

Financial Statements of

**THE CALGARY JEWISH ACADEMY**

And Independent Auditor's Report thereon

Year ended August 31, 2025



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the Calgary Jewish Academy

### *Opinion*

We have audited the financial statements of the Calgary Jewish Academy (the Entity), which comprise:

- the statement of financial position as at August 31, 2025
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at August 31, 2025, 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 auditor's report.

We are independent of the Entity 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 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 applicable, 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 but 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***

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 the 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 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 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 Entity's 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.
- 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.

A handwritten signature in black ink that reads "KPMG LLP" in a stylized, cursive font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants

Calgary, Canada

November 28, 2025

# THE CALGARY JEWISH ACADEMY

## Statement of Financial Position

August 31, 2025, with comparative figures for 2024

	2025	2024
<b>Assets</b>		
Current assets:		
Cash	\$ 677,256	\$ 533,047
Due from Calgary Jewish Academy Parents Association (note 11)	97,659	1,693
Accounts receivable	—	387
Prepaid expenses and supplies	44,808	53,415
	<u>819,723</u>	<u>588,542</u>
Cash reserve (note 3)	253,090	243,490
Capital assets (note 6)	1,452,966	1,532,245
Investments (note 5)	3,305,530	3,084,924
	<u>\$ 5,831,309</u>	<u>\$ 5,449,201</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 134,316	\$ 131,934
Government remittances payable	7,828	13,483
Deferred revenue (note 7)	789,028	759,845
Current portion of credit facilities (note 4)	182,076	54,040
	<u>1,113,248</u>	<u>959,302</u>
Unamortized capital contributions (note 8)	454,978	474,917
Credit facilities (note 4)	—	183,732
	<u>1,568,226</u>	<u>1,617,951</u>
Net assets:		
Unrestricted	3,010,665	2,529,092
Invested in capital assets	997,988	1,057,328
Internally restricted	254,430	244,830
	<u>4,263,083</u>	<u>3,831,250</u>
Commitments (note 9)		
Economic dependence (note 12)		
	<u>\$ 5,831,309</u>	<u>\$ 5,449,201</u>

See accompanying notes to financial statements.

# THE CALGARY JEWISH ACADEMY

## Statement of Operations

Year ended August 31, 2025, with comparative figures for 2024

	2025	2024
<b>Revenue:</b>		
Parent contributions	\$ 3,211,819	\$ 2,756,387
Subsidies	(902,038)	(556,501)
Parent contributions, net	2,309,781	2,199,886
Government grants (note 12)	2,213,909	2,113,510
Calgary Jewish Federation allocation	551,404	382,404
Fundraising (note 11)	142,084	17,993
Donations	117,732	120,671
Interest	80,897	83,243
Sundry income	73,397	59,626
The Friends of the CJA Trust (note 11)	70,000	—
Out of School program fees	21,839	31,170
	5,581,043	5,008,503
<b>Expenses:</b>		
Salaries, wages and benefits	4,070,163	3,576,543
Maintenance and security	393,487	231,344
Supplies and books	185,602	192,941
Recruitment, advertising	135,308	28,791
Professional fees	129,031	49,825
Light, heat, water	84,729	88,961
Insurance	68,755	67,300
Office, postage and stationery	65,150	51,361
Student activities	33,610	24,748
Interest and bank charges	17,625	13,006
Goods and services tax	16,620	10,811
Telephone	14,338	17,832
Graduation	14,887	14,840
Professional development	13,015	6,676
Fundraising	8,798	7,577
Library	3,340	1,034
Licenses and taxes	1,957	2,776
Bad debt expense	1,351	—
Out of School program	—	136
Suspense	(163)	—
	5,257,603	4,386,502
<b>Excess of revenues over expenses</b>		
before other items	323,440	622,001
Change in unrealized gain on investments (note 5)	168,172	250,004
Amortization of capital contributions (note 8)	34,230	30,560
Amortization of capital assets	(94,409)	(89,927)
Gain on disposal of capital assets	400	—
<b>Excess of revenues over expenses</b>	<b>\$ 431,833</b>	<b>\$ 812,638</b>

See accompanying notes to financial statements.

# THE CALGARY JEWISH ACADEMY

## Statement of Changes in Net Assets

Year ended August 31, 2025, with comparative figures for 2024

2025	Unrestricted fund	Internally restricted fund	Invested in capital assets	Total
Balance, beginning of year	\$ 2,529,092	\$ 244,830	\$ 1,057,328	\$ 3,831,250
Excess (deficiency) of revenues over expenses	492,012	–	(60,179)	431,833
Transfer to internally restricted fund	(9,600)	9,600	–	–
Receipt of capital contributions (note 8)	14,291	–	(14,291)	–
Purchase of capital assets	(15,130)	–	15,130	–
	\$ 3,010,665	\$ 254,430	\$ 997,988	\$ 4,263,083

  

2024	Unrestricted fund	Internally restricted fund	Invested in capital assets	Total
Balance, beginning of year	\$ 1,677,798	\$ 236,130	\$ 1,104,684	\$ 3,018,612
Excess (deficiency) of revenues over expenses	872,005	–	(59,367)	812,638
Transfer to internally restricted fund	(8,700)	8,700	–	–
Receipt of capital contributions (note 8)	17,170	–	(17,170)	–
Purchase of capital assets	(29,181)	–	29,181	–
	\$ 2,529,092	\$ 244,830	\$ 1,057,328	\$ 3,831,250

See accompanying notes to financial statements.

# THE CALGARY JEWISH ACADEMY

## Statement of Cash Flows

Year ended August 31, 2025, with comparative figures for 2024

	2025	2024
<b>Cash provided by (used in):</b>		
<b>Operations:</b>		
Excess of revenues over expenses	\$ 431,833	\$ 812,638
<b>Items not affecting cash:</b>		
Change in unrealized gain on investments	(168,172)	(250,004)
Gain on disposal of capital assets	(400)	—
Amortization of capital assets	94,409	89,927
Amortization of capital contributions	(34,230)	(30,560)
	<u>323,440</u>	<u>622,001</u>
<b>Change in non-cash working capital:</b>		
Accounts receivable	387	(387)
Government remittances payable	(5,655)	4,667
Prepaid expenses and supplies	8,607	(6,466)
Accounts payable and accrued liabilities	2,382	28,334
Deferred revenue	29,183	97,078
	<u>358,344</u>	<u>745,227</u>
<b>Investing:</b>		
Increase in cash reserve	(9,600)	(8,700)
Proceeds on disposal of capital assets	400	—
Purchase of capital assets	(15,130)	(29,181)
Purchase of investments	(52,434)	(775,232)
	<u>(76,764)</u>	<u>(813,113)</u>
<b>Financing:</b>		
Change in amounts due from Calgary Jewish Academy Parents Association	(95,966)	5,905
Repayments on credit facilities	(55,696)	(54,019)
Receipt of capital contributions (note 8)	14,291	17,170
	<u>(137,371)</u>	<u>(30,944)</u>
<b>Increase (decrease) in cash</b>	<b>144,209</b>	<b>(98,830)</b>
<b>Cash, beginning of year</b>	<b>533,047</b>	<b>631,877</b>
<b>Cash, end of year</b>	<b>\$ 677,256</b>	<b>\$ 533,047</b>

See accompanying notes to financial statements.

# THE CALGARY JEWISH ACADEMY

## Notes to Financial Statements

Year ended August 31, 2025, with comparative information for 2024

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### **1. Purpose:**

The Calgary Jewish Academy (the "Academy") is an accredited private school that offers programs from Nursery to Grade 9. The Academy is incorporated by a Special Act of the Legislature of Alberta and is also a registered charity under the Income Tax Act. Accordingly, the Academy is exempt from income taxes (provided certain requirements of the Income Tax Act are met) and is able to issue donation receipts for income taxes purposes.

The Calgary Jewish Academy Parents Association (the "Parents Association"), with the assistance of volunteers and employees of the Academy, earns income through various fundraising activities including casinos, bingos and raffle ticket sales (Note 11). Income earned by the Parents Association is distributed to the Academy and is included in fundraising revenue.

### **2. Significant accounting policies:**

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFPO"). The significant accounting policies of the Academy are as follows:

#### (a) Basis of presentation:

##### (i) Invested in capital assets fund:

The purpose of the capital assets fund is to record capital assets and the net investment of the Academy in such assets.

##### (ii) Unrestricted fund:

The purpose of the unrestricted fund is to record the revenue and expenses of the Academy, with no internal or external restrictions on net assets.

##### (iii) Internally restricted fund:

The purpose of the internally restricted fund is to record funds set aside through internal restrictions for future operations or capital acquisitions.

#### (b) Cash:

Cash is cash on hand, held at Canadian financial institutions. The Academy does not hold any cash equivalents.

# THE CALGARY JEWISH ACADEMY

Notes to Financial Statements, page 2

Year ended August 31, 2025, with comparative information for 2024

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## 2. Significant accounting policies (continued):

### (c) Revenue recognition:

The Academy 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.

Grant, donation and fundraising revenue is recorded as revenue when received unless it is restricted for a specified purpose. Grant, donation and fundraising revenue restricted for a specified purpose is recorded as deferred revenue until it can be applied towards the related expenses.

Restricted capital contributions related to capital assets are deferred and amortized on a straight-line basis over the estimated useful life of the corresponding asset.

Parent contributions net of subsidies, which are discounts issued to parent contribution, are recorded as revenue in the year to which they apply.

Government grants are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection reasonably assured.

Interest income is recorded using the accrual method and is therefore recognized when earned.

All other revenue is recognized as revenue in the year to which it applies.

### (d) Donated materials:

Donated materials are recorded in the financial statements at fair market value when fair market value can be reasonably estimated and when the Academy would otherwise have purchased these items.

### (e) Capital assets:

Capital assets are recorded at cost and amortized on a straight-line basis at the following annual rates over their estimated useful lives:

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Land	Unamortized
Buildings and building improvements	2.5%
Furniture and equipment	20%
Site improvements	5%

# THE CALGARY JEWISH ACADEMY

Notes to Financial Statements, page 3

Year ended August 31, 2025, with comparative information for 2024

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## 2. Significant accounting policies (continued):

### (e) Capital assets (continued):

The Academy recognizes collections of artwork in the statement of financial position at cost, which is deemed to be fair value at the date of contribution plus all costs directly attributable to acquisition of the collection items. If cost cannot be reasonably determined for contributed items or collections, the items are recorded at nominal value. As it is the nature of these items to be preserved in perpetuity, the Academy does not amortize its collections.

Capital assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be fully recoverable. When a capital asset no longer contributes to the Academy's ability to provide services, its carrying amount is written down to its fair value.

### (f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments and bonds that are quoted in an active market are subsequently recorded at fair value. All other financial instruments are recorded at cost or amortized cost, unless management has elected to record at fair value.

Transaction costs related to financial instruments measured at fair value are expensed as incurred. For all other financial instruments, the transaction costs are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in the excess of revenue over expenses as dividends and other distributions.

With respect to financial assets measured at cost or amortized cost, the Academy recognizes in the statement of operations an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in the statement of operations in the period in which the reversal occurs.

The Academy does not enter into any derivative financial instrument arrangements.

# THE CALGARY JEWISH ACADEMY

Notes to Financial Statements, page 4

Year ended August 31, 2025, with comparative information for 2024

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## 2. Significant accounting policies (continued):

### (g) Use of estimates:

The preparation of financial statements in conformity with ASNFPPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The most significant of these estimates are related to the allowance for doubtful accounts, the amortization period for and potential impairment of capital assets and the accrual of liabilities. Actual results could differ significantly from the estimates.

### (h) Related party transactions:

Monetary related party transactions and non-monetary related party transactions that have commercial substance are measured at the exchange amount when they are in the normal course of business, except when the transaction is an exchange of a product or property held for sale in the normal course of operations. Where the transaction is not in the normal course of operations, it is measured at the exchange amount when there is a substantive change in the ownership of the item transferred and there is independent evidence of the exchange amount.

All other related party transactions are measured at the carrying amount.

## 3. Cash reserve:

The cash reserve of \$253,090 (2024 – \$243,490) includes cash held to be used at the discretion of the Board of Directors for the non-current purposes of the Academy.

## 4. Credit facilities:

The Academy has available a \$750,000 non-revolving term loan, bearing interest at 2.95% per annum (2024 – 2.95%), repayable in monthly blended interest and principal payments of \$5,162 (2024 – \$5,162). The balance outstanding on this facility at August 31, 2025 was \$182,076 (2024 – \$237,772) and is scheduled to mature on May 25, 2026.

The Academy has available an overdraft facility with a limit of \$600,000, bearing interest at the bank's prime rate plus 0.5% per annum (2024 – bank's prime rate plus 0.5%). The balance outstanding on this facility at August 31, 2025 was \$nil (2024 – \$nil). The facility is payable on demand, but until demanded, interest is payable monthly in arrears.

# THE CALGARY JEWISH ACADEMY

Notes to Financial Statements, page 5

Year ended August 31, 2025, with comparative information for 2024

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## 4. Credit facilities (continued):

The Academy has available credit cards with a borrowing limit of \$40,000. As at August 31, 2025, \$26,939 is outstanding and included in accounts payable and accrued liabilities (2024 – \$27,616).

The facilities noted above are secured by a general security agreement and a first charge collateral mortgage in the amount of \$1,450,000 over the Academy's building, and an assignment of rents and insurance policies.

The financial covenants applicable under the credit agreement consist of a debt service coverage ratio and a total liabilities to tangible net worth ratio. The Academy is in compliance with both covenants as at August 31, 2025.

Principal payments required on the non-revolving term loan for the next five years are due as follows:

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2026	\$ 182,076
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## 5. Investments:

Investments are stated at fair market value and include:

	2025	2024
Term deposits	\$ 1,027,669	\$ 975,233
Cash and short-term equivalents	120,877	38,667
Bonds and debentures	877,899	851,697
Marketable equity securities	1,279,085	1,219,327
	\$ 3,305,530	\$ 3,084,924

On October 28, 2020, the Academy invested in a fund that is managed by a third-party investment manager, with terms of an initial period of two years and thereafter renewable annually unless terminated. The invested capital of the fund is held with a separate custodian that is a Canadian financial institution. The term deposits have interest rates of 3.15% and 4% per annum, maturing on September 4, 2025 and May 5, 2026. The cost base of the Academy's total investments as at August 31, 2025 was \$2,769,998 (2024 – \$2,717,562).

# THE CALGARY JEWISH ACADEMY

Notes to Financial Statements, page 6

Year ended August 31, 2025, with comparative information for 2024

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## 6. Capital assets:

2025	Cost	Accumulated amortization	Net book value
Land	\$ 276,490	\$ —	\$ 276,490
Building and building improvements	2,600,113	1,616,074	984,039
Furniture and equipment	1,099,679	1,062,041	37,638
Site improvements	356,965	212,266	144,699
Artwork	10,100	—	10,100
	<b>\$ 4,343,347</b>	<b>\$ 2,890,381</b>	<b>\$ 1,452,966</b>

2024	Cost	Accumulated amortization	Net book value
Land	\$ 276,490	\$ —	\$ 276,490
Building and building improvements	2,600,114	1,560,955	1,039,159
Furniture and equipment	1,085,389	1,041,440	43,949
Site improvements	356,965	194,418	162,547
Artwork	10,100	—	10,100
	<b>\$ 4,329,058</b>	<b>\$ 2,796,813</b>	<b>\$ 1,532,245</b>

## 7. Deferred revenue:

Deferred revenue consists of contributions that the Academy has received but not yet utilized for the purpose provided. It consists of the following:

	2025	2024
Prepaid tuition	\$ 525,782	\$ 521,855
Miscellaneous funds	248,215	222,959
Israel trip fundraising	15,031	15,031
	<b>\$ 789,028</b>	<b>\$ 759,845</b>

# THE CALGARY JEWISH ACADEMY

Notes to Financial Statements, page 7

Year ended August 31, 2025, with comparative information for 2024

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## 8. Unamortized capital contributions:

	2025	2024
Balance, beginning of year	\$ 474,917	\$ 488,307
Contributions received	14,291	17,170
Amortization to revenue	(34,230)	(30,560)
<b>Balance, end of year</b>	<b>\$ 454,978</b>	<b>\$ 474,917</b>

## 9. Commitments:

The Academy has leased office equipment and is required to make quarterly payments of \$960 until September 2027:

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2026	\$ 3,840
2027	3,840
	<b>\$ 7,680</b>

## 10. Financial instruments:

### (a) Credit risk:

The Academy is exposed to credit risk relating to its receivables to the extent that its counterparties may experience financial difficulty and would be unable to meet their obligations. The Academy assesses, on a continuous basis, its receivables and provides for any amounts that are not collectible in the allowance for doubtful accounts. Cash and investments are deposited with Canadian financial institutions.

### (b) Liquidity risk:

Liquidity risk is the risk that the Academy encounters difficulty in meeting its obligations associated with its financial liabilities. Liquidity risk arises from accounts payable and accrued liabilities as well as amounts owing under credit facilities. The Academy maintains sufficient cash, investments, and sources of liquidity to discharge and manage its financial liabilities.

### (c) Interest rate risk:

The Academy's interest rate risk is appropriately mitigated as a result of the outstanding credit facilities bearing a fixed interest rate (note 4).

There has been no significant change to risk exposures from 2024.

# THE CALGARY JEWISH ACADEMY

Notes to Financial Statements, page 8

Year ended August 31, 2025, with comparative information for 2024

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## **11. Related party transactions:**

The Academy uses the gambling license of the Parents Association in order to run events such as casinos, bingo, and raffles. The amounts due from the Parents Association are unsecured, non-interest bearing and have no fixed terms of repayment. The Academy has an economic interest in the Parents Association as the Parents Association holds resources for the benefit of the Academy. At August 31, 2025, the amounts due from the Calgary Jewish Academy Parents Association consisted of revenues from casino and bingo events.

During the year, the Parents Association held the gambling license for bingo events that earned \$32,403 (2024 – \$16,167) and casino events that earned \$90,593 (2024 – \$nil) of which \$97,659 (2024 – \$1,693) is included in Due from the Calgary Jewish Academy Parents Association.

The Friends of the CJA Trust (the “Trust”) provides annual donations in order to support the operations of the Academy. The Board of Directors of the Academy typically shares at least one Board member with that of the Trust, but does not control the Trust or vice versa.

During the year, \$70,000 (2024 – \$nil) was recognized as revenue donated to the Academy from the Trust to support operations.

These transactions are in the normal course of operations and have been recorded at the exchange amount, which is the amount of consideration agreed to and established by the related parties.

## **12. Economic dependence:**

The Academy's primary source of grant revenue is from Alberta Education and Childcare. During the year ended August 31, 2025, the Academy received funding of \$2,225,841 (2024 – \$1,814,845) from Alberta Education and Childcare. The Academy's ability to continue viable operations is dependent on this funding.

## **13. Comparative information:**

Certain comparative information has been reclassified to conform with the current year's presentation. These reclassifications did not impact the Academy's excess of revenues over expenses or net assets.

## **14. Subsequent events:**

On September 11, 2025, the Academy settled its existing non-revolving term loan in full.