

Camrose Open Door Association
Operating as The Open Doors
Financial Statements
March 31, 2024

To the Board of Camrose Open Door Association:

Qualified Opinion

We have audited the financial statements of Camrose Open Door Association (the "Association"), 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 Association 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

In common with many not-for-profit organizations, The Open Doors derives revenue from donations and fundraising activities, the completeness of which are not susceptible to satisfactory audit verification. Accordingly, verification of this revenue was limited to the amounts recorded in the records of the Association. Therefore we were not able to determine whether any adjustments might be necessary to revenue, excess (deficiency) of revenue over expenses and cash flows from operations for the years ended March 31, 2024 and March 31, 2023, and current assets and net assets as at March 31, 2024 and 2023. The previous year's audit opinion on the financial statements for the year ended March 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

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 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 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.

Leduc, Alberta

September 30, 2024

MNP LLP

Chartered Professional Accountants

Camrose Open Door Association
Operating as The Open Doors
Statement of Financial Position

As at March 31, 2024

	2024	2023
Assets		
Current		
Cash and cash equivalents	409,302	795,347
Accounts receivable	30,110	54,272
Prepaid expenses and deposits	3,263	41,629
Goods and Services Tax recoverable	7,996	12,180
	450,671	903,428
Capital assets (Note 3)	1,160,124	1,196,967
Term deposits	36,013	35,568
Other investments	25,000	25,000
	1,671,808	2,160,963
Liabilities		
Current		
Accounts payable and accruals	77,986	161,631
Deposits	6,664	8,714
Employee deductions payable	47,654	75,805
Deferred revenue (Note 5)	354,257	471,148
	486,561	717,298
Deferred capital contributions (Note 6)	293,379	324,049
	779,940	1,041,347
Contingencies (Note 10)		
Net Assets		
Internally restricted (Note 11)	227,260	227,260
Unrestricted	(202,137)	19,438
Invested in capital assets	866,745	872,918
	891,868	1,119,616
	1,671,808	2,160,963

Approved on behalf of the Board

e-Signed by Tony Rice

2024-09-30 23:17:31:31 MDT

Director

e-Signed by Bryan Lynka

2024-09-30 22:53:19:19 MDT

Director

The accompanying notes are an integral part of these financial statements

Camrose Open Door Association
Operating as The Open Doors
Statement of Operations
For the year ended March 31, 2024

	2024	2023
Revenue		
Grants		
Child and Family Services Agency	328,560	382,793
Government of Nunavut	298,273	573,017
Youth Employment and Skills Strategy Program	174,210	387,745
Alberta Crime Prevention	127,886	1,870
FRN Navigators	108,491	119,750
Healthy Communities Initiative	65,539	16,877
Civil Society Fund	64,721	18,750
Alberta Rural Development Network	45,400	45,400
Restorative Justice	40,716	43,333
Community Helpers	36,987	57,222
Indigenous Community Support Fund	20,880	88,485
Other	16,842	51,947
Cargill	9,421	-
Public Health Agency of Canada	4,806	39,879
Prairie Central FASD	-	58,845
Battle River Community Foundation	-	4,340
	1,342,732	1,890,253
Other		
Rental income	135,707	164,668
Other income	71,659	101,906
Amortization of deferred capital contributions <i>(Note 6)</i>	30,670	35,875
Interest income	8,851	19,452
Fundraising	240	45
Donations in kind <i>(Note 7)</i>	65	-
	247,192	321,946
Subtotal	1,589,924	2,212,199
Expenses		
Program costs	922,818	1,115,772
General operating costs	612,241	624,461
Facility	142,573	132,157
Direct client costs	76,324	255,851
Amortization	42,073	50,719
Fundraising Expense	21,643	-
	1,817,672	2,178,960
Total expenses	1,817,672	2,178,960
Excess (deficiency) of revenue over expenses	(227,748)	33,239

The accompanying notes are an integral part of these financial statements

Camrose Open Door Association
Operating as The Open Doors
Statement of Changes in Net Assets
For the year ended March 31, 2024

	<i>Internally restricted (Note 11)</i>	<i>Unrestricted</i>	<i>Invested in capital assets</i>	2024	2023
Net assets, beginning of year	227,260	19,438	872,918	1,119,616	1,086,377
Excess (deficiency) of revenue over expenses	-	(227,748)	-	(227,748)	33,239
Loss on disposal of capital assets	-	3,565	(3,565)	-	-
Amortization of deferred capital contributions	-	(30,670)	30,670	-	-
Purchase of capital assets	-	(8,795)	8,795	-	-
Amortization of capital assets	-	42,073	(42,073)	-	-
Net assets, end of year	227,260	(202,137)	866,745	891,868	1,119,616

The accompanying notes are an integral part of these financial statements

Camrose Open Door Association
Operating as The Open Doors
Statement of Cash Flows
For the year ended March 31, 2024

	2024	2023
Cash provided by (used for) the following activities		
Operating		
Cash received from contributions and other sources	1,472,160	1,802,804
Cash paid for program service expenses	(354,111)	(649,014)
Cash paid for salaries and benefits	(1,390,728)	(1,471,073)
Cash paid for interest	(1,345)	(1,753)
	(274,024)	(319,036)
Financing		
Repayments of bank indebtedness	-	(19,848)
Capital contributions received	-	20,144
	-	296
Investing		
Purchase of capital assets	(111,576)	(21,949)
Purchase of term deposits	(445)	(439)
Purchase of investments	-	(25,000)
	(112,021)	(47,388)
Decrease in cash resources	(386,045)	(366,128)
Cash resources, beginning of year	795,347	1,161,475
Cash resources, end of year	409,302	795,347

The accompanying notes are an integral part of these financial statements

Camrose Open Door Association
Operating as The Open Doors
Notes to the Financial Statements
For the year ended March 31, 2024

1. Incorporation and nature of the organization

The Open Doors (the "Association") is a non-profit organization incorporated provincially under the *Societies Act of Alberta*. The Association is a registered charity and is exempt from the payment of income taxes under the *Income Tax Act*.

The Association's operates within the Camrose region to offer support, services and a safe place for youth as they transition into adulthood and become contributing members of society.

2. Significant accounting policies

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

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. Contributions received for capital purchases are recognized as revenue over the life of the corresponding capital 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.

Rental revenue is recognized as revenue when the service is provided and collection is reasonably assured. Amounts received in advance are recorded as deferred revenue.

Other revenue is recognized when received.

Contributed materials

Contributions of materials are recognized both as revenue and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials are used in the normal course of the Association's operations and would otherwise have been purchased.

Volunteers contribute to assist the Association in carrying out its service delivery activities, and because of the difficulty in determining their fair value, contributed services are not reported.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less.

Term deposits

Term deposits include balances with banks with a maturity date greater than three months. Term deposits are presented as a current asset if the maturity date is one year or less, and presented as a long-term asset if the maturity date is greater than one year.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

Buildings	4 %
Automotive	30 %
Computer equipment	30 %
Equipment	20 %

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

Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Association writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Association's ability to provide services. The assets are also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Association determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

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 ("arm's length financial instruments") 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 and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Association's performance or value of its equity and those instruments designated at fair value, 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 (deficiency) 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.

Related party financial instruments

The Association initially measures the following financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at fair value:

- Investments in equity instruments quoted in an active market
- Debt instruments quoted in an active market
- Debt instruments when the inputs significant to the determination of its fair value are observable (directly or indirectly)

All other related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

At initial recognition, the Association may elect to subsequently measure related party debt instruments that are quoted in an active market, or that have observable inputs significant to the determination of fair value, at fair value.

Camrose Open Door Association
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Notes to the Financial Statements
For the year ended March 31, 2024

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

Financial instruments *(Continued from previous page)*

The Association subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Financial instruments that were initially measured at cost and derivatives that are linked to, and must be settled by, delivery of unquoted equity instruments of another entity, are subsequently measured using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess (deficiency) of revenue over expenses.

Measurement uncertainty (use of 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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of 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 capital assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future periods could be significant. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess (deficiency) of revenue over expenses in the periods in which they become known.

Nature of funds in net assets

The Association maintains three net asset funds to track assets for the following purposes:

- a) The invested in capital assets fund represents the net book value of capital assets held at the year-end less any related capital debt and deferred capital contributions.
- b) The unrestricted net assets fund represents the funds available that are not internally restricted by the Board of Directors.
- c) The internally restricted fund represents funds restricted by the Board of Directors to be available for internally mandated operations.

3. Capital assets

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Land	475,000	-	475,000	475,000
Buildings	978,749	352,961	625,788	638,343
Automotive	109,953	74,453	35,500	50,714
Computer equipment	15,283	5,293	9,990	12,215
Equipment	51,916	38,070	13,846	20,695
	1,630,901	470,777	1,160,124	1,196,967

Tangible capital asset additions with a cost of \$nil (2023 additions - \$102,781) are included in accounts payable and accruals at March 31, 2024, and are therefore not included on the statement of cash flows.

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Notes to the Financial Statements
For the year ended March 31, 2024

4. Bank indebtedness

Bank indebtedness includes an overdraft account with Vision Credit Union up to a maximum of \$250,000, bearing interest at 3.70% as at March 31, 2024 (2023 - 3.70%). As at March 15, 2024, the caveat on assets pledged as security related to the loan was discharged.

5. Deferred contributions

Deferred revenue consists of grants and donations deferred until the related projects are completed. Deferred revenue is comprised of the following:

	2024	2023
Civil Society Fund	66,529	56,250
Indigenous Community Support Fund	42,679	63,560
HRJ/HW Siebens	39,393	-
Child and Family Services Agency	37,091	39,297
Restorative Justice	35,951	36,667
Public Health Agency of Canada	30,315	35,121
Community Helpers	20,235	-
Alberta Crime Prevention	20,061	-
Second Harvest	20,000	20,000
Cargill	14,179	13,600
Battle River Community Foundation	12,667	24,470
FRN Navigators	11,259	-
Canada Food Bank	3,898	17,000
Service Canada FES Grant	-	149,094
Youth Employment and Skills Strategy Program	-	8,247
Government of Nunavut	-	7,842
	354,257	471,148

6. Deferred capital contributions

Deferred capital contributions consist of the unamortized amount of contributions received for the purchase of capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized. Changes in deferred capital contributions are as follows:

	2024	2023
Balance, beginning of year	324,049	339,780
Donations and grants received during the year	-	20,144
Less: Amounts recognized as revenue during the year	(30,670)	(35,875)
	293,379	324,049

7. Contributed materials and services

Included in donations in kind and direct client costs in the statement of operations is \$65 (2023 – \$nil) representing the estimated fair value of contributions. The current year contributed materials consisted of a first aid trauma backpack contributed to the Association.

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Notes to the Financial Statements
For the year ended March 31, 2024

8. 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, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its receipt of funds from its funders and other related sources, bank indebtedness and its accounts payable and accruals.

9. Economic dependence

The Association's primary source of revenue is provided by the Government of Alberta. The grant funding can be cancelled if the Association does not observe certain established guidelines. The Association's ability to continue viable operations is dependent upon maintaining its ability to follow the criteria within the provincially established guidelines. As at the date of these financial statements the Association believes that it is in compliance with these guidelines.

10. Contingencies

These financial statements are subject to review by the Association's funding agents. It is possible that adjustments, that may include repayment of amounts funded, could be made based on results of their reviews.

11. Internally restricted funds

Included in internally restricted net assets are funds restricted for future building repairs and maintenance. The remaining balance is restricted to support future operations should funding be reduced.

	<i>Opening</i>	<i>Allocations</i>	<i>Uses</i>	<i>Closing</i>
Building repairs and maintenance reserve	73,000	-	-	73,000
General operating reserve	154,260	-	-	154,260
Total internally restricted reserve	227,260	-	-	227,260
