
Recognition of deferred contributions	(65,986)	(64,915)
	<u>(70,197)</u>	<u>83,400</u>
Changes in non-cash working capital:		
Accounts receivable	(112,989)	(4,017)
Goods and services tax recoverable	11,034	(9,142)
Prepaid expenses and deposits	(73,583)	(5,817)
Government remittances recoverable	(25,608)	-
Accounts payable and accrued liabilities	(64,235)	33,386
Deferred revenue	356,004	(132,688)
Employee deductions payable	(25,753)	15,680
Deferred contributions	(17,040)	(27,895)
	<u>47,830</u>	<u>(130,493)</u>
	<u>(22,367)</u>	<u>(47,093)</u>
<b>INVESTING ACTIVITY</b>		
Purchase of tangible capital assets	(31,880)	(107,004)
<b>FINANCING ACTIVITIES</b>		
Proceeds from deferred capital contributions	336,531	71,816
Repayment of long-term debt	(40,000)	(40,000)
	<u>296,531</u>	<u>31,816</u>
<b>INCREASE (DECREASE) IN CASH AND RESTRICTED CASH</b>	<b>242,284</b>	<b>(122,281)</b>
<b>CASH AND RESTRICTED CASH - Beginning of year</b>	<b>538,894</b>	<b>661,175</b>
<b>CASH AND RESTRICTED CASH - End of year</b>	<b>\$ 781,178</b>	<b>\$ 538,894</b>

## YOUTH SINGERS OF CALGARY SOCIETY

### Notes to Financial Statements

**Year Ended June 30, 2025**

1. NATURE OF THE ORGANIZATION

The Youth Singers of Calgary (the "Society") was incorporated as a society under the Alberta Business Corporations Act of Alberta on October 19, 1983. The Society is a registered charity under section 149(1) of the Income Tax Act of Canada and is exempt from corporate income tax.

The purpose of the Society is to operate a comprehensive choral program for all ages.

2. RESTATEMENT OF PRIOR PERIOD NET ASSETS

	As previously stated	Adjustment	Restated
Unrestricted net assets	\$ 279,462	\$ (82,047)	\$ 197,415
Net assets invested in tangible capital assets	175,404	82,047	257,451
	\$ 454,866	\$ -	\$ 454,866

During the year, it was determined that the opening balances within net assets were misstated. A total of \$82,047 of unrestricted net assets should be reported as net assets invested in tangible capital assets. This includes \$49,186 of 2023 unrestricted cash spent on tangible capital assets, plus \$34,668 of 2024 unrestricted cash spent on tangible capital assets, less \$1,807 of 2024 deficiency of revenue over expenses related to net assets invested in tangible capital assets. The overall impact on net assets is \$Nil. Only the fund balances within net assets were impacted.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Society have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). The financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

**Cash and cash equivalents**

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

**Goods and services tax**

Good and service tax is recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as receivable.

*(continues)*

## YOUTH SINGERS OF CALGARY SOCIETY

### Notes to Financial Statements

**Year Ended June 30, 2025**

#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### **Tangible capital assets**

Tangible capital assets are stated at cost less accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution. Tangible capital assets are amortized over their estimated useful life using the following rates and methods:

Building	20 years	straight-line
Equipment and furniture	5 years	straight-line
Parking lot	15 years	straight-line

The Society regularly reviews its tangible capital assets to eliminate obsolete items.

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

##### **Revenue recognition**

The Society follows the deferral method of accounting for externally restricted contributions.

- Externally restricted contributions include donations and grants, gaming revenues and government grants and subsidies received for specified purposes. These are recognized as revenue at the time the allowable expenses are incurred.
- Externally restricted contributions related to tangible capital assets are recognized into revenue over the useful life of the related asset.
- Externally restricted contributions received for the purchase of tangible capital assets that will not be amortized are recorded as a direct increase to net assets.
- Unrestricted contributions include general donations, operating grants and fundraising. These are recognized as revenue when received or receivable, if the amount received can be reasonably estimated and collection is reasonably assured.
- Tour revenues and expenses are recognized when received or paid, as these funds are non-refundable. If the amount is received more than a year in advance, revenue is recorded in the year the tour takes place.
- Tuition, booking, general, administration, registration fees, and building revenue as well as ticket sales and merchandise sales are recognized once the service has been performed, or the merchandise has been sold, if the amount receivable can be reasonably estimated and collection is reasonably assured.
- Interest income is recognized as it is earned.

*(continues)*

## YOUTH SINGERS OF CALGARY SOCIETY

### Notes to Financial Statements

Year Ended June 30, 2025

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

**Contributed materials and services**

Contributed services and donated goods are recognized in the financial statements as expense recoveries or in-kind donations when the fair value can be reasonably determined, when the goods are used in the normal course of the Society's operations and would otherwise have been purchased. A number of volunteers have made significant contributions of their time to the Society. The value of this contributed time is not reflected in the financial statements.

**Foreign currency translation**

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Non-monetary assets have been translated at the rate of exchange prevailing at the date of transaction. Revenues and expenses have been translated at the average rates of exchange during the year, except for amortization, which has been translated at the same rate as the related assets.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of income.

*(continues)*

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**YOUTH SINGERS OF CALGARY SOCIETY**  
**Notes to Financial Statements**  
**Year Ended June 30, 2025**

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

**Financial instruments**

*Measurement*

The Society initially measures its financial assets and liabilities at fair value, except for certain related party transactions which are measured at the carrying value or exchange amount. The Society subsequently measures all financial assets and financial liabilities at amortized cost, except equity instruments quoted in an active market, which are reported at fair value with any unrealized gains and losses reported in net income.

Financial assets subsequently measured at amortized cost include cash, restricted cash, and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and mortgages payable.

*Impairment*

Financial assets subsequently measured at amortized cost are tested for impairment when there are indications that an impairment exists. The amount of write-down is recognized as an impairment loss in excess (deficiency) of revenues over expenses. A previously recognized impairment loss may be reversed to the extent of an improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess (deficiency) of revenues over expenses in the period the reversal occurs.

*Transaction costs*

The Society recognizes transaction costs on financial instruments subsequently measured at fair value in the statement of revenues and expenses in the period incurred. Financial instruments subsequently measured at amortized cost are adjusted for financing fees and transaction costs which are directly attributable to the origination and acquisition of the financial instrument.

**Use of estimates**

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions include the estimated useful life of tangible capital assets and deferred contributions related to tangible capital assets for amortization purposes, the fair value of contributed materials and services and the net recoverable amount of accounts receivable. By their nature, these estimates are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates in future periods could be significant.

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## YOUTH SINGERS OF CALGARY SOCIETY

### Notes to Financial Statements

**Year Ended June 30, 2025**

#### 4. CASH AND RESTRICTED CASH

	2025	2024
Cash restricted for future capital expenditures	\$ 301,039	\$ -
Restricted gaming cash	35,353	41,104
Unrestricted and internally restricted cash	444,786	497,790
	\$ 781,178	\$ 538,894

#### 5. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Land	\$ 700,000	\$ -	\$ 700,000	\$ 700,000
Building	2,128,015	632,692	1,495,323	1,590,101
Equipment and furniture	85,105	15,721	69,384	63,242
Parking lot	77,800	9,941	67,859	73,046
	\$ 2,990,920	\$ 658,354	\$ 2,332,566	\$ 2,426,389

#### 6. DEFERRED CONTRIBUTIONS

	2024	Funds received	Funds utilized	2025
Deferred gaming (a)	\$ 41,104	\$ 357,922	\$ (363,673)	\$ 35,353
Capital campaign (b)	2,789	20,278	-	23,067
Designated grants (c)	44,800	46,324	(80,776)	10,348
Bursary fund (d)	-	10,718	(7,833)	2,885
	\$ 88,693	\$ 435,242	\$ (452,282)	\$ 71,653

(a) Included in deferred gaming is bingo and gaming funds totaling \$35,353 (2024 - \$41,104). Gaming funds are externally restricted by the Alberta Gaming and Liquor Commission for stipulated spending purposes.

(b) During the year, the Society utilized \$Nil (2024 - \$Nil) of the restricted capital campaign funds. This campaign includes the "Raise the roof" campaign and "Crescendo" campaign. The contributions are restricted for the purpose of the roof replacement and to pay down the mortgages on the facility.

(c) Designated grants primarily include government grants restricted for various specialty programs run by the Society.

(d) Bursary fund includes contributions restricted to support members who cannot make full tuition or volunteer requirements.

## YOUTH SINGERS OF CALGARY SOCIETY

### Notes to Financial Statements

**Year Ended June 30, 2025**

#### 7. MORTGAGES PAYABLE

The Society has two mortgages for a total mortgages payable balance of \$1,160,000 in aggregate (2024 - \$1,200,000), both bearing interest at 6.25% (2024 - 6.25%) per annum and due on demand. The mortgages are subject to quarterly interest only payments of \$9,063 (2024 - \$9,375) each and have no scheduled principal payments. Each mortgage is secured by a land mortgage creating a first financial charge on the lands in the principal sum of the loan executed by the borrowers, and fire and liability insurance with the first loss payable to the lender. The mortgages mature on December 5, 2026 at which point the full principal sum of \$1,160,000 is due.

Total carrying amount for the land and building for the year ended June 30, 2025 is \$2,195,323 (2024 - \$2,290,101).

#### 8. LINE OF CREDIT

The Society has a line of credit agreement with Alberta Treasury Branch ("ATB") whereby it may borrow up to \$100,000 (2024 - \$100,000) at a rate of Prime + 5.47% per annum. The line of credit is secured by a General Security Agreement over all present and after-acquired personal property. As at June 30, 2025, the balance outstanding on the line of credit is \$Nil (2024 - \$Nil).

#### 9. DEFERRED CONTRIBUTIONS FOR TANGIBLE CAPITAL ASSETS

Restricted contributions received for the purchase of tangible capital assets are deferred and recognized as revenue on the same basis the related tangible capital assets are amortized. Capital contributions allocated to land will not be amortized and are recorded as a direct increase to net assets.

	2025	2024
Balance from prior year	\$ 968,937	\$ 962,036
Received for current capital expenditures	35,492	71,816
Received for future capital expenditures	301,039	-
Recognized as revenue	(65,986)	(64,915)
	\$ 1,239,482	\$ 968,937

#### 10. GOVERNMENT GRANTS AND SUBSIDIES

	2025	2024
Alberta Foundation for the Arts	\$ 55,000	\$ 45,000
Calgary Arts and Developments (CADA)	75,680	75,680
City of Calgary	21,152	-
	\$ 151,832	\$ 120,680

## YOUTH SINGERS OF CALGARY SOCIETY

### Notes to Financial Statements

**Year Ended June 30, 2025**

#### 11. DONATIONS AND GRANTS

	2025	2024
Calgary Arts and Developments	\$ -	\$ 14,755
Calgary Foundation	-	85,000
Calgary Shaw Charity Classic Foundation	-	16,265
Corporate donations	<b>41,359</b>	58,440
Federation of Calgary Communities	<b>1,885</b>	-
Foundation donations	<b>48,439</b>	25,288
Grants previously deferred	<b>37,500</b>	-
Individual donations	<b>70,696</b>	53,953
Werklund Foundation	<b>15,500</b>	-
	<b>\$ 215,379</b>	<b>\$ 253,701</b>

#### 12. DUE TO RELATED PARTIES AND RELATED PARTY TRANSACTIONS

During the year, the Society paid \$89,250 (2024 - \$89,250) in consulting fees to the Chief Development Officer, and \$40,000 (2024 - \$38,000) for artistic contract services provided by a member of the Chief Development Officer's family. The Society also paid \$Nil (2024 - \$9,000) for artistic contract services provided by another member of the Chief Development Officer's family. These transactions are recorded to contract staff and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

#### 13. NET INCOME FROM FUNDRAISING ACTIVITIES AND OTHER EVENTS

The fundraising activities summary below includes donation and grant revenue as well as ancillary revenues and expenses that appear separately on the statement of revenues and expenses.

	Revenue	Expense	Net
<b><u>2025</u></b>			
Hearts Out	\$ 193,410	\$ 80,544	\$ 112,866
Purdy's Chocolates	9,707	-	9,707
Fundraising buyouts	53,565	-	53,565
Other	5,536	-	5,536
	<b>\$ 262,218</b>	<b>\$ 80,544</b>	<b>\$ 181,674</b>
<b><u>2024</u></b>			
Hearts Out	\$ 171,905	\$ 61,145	\$ 110,760
Purdy's Chocolates	13,935	25	13,910
Fundraising buyouts	18,574	-	18,574
Other	13,177	13,119	58
	<b>\$ 217,591</b>	<b>\$ 74,289</b>	<b>\$ 143,302</b>

## YOUTH SINGERS OF CALGARY SOCIETY

### Notes to Financial Statements

Year Ended June 30, 2025

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#### 14. TRANSFER OF NET ASSETS

During the year, the Society transferred \$40,000 (2024 - \$Nil) from internally restricted net assets to net assets invested in tangible capital assets to fund mortgage repayments.

During the year, the Society transferred \$11,000 (2024 - \$Nil) from internally restricted net assets to unrestricted net assets to pay for necessary repairs to the roof.

During the year, the Society transferred \$15,000 (2024 - \$Nil) worth of contributions restricted for tangible capital additions to unrestricted net assets in order to fund capital purchases.

During the year, the Society transferred \$37,850 (2024 - \$26,600) into internally restricted funds for use for future facility, equipment, and wardrobe expenses.

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#### 15. FUNDRAISING

As required under section 7(2) of the Charitable Fundraising Regulations of Alberta, the following amounts are disclosed:

Direct costs incurred for the purpose of soliciting contributions:

\$7,071 (2024 - \$5,763).

Amounts paid as remuneration to employees whose principal duties involve fundraising:

\$171,030 (2024 - \$117,969).

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#### 16. 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 June 30, 2025.

##### **(a) Credit risk**

Credit risk arises from the possibility that third parties may default on their financial obligations. The Society is exposed to credit risk on cash, restricted cash, and accounts receivable.

The Society's credit risk exposure on cash and restricted cash is minimized substantially by ensuring that cash is held with a credible financial institution.

The Society's accounts receivable are due from a diverse group of customers and as such are subject to normal credit risks.

##### **(b) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is currently exposed to liquidity risk to the extent that its mortgages are due on demand. This risk is minimized by the fact that management is confident the funding would be able to be obtained elsewhere should the mortgagor demand repayment.

*(continues)*

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**YOUTH SINGERS OF CALGARY SOCIETY****Notes to Financial Statements****Year Ended June 30, 2025**

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16. FINANCIAL INSTRUMENTS *(continued)***(c) 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 risk, interest rate risk and other price risk.

- **Currency risk**

Currency risk is the risk that the value of financial instruments denominated in currencies other than the reporting currency of the Society will fluctuate due to changes in foreign exchange rates. The Society is exposed to currency exchange risk on \$4,433 (2024 - \$2,160) of cash.

- **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. The Society is exposed to interest rate risk primarily through the mortgages payable which carry a fixed rate of interest of 6.25% (2024 - 6.25%).

- **Other price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Society is not exposed to significant other price risk.

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## 17. SUBSEQUENT EVENT

Subsequent to year-end, on July 3, 2025, the Society was informed that the bingo hall at the Grey Eagle Casino will be closing for 18 months after November 30, 2025. A significant portion of the Society's gaming revenues are earned from Bingos held at this location. Another Bingo association has offered to accommodate the Society at their location, albeit at lower capacity, until Grey Eagle reopens. There will be a significant impact on revenues of the Society during the closure, expected to be in the range of \$120,000 for the final seven months of fiscal 2026. Management has swiftly amended the 2026 budget with reduced costs in order to make up the shortfall.

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**YOUTH SINGERS OF CALGARY SOCIETY**

**Expenses**

**(Schedule 1)**

**Year Ended June 30, 2025**

	<b>2025</b>	<b>2024</b>
Administration	<b>\$ 125,035</b>	\$ 139,406
Building	<b>85,892</b>	97,319
Contract staff (Note 12)	<b>530,155</b>	524,510
Fundraising (Note 13)	<b>80,544</b>	74,289
Gaming	<b>48,306</b>	58,109
In-kind donations	<b>13,091</b>	4,893
Insurance	<b>26,041</b>	23,673
Interest and bank charges	<b>27,453</b>	25,606
Interest on mortgages	<b>75,000</b>	63,000
Merchandise costs	<b>22,353</b>	14,718
Professional fees	<b>18,840</b>	48,964
Program costs	<b>237,111</b>	178,862
Salaries and wages	<b>544,758</b>	382,942
Tour	<b>107,268</b>	110,437
	<b><u>\$ 1,941,847</u></b>	<b><u>\$ 1,746,728</u></b>