

The Canadian Bar Association - Alberta Branch
Financial Statements
August 31, 2025

To the Members of The Canadian Bar Association - Alberta Branch:

Opinion

We have audited the financial statements of The Canadian Bar Association - Alberta Branch (the "Association"), which comprise the statement of financial position as at August 31, 2025, and the statements of operations, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at August 31, 2025, and the results of its 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 report. We are independent of the Association 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 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 Association'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 Association'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 Association 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

December 12, 2025

MNP LLP

Chartered Professional Accountants

MNP

The Canadian Bar Association - Alberta Branch

Statement of Financial Position

As at August 31, 2025

	2025	2024
Assets		
Current		
Cash and cash equivalents	1,718,582	1,645,048
Accounts receivable	17,116	12,170
Prepaid expenses and deposits	72,004	83,737
Goods and Service Tax receivable	10,008	17,540
	1,817,710	1,758,495
Investments (Note 3)	2,995,923	2,697,275
Property and equipment (Note 4)	103,147	124,699
Long term deposit (Note 5)	26,186	26,186
	4,942,966	4,606,655
Liabilities		
Current		
Accounts payable and accruals	86,553	97,860
Deferred revenue	44,744	60,122
Vacation pay accrual	28,890	33,712
	160,187	191,694
Deferred rental incentive (Note 6)	11,895	20,291
	172,082	211,985
Commitments (Note 7)		
Net Assets		
Unrestricted	2,888,982	2,642,125
Reserve Fund	1,175,350	1,095,100
Scholarship Fund	706,552	657,445
	4,770,884	4,394,670
	4,942,966	4,606,655

Approved on behalf of the Executive Committee



Director



Director

The accompanying notes are an integral part of these financial statements

The Canadian Bar Association - Alberta Branch

Statement of Operations

For the year ended August 31, 2025

	2025	2024
Revenue		
Memberships	1,499,463	1,392,424
Sponsorship	108,394	95,317
Interest	101,067	116,022
Online advertising	74,959	60,175
Online professional development	28,363	15,762
	1,812,246	1,679,700
Sections		
Administration fee	137,467	150,977
Registration - full	136,698	148,472
Webinar	38,696	40,470
Interest	25,434	52,978
Registration - materials only	21,462	22,511
Meals receipts	12,706	11,830
	372,463	427,238
Total revenue	2,184,709	2,106,938

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The Canadian Bar Association - Alberta Branch

Statement of Operations

For the year ended August 31, 2025

	2025	2024
Expenses		
Personnel - staff		
Salaries, wages and benefits	988,232	1,041,290
Executive Director	24,128	29,436
	1,012,360	1,070,726
Administrative		
Office rent	285,183	283,106
Computer expenses	38,882	44,550
Office	31,302	28,238
Professional fees	29,012	27,187
Insurance	6,200	9,357
Bank charges	3,897	4,529
Delivery and postage	1,943	557
	396,419	397,524
Committees		
Advertising and promotions	117,429	52,590
Committees and special projects	68,955	59,113
ASSIST program	25,000	50,000
Professional development and special projects	26,433	12,796
Distinguished service awards	6,834	8,263
Career development	4,978	3,428
Newsletter	2,888	2,267
Legislative review	2,331	-
ENEWS	-	1,796
	254,848	190,253

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The Canadian Bar Association - Alberta Branch

Statement of Operations

For the year ended August 31, 2025

	2025	2024
Personnel - officers		
President	68,552	64,918
Executive	28,162	25,541
Board expenses	25,774	26,667
Vice-President	11,001	15,181
Past-President	9,992	3,359
Secretary	5,427	5,798
Treasurer	1,782	1,358
	150,690	142,822
Meetings		
Annual general meeting	-	50
Sections		
Meetings	106,788	116,556
Bank charges	8,060	8,514
Office	6,866	10,290
Executive meetings	4,330	7,644
Speakers	3,135	3,189
	129,179	146,193
Total expenses	1,943,496	1,947,568
Excess of revenue over expenses before other items	241,213	159,370
Other items		
Gain on change in fair value of marketable securities	162,804	174,273
Gain on disposal of marketable securities	5,322	810
Amortization	(33,125)	(40,672)
	135,001	134,411
Excess of revenue over expenses	376,214	293,781

The accompanying notes are an integral part of these financial statements

The Canadian Bar Association - Alberta Branch Statement of Changes in Net Assets

For the year ended August 31, 2025

	<i>Unrestricted</i>	<i>Reserve Fund</i>	<i>Scholarship Fund</i>	2025	2024
Net assets, beginning of year	2,642,125	1,095,100	657,445	4,394,670	4,100,889
Excess of revenue over expenses	327,107	-	49,107	376,214	293,781
Inter-fund transfer (Note 8)	(80,250)	80,250	-	-	-
Net assets, end of year	2,888,982	1,175,350	706,552	4,770,884	4,394,670

The accompanying notes are an integral part of these financial statements

The Canadian Bar Association - Alberta Branch

Statement of Cash Flows

For the year ended August 31, 2025

	2025	2024
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	376,214	293,781
Non-cash items:		
Amortization of property and equipment	33,125	40,672
Gain on disposal of marketable securities	(5,322)	(810)
Gain on change in fair value of marketable securities	(162,804)	(174,273)
Amortization of lease incentive	(8,396)	(8,396)
	232,817	150,974
Changes in working capital accounts		
Accounts receivable	(4,946)	22,698
Prepaid expenses and deposits	11,733	(7,071)
Goods and Service Tax receivable	7,532	(7,999)
Accounts payable and accruals	(11,307)	(45,968)
Deferred revenue	(15,378)	954
Vacation pay accrual	(4,822)	9,499
	215,629	123,087
Investing		
Purchase of marketable securities, net of proceeds	(130,522)	(90,836)
Purchase of property and equipment	(11,573)	(17,725)
	(142,095)	(108,561)
Increase in cash resources	73,534	14,526
Cash resources, beginning of year	1,645,048	1,630,522
Cash resources, end of year	1,718,582	1,645,048

The accompanying notes are an integral part of these financial statements

The Canadian Bar Association - Alberta Branch

Notes to the Financial Statements

For the year ended August 31, 2025

1. Incorporation and nature of the organization

The Canadian Bar Association - Alberta Branch (the "Association") is to be the voice of all members of the legal profession in Alberta. The Association builds public understanding and respect for the legal profession and the law.

The Association is the premier provider of personal and professional development and support to all members of the legal profession in Alberta. The Association is committed to enhancing the professional and commercial interests of the membership in the public and private sectors and to protecting the independence of the Judiciary and the Bar. As well, the Association participates in joint initiatives and brings the view of Canadian legal practitioners to international professional and policy making associations.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, as issued by the Accounting Standards Board in Canada, and include the following significant accounting policies:

Basis of presentation

The Association provides additional activities in various "Sections", which incur expenses and receive contributions from participants. Section's assets, liabilities, net assets, revenue and expenses are included in these financial statements. Certain other programs operated by the Association are excluded from these financial statements and are reported on separately.

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.

Investments

Long-term investments are portfolio investments recorded at fair value for those with prices quoted in an active market, and cost less impairment for those that are not quoted in an active market. They have been classified as long-term assets in concurrence with the nature of the investment.

Property and equipment

Purchased property and equipment are recorded at cost. Contributed property and equipment are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using methods and rates intended to amortize the cost of assets over their estimated useful lives.

Leasehold improvements are amortized over the life of the related lease.

	Method	Rate
Computer equipment	declining balance	44-55 %
Furniture and fixtures	declining balance	20 %

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

Membership fees 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 advertising is recognized upon publication. Event revenue is recognized when the event is held. Administrative revenue is recognized once services are completed and invoiced.

Interest and dividend income earned on long-term investments are recognized in investment income in the applicable fund in the period in which they are realized. Unrealized and realized gains and losses on long-term investments are recognized in the statement of operations in the applicable fund.

The Canadian Bar Association - Alberta Branch

Notes to the Financial Statements

For the year ended August 31, 2025

2. Significant accounting policies (Continued from previous page)

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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of property and equipment.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the periods in which they become known.

Financial instruments

The Association recognizes financial instruments when the Association becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction are initially recorded at their fair value.

At initial recognition, the Association may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Association has not made such an election during the year.

Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Association assesses impairment of all its financial assets measured at cost or amortized cost. The Association groups assets for impairment testing when no asset is individually significant. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Association reduces the carrying amount of any impairment financial assets to the highest of: the undiscounted cash flows expected to be generated by holding the asset, the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Association reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenses in the year the reversal occurs.

The Canadian Bar Association - Alberta Branch Notes to the Financial Statements

For the year ended August 31, 2025

3. Investments

	<i>Unrestricted</i>	<i>Reserve Fund (Note 8)</i>	<i>Scholarship Fund (Note 8)</i>	2025	2024
Bonds (Cost - \$2,183,895)	1,114,021	1,175,350	-	2,289,371	2,039,830
Fixed income funds (Cost - \$41,647)	-	-	41,647	41,647	10,783
Equity funds (Cost - \$261,216)	-	-	326,118	326,118	323,055
Other assets (Cost - \$326,997)	-	-	338,787	338,787	323,607
	1,114,021	1,175,350	706,552	2,995,923	2,697,275

4. Property and equipment

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2025 Net book value</i>	<i>2024 Net book value</i>
Computer equipment	384,623	372,009	12,614	16,368
Furniture and fixtures	301,691	212,753	88,938	106,170
Leasehold improvements	346,324	344,729	1,595	2,161
	1,032,638	929,491	103,147	124,699

5. Long term deposit

During the year ended August 31, 2016, a long term deposit of \$7,648 was made in relation to the rental agreement for the Edmonton office lease. The deposit is refundable upon expiry of the lease on January 31, 2027.

During the year ended August 31, 2019, a long term deposit of \$18,538 was made in relation to the rental agreement for the Calgary office lease. The deposit is refundable upon expiry of the lease on June 30, 2029.

6. Deferred rental incentive

The deferred rental incentive is reduced rent provided by the landlord at the inception of the occupancy of the Calgary and Edmonton offices. The amount of \$11,895 (2024 - \$20,291) is deferred and amortized over the life of the leases. \$8,396 (2024 - \$8,396) of this amount will be amortized in the next year.

The Canadian Bar Association - Alberta Branch

Notes to the Financial Statements

For the year ended August 31, 2025

7. Commitments

The Association is committed under the terms of leases for office space and equipment in both Calgary and Edmonton until June 30, 2029 and January 31, 2027, respectively. In addition to basic rent, the Association is also committed to pay its share of the operating costs of the properties.

The Association has entered into various lease agreements with estimated minimum annual payments as follows:

2026	298,964
2027	196,396
2028	118,169
2029	97,128
2030	1,885

8. Restricted net assets

The Executive Committee determined that the Association maintain a reserve fund. This fund is maintained at an amount equal to budgeted expenditures for the next six month period after year end, it is held separate from general revenue, and is monitored under the normal financial controls by the Treasurer of the Executive Committee. During the year, \$80,250 was transferred from the unrestricted fund to the reserve fund (2024 - \$88,802 from the unrestricted fund to the reserve fund).

During the year ended August 31, 2023, the Executive Committee established a scholarship fund and adopted an investment policy whereby the Scholarship Funds are to be invested in a diversified mix of fixed income and equities and all income earned on these funds are to be reinvested instead of used for general operations. This fund is monitored under the normal financial controls by the Treasurer of the Executive Committee.

Any encroachment upon the restricted funds requires prior approval of the Executive Committee.

Included in unrestricted net assets is \$103,147 (2024 - \$124,699) invested in property and equipment.

9. Income taxes

The Association is registered as a non-profit organization under the *Income Tax Act* (the "Act") and, as such, is exempt from income taxes. In order to maintain its status as a non-profit organization under the Act, the Association must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

10. Financial instruments

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest rate, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

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. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Association is exposed to interest rate cash flow risk with respect to marketable securities which are subject to floating interest rates ranging from 2.14% to 8.8% (2024 - 2.73% to 8.04%).

11. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

The Canadian Bar Association - Alberta Branch

Schedule 1 - Bonds

For the year ended August 31, 2025

	Opening Book Value	Annual yield or interest rate	Annual yield or interest	Ending Book Value	Gain (loss) on change in market value	2025 Market Value	2024 Market Value
RES Fairfax Finhold, maturing December 6, 2027, stated rate 4.15%	444,714	3.41%	7,768	463,292	7,625	470,917	440,950
CIBC Principal Protected Note, maturing February 16, 2028	-	N/A	-	150,000	34,389	184,389	154,867
CIBC CDN FIN GTH DEPST NTS SER 19, maturing November 24, 2028	180,000	N/A	-	180,000	19,742	199,742	160,231
Rogers Communication, maturing May 1, 2029, stated rate 3.25%	143,256	3.25%	4,875	143,256	4,771	148,027	143,090
CIBC Principal Protected Note, maturing June 17, 2030	-	N/A	-	200,000	10,798	210,798	-
Fairfax Financial Holding Ltd., maturing March 3, 2031, stated rate 3.95%	-	3.95%	5,925	148,924	1,389	150,313	-
CIBC Principal Protected Note, maturing September 22, 2031	-	N/A	-	100,000	7,324	107,324	-
RBC Fxd 2026, Flt 2031 maturing November 3, 2031, stated rate 2.14%	159,724	2.14%	3,745	159,724	13,367	173,091	167,144
CIBC Principal Protected Note, maturing January 16, 2032	-	N/A	-	150,000	13,287	163,287	-
Rogers Communications, maturing April 15, 2032, stated rate 4.25%	-	4.25%	4,250	100,112	73	100,185	-
Enbridge Inc, maturing September 21, 2033, stated rate 3.1%	-	3.10%	4,650	138,587	(688)	137,899	-
CIBC Call Linear Accrual, maturing February 20, 2035, stated rate 5.1%	-	5.10%	-	100,000	(2,284)	97,716	-
CIBC Call Linear Accrual, maturing May 30, 2040, stated rate 6.8%	-	6.80%	-	150,000	(4,317)	145,683	-
Chorus Aviation Inc., maturing December 31, 2024, stated rate 5.75%	150,000	5.75%	8,625	-	(150)	-	149,850
Pembina Pipeline, maturing February 3, 2025, stated rate 3.54%	268,196	3.54%	9,494	-	(4,407)	-	263,789
CIBC AutoCall Deposit Principal Protected Note, maturing May 17, 2026	150,000	N/A	-	-	10,027	-	160,027
AG Growth International, maturing December 31, 2026, stated rate 5.25%	175,000	5.25%	9,188	-	455	-	175,455
BMO FxD 2024 FLT 2029, maturing September 17, 2029, stated rate 2.88%	72,896	5.12%	3,749	-	2,048	-	74,944
CIBC CDN BC IDX Autocall, maturing April 28, 2031, stated rate 8.04%	150,000	8.04%	-	-	(517)	-	149,483
			62,269	2,183,895	112,932	2,289,371	2,039,830