

ACCESSIBLE HOUSING SOCIETY

Financial Statements

March 31, 2026

ACCESSIBLE HOUSING SOCIETY
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For the Year Ended March 31, 2026

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Accessible Housing Society:

Opinion

We have audited the financial statements of Accessible Housing Society (the "Society"), 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2026, 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 ethical responsibilities in accordance with those 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 these 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 cease operations, or has no realistic alternative but to do so.



Independent Auditor's Report to the Directors of Accessible Housing Society *(continued)*

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

Auditor's Responsibilities for the Audit of 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.

BDO Canada LLP

Chartered Professional Accountants

Calgary, Alberta
June 26, 2026

ACCESSIBLE HOUSING SOCIETY
Statement of Financial Position
As at March 31

	2026	2025
Assets		
Current		
Cash	\$ 500,511	\$ 600,272
Restricted cash (Note 3)	47,423	1,297,389
Short term investments (Note 4)	1,436,294	174,151
Accounts receivable	36,664	1,992
Goods and services tax recoverable	4,535	8,335
Prepaid expenses	52,076	45,261
	2,077,503	2,127,400
Long term investments (Note 4)	-	163,479
Property and equipment (Note 5)	12,430,179	12,844,286
	\$ 14,507,682	\$ 15,135,165
Liabilities and Net assets		
Current		
Accounts payable and accrued liabilities (Notes 7, 10)	\$ 314,834	\$ 427,299
Security deposits (Note 3)	45,279	41,326
Current portion of long term debt (Note 6)	193,490	197,860
Deferred contributions - operations (Note 7)	41,799	131,445
	595,402	797,930
Long term debt (Note 6)	-	195,070
Deferred contributions - property and equipment (Note 8)	9,392,266	9,708,042
Deferred contributions - future property development (Note 9)	79,825	94,717
Lease inducement (Note 11)	9,992	66,098
	10,077,485	10,861,857
Net Assets		
Invested in property and equipment	2,844,423	2,742,866
Internally restricted (Note 12)	1,424,333	1,424,333
Unrestricted	161,441	106,109
	4,430,197	4,273,308
	\$ 14,507,682	\$ 15,135,165

On behalf of the Board

Signed by:  Director
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ACCESSIBLE HOUSING SOCIETY
Statement of Operations
For the Year Ended March 31

	2026	2025
Revenue		
Alberta government funding	\$ 3,231,438	\$ 2,754,799
Rental and service fees	780,674	744,061
Calgary Homeless Foundation	635,373	1,109,640
Other grants	367,076	356,423
Recognition of deferred contributions related to property and equipment (Note 8)	346,873	320,452
Interest income	48,630	73,317
Other income	17,144	23,368
Donations	9,449	99,598
Fee for service	3,224	3,124
	5,439,881	5,484,782
Expenses		
Salaries and benefits	3,353,085	3,389,828
Resident programs	417,220	442,145
Amortization	414,004	398,690
Food services	237,683	237,216
Facility and maintenance	149,456	174,799
Telephone and utilities	157,629	164,504
Professional fees	101,709	112,057
Office rental (Note 11)	121,206	118,729
Office and administrative	120,493	101,442
Insurance	92,757	88,129
Software and information technology	48,040	46,057
Staff training and travel	55,219	44,931
Interest on long term debt	20,634	33,709
Fund development	6,888	21,997
	5,296,023	5,374,233
Excess of revenue over expenses from operations	143,858	110,549
Gain on disposal of properties	13,031	-
Excess of revenue over expenses	\$ 156,889	\$ 110,549

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

ACCESSIBLE HOUSING SOCIETY
Statement of Changes in Net Assets
For the Year Ended March 31

	Invested in property and equipment	Internally restricted (Note 12)	Unrestricted	2026	2025
Net assets - beginning of year	\$ 2,742,866	\$ 1,424,333	\$ 106,109	\$ 4,273,308	\$ 4,162,759
Excess of revenue over expenses	(67,131)	-	224,020	156,889	110,549
Internal transfers for property and equipment	(43,783)	-	43,783	-	-
Disposal of assets	13,031	-	(13,031)	-	-
Debt repayments	199,440	-	(199,440)	-	-
Net assets - end of year	\$ 2,844,423	\$ 1,424,333	\$ 161,441	\$ 4,430,197	\$ 4,273,308

ACCESSIBLE HOUSING SOCIETY
Statement of Cash Flows
For the Year Ended March 31

	2026	2025
Operating activities		
Excess of revenue over expenses	\$ 156,889	\$ 110,549
Items not affecting cash:		
Amortization of property and equipment	414,004	398,690
Gain on disposal of property and equipment	(13,031)	-
Revenue recognized from deferred contributions related to property and equipment (Note 8)	(346,873)	(320,452)
Amortization of deferred lease incentives (Note 11)	(9,129)	(17,242)
	<u>201,860</u>	<u>171,545</u>
Changes in non-cash working capital:		
Accounts receivable	(34,672)	20,633
Goods and services tax recoverable	3,800	(2,295)
Prepaid expenses	(6,815)	1,918
Accounts payable and accrued liabilities	(112,465)	129,656
Deferred contributions - operations	(38,181)	(64,230)
Security deposits	3,953	(798)
	<u>(184,380)</u>	<u>84,884</u>
Cash flows from operating activities	<u>17,480</u>	<u>256,429</u>
Investing activities		
Purchase of property and equipment	(44,343)	(109,170)
Redemption of investments	337,630	171,256
Purchase of investments	(1,436,294)	(176,767)
Decrease (increase) in restricted cash	1,249,966	(53,473)
	<u>106,959</u>	<u>(168,154)</u>
Cash flows from (used by) investing activities	<u>106,959</u>	<u>(168,154)</u>
Financing activities		
Contribution received for future property and equipment (Note 8)	-	84,006
Spent for future expenditures	(24,760)	(7,998)
Repayment of debt	(199,440)	(186,364)
	<u>(224,200)</u>	<u>(110,356)</u>
Cash flows used by financing activities	<u>(224,200)</u>	<u>(110,356)</u>
Decrease in cash flows	<u>(99,761)</u>	<u>(22,081)</u>
Cash - beginning of year	<u>600,272</u>	<u>622,353</u>
Cash - end of year	<u>\$ 500,511</u>	<u>\$ 600,272</u>

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

ACCESSIBLE HOUSING SOCIETY

Notes to Financial Statements

Year Ended March 31, 2026

1. Purpose of organization

Accessible Housing Society (the "Society ") is a Calgary not-for-profit organization that opens doors for people to live in community with dignity through supportive living services. The Society's vision states that people with limited mobility are empowered to achieve their potential. The Society is incorporated under the Societies Act of Alberta as a not-for-profit organization. The Society is a registered charity, and thus is exempt from income tax under Section 149(1)(f) of the Income Tax Act.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part III of the CPA Canada Handbook, and in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies below:

Revenue recognition

The Society follows the deferral method of accounting for contributions. 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. Restricted contributions are recognized in the year in which the related expenses are incurred.

Amounts externally restricted for capital purposes are recorded as deferred contributions for property and equipment when received or receivable and recognized as revenue each year in proportion to the annual amortization of the related assets for which the capital contributions were expended. Amounts which have not been designated for a specific capital project or which relate to capital costs in a future period are deferred and recognized as revenue when the expenses are incurred.

Rental revenue is recognized as revenue on an accrual basis when it is earned.

Interest is recognized as revenue on an accrual basis when it is earned.

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

Cash

Cash consists of cash on hand and bank balances.

Restricted cash

The Society has received cash that is to be used for specific purposes and keeps this cash in separate bank accounts if there is a requirement from funders.

(continues)

ACCESSIBLE HOUSING SOCIETY
Notes to Financial Statements
Year Ended March 31, 2026

2. Summary of significant accounting policies (*continued*)

Property and equipment

Property and equipment is recorded at cost. Contributed property and equipment are recorded at fair value at the date of contribution. Property and equipment is amortized over its estimated useful life at the following rates and methods:

Building	Remaining useful life years with original useful life of 40 years	straight-line
Digital equipment	3 years	straight-line
Equipment	5 years	straight-line
Leasehold improvement	10 years	straight-line
Major equipment	10 years	straight-line

Property under development is not amortized until placed into use.

The Society capitalizes interest on construction projects when the interest expense is directly attributed to the construction activity and the project is developed over a significant amount of time.

When property or equipment no longer has any long-term service potential to the Society, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Any unamortized deferred contribution amount related to the asset is recognized in revenue in the statement of operations, provided that all restrictions have been complied with.

Financial instruments policy

The Society initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost. Financial liabilities measured at amortized cost are tested for impairment at each reporting date.

Investments consist of guaranteed investment certificates (GICs). Investments with maturity within one year have been classified as short-term investments.

Contributed materials and services

Donated materials are recorded at the estimated fair value, if the donated materials would otherwise have been purchased in the normal course of operations and if the fair value can be reasonably estimated. If fair value cannot be reasonably estimated, such donations are not recorded. The fair value of donated goods received during the year was \$nil (2025 - \$nil)

The operations of the Society include the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and as such are not reflected in these financial statements.

(continues)

ACCESSIBLE HOUSING SOCIETY
Notes to Financial Statements
Year Ended March 31, 2026

2. Summary of significant accounting policies (*continued*)

Measurement uncertainty

The preparation of financial statements in conformity with ASNPO 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. By their nature, these estimates are subject to measurement uncertainty. Actual results could differ from and affect the results reported in these financial statements.

Cloud computing arrangements

The Society applies the simplification approach to account for expenditures in cloud computing arrangements. The expenditures in the arrangements are treated as supply of services and recognized as an expense as incurred.

3. Restricted cash

The restricted cash is comprised of the following:

	<u>2026</u>	<u>2025</u>
Casino funds	\$ 2,144	\$ 105,644
Security deposits	45,279	41,326
Internally restricted funds (Note 12)	-	1,150,419
	<u>\$ 47,423</u>	<u>\$ 1,297,389</u>

Casino funds are subject to Alberta Gaming, Liquor and Cannabis restrictions.

Security deposits are received on behalf of residential tenants and kept separately in an interest-bearing trust account in accordance to the requirement of the Residential Tenancies Act of Alberta.

ACCESSIBLE HOUSING SOCIETY
Notes to Financial Statements
Year Ended March 31, 2026

4. Investments

	<u>2026</u>	<u>2025</u>
<u>Short term</u>		
Fixed non-redeemable eighteen month GIC, bearing interest at 5.06% (2025: 5.06%) per annum, maturing June 1, 2027 (2025: December 1, 2025)	\$ 183,117	\$ 174,151
Fixed non-redeemable one year GIC, bearing interest at 5.35% per annum, maturing July 27, 2026	172,225	-
Fixed non-redeemable three hundred days GIC, bearing interest at 2.77% per annum, maturing July 15, 2026	1,000	-
Fixed non-redeemable one year GIC, bearing interest at 3.10% per annum, maturing July 24, 2026	1,079,952	-
	<u>\$ 1,436,294</u>	<u>\$ 174,151</u>
<u>Long term</u>		
Fixed non redeemable GIC twelve month GIC, bearing interest at 5.35%, maturing July 27, 2026 (2025: July 27, 2026)	\$ -	\$ 163,479

These GICs are held in accordance to the internally restricted fund requirements to fund for specific purposes (Note 12).

ACCESSIBLE HOUSING SOCIETY
Notes to Financial Statements
Year Ended March 31, 2026

5. Property and equipment

	Cost	Accumulated amortization	2026 Net book value
Land	\$ 1,440,000	\$ -	\$ 1,440,000
Building	13,560,916	2,708,410	10,852,506
Digital equipment	526,379	489,596	36,783
Equipment	523,994	452,307	71,687
Leasehold improvements	10,250	598	9,652
Major equipment	97,752	78,201	19,551
	\$ 16,159,291	\$ 3,729,112	\$ 12,430,179

	Cost	Accumulated amortization	2025 Net book value
Land	\$ 1,440,000	\$ -	\$ 1,440,000
Building	13,560,916	2,368,744	11,192,172
Digital equipment	526,109	467,664	58,445
Equipment	490,169	416,622	73,547
Leasehold improvements	126,989	76,193	50,796
Major equipment	97,752	68,426	29,326
	\$ 16,241,935	\$ 3,397,649	\$ 12,844,286

ACCESSIBLE HOUSING SOCIETY
Notes to Financial Statements
Year Ended March 31, 2026

6. Long term debt

	<u>2026</u>	<u>2025</u>
Mortgage payable to First Calgary Financial bearing interest at 6.80% (2025: 6.80%) per annum, payable in monthly instalments of \$18,339 (2025: \$18,339), due February 2027. Secured by land and building with a carrying value of \$12,292,506 (2025: \$12,632,172).	\$ 193,490	\$ 392,930
Current portion	<u>(193,490)</u>	<u>(197,860)</u>
	<u>\$ -</u>	<u>\$ 195,070</u>

Principal repayment terms are approximately:

2027	<u>\$ 193,490</u>
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7. Deferred contributions related to operations

Deferred contributions related to operations represent externally restricted amounts received that have not yet been spent.

	<u>2026</u>	<u>2025</u>
Balance - beginning of the year	\$ 131,445	\$ 195,675
Contributions received	4,155,597	4,258,955
Repaid to funder	(21,579)	(49,200)
Transfer to deferred contributions related to property and equipment (Note 8)	(31,097)	-
Recognized as revenue	<u>(4,192,567)</u>	<u>(4,273,985)</u>
Balance - end of the year	<u>\$ 41,799</u>	<u>\$ 131,445</u>

Surpluses in total of \$21,579 (2025: \$49,200) as disclosed in Note 10 from Bridge to Home program funded by Calgary Homeless Foundation that are required to be paid back to funders are included in accounts payable for the year end.

8. Deferred contributions related to property and equipment

	<u>2026</u>	<u>2025</u>
Balance - beginning of the year	\$ 9,708,042	\$ 9,919,991
Transfer from deferred contributions related to future development (Note 9)	-	24,497
Transfer from deferred contributions related to operations (Note 7)	31,097	-
Contributions received	-	84,006
Recognized as revenue	<u>(346,873)</u>	<u>(320,452)</u>
Balance - end of the year	<u>\$ 9,392,266</u>	<u>\$ 9,708,042</u>

ACCESSIBLE HOUSING SOCIETY
Notes to Financial Statements
Year Ended March 31, 2026

9. Deferred contributions related to future property development

Deferred contributions related to future development represent contributions from Resolve capital campaign to support the land and building.

	<u>2026</u>	<u>2025</u>
Balance - beginning of the year	\$ 94,717	\$ 127,212
Contributions received	9,868	2,319
Transfer to deferred contributions related to property and equipment (Note 8)	-	(24,497)
Utilizations	<u>(24,760)</u>	<u>(10,317)</u>
Balance - end of the year	<u>\$ 79,825</u>	<u>\$ 94,717</u>

ACCESSIBLE HOUSING SOCIETY

Notes to Financial Statements

Year Ended March 31, 2026

10. Refundable surplus

a) The annual Emergency/Short-Term/Long-Term Supportive Housing Initiative Conditional Grant Funding Agreement with the Minister of Community and Social Services defines any excess of funds received over approved operating expenditures as the unused portion of the grant. There is no deferred portion for the year ended March 31, 2026 (2025: \$nil). In accordance with the specific purpose funding agreement, the unused portion of Wage Top-Up Funding amounting \$nil (2025 - \$nil) is reported as accounts payable and accrued liabilities (Note 7).

b) In accordance with the annual funding agreements with the Calgary Homeless Foundation, any unused surplus resulting from the excess of funds received over approved operating expenses is applied to the subsequent year. As at March 31, 2026, the refundable surplus from the Bridge to Home program of \$21,579 (2025: \$49,200) is reported as accounts payable and accrued liabilities (Note 7)

	Bridge to Home	
	2026	2025
<u>Funds received in current year</u>		
Program funding	\$ 656,949	\$ 1,158,840
<u>Expenses</u>		
Staff costs	373,772	667,957
Client costs	195,904	325,999
Admin	65,694	115,684
	635,370	1,109,640
Refundable surplus	\$ 21,579	\$ 49,200

11. Lease commitments

During the year, the Society signed a lease relocation and amended agreement effective October 1, 2025. The landlord provided a one-time leasehold improvement allowance of \$52,500, which was recorded in the financial statements as lease inducements for the capitalized portion and as miscellaneous revenue for expenditures incurred and reimbursed upon the landlord's approval. The lease inducements in total of \$9,992 at March 31, 2026 (2025: \$66,098) are recognized as a reduction of rent expense at \$1,016 per annum (2025: \$17,242), over the lease term.

Under the terms of the above agreement, future minimum lease payments are as follows:

2027	\$ 48,603
2028	48,603
2029	48,603
2030	48,603
2031	49,080
Thereafter	<u>248,733</u>
	\$ 492,225

ACCESSIBLE HOUSING SOCIETY
Notes to Financial Statements
Year Ended March 31, 2026

12. Internally restricted funds

Internally restricted funds represent funds that have been designated by the Board of Directors as restricted funds for specific purposes in subsequent periods as described below. Internally restricted funds cannot be spent without board approval.

In previous years, the Board of Directors approved the set up of a contingency fund in case there are unanticipated significant shortfalls in revenue. The approved balance of the contingency fund in prior year remained at \$708,360, as no new resolution was passed by the Board during the current year. Interest income of \$nil from GIC was transferred to the internally restricted contingency fund.

The Board of Directors allocated \$nil (2025: \$nil) from the operating surplus to the building reserve to be used in major repairs and maintenance related to the building based on reserve fund study.

During the year, interest of \$nil (2025 - \$nil) was earned on the internally restricted GICs.

	<u>2026</u>	<u>2025</u>
Contingency fund	\$ 708,360	\$ 708,360
Building reserve	<u>715,973</u>	<u>715,973</u>
	<u>\$ 1,424,333</u>	<u>\$ 1,424,333</u>

ACCESSIBLE HOUSING SOCIETY

Notes to Financial Statements

Year Ended March 31, 2026

13. Financial instruments

The Society's financial instruments consist of cash, restricted cash, investments, accounts receivable, accounts payable and accrued liabilities, security deposits payable, and long term debt, all of which are reported at amortized cost.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. Credit risk exists in accounts receivable. The Society does not consider that it is exposed to undue credit risk. No allowance is provided for the receivables, as all amounts are considered collectible.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in mortgage payable and accounts payable.

The Society's ability to continue to service debt and meet other obligations as they come due is dependent on the continued ability to generate earnings and cash flows.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Society is mainly exposed to interest risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The Society is exposed to interest rate risk primarily through its mortgage. The mortgage is paid based on fixed rate and contractual terms to its maturity date and management does not consider changes in fair value to be of a significant risk.
