

RISE CALGARY RESOURCE CENTRES SOCIETY
2025 Financial Statements
Year ended March 31, 2025

Rise Calgary Resource Centres Society
2025 Financial Statements
For the year ended March 31, 2025

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Versatile Accounting Professional Corporation

Chartered Professional Accountant

Independent Auditor's Report

To the Members of
Rise Calgary Resource Centres Society

Opinion

I have audited the financial statements of Rise Calgary Resource Centres Society, 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 my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 Organization'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 Organization's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Organization 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.

I 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 I identify during my audit.

Versatile Accounting Professional Corporation

Karim Bharwani, CPA, CA
Chartered Professional Accountant

Calgary, Alberta

September 19, 2025

Rise Calgary Resource Centres Society
Statement of Financial Position

March 31 **2025** **2024**

Assets

Current

Unrestricted cash (note 3)	\$ 259,105	\$ 257,564
Restricted cash, external funding (note 3)	955,850	871,212
Accounts receivable (note 4)	17,756	8,248
Restricted cash, casino funding (note 3)	111	21,240
Prepaid expenses	-	13,379
Deposits	2,730	2,730

1,235,552 1,174,373

Property and equipment, net of accumulated amortization (note 5) 1,636 -

\$ 1,237,188 \$ 1,174,373

Liabilities and fund balances

Current

Accounts payable and accrued liabilities	\$ 14,541	\$ 11,564
Deferred partner cash contribution (note 7)	320,517	155,757

335,058 167,321


Deferred cash contribution (note 8) 617,096 736,770


952,154 904,091

Net assets **285,034 270,282**

\$ 1,237,188 \$ 1,174,373

On behalf of the Board

 _____ Member

 _____ Member

The accompanying notes are an integral part of these financial statements

Rise Calgary Resource Centres Society
Statement of Operations

For the year ended March 31	2025	2024
Revenue		
Grants and funding (note 8)	\$ 1,214,310	\$ 1,010,748
Interest income	544	3,282
Other Misc. revenue	1,392	-
Contribution revenue (note 6)	3,781	-
	1,220,027	1,014,030
Expenditures		
Advertising and promotion	418	411
Amortization	-	224
Information technology	84,592	32,023
Insurance	14,707	14,248
Interest and bank charges	1,197	1,747
Occupancy cost	129,917	137,158
Professional fees	63,890	13,945
Program expenses	54,698	44,658
Salaries and related benefits	810,887	673,312
Subcontract	39,060	39,915
Travel	5,909	4,123
	1,205,275	961,764
Excess of revenue over expenditures before undernoted items	14,752	52,266
Other expenses (income)		
Partner program grants and fundings received (note 7)	(1,136,493)	(1,216,384)
Partner program grants and funding distributed (note 7)	1,136,493	1,216,384
	-	-
Excess of revenue over expenditures	\$ 14,752	\$ 52,266

The accompanying notes are an integral part of these financial statements

Rise Calgary Resource Centres Society
Statement of Changes in Net Assets

For the year ended March 31	2025	2024
Net assets, beginning of year	\$ 270,282	\$ 218,016
Excess of revenue over expenditures	14,752	52,266
Net assets, end of year	\$ 285,034	\$ 270,282

The accompanying notes are an integral part of these financial statements

Rise Calgary Resource Centres Society
Statement of Cash Flows

For the year ended March 31	2025	2024
Operating activities		
Excess of revenue over expenditures	\$ 14,752	\$ 52,266
Item not involving cash		
Amortization	-	224
	14,752	52,490
Net change in non-cash working capital items		
Accounts receivable	(9,508)	2,519
Prepaid expenses	13,379	(13,379)
Accounts payable and accrued liabilities	2,977	(1,807)
Deferred partner cash contribution received (note 7)	1,301,253	1,175,834
Deferred partner cash contribution distributed (note 7)	(1,136,493)	(1,216,384)
Deferred contribution proceeds (note 8)	1,094,636	1,358,467
Deferred contribution spent (note 8)	(1,214,310)	(1,010,748)
	51,934	294,502
Cash flows from operating activities	66,686	346,992
Investing activity		
Interest acquired, net (note 5)	(1,636)	-
Net change in cash during the year	65,050	346,992
Cash, beginning of year	1,150,016	803,024
Cash, end of year (note 3)	\$ 1,215,066	\$ 1,150,016

The accompanying notes are an integral part of these financial statements

Rise Calgary Resource Centres Society
Notes to Financial Statements
For the year ended March 31, 2025

1. Nature of operations

Rise Calgary Resource Centres Society (the "Organization") is a registered society under the Societies Act of the Province of Alberta and is registered charity under the Income Tax Act. The Organization's mission is to facilitate opportunities for individuals, families, and the community to develop through the provision of integrated services in the community. The other purpose of the Organization is to collaborate with individuals and families to increase capabilities, realize possibilities and facilitate personal development through resources and support while building resilience within our communities.

Effective February 01, 2025 the Milligan Ogden Community Association (the " Association) transferred all of its interest in SE CCRC to the Organization (note 6).

2. Summary of significant accounting policies

The Organization follows accounting principles generally accepted in Canada in preparing its financial statements. The significant accounting policies used are as follows:

Revenue recognition

The Organization 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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Externally restricted contributions for the purchase of capital assets that will be amortized are recorded as deferred capital contributions and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets. Externally restricted contributions for the purchase of capital assets that will not be amortized are recognized as direct increases in net assets to the Investment in Capital Assets balance.

Cash and cash equivalents

Cash and cash equivalents include cash balance restricted and unrestricted with the financial institution.

Donated material and services

Donated capital and investments are recorded in the financial statements at fair value on the date of the donation. Donated materials and services are not recorded because the fair market value is not readily determinable. With the exception of volunteer time, such material and services are not significant.

2. Summary of significant accounting policies – continued

Property and equipment

Property and equipment are recorded at cost and are being amortized over their estimated useful lives. The annual amortization rates are as follows:

Office equipment	30%
Computer equipments	55%

Amortization of leasehold improvements is recorded over the remaining term of the lease plus the first renewal option.

Impairment of long-lived assets

The Organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

Deferred cash contribution

The deferred cash contributions represent the unspent portion of externally restricted contributions. These amounts are recorded as liabilities as they are not recognized as revenue until the related expenses have occurred.

Financial instruments

(i) Measurement of financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Organization subsequently measures its financial assets and financial liabilities at amortized cost.

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

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

2. Summary of significant accounting policies – continued

Financial instruments – continued

(ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income. The write down reflects the difference between the carrying amount and the higher of:

- the present value of the cash flows expected to be generated by the asset or group of assets;
- the amount that could be realized by selling the assets or group of assets;
- the net realizable value of any collateral held to secure repayment of the assets or group of assets.

When the events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment.

Management estimates

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Rise Calgary Resource Centres Society
Notes to Financial Statements
For the year ended March 31, 2025

3. Cash and restricted cash balance

	<u>2025</u>	<u>2024</u>
Internally cash restricted	\$ 259,105	\$ 257,564
Restricted cash, external funding (note 1)	955,850	871,212
Restricted cash, casino funding	111	21,240
	<u>\$ 1,215,066</u>	<u>\$ 1,150,016</u>

The restricted cash is from the external funding for the partners cash contribution (note 7) and cash contribution for the Organization operations (note 8).

4. Accounts receivable

Accounts receivable includes goods and service tax receivable from government agency \$16,445 (2024 - \$9,078)

5. Property and equipment

	<u>2025</u>		<u>2024</u>	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Office equipment	\$ 41,564	\$ 39,928	\$ 18,307	\$ 18,307
Leasehold improvements	155,839	155,839	-	-
Computer equipments	10,948	10,948	10,948	10,948
	<u>208,351</u>	<u>206,715</u>	<u>29,255</u>	<u>29,255</u>
Net book value	<u>\$ 1,636</u>		<u>\$ -</u>	

The following assets of SE CCRC were transferred to the Organization at net book value in connection with the interest acquired from the Association (see Note 6).

	<u>2025</u>
Leasehold improvement	\$ 155,839
Accumulated amortization on leasehold improvement	(155,839)
Office equipment	23,257
Accumulated amortization on office equipment	(21,621)
	<u>-</u>
	<u>\$ 1,636</u>

Rise Calgary Resource Centres Society
Notes to Financial Statements
For the year ended March 31, 2025

5. Property and equipment – continued

No amortization has been recorded on the assets transferred from SE CCRC.

6. South East Calgary Community Resource Centre ("SE CCRC")

On February 01, 2025, the Millican Ogden Community Association (the "Association") operates a program called SE CCRC. The Association transferred all of its interests in SE CCRC to the Organization, this includes all records, financial documents, furniture, computers and other assets used by SE CCRC in its operations.

The transaction was accounted for as an acquisition in accordance with Section 4449 of the CPA Canada Handbook - Accounting.

The following assets were recognized at their net book values on the date of acquisition:

	<u>2025</u>
Goods and service tax receivable	\$ 2,000
Cash	73,767
Office equipment (note 5)	1,636
Accounts receivable	145
	<hr/>
Interest acquired	\$ 77,548
	<hr/> <hr/>

Of the total net assets acquired:

\$73,767 was externally restricted for community programs and recorded as deferred cash contributions.

\$3,781 was recognized as contribution revenue in the statement of operations for the year ended March 31, 2025.

The Organization did not issue any consideration for the acquisition.

Rise Calgary Resource Centres Society
Notes to Financial Statements
For the year ended March 31, 2025

7. Deferred partner cash contribution

Deferred partner cash contribution funds are used for the other partner organizations and distribution to the families and communities directly.

	<u>2025</u>	<u>2024</u>
Opening balance	\$ 155,757	\$ 228,945
Additions (see below)	1,301,253	1,143,196
Allocated to partners' organization	(1,136,493)	(1,216,384)
Carry forward balance for following year	<u>\$ 320,517</u>	<u>\$ 155,757</u>

The Organization administers Basic Needs Funds ("BNF"), which are distributed to partner organizations to support various programs and community services.

BNF Funding received from United way for \$550,000 to distribute among three organizations. and \$115,701 from the Government of Alberta to be distributed to partner organizations only.

In addition, United Way approved BNF affordability funding of \$2,800,000 for the period from October 1, 2024 to December 31, 2026, to be distributed equally among three organizations. As of March 31, 2025, the Organization has received \$700,000 under this funding arrangement.

The three organizations are as follows :

- a) Organization,
- b) CUPS Calgary Society, and
- c) Distress Centre Calgary.

The total funding allocated to partner organizations is as follows:

	<u>2025</u>
Basic needs funds	\$ 415,000
Ryerson university	16,126
UW matched savings	21,882
United Way scarcity to strength	91,667
Enmax client distribution	115,701
Basic Needs Affordability funds	615,483
Extra payment for BNF Rent	25,394
Total	<u>\$ 1,301,253</u>

Rise Calgary Resource Centres Society
Notes to Financial Statements
For the year ended March 31, 2025

8. Deferred cash contribution

	<u>2025</u>	<u>2024</u>
Opening balance	\$ 736,770	\$ 356,412
Funds and grant received during the year	1,020,869	1,391,106
Deferred contribution transferred from SE CCRC (note 6)	73,767	-
Funds and grant recognized as revenue during the year	(1,214,310)	(1,010,748)
Carry forward balance to following year	\$ 617,096	\$ 736,770

The above funds and grant are used for the operational purpose of the Organization.

	<u>2025</u>	<u>2024</u>
	\$ -	\$ -
FCCS and City of Calgary funding	422,536	182,080
BNF fund	257,796	254,716
Scarcity to Strength funding	162,690	193,440
United way grant for program	145,170	56,851
GOA Community support TT	75,880	3
CIP Mobility Coaching funding	35,000	-
Donations	32,710	1,985
Casino income	21,590	86,718
Red Cross Volunteer Strategy income	18,385	39,879
Canada Summer Job grant	15,951	9,426
ESDC Senior taxes funding	11,908	-
Talking taxes grant	10,517	134,399
Community volunteer income tax program	4,177	5,344
Nickle family income	-	25,000
Other revenue	-	14,115
RRSP income	-	4,950
Financial coaching income	-	1,842
	\$ 1,214,310	\$ 1,010,748

Rise Calgary Resource Centres Society
Notes to Financial Statements
For the year ended March 31, 2025

9. Commitments

The organization has various lease commitment for 17th Ave, Bowness, Siksika and Ranchland.

The following are the five years lease commitment respectively.

2026	\$ 111,740
2027	111,740
2028	111,740
2029	111,740
2030	111,740
	<hr/>
	\$ 558,700

10. Financial instruments

Credit risk

Credit risk is the risk that the Organization will incur a financial loss because a contributor or counterparty fails to discharge an obligation. The Organization is exposed to credit risk through its cash and its accounts receivable from customers. The Organization has a number of different clients to rent the arena, which reduces the concentration of credit risk from clients.

The Organization has a concentration of credit risk with respect to cash as all of the cash are held at one financial institution, and as such, the Organization is exposed to the risks of the institution. The financial institution has deposit insurance through the Canada Deposit Insurance Corporation to minimize any potential loss to the Organization.

11. Comparative amounts

Certain 2024 comparative amounts have been reclassified to conform with the financial statement presentation adopted for 2025.