

Camrose Open Door Association
Operating as The Open Doors
Financial Statements
March 31, 2026

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, 2026, 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, 2026, 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

As is common with many not-for-profit organizations, the Association 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, deficiency of revenue over expenses and cash flows from operations for the years ended March 31, 2026 and March 31, 2025, and current assets and net assets as at March 31, 2026 and 2025. The previous year's audit opinion on the financial statements for the year ended March 31, 2025 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 12 of the financial statements, which indicates that the Association incurred a loss during the year ended March 31, 2026 and, as of that date, the Association has current liabilities in excess of current assets. As stated in Note 12, these events or conditions, along with other matters, indicate that a material uncertainty exists that may cast significant doubt on the Association's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 28, 2026

MNP LLP

Chartered Professional Accountants

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

As at March 31, 2026

	2026	2025
Assets		
Current		
Cash and cash equivalents	576,685	470,163
Accounts receivable	21,559	88,113
Prepaid expenses and deposits	33,349	22,087
Goods and Services Tax recoverable	4,848	6,168
	636,441	586,531
Capital assets (Note 3)	760,802	780,550
Term deposits	36,918	36,464
	1,434,161	1,403,545
Liabilities		
Current		
Accounts payable and accruals	178,843	151,545
Deposits	9,944	9,040
Employee deductions payable	45,413	26,761
Deferred revenue (Note 5)	451,654	441,860
	685,854	629,206
Deferred capital contributions (Note 6)	266,663	282,488
	952,517	911,694
Commitments (Note 9)		
Contingencies (Note 10)		
Net Assets		
Unrestricted	(12,494)	(6,209)
Invested in capital assets	494,138	498,060
	481,644	491,851
	1,434,161	1,403,545

Approved on behalf of the Board

Lucas Banack

9/28/2026

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Director

Lucas Banack

Signed by:

Marcus Ellsworth

9/28/2026

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Director

Marcus Ellsworth

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, 2026

	2026	2025
Revenue		
Grants		
Youth Employment and Skills Strategy Program	260,767	94,363
NextGen Safe	152,307	-
Specialized Criminal Justice Navigator	146,795	88,569
FRN Navigators	145,625	94,888
Community Helpers	68,323	70,535
Restorative Justice	42,673	27,446
Cargill	9,900	7,022
Other	8,550	30,843
Battle River Community Foundation	552	734
Alberta Crime Prevention	-	141,926
Civil Society Fund	-	60,326
Child and Family Services Agency	-	30,096
Healthy Communities Initiative	-	20,773
	835,492	667,521
Other		
Rental income	115,712	117,560
Donations	49,120	74,408
Amortization of deferred capital contributions <i>(Note 6)</i>	26,909	24,699
Interest income	5,804	5,273
Loss on disposal of capital assets	-	(275,879)
	197,545	(53,939)
Subtotal	1,033,037	613,582
Expenses		
Program costs	637,431	508,564
Administrative	238,896	357,837
Facility	78,564	108,355
Direct client costs	57,522	56,218
Amortization	30,831	38,968
Total expenses	1,043,244	1,069,942
Deficiency of revenue over expenses	(10,207)	(456,360)

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, 2026

	<i>Internally restricted</i>	<i>Unrestricted</i>	<i>Invested in capital assets</i>	<i>2026</i>	<i>2025</i>
Net assets, beginning of year	-	(6,209)	498,060	491,851	948,211
Deficiency of revenue over expenses	-	(10,207)	-	(10,207)	(456,360)
Purchase of capital assets	-	(11,084)	11,084	-	-
Amortization of capital assets	-	30,831	(30,831)	-	-
Additions to deferred capital	-	11,084	(11,084)	-	-
Amortization of deferred capital contributions	-	(26,909)	26,909	-	-
Net assets, end of year	-	(12,494)	494,138	481,644	491,851

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, 2026

	2026	2025
Cash provided by (used for) the following activities		
Operating		
Cash received from contributions and other sources	1,013,429	1,181,102
Cash paid for program service expenses	(220,397)	(398,011)
Cash paid for salaries and benefits	(756,125)	(702,833)
Cash paid for interest	(1,201)	(1,319)
	35,706	78,939
Investing		
Purchase of capital assets	(11,084)	(17,627)
Proceeds on disposal of capital assets	82,354	-
Purchase of term deposits	(454)	(451)
	70,816	(18,078)
Increase in cash resources	106,522	60,861
Cash resources, beginning of year	470,163	409,302
Cash resources, end of year	576,685	470,163

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, 2026

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 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.

Tangible 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 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.

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 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 tangible 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 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.
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Camrose Open Door Association
Operating as The Open Doors
Notes to the Financial Statements
For the year ended March 31, 2026

3. Capital assets

	Cost	Accumulated amortization	2026 Net book value	2025 Net book value
Land	400,000	-	400,000	400,000
Buildings	527,050	217,309	309,741	322,647
Automotive	109,953	92,558	17,395	24,850
Computer equipment	43,994	19,190	24,804	21,976
Equipment	51,916	43,054	8,862	11,077
	1,132,913	372,111	760,802	780,550

Proceeds on disposal of tangible capital assets of \$nil (2025 - \$82,354) are included in accounts receivable at March 31, 2026, and are therefore not included on the statement of cash flows.

4. Bank indebtedness

Bank indebtedness includes an overdraft account with Vision Credit Union up to a maximum of \$250,000, bearing interest at 4.95% as at March 31, 2026 (2025 - 5.45%), calculated as the prime rate plus 0.50% per annum. The prime rate as at March 31, 2026 is 4.45% (2025 - 4.95%). As at March 31, 2026, \$nil (2025 - \$nil) was drawn upon this account.

5. Deferred revenue

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

	2026	2025
Specialized Criminal Justice Navigator	177,200	-
NextGen Safe Program	163,869	173,951
Restorative Justice	25,833	8,505
Youth Employment and Skills Strategy Program	23,037	137,361
Second Harvest	20,000	20,000
Cargill	16,758	24,158
Battle River Community Foundation	11,382	11,934
Community Helpers	9,554	13,788
Canada Food Bank	3,897	3,898
FRN Navigators	124	39,715
HRJ/HW Siebens	-	8,550
	451,654	441,860

Camrose Open Door Association
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Notes to the Financial Statements
For the year ended March 31, 2026

6. Deferred contributions related to capital assets

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:

	2026	2025
Balance, beginning of year	282,488	293,379
Donations and grants received during the year	11,084	13,808
Less: Amounts recognized as revenue during the year	(26,909)	(24,699)
	<u>266,663</u>	<u>282,488</u>

7. Contributed materials and services

Included in donations in kind and direct client costs in the statement of operations is \$nil (2025 – \$nil) representing the estimated fair value of contributions.

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. Commitments

The Association has entered into various lease agreements for its premises and a vehicle with estimated minimum annual payments as follows:

2027	19,836
2028	21,386
2029	1,000
	<u>42,222</u>

The Association premises lease costs include monthly lease payments and expires on April 30, 2028. The Association's vehicle lease costs include monthly lease payments and expires on March 15, 2028.

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.

Camrose Open Door Association
Operating as The Open Doors
Notes to the Financial Statements
For the year ended March 31, 2026

11. 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.

12. Going concern

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Association be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Association has current liabilities in excess of current assets and a negative unrestricted net asset balance as at March 31, 2026, indicating that the Association has no unrestricted resources available to fund ongoing operations.

To remain a going concern, the Association intends to obtain additional third-party funding and generate additional rental income through its Turnaround Strategy, in order to meet current and future obligations. It cannot be determined at this time whether these objectives will be realized.

Management believes that the going concern assumption is appropriate for these financial statements. The Association has multi-year funding commitments in place, is pursuing additional funding from third-party groups, and is executing a Board-endorsed Turnaround Strategy focused on generating asset-based revenue through property rentals and a future housing conversion. If the Association were unable to continue its operations, adjustments to the carrying amounts and classification of assets and liabilities would be necessary.

13. Comparative figures

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