

**North Rocky View Community Links Society**  
**Financial Statements**  
*March 31, 2024*

## Management's Responsibility

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To the Directors of North Rocky View Community Links Society:

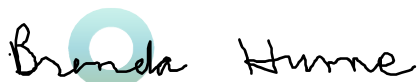
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Society. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. Management is also responsible for recommending the appointment of the Society's external auditors.

MNP LLP is appointed by the Directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board of Directors and management to discuss their audit findings.

July 16, 2024

A handwritten signature in black ink that reads "Brenda Hume". To the left of the signature is a circular logo with a teal-to-blue gradient and a white stylized 'C' or swirl shape in the center.

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Brenda Hume, Executive Director

To the Board of North Rocky View Community Links Society:

### Qualified Opinion

We have audited the financial statements of North Rocky View Community Links Society (the "Society"), which comprise the statement of financial position as at March 31, 2024, 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, 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 March 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

Common to many not-for-profit organizations, the Society derives a portion of its revenue from cash and in-kind donations, the completeness of which is not conducive to satisfactory audit verification. This revenue is reported as donations and fundraising on the statement of operations. Accordingly, our verification of these revenues was limited to amounts recorded in the records of the Society.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under Statements section of our report. We are independent of the Society in accordance with the ethical requirements that are those standards are further described in the Auditor's Responsibilities for the Audit of the Financial 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 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 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.

## 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

July 16, 2024

*MNP LLP*

Chartered Professional Accountants

# North Rocky View Community Links Society

## Statement of Financial Position

*As at March 31, 2024*

	2024	2023
<b>Assets</b>		
<b>Current</b>		
Cash (Note 3)	696,667	577,538
Restricted cash and cash equivalents (Note 3)	202,029	156,299
Accounts receivable	207,049	152,331
Goods and Service Tax receivable	8,980	6,969
	1,114,725	893,137
<b>Deposits (Note 4)</b>	7,357	7,357
<b>Property and equipment (Note 5)</b>	869,972	971,899
	1,992,054	1,872,393
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 6)	85,488	97,117
<b>Deferred contributions (Note 7)</b>	563,977	493,313
<b>Deferred capital contributions (Note 7)</b>	551,942	578,714
	1,201,407	1,169,144
<b>Commitments (Note 8)</b>		
<b>Net Assets</b>		
Invested in property and equipment	318,030	393,185
Unrestricted	472,617	310,064
	790,647	703,249
	1,992,054	1,872,393

Approved on behalf of the Board of Directors



Director



Director

*The accompanying notes are an integral part of these financial statements*

# North Rocky View Community Links Society

## Statement of Operations

*For the year ended March 31, 2024*

	2024	2023
<b>Revenue</b>		
Airdrie Housing Ltd.	73,996	93,916
Children's Services	786,635	786,635
City of Airdrie	1,065,997	1,007,927
Culture and Community Spirit Grants	102,740	-
Donations and fundraising	368,484	316,525
Family Day Home: Children's Services (Note 10)	1,127,712	819,065
Family Day Home Affordability Grant (Note 10)	714,948	556,296
Family Day Home: Cost Increase Replacement Funding Grant (Note 10)	86,259	-
Interest and other revenue	20,634	14,853
Rocky View County Funding	159,486	155,265
Rocky View Schools	-	7,482
Safe Communities	104,653	102,100
Town of Crossfield (FCSS)	11,237	10,545
Town of Irricana (FCSS)	2,981	3,272
United way - grant	51,665	51,751
User fees	2,131,444	1,673,419
Village of Beiseker (FCSS)	5,446	7,313
	<b>6,814,317</b>	<b>5,606,364</b>
<b>Expenses</b>		
Advertising and promotion	14,703	17,378
Auto and travel	7,372	13,365
Contract services	463	2,153
Emergency fund expenses	8,885	10,405
Family Day Home - Expenses	3,502	1,346
Family Day Home - Educators	2,480,519	1,897,427
Family Day Home - Subsidies and grants disbursed (Note 10)	1,247,135	924,366
Fundraising	12,069	7,309
Insurance	15,897	12,889
Office supplies	46,116	39,557
Professional and staff development	22,388	13,448
Professional fees	29,095	49,341
Program supplies and resources	72,818	59,749
Renovation materials	955	590
Rent	424,485	403,206
Repairs and maintenance	28,130	38,876
Telephone	85,243	44,613
Utilities (Beiseker)	4,808	4,223
Volunteer	6,339	6,887
Wages and benefits	2,119,948	2,013,037
	<b>6,630,870</b>	<b>5,560,165</b>
<b>Excess of revenue over expenses before other items</b>	<b>183,447</b>	<b>46,199</b>

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# North Rocky View Community Links Society

## Statement of Operations

*For the year ended March 31, 2024*

	<b>2024</b>	<b>2023</b>
<b>Excess of revenue over expenses before other items</b> <i>(Continued from previous page)</i>	<b>183,447</b>	46,199
<b>Other income (expense)</b>		
Amortization of deferred contributions for property and equipment	<b>26,772</b>	30,579
Amortization of property and equipment	<b>(122,820)</b>	(124,518)
	<b>(96,048)</b>	(93,939)
<b>Excess (deficiency) of revenue over expenses</b>	<b>87,399</b>	(47,740)

*The accompanying notes are an integral part of these financial statements*

# North Rocky View Community Links Society

## Statement of Changes in Net Assets

*For the year ended March 31, 2024*

	<i>Invested in property and equipment</i>	<i>Unrestricted</i>	<b>2024</b>	2023
<b>Net assets, beginning of year</b>	<b>393,185</b>	<b>310,063</b>	<b>703,248</b>	750,988
<b>Excess (deficiency) of revenue over expenses</b>	<b>(96,048)</b>	<b>183,447</b>	<b>87,399</b>	(47,740)
<b>Purchase of property and equipment</b>	<b>20,893</b>	<b>(20,893)</b>	<b>-</b>	-
<b>Net assets, end of year</b>	<b>318,030</b>	<b>472,617</b>	<b>790,647</b>	703,248

*The accompanying notes are an integral part of these financial statements*



# North Rocky View Community Links Society

## Statement of Cash Flows

For the year ended March 31, 2024

	2024	2023
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess (deficiency) of revenue over expenses	87,399	(47,740)
Amortization	122,820	124,518
Amortization of deferred capital contributions	(26,772)	(30,579)
	183,447	46,199
Changes in working capital accounts		
Accounts receivable	(54,719)	(43,805)
Goods and Service Tax receivable	(2,011)	10,768
Accounts payable and accrued liabilities	(11,629)	(20,584)
Deferred contributions	70,664	151,776
	185,752	144,354
<b>Investing</b>		
Purchase of property and equipment	(20,893)	-
<b>Increase in cash resources</b>	164,859	144,354
<b>Cash resources, beginning of year</b>	733,837	589,483
<b>Cash resources, end of year</b>	898,696	733,837
<b>Cash resources are composed of:</b>		
Cash	258,315	228,678
Short-term investments	438,352	348,860
Restricted cash	202,029	156,299
	898,696	733,837

The accompanying notes are an integral part of these financial statements

# North Rocky View Community Links Society

## Notes to the Financial Statements

For the year ended March 31, 2024

### 1. Nature of operations

North Rocky View Community Links Society (the "Society") is a non-profit charitable organization incorporated under the Societies Act of Alberta. The purpose of the Society is to prevent family breakdown by enriching the quality of life of the residents of Airdrie and district.

### 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:

#### **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.

#### **Property and equipment**

Purchased property and equipment is recorded at cost less accumulated amortization. Contributed property and equipment is recorded at fair value at the date of contribution less accumulated amortization. Property and equipment is amortized over the estimated useful lives at the following rates and methods:

	<b>Method</b>	<b>Rate</b>
Leasehold improvements	straight-line	over term of lease
Building under capital lease	straight-line	over term of lease
Computer equipment	declining balance	30%
Vehicle	declining balance	30%
Office equipment	declining balance	30%

#### **Revenue recognition**

The Society follows the deferral method of accounting for contributions. Contributions that are restricted by the donor are recognized as revenue in the year in which the related expenses are incurred. Restricted contributions received for the purchase of property and equipment are initially deferred and recognized as revenue over the useful life of the asset. 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.

#### **Contributed materials and services**

The Society records the value of contributed materials and services when the fair value can be reasonably estimated, and when the material and services are used in the normal course of the Society's operations. Due to the difficulty in determining their fair value, contributed services and materials are not recognized within the financial statements.

#### **Financial instruments**

The Society recognizes financial instruments when the Society 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 Society may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Society has not made such an election during the year.

The Society subsequently measures all 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 cost or amortized cost.

# North Rocky View Community Links Society

## Notes to the Financial Statements

For the year ended March 31, 2024

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### 2. Significant accounting policies *(Continued from previous page)*

#### **Financial asset impairment**

The Society assesses impairment of all its financial assets measured at cost or amortized cost. The Society 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 Society determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Society reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; 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 deficiency of revenue over expenses. The Society 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 (deficiency) of revenue over expenses in the year the reversal occurs.

#### **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 revenue 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 and expenses in the periods in which they become known.

#### **Income taxes**

The Society is registered as a charitable organization under the Income Tax Act (the "Act") and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the Society must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

# North Rocky View Community Links Society

## Notes to the Financial Statements

*For the year ended March 31, 2024*

### 3. Cash and cash equivalents

	2024	2023
Unrestricted funds - general operating account	258,315	228,678
Unrestricted funds - short-term investments (GIC's)	438,352	348,860
<b>Total unrestricted funds</b>	<b>696,667</b>	<b>577,538</b>
Restricted funds - Casino (i)	187,029	141,299
Restricted funds - short-term investments (GIC's) (ii)	15,000	15,000
<b>Total restricted funds</b>	<b>202,029</b>	<b>156,299</b>
<b>Total cash and cash equivalents</b>	<b>898,696</b>	<b>733,837</b>

i) Net receipts from casino and gaming activities and related investment income are held in a separate account, and may only be used for certain expenditures authorized by the Alberta Gaming, Liquor, and Cannabis Commission and the Society's Board of Directors.

ii) Restricted short-term investments (GIC's) consists of a GIC investment held in a financial institution as collateral for a credit card facility.

### 4. Deposits

Long-term deposits consist of a security deposit for the Airdrie office.

### 5. Property and equipment

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2024 Net book value</i>	<i>2023 Net book value</i>
Leasehold improvements Main Office (Journey to One)	985,626	722,689	262,937	368,111
Building under capital lease	665,010	97,401	567,609	574,327
Computer equipment	85,745	71,840	13,905	2,951
Vehicle	44,554	25,997	18,557	26,510
Office equipment	67,614	67,614	-	-
Leasehold improvements	136,654	136,654	-	-
Assets not yet in use	6,964	-	6,964	-
	<b>1,992,167</b>	<b>1,122,195</b>	<b>869,972</b>	<b>971,899</b>

The Society's lease for the building in Beiseker is accounted for as a capital lease and is being amortized over its 99 year lease term.

No amortization has been recorded during the current year for assets that are not yet in use. When the asset becomes in use, it is reallocated to the appropriate asset class.

# North Rocky View Community Links Society

## Notes to the Financial Statements

*For the year ended March 31, 2024*

### 6. Accounts payable and accrued liabilities

	2024	2023
Accounts payable and accrued liabilities	77,326	87,104
Government remittances payable	8,162	10,013
	<b>85,488</b>	<b>97,117</b>

### 7. Deferred contributions

Deferred contributions represent unspent donations received by the Society designated by the donor for a specific purpose.

	2024	2023
Balance, beginning of year	1,072,027	950,830
Contributions recognized as revenue in the year	(1,717,456)	(1,246,009)
Contributions received relating to future years	1,761,348	1,367,206
Balance, end of year	<b>1,115,919</b>	<b>1,072,027</b>

**Deferred contributions are comprised of the following:**

Airdrie Housing Ltd.	97	8,941
Beiseker Building (Capital contribution)	526,942	533,660
Casino Funding	187,029	141,299
Childcare - Westmark/Cooper's Crossing	3,541	4,616
City of Airdrie (FCSS) Funding	48,492	73,065
Community Initiatives Program (CIP) Grant	11,119	75,000
Community Service Recovery Fund (Gov. Canada)	27,616	-
Community Volunteer Income Tax Program (CVITP)	2,841	-
Donations and Fundraising	32,334	82,412
Donations: Foundations	20,876	-
Expansion Project	20,000	-
Family Day Home (Children's Services)	40,680	90,960
Family Day Home - Funding Advance	143,600	-
FCSS - Village of Beiseker	7,412	6,607
Journey to One - main office renovation (Capital contribution)	25,000	37,500
Rocky View County (FCSS)	1,593	4,881
Town of Crossfield (FCSS)	2,567	2,803
Town of Irricana (FCSS)	5,447	2,728
United Way: Play Therapy	766	-
Vehicle donation (Capital contribution)	-	7,555
Welcoming Airdrie: Fiscal Agent	2,467	-
Youth Legacy - Peer Meditation	5,500	-
Ending balance	<b>1,115,919</b>	<b>1,072,027</b>

During the fiscal year 2017, the Society completed renovations to its main office in order to have all employees in one location. Funds received in respect of the renovation are recognized as revenue over the remaining term of the lease, which expires in March 2026.

During the fiscal year 2009 the Society entered into a 99 year lease with the Village of Beiseker. The Beiseker building deferred contributions represent the donations received for the leasing of the building. These contributions are being recognized as donation revenue over the term of the lease.

# North Rocky View Community Links Society

## Notes to the Financial Statements

*For the year ended March 31, 2024*

### 8. Commitments

The Society has entered into various lease agreements with estimated minimum annual payments for the next five years and thereafter as follows:

2025	289,036
2026	292,485
2027	302,834
2028	295,783
2029	302,632
Thereafter	1,014,154
	<u>2,496,924</u>

### 9. Gross contributions and donations received

During the year, the following income and expenditures were recorded with respect to fund-raising activities:

	2024	2023
Gross contributions and donations received	370,107	316,525
Total fundraising expenses, including expenses incurred to solicit contributions and remuneration paid to employees whose principal duties involved fundraising.	62,875	22,531
	<u>432,982</u>	<u>339,056</u>

### 10. Family Day Home funding

	2024	2023
<b>Family Day Home: Children's Services</b>		
Grant revenue	1,127,712	819,065
Expenses	(1,087,295)	(812,871)
Agency Portion	40,417	6,193
<b>Family Day Home: Affordability Grant</b>		
Grant revenue	714,948	556,296
Expenses	(714,231)	(557,337)
Agency portion (amount reclaimed)	717	(1,041)
<b>Family Day Home: Cost Increase Replacement Funding Grant</b>		
Grant revenue	86,259	-
Expenses	(79,661)	-
Agency Portion	6,598	-

The Society is not obligated to repay the agency portion to the Alberta Government.

The excess revenue over expenses for the affordability grant may be reclaimed by the Alberta Government.

# North Rocky View Community Links Society

## Notes to the Financial Statements

*For the year ended March 31, 2024*

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### 11. Financial instruments

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

#### ***Liquidity risk***

Liquidity risk is the risk that the Society will not be able to meet its financial obligations as they are due. The Society is exposed to this risk mainly in respect of its continued receipt of grants and donations.

### 12. Comparative figures

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