

Miskanawah Community Services Association
Financial Statements
March 31, 2025

To the Members of Miskanawah Community Services Association:

Opinion

We have audited the financial statements of Miskanawah Community Services Association (the "Association"), which comprise the statement of financial position as at March 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 March 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

June 24, 2025

MNP LLP

Chartered Professional Accountants

MISKANAWAH COMMUNITY SERVICES ASSOCIATION
STATEMENT OF FINANCIAL POSITION
As at March 31, 2025

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents, unrestricted	\$ 222,596	\$ 5,168
Cash and cash equivalents, externally restricted (Note 4)	1,461,152	1,934,398
Short term investments (Note 3)	183,868	349,512
Accounts receivable	137,800	372,088
GST receivable, unrestricted	15,750	17,734
Prepaid expense and deposits	86,314	89,253
	<u>2,107,480</u>	<u>2,768,153</u>
LONG TERM INVESTMENTS (Note 3)	185,694	-
PROPERTY AND EQUIPMENT (Note 5)	365,956	349,785
	<u>\$ 2,659,130</u>	<u>\$ 3,117,938</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 116,036	\$ 148,720
Salaries and benefits payable	176,988	171,076
Grants payable Government of Alberta - Children's Services contracts (Note 4)	45,770	184,092
Grants payable Calgary Homeless Foundation contract (Note 4)	77,231	124,316
Grants payable City of Calgary contracts (Note 4)	25,164	-
Deferred contributions (Note 4)	1,312,987	1,625,990
	<u>1,754,176</u>	<u>2,254,194</u>
DEFERRED CAPITAL CONTRIBUTIONS (Note 6)	239,906	209,892
	<u>1,994,082</u>	<u>2,464,086</u>
COMMITMENTS (Note 8)		
NET ASSETS		
Unrestricted	538,998	513,959
Invested in property and equipment	126,050	139,893
	<u>665,048</u>	<u>653,852</u>
	<u>\$ 2,659,130</u>	<u>\$ 3,117,938</u>

Approved on behalf of the Board

Director


Director

MISKANAWAH COMMUNITY SERVICES ASSOCIATION
STATEMENT OF OPERATIONS
For the Year Ended March 31, 2025

	2025	2024
REVENUE		
Government of Alberta - Children and Family Services contracts	\$ 3,639,739	\$ 3,473,476
Stoney Nakoda - Tsuut'ina Tribal Council (G4)	1,367,029	1,913,566
Calgary Homeless Foundation	844,459	781,842
United Way of Calgary and Area	755,063	705,621
City of Calgary - Connect the Dots!	373,181	266,206
City of Calgary - Family and Community Support Services	329,631	316,059
City of Calgary - Building Safer Communities Fund	240,931	139,596
Government of Alberta - Children and Family Services fee for service	184,998	123,399
City of Calgary - Crime Prevention and Investment Plan	173,458	171,972
Donations and other contributions	155,842	354,361
Government of Alberta - Indigenous Relations	140,022	10,000
Collaborative Funders' Table	102,176	124,747
Interest and other revenue	95,042	71,555
Calgary Foundation	92,240	112,676
Government of Canada - Community Foundations of Canada	58,777	28,460
Donner Canadian Foundation	37,500	20,000
National Centre for Truth and Reconciliation	25,000	-
Silver Gummy Foundation	15,000	15,000
City of Calgary - Home Program	12,600	-
Casino	8,035	8,085
Government of Canada - Canadian Heritage	8,000	103,295
Burns Memorial Fund	1,000	1,000
	8,659,723	8,740,916
EXPENSES		
Salaries, benefits and elder services	6,009,953	5,516,429
Direct client and program	1,668,667	1,956,800
Facility	482,414	599,686
Administration	424,756	379,648
Vehicles	23,830	19,780
	8,609,620	8,472,343
Excess of revenue over expenses before amortization	50,103	268,573
Amortization of deferred capital contributions (Note 6)	57,472	48,649
Amortization expense	(96,379)	(56,313)
Loss on write-down of property and equipment	-	(18,240)
EXCESS OF REVENUE OVER EXPENSES	\$ 11,196	\$ 242,669

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

MISKANAWAH COMMUNITY SERVICES ASSOCIATION

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2025

	Unrestricted	Invested in Property and Equipment	Total
Balance, beginning of year, as previously reported	\$ 513,959	\$ 139,893	\$ 653,852
Excess of revenue over expenses	11,196	-	11,196
Amortization of deferred capital contributions <i>(Note 6)</i>	(57,472)	57,472	-
Amortization expense	96,379	(96,379)	-
Loss on write-down of property and equipment	-	-	-
Deferred capital contributions received	87,486	(87,486)	-
Purchase of capital assets	(112,550)	112,550	-
Unrestricted net assets, end of the year	<u>\$ 538,998</u>	<u>\$ 126,050</u>	<u>\$ 665,048</u>

For the year ended March 31, 2024

	Unrestricted	Invested in Property and Equipment	Total
Balance, beginning of year	\$ 388,351	\$ 22,832	\$ 411,183
Excess of revenue over expenses	242,669	-	242,669
Amortization of deferred capital contributions <i>(Note 6)</i>	(48,649)	48,649	-
Amortization expense	56,313	(56,313)	-
Loss on write-down of property and equipment	18,240	(18,240)	-
Deferred capital contributions received	201,297	(201,297)	-
Purchase of capital assets	(344,262)	344,262	-
Unrestricted net assets, end of the year	<u>\$ 513,959</u>	<u>\$ 139,893</u>	<u>\$ 653,852</u>

MISKANAWAH COMMUNITY SERVICES ASSOCIATION
STATEMENT OF CASH FLOWS
For the year ended March 31, 2025

	2025	2024
FUNDS PROVIDED BY (USED IN) OPERATIONS		
EXCESS OF REVENUE OVER EXPENSES	11,196	242,669
Charges not requiring cash outlay:		
Amortization	96,379	56,313
Amortization of deferred capital contributions	(57,472)	(48,649)
Loss on write-down of property and equipment	-	18,240
	50,103	268,573
Changes in non-cash operating working capital:		
Accounts receivable	234,288	(340,714)
GST receivable	1,984	1,165
Prepaid expense and deposits	2,939	64,149
Accounts payable and accrued liabilities	(32,684)	45,338
Salaries and benefits payable	5,912	27,669
Grants payable Government of Alberta - Children's Services contracts	(138,322)	(104,007)
Grants payable Calgary Homeless Foundation contract	(47,085)	18,657
Grants payable City of Calgary contracts	25,164	-
Cash flows from operating activities	102,299	(19,170)
FINANCING ACTIVITIES		
Deferred cash contributions	(313,003)	340,411
Deferred capital contributions received	87,486	201,297
Cash flows from financing activities	(225,517)	541,708
INVESTING ACTIVITIES		
Purchase of capital assets	(112,550)	(344,262)
Investments (interest reinvested)	(20,050)	(14,701)
Cash flows from investing activities	(132,600)	(358,963)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(255,818)	163,575
Cash and cash equivalents, beginning of the year	1,939,566	1,775,991
CASH AND CASH EQUIVALENTS, END OF THE YEAR	1,683,748	1,939,566
Consisting of:		
Cash and cash equivalents, unrestricted	222,596	5,168
Cash and cash equivalents, externally restricted (Note 4)	1,461,152	1,934,398
	1,683,748	1,939,566

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

MISKANAWAH COMMUNITY SERVICES ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended March 31, 2025

1 NATURE OF THE ORGANIZATION

Miskanawah Community Services Association (the "Association") is guided by Indigenous teachings and provides evidence-informed supportive services to all people in the Calgary area in order to strengthen their circles of self, family, community and culture.

The Association was previously incorporated March 27, 2001 under the companies Act of the Province of Alberta, and received non profit charitable private foundation status effective April 1, 2001. The Association received re-designation as a not for profit charitable organization pursuant to the Canadian Income Tax Act effective April 1, 2004.

The Association approved a reorganization and was reincorporated under the Societies Act of the Province of Alberta effective June 26, 2007. Thus, the original corporation that was operating under the Companies Act was dissolved and continued operations under the Society's Act. In addition, the Association approved a name change from Spectrum Youth and Family Services Association to Pathways Community Services Association and received re-designation as a registered charity effective July 1, 2008. On October 15, 2019, the Association approved a name change from Pathways Community Services Association to Miskanawah Community Service Association. The Association is a registered not for profit charitable organization and it is exempt from income taxes. In order to maintain its status as a registered charity under the Income Tax Act ("the Act"), the Association must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

2 SIGNIFICANT ACCOUNTING POLICIES

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

(a) Revenue Recognition

The Association follows the deferral method of accounting for contributions, which include grants and donations. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Restricted contributions for the purchase of capital assets are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets.

Unrestricted contributions are recognized as revenue when received or receivable.

Restricted and unrestricted contributions receivable are recorded if the amount can be reasonably estimated and collection is reasonably assured.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, balances with banks, and short term deposits with original maturities of three months or less.

MISKANAWAH COMMUNITY SERVICES ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended March 31, 2025

(c) Capital Assets

Purchased capital assets of \$ 5,000 and over are recorded at cost and contributed capital assets are recorded at fair market value at the date of acquisition. Amortization on capital assets is provided using the following methods and annual rates intended to allocate the cost of the assets over their useful life:

	<u>Method</u>	<u>Rate</u>
Computer equipment	Declining balance	55%
Furnitures, fixtures and equipment	Declining balance	20%
Leasehold improvements	Straight line	5 years
Vehicles	Declining balance	30%

The Association amortizes capital assets using the half year rule in the year of acquisition.

(d) Donated Goods and Services

Goods and services donated to the Association are recorded in these financial statements if they are used in the normal course of operations, if a fair value can be reasonably determined and if they would have otherwise been purchased.

Volunteers have contributed a variety of services to assist the Association in carrying out its objectives. The fair value of these services are not recognized in these financial statements.

(e) Financial Instruments

Measurement of Financial Instruments

The Association initially measures its financial assets and financial liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at cost or amortized cost. Changes in fair value of these financial instruments are recognized in excess of revenue over expenses. Financial instruments measured at amortized cost include cash, short and long-term investments, accounts receivable and accounts payable.

At initial recognition, the Association may irrevocably elect to subsequently measure any financial instrument at fair value. The Association has not made such an election during the year. The Association subsequently measures financial assets and liabilities 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 revenue 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 Risk

It is management's opinion that the Association is not exposed to significant interest rate, currency, price, market or credit risks arising from these financial instruments.

MISKANAWAH COMMUNITY SERVICES ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended March 31, 2025

(f) Financial Asset Impairment

The Association assesses impairment of all its financial assets measured at cost or amortized cost. 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. If so, the Association 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; 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 the current year statement of operations.

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 the statement of operations in the year the reversal occurs.

(g) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not for profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenue and expenses for the periods covered. The main estimates relate to the collectability of receivables, the useful life of property and equipment and the amounts recorded as accrued liabilities.

h) Accounting for Cloud Computing Arrangements

The Association has applied the simplification approach to account for expenditures in cloud computing arrangements. Under the simplification approach, the Association recognizes expenditures related to the elements in cloud computing arrangements as an expense as incurred.

3 SHORT AND LONG TERM INVESTMENTS

The Association held the following short term investments with TD Canada Trust on March 31, 2025:

Maturing	January 11, 2026	3.65%	120,399
Maturing	February 7, 2026	3.65%	63,469
			<u>\$ 183,868</u>

The Association held the following long term investment with TD Canada Trust on March 31, 2025:

Maturing	May 23, 2026	3.00%	116,269
Maturing	January 16, 2027	3.25%	69,425
			<u>\$ 185,694</u>

The Association held the following short term investments with TD Canada Trust on March 31, 2024:

Maturing	November 10, 2024	5.20%	113,445
Maturing	December 9, 2024	5.35%	59,721
Maturing	January 16, 2025	4.35%	66,531
Maturing	March 23, 2025	5.00%	109,815
			<u>\$ 349,512</u>

MISKANAWAH COMMUNITY SERVICES ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended March 31, 2025

4 GRANTS PAYABLE, DEFERRED CONTRIBUTIONS AND RESTRICTED ASSETS

Externally Restricted Assets

The grants payable and deferred contributions have been allocated as follows:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents, externally restricted	\$ 1,461,152	\$ 1,934,398

Deferred Contributions and Grants Payable

Deferred contributions and grants payable represent unspent grants, fundraising and donations that have been externally restricted and designated by the donor for a specific purpose.

	<u>2025</u>	<u>2024</u>
Deferred contributions	\$ 1,241,016	\$ 1,614,831
Casino	71,971	11,159
	<u>1,312,987</u>	<u>1,625,990</u>
Grants payable Government of Alberta - Children's Services contracts	45,770	184,092
Grants payable Calgary Homeless Foundation contract	77,231	124,316
Grants payable City of Calgary contracts	25,164	-
Total deferred contributions and grants payable	<u>\$ 1,461,152</u>	<u>\$ 1,934,398</u>

5 PROPERTY AND EQUIPMENT

	Cost	Accumulated Amortization	Net 2025	Net 2024
Computer equipment	63,018	38,374	24,644	20,602
Furniture and equipment	171,872	48,378	123,494	139,429
Leasehold improvements	251,827	59,935	191,892	156,383
Vehicles	93,557	67,631	25,926	33,371
	<u>\$ 580,274</u>	<u>\$ 214,318</u>	<u>\$ 365,956</u>	<u>\$ 349,785</u>

	Cost	Accumulated Amortization	Net 2024	Net 2023
Computer equipment	41,814	21,212	20,602	22,721
Furniture and equipment	158,594	19,165	139,429	10,612
Leasehold improvements	173,758	17,375	156,383	-
Vehicles	93,557	60,186	33,371	46,743
	<u>\$ 467,723</u>	<u>\$ 117,938</u>	<u>\$ 349,785</u>	<u>\$ 80,076</u>

MISKANAWAH COMMUNITY SERVICES ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended March 31, 2025

6 DEFERRED CAPITAL CONTRIBUTIONS

Deferred contributions related to property and equipment are comprised of the unamortized portion of contributed capital assets and contributions from government and community donors restricted for the purchase of capital assets.

	<u>2025</u>	<u>2024</u>
Balance, beginning of the year	\$ 209,892	\$ 57,244
Additions during the year	87,486	201,297
Amount amortized to income during the year	(57,472)	(48,649)
Balance at the end of the year	<u>\$ 239,906</u>	<u>\$ 209,892</u>

7 ECONOMIC DEPENDENCE

The Association receives its revenue in the form of grants from a variety of sources. In management's opinion, the Association's continued operations are dependent on the continuance of these grants.

8 COMMITMENTS

The Association has entered into three leases for premises which expire May 31, 2026, March 31, 2028 and June 30, 2028.

The Association has entered into an equipment operating lease which expires September 2028.

Future minimum annual commitments for premises and equipment, including an estimate of operating expenses for the premises, for the next four years are as follows:

2026	432,837
2027	384,150
2028	384,252
2029	91,216
	<u>\$ 1,292,455</u>

9 FUNDRAISING

As required under Section 7(2) of the Charitable Fundraising Regulations of Alberta, the following amounts are disclosed; expenses incurred in the year for the purposes of soliciting contributions were \$nil (2024 - \$nil) and the total amount paid as remuneration to employees and contractors of the organization whose principal duties involved fundraising were \$nil (2024 - \$nil).

10 CONTINGENCIES

The Association has generated funds through casino events, which are subject to review and approval by the Alberta Gaming, Liquor and Cannabis Commission (AGLC). The AGLC retains the right to review and approve the utilization of these funds to ensure compliance with their restrictions and guidelines.

Management believes that all funds have been spent in accordance with the restrictions imposed by the AGLC. There is a possibility that upon review, the AGLC may determine that certain expenditures do not meet the stipulated requirements. In such a case, the Association might be obligated to repay the restricted funds used.