

CUPS Calgary Society

Financial Statements

March 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of CUPS Calgary Society

Opinion

We have audited the financial statements of CUPS Calgary Society (the "Society"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations and changes in fund balances 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 Society as at March 31, 2024, and its results of 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 Society 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 Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

RSM Canada LLP

Chartered Professional Accountants
June 27, 2024
Calgary, Alberta

CUPS Calgary Society
Statement of Financial Position
March 31, 2024

	Operating Fund	Sustainability Fund	Capital Assets Fund	Endowment Fund	2024	2023
Assets						
Current assets						
Cash and cash equivalents (notes 3 and 6)	\$ 3,978,917	\$ -	\$ 2,586,842	\$ -	\$ 6,565,759	\$ 4,628,848
Accounts receivable	140,405	-	55,347	-	195,752	108,306
Prepaid expenses	283,911	-	-	-	283,911	123,240
Due from (to) fund	1,929,179	(2,997)	(1,926,182)	-	-	-
Investments (notes 4 and 5)	6,332,412	(2,997)	716,007	-	7,045,422	4,860,394
Tangible capital assets (note 6)	-	1,181,921	-	1,007,863	2,189,784	1,115,067
			14,335,359	-	14,335,359	16,116,411
	\$ 6,332,412	\$ 1,178,924	\$ 15,051,366	\$ 1,007,863	\$ 23,570,565	\$ 22,091,872
Liabilities						
Current liabilities						
Accounts payable and accrued liabilities (note 7)	\$ 2,066,268	\$ -	\$ -	\$ -	\$ 2,066,268	\$ 2,828,841
Current portion of obligations under capital lease	-	-	-	-	-	5,646
Designated contributions (note 8)	506,829	-	-	-	506,829	1,068,736
	2,573,097	-	-	-	2,573,097	3,903,223
Fund Balances	<u>3,759,315</u>	<u>1,178,924</u>	<u>15,051,366</u>	<u>1,007,863</u>	<u>20,997,468</u>	<u>18,188,649</u>
	\$ 6,332,412	\$ 1,178,924	\$ 15,051,366	\$ 1,007,863	\$ 23,570,565	\$ 22,091,872
Commitments and contingencies (note 13)						

Approved by Board of Directors,

Designated by: Yvonne Macdonald
 Board Treasurer
 Designated by: [Signature]
 Board Member

CUPS Calgary Society
Statement of Operations and Changes in Fund Balances
Year Ended March 31, 2024

	Operating Fund	Sustainability Fund	Capital Assets Fund	Endowment Fund	2024	2023
Revenue						
Grant (note 10)	\$ 15,426,752	\$ -	\$ 439,738	\$ -	\$ 15,866,490	\$ 15,037,058
Donation	1,182,947	-	170,450	1,000,000	2,353,397	2,615,427
Fundraising	644,294	-	-	-	644,294	809,028
Service	195,174	-	-	-	195,174	165,822
Other	120,641	-	-	-	120,641	146,104
Interest	168,834	25,445	55,347	-	249,626	111,615
Gain on disposal of tangible capital assets (note 6)	-	-	1,340,903	-	1,340,903	-
Unrealized gain (loss) on investments	-	41,409	-	7,863	49,272	(38,821)
Realized loss on investments	-	-	-	-	-	(13,532)
	<u>17,738,642</u>	<u>66,854</u>	<u>2,006,438</u>	<u>1,007,863</u>	<u>20,819,797</u>	<u>18,832,701</u>
Expenses						
Program wages, benefits and contracted services	9,193,866	-	-	-	9,193,866	9,907,739
Program services	4,941,543	-	-	-	4,941,543	4,595,144
Fundraising	244,072	-	-	-	244,072	385,122
General and administrative (note 11)	2,899,542	-	-	-	2,899,542	2,723,700
Amortization	-	-	731,955	-	731,955	656,178
	<u>17,279,023</u>	<u>-</u>	<u>731,955</u>	<u>-</u>	<u>18,010,978</u>	<u>18,267,883</u>
Excess of revenue over expenses	459,619	66,854	1,274,483	1,007,863	2,808,819	564,818
Fund balances, beginning of year	<u>3,299,696</u>	<u>1,112,070</u>	<u>13,776,883</u>	<u>-</u>	<u>18,188,649</u>	<u>17,623,831</u>
Fund balances, end of year	<u>\$ 3,759,315</u>	<u>\$ 1,178,924</u>	<u>\$ 15,051,366</u>	<u>\$ 1,007,863</u>	<u>\$ 20,997,468</u>	<u>\$ 18,188,649</u>

CUPS Calgary Society
Statement of Cash Flows
Year Ended March 31, 2024

	2024	2023
Cash provided by (used in):		
Operating activities		
Excess of revenue over expenses	\$ 2,808,819	\$ 564,818
Add (deduct) items not affecting cash		
Amortization	731,955	656,178
Gain on disposal of tangible capital assets (note 6)	(1,340,903)	-
Non-cash donations received	(50,843)	(343,780)
Unrealized (gain) loss on investments	(49,272)	38,821
Realized loss on investments	-	13,532
	<u>2,099,756</u>	<u>929,569</u>
Net change in non-cash working capital balances related to operations:		
Accounts receivable	(87,446)	(67,433)
Prepaid expenses	(160,671)	(8,365)
Accounts payable and accrued liabilities	(417,236)	391,835
Designated contributions	(561,907)	70,864
	<u>(1,227,260)</u>	<u>386,901</u>
	<u>872,496</u>	<u>1,316,470</u>
Financing activity		
Repayment of obligations under capital lease	<u>(5,646)</u>	<u>(13,545)</u>
Investing activities		
Purchase of tangible capital assets	(166,822)	(2,607,928)
Proceeds on disposal of tangible capital assets (note 6)	2,556,822	-
Purchase of investments in the endowment fund (note 5)	(1,000,000)	-
Purchase of investments in the sustainability fund	(419,572)	(44,463)
Proceeds on disposal of investments	444,970	560,354
Changes in accounts payable and accrued liabilities related to tangible capital assets	<u>(345,337)</u>	<u>345,337</u>
	<u>1,070,061</u>	<u>(1,746,700)</u>
Increase (decrease) in cash	1,936,911	(443,775)
Cash and cash equivalents, beginning of year	<u>4,628,848</u>	<u>5,072,623</u>
Cash and cash equivalents, end of year	<u>\$ 6,565,759</u>	<u>\$ 4,628,848</u>
Cash and cash equivalents is comprised of:		
Cash	\$ 2,977,975	\$ 3,628,848
Guaranteed investment certificates (note 3)	<u>3,587,784</u>	<u>1,000,000</u>
	<u>\$ 6,565,759</u>	<u>\$ 4,628,848</u>
Non-cash transactions:		
Donated investments	<u>\$ 50,843</u>	<u>\$ 343,780</u>

CUPS Calgary Society

Notes to the Financial Statements

For the Year Ended March 31, 2024

NOTE 1 – NATURE OF OPERATIONS

CUPS Calgary Society (“CUPS” or the “Society”) was incorporated under the *Alberta Societies Act* on September 13, 1988.

CUPS supports Calgarians impacted by poverty, trauma, and systemic marginalization with a unique integrated approach to care. We empower people to work holistically to create and achieve goals that support their well-being and build readiness to navigate and access support in the community.

The Society is a registered charity and, accordingly, exempt from income taxes and authorized to issue donation receipts for income tax purposes.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Fund Accounting

These financial statements are prepared on a restricted fund accounting basis that includes the following funds:

Operating Fund - accounts for the assets, liabilities, revenues and expenses related to the Society's delivery of programs and operating activities.

Sustainability Fund - accounts for the assets, liabilities, revenues and expenses related to amounts internally restricted by the board of directors for future use.

Capital Assets Fund - accounts for the assets, liabilities, revenues and expenses related to the facilities and equipment.

Endowment Fund – accounts for the assets, liabilities, revenues and expenses related to the Gerald A. Cooper-Key Foundation endowment that is externally restricted to be maintained in perpetuity per the policies of the Endowment Fund agreement. The Society has established policies around preservation of the capital and asset mix, in order to maximize long-term returns.

Revenue Recognition

Unrestricted contributions are recognized as revenue of the operating fund in the year in which the amount can be reasonably estimated and collection is reasonably assured.

Designated contributions related to general operations are recognized as revenue of the operating fund in the year in which the related expenses are incurred. Designated contributions related to tangible capital assets are recognized as revenue of the capital assets fund when the amount can be reasonably estimated and collection is reasonably assured.

Interest and investment income is recognized as revenue when earned.

CUPS Calgary Society

Notes to the Financial Statements

For the Year Ended March 31, 2024

Unrealized gains (losses) on investments held in the endowment fund are attributable to and reported in the endowment fund. Restricted revenue from endowments is recognized in the endowment fund and unrestricted revenue from endowments is recognized in the operating fund; the split of these amounts are determined in accordance with the terms of the endowment agreement (note 5).

Revenue from special events is recognized when the event has taken place and collection is reasonably assured.

Donations of investments are recorded at fair value when a fair value can be reasonably determined.

Revenue for services is recorded when the program or service has been provided.

Contributed Goods and Services

Donations of materials and services are recognized when the fair value can be reasonably estimated and the materials and services are used in the normal course of operations.

Volunteers contribute time and services to the programs of the Society. Contributed services are not recognized in the financial statements as their fair market value cannot reasonably be determined.

Tangible Capital Assets

Tangible capital assets are recorded at cost and are amortized over the estimated useful life on a straight-line basis as follows:

Buildings	40 years
Building improvements	25 years
Furniture and equipment	5 years

When conditions indicate a tangible capital asset is impaired, the carrying value of the tangible capital asset is written down to the asset's fair value or replacement cost. A write-down shall not be reversed.

Cash and cash equivalents

Cash includes cash on hand and cash held at financial institutions. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to insignificant risk of change in value.

Financial instruments

The Society's financial instruments consist of cash and cash equivalents, accounts receivable, investments, accounts payable and accrued liabilities. All financial instruments are initially recognized at fair value and subsequently measured at amortized cost, except for investments which are measured at fair value. Transaction costs and financing fees associated with financial instruments carried at amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the life of the financial instrument or shorter, dependent upon the expected period of cash flow.

CUPS Calgary Society

Notes to the Financial Statements

For the Year Ended March 31, 2024

When there is an indication of impairment and such impairment is determined to have occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from sale of the financial asset. Such impairments can be subsequently reversed if the value increases provided the reversal is no greater than the amount that had been previously reported as a reduction in the asset and does not exceed original cost.

Transacting in financial instruments exposes the Society to certain financial risks and uncertainties (note 14).

Revenue and Cost Allocations

Fundraising activities and special events are ongoing throughout the year in order to raise additional funding to support the activities of the Society. The revenues and costs of special events are allocated to programs based on the stated intention or general purpose of the special event. Fundraising activities which are general in nature are allocated to the programs based on management's discretion.

The Society incurs a number of general overhead revenue and expenses that are common to the administration of the organization and each of its programs. The Society allocates its general overhead expenses on the following basis:

- IT support, professional fees, insurance, office expenses, telephone, mileage and parking, training and development, and vehicle costs are based on staff headcount.
- Facilities and infrastructure costs are based on an estimate of the square footage used by each program.

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 revenues and expenses during the reporting periods. Areas requiring the use of management estimates relate to the determination of collectability of accounts receivable, useful lives and potential impairment of tangible capital assets and completeness of accrued liabilities. Actual results could differ from these estimates.

Amounts accrued as receivable pursuant to funding contracts and billing invoices associated with the Society's programs are based on management's best estimates of the amounts to be received for the periods in question upon the actual finalization of the associated claims and/or contract processes.

The valuation of designated contributions is based on management's estimate of the unspent contributions and the applicability of expenditures to meet the funding restrictions.

The valuation of tangible capital assets is based on management's best estimates of the future recoverability of these assets. The amounts recorded for amortization of tangible capital assets are based on management's best estimates of the remaining useful lives and period of future benefit of the related assets.

CUPS Calgary Society
Notes to the Financial Statements
For the Year Ended March 31, 2024

The completeness of accrued liabilities is based on management's best estimate of expenses accrued during the year that will be payable in future periods.

The Society is involved in legal claims arising in the normal course of business. The final outcome of such claims cannot be predicted with certainty and management believes that it has appropriately accrued any impact to the financial statements.

By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

NOTE 3 – CASH EQUIVALENTS

Cash equivalents consist of cashable guaranteed investment certificates held in the operating and capital assets funds totaling \$3,587,784 (2023 - \$1,000,000) bearing interest at prime less 2% per annum effectively 5.2% at year end (2023 – prime less 2% per annum effectively 4.7%) and maturing between October and November 2024.

NOTE 4 – SUSTAINABILITY FUND

The Board of Directors has restricted the following funds, which are reserved for long-term objectives in support of organizational sustainment. The Special Projects Fund requires a board resolution for disbursement to the Society. The Building Life Cycle Reserve is a capital reserve to fund major repair and replacement on fully owned real property assets. The funds are included in investments of the sustainability fund at year end.

	2024	2023
Special Projects Fund	\$ 449,956	\$ 418,520
Building Life Cycle Reserve	731,965	696,547
	\$ 1,181,921	\$ 1,115,067

Investments in the sustainability fund consist of Canadian bonds and debentures and principal protected notes that bear interest at rates ranging from 2.08% to 2.95% per annum (2023 – 2.08% to 3.89% per annum) and mature or are callable between May 26, 2025 and January 26, 2032 (2023 – June 9, 2023 and January 26, 2032).

NOTE 5 – ENDOWMENT FUND

During the year the Society received an endowment of \$1,000,000 (2023 - \$NIL) from the Gerald A. Cooper-Key Foundation. The total endowment to be received under the agreement is \$2,000,000, of which the remaining \$1,000,000 will be received in fiscal year 2025. The endowment is to be held in perpetuity and invested consistent with the investment policies of the Society. The net investment income earned from the endowment that is available for disbursement ("disbursement income") shall be determined each year in accordance with the disbursement policy of the Society but shall be no less than the minimum disbursement required by the applicable disbursement quota for the Society under the Income Tax Act. The disbursement income earned from the endowment is to be used for the general charitable purposes of the Society for shared space and services for health programs. Any income greater than the disbursement income is to be reinvested in the capital of the fund. The endowment is included in investments of the Fund at year end.

CUPS Calgary Society
Notes to the Financial Statements
For the Year Ended March 31, 2024

	2024	2023
Endowment Fund	\$ 1,007,863	\$ -

The investment in the Endowment Fund consists of a mutual fund with a cost of \$1,000,000 (2023 - \$NIL). The total investment income for the year was an unrealized gain of \$7,863 (2023 - \$NIL) which was recognized in the endowment fund.

NOTE 6 – TANGIBLE CAPITAL ASSETS

	2024		2023	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 4,463,875	\$ -	\$ 4,463,875	\$ 4,863,875
Buildings	4,374,923	(1,273,531)	3,101,392	3,377,123
Building improvements	9,103,797	(2,748,484)	6,355,313	7,447,777
Furniture and equipment	2,622,113	(2,207,334)	414,779	421,990
Furniture and equipment under capital lease	-	-	-	5,646
	\$ 20,564,708	\$ (6,229,349)	\$ 14,335,359	\$ 16,116,411

In July 2023, the Society paused operations of its Child Development Centre program to focus on re-envisioning the program to better serve the needs of its clients. In November 2023, the Society sold its Child Development Centre building and received proceeds of \$2,540,578 and realized a gain on disposal of tangible capital assets of \$1,309,403. The net proceeds from the sale are included in cash and cash equivalents of the capital assets fund and will be utilized towards the execution of strategic plan initiatives, as approved by the Board of Directors.

NOTE 7 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities is \$111,797 (2023 - \$98,672) relating to payroll source deductions payable.

CUPS Calgary Society
Notes to the Financial Statements
For the Year Ended March 31, 2024

NOTE 8 – DESIGNATED CONTRIBUTIONS

The Society received certain donations, fundraising and grants that were subject to restrictions. Certain amounts that were not utilized during the grant term are repayable to funders and have been reclassified to accounts payable and accrued liabilities. Restricted amounts received and expended were as follows:

	Beginning Balance, April 1, 2023	Additions	Utilization	Amounts Repaid and Repayable	Closing Balance, March 31, 2024
Donations	\$ -	\$ 52,393	\$ (8,759)	\$ -	\$ 43,634
Fundraising	1,002	108,697	(109,699)	-	-
Grants	1,067,734	6,084,468	(5,999,801)	(689,206)	463,195
	\$ 1,068,736	\$ 6,245,558	\$ (6,118,259)	\$ (689,206)	\$ 506,829

	Beginning Balance, April 1, 2022	Additions	Utilization	Amounts Repayable	Closing Balance, March 31, 2023
Donations	\$ 21,700	\$ 28,441	\$ (50,141)	\$ -	\$ -
Fundraising	-	192,267	(191,265)	-	1,002
Grants	976,172	6,760,099	(6,112,996)	(555,541)	1,067,734
	\$ 997,872	\$ 6,980,807	\$ (6,354,402)	\$ (555,541)	\$ 1,068,736

NOTE 9 – CREDIT FACILITIES

The Society has available a revolving demand credit facility in the amount of \$650,000 with a major Canadian financial institution. The facility bears interest at the prime plus 1.38% per annum. At March 31, 2024 and 2023 no amounts have been drawn on the credit facility. The Society also has available a revolving lease line of credit facility in the amount of \$150,000. The terms and interest rate of this facility are determined at the time the facility is drawn upon. At March 31, 2024 and 2023 no amounts have been drawn on the lease credit facility. Both facilities are secured by a general security agreement with a first ranking security interest in all personal property.

CUPS Calgary Society
Notes to the Financial Statements
For the Year Ended March 31, 2024

NOTE 10 – GRANT REVENUE

Grant revenue consists of the following:

	2024	2023
Other Grants	\$ 8,527,424	\$ 7,333,804
Government Grants:		
Federal	568,301	615,840
Provincial	5,699,258	5,818,947
Municipal	1,071,507	1,268,467
	\$ 15,866,490	\$ 15,037,058

NOTE 11 – GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses consist of the following:

	2024	2023
Administrative wages, benefits and contracted services	\$ 2,472,365	\$ 2,282,702
Office	427,177	440,998
	\$ 2,899,542	\$ 2,723,700

NOTE 12 – EMPLOYEE FUTURE BENEFITS

The Society contributes to a registered retirement savings plan for the benefit of its employees. During the year contributions of \$238,012 (2023 - \$286,917) were deposited to the defined contribution plan and expensed as employee benefits.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

The Society has entered into rental, office equipment and facility equipment leases in the normal course of operations. These leases vary in payment terms and duration. Total minimum payments exclusive of occupancy costs under the terms of the lease agreements are as follows:

2025	\$ 97,687
2026	18,732
2027	3,012
2028	2,259
	\$ 121,690

The Society is subject to legal claims that total approximately \$562,000 plus unspecified amounts. The Society has accrued a loss on legal disputes amounting to its most conservative estimate of potential damages based on its internal assessment and input from its independent legal advisors.

NOTE 14 – FINANCIAL INSTRUMENTS

The Society has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include credit risk, liquidity risk and market risk.

CUPS Calgary Society

Notes to the Financial Statements

For the Year Ended March 31, 2024

a) Credit Risk

Credit risk is the risk of financial loss to the Society if a customer fails to meet their contractual obligations and this risk arises principally from the Society's cash and cash equivalents, accounts receivable and investments.

The Society minimizes its credit risk relating to cash and cash equivalents and investments by placing its cash and cash equivalents with major financial institutions and investing its fixed income investments in large public organizations.

The Society's exposure to credit risk with its customers is influenced by the individual characteristics of each customer. The Society's customers for the most part are government agencies and donors. Over the last five years, the Society has not suffered any material credit losses with any of its customers.

The Society limits its exposure to credit risks from customers by dealing only with credit worthy customers. Management does not expect any customers to fail in meeting their obligations. Management does not expect any government agencies to fail in meeting their obligations.

The carrying amount of cash and cash equivalents and accounts receivable represents the maximum exposure limit.

b) Liquidity Risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Society manages its liquidity risk through maintaining appropriate balances of cash and cash equivalents and investments.

c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices. The Society is exposed to market risk to the extent that investments are affected by the securities traded in the market.

d) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market interest rates. The Society's investments are exposed to interest rate risk to the extent that interest rates are fixed upon maturity and its cash equivalents are exposed to interest rate risk to the extent that interest rates are floating.

NOTE 15 – KEY CASE MANAGEMENT, GRADUATE RENT SUBSIDY, COMMUNITY DEVELOPMENT, RAPID CARE COUNSELLING, CONNECT 2 CARE AND HOMES FOR HEALTH PROGRAMS

The Key Case Management program stabilizes chronically or episodically homeless individuals through intensive case management support, rent subsidies, and assistance from housing locators to secure and maintain housing. Referrals come through the Calgary Homeless Foundation's Coordinated Access and Assessment triage system.

CUPS Calgary Society
Notes to the Financial Statements
For the Year Ended March 31, 2024

The Graduated Rent Subsidy Program supports low-income individuals and families who have completed a Housing First case management program by providing ongoing rental subsidies and other supports to maintain housing stability and work towards independence.

The Community Development program provides affordable housing and light support to integrate participants into the broader community, facilitated by an on-site community developer. The program includes community activities and programming to foster a sense of community and increase access to social and recreational amenities.

The Rapid Care Counseling program offers low-barrier, easily accessible mental health services to vulnerable Calgarians through counselling at supportive housing sites and community hubs. The program aims to reduce barriers to mental health support and facilitate connections to longer-term mental health resources for those experiencing housing vulnerability.

The Connect 2 Care program is a multidisciplinary mobile outreach team providing transitional case management, advocacy, and care coordination for unhoused or vulnerably housed individuals with high acute care use, aiming to reduce unnecessary acute care and improve access to various support services.

The Homes for Health program supports individuals with significant physical health needs, substance use, and/or mental health concerns by providing independent rental housing and a low participant-to-staff ratio. A multidisciplinary team offers intensive short-term support to participants, who then transition to less intensive supportive and independent housing.

The following tables summarize the financial results included in the statement of operations of the Key Case Management, Graduated Rent Subsidy, Community Development, Rapid Care Counselling, Connect 2 Care and Homes for Health programs.

	Key Case Management Program 2024	Graduated Rent Subsidy Program 2024	Community Development Program 2024	Rapid Care Counselling Program 2024	Connect 2 Care Program 2024	Homes for Health Program 2024
Revenue						
Calgary Homeless Foundation	\$ 1,742,040	\$ 1,503,150	\$ 1,326,140	\$ 250,000	\$ 300,000	\$ 1,332,440
Expenses						
Start up costs	-	-	-	-	-	152,825
Staff costs	620,160	312,481	355,125	162,575	244,037	680,439
Participant costs	909,534	1,044,016	828,376	3,880	26,782	310,529
Administration costs	174,204	150,315	132,114	25,000	20,000	116,506
Total operating expenses	1,703,898	1,506,812	1,315,615	191,455	290,819	1,260,299
Excess (deficiency) of revenue over expenses	\$ 38,142	\$ (3,662)	\$ 10,525	\$ 58,545	\$ 9,181	\$ 72,141

CUPS Calgary Society
Notes to the Financial Statements
For the Year Ended March 31, 2024

NOTE 16 – CHARITABLE FUNDRAISING ACT DISCLOSURE

As required under Section 7(2) of the regulations of the Charitable Fundraising Act of Alberta, remuneration and benefits paid in the year to employees who principal duties involved fundraising were \$421,037 (2023 - \$454,958).