HOSPICE CALGARY SOCIETY

Financial Statements

For the Years Ended March 31, 2026 and March 31, 2025

HOSPICE CALGARY SOCIETY

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Years Ended March 31, 2026 and March 31, 2025

C & E LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Derek M. Cremers Professional Corporation
J. Scott Chomistek Professional Corporation
Hans Peter Cremers Professional Corporation

INDEPENDENT AUDITOR'S REPORT

To the Members of Hospice Calgary Society

Opinion

We have audited the financial statements of Hospice Calgary Society (the Society), which comprise the statements of financial position as at March 31, 2026 and 2025, and the statements of operations and changes in fund balances and cash flow for the years 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 2025, and the results of its operations and its cash flows for the years then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Basis for Opinion

We conducted our audits 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 audits of the financial statements in Canada, and we have fulfilled our other 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 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 relating 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.

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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 controls.
- 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 controls.
- 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.

Calgary, Alberta
June 16, 2026

C&E LLP Chartered Professional Accountants

HOSPICE CALGARY SOCIETY
Statement of Financial Position
For the Years Ended March 31, 2026 and March 31, 2025

	Unrestricted Fund	Capital Asset Fund	Restricted Fund	**Total 2026**	Total 2025
ASSETS					
CURRENT					
Cash and cash equivalents	$ 80,829	$ -	$ 1,433,116	**$ 1,513,945**	$ 1,832,674
Accounts receivable	5,989	-	107,950	**113,939**	5,974
Goods and services tax recoverable	7,593	-	-	**7,593**	13,706
Prepaid expenses	67,332	-	-	**67,332**	67,907
	161,743	-	1,541,066	**1,702,809**	1,920,261
CAPITAL ASSETS *(Note 3)*	-	3,451,376	-	**3,451,376**	3,368,055
	$ 161,743	$ 3,451,376	$ 1,541,066	**$ 5,154,185**	$ 5,288,316
LIABILITIES AND FUND BALANCES					
CURRENT					
Accounts payable	$ 29,203	$ -	$ 114,629	**$ 143,832**	$ 196,896
Wages payable	63,010	-	161,115	**224,125**	200,313
Deferred revenue	-	-	-	**-**	15,634
	92,213	-	275,744	**367,957**	412,843
FUND BALANCES					
Unrestricted	69,530	-	-	**69,530**	239,536
Restricted	-	-	1,265,322	**1,265,322**	1,267,882
Invested in capital assets	-	3,451,376	-	**3,451,376**	3,368,055
	69,530	3,451,376	1,265,322	**4,786,228**	4,875,473
	$ 161,743	$ 3,451,376	$ 1,541,066	**$ 5,154,185**	$ 5,288,316

ON BEHALF OF THE BOARD

_____________________ *Director*

_____________________ *Director*

See notes to financial statements

HOSPICE CALGARY SOCIETY

Statement of Operations and Changes in Fund Balances

Year Ended March 31, 2026

	Unrestricted Fund	Capital Asset Fund	Restricted Fund	**2026**	2025
REVENUES					
Government contracts	$ -	$ -	$ 2,367,925	**$ 2,367,925**	$ 2,212,979
Donations	578,627	-	1,156,480	**1,735,107**	2,429,298
Special events	325,019	-	85,243	**410,262**	514,955
FCSS contract	-	-	294,343	**294,343**	294,895
Other grants	93,080	-	76,000	**169,080**	87,900
Other	38,834	-	51,633	**90,467**	171,410
Interest	62,422	-	-	**62,422**	76,040
AGLC	-	-	39,000	**39,000**	114,714
	1,097,982	-	4,070,624	**5,168,606**	5,902,191
EXPENSES					
Salaries, wages and benefits	120,584	-	4,085,935	**4,206,519**	3,954,917
Administration costs	-	-	396,030	**396,030**	370,379
Depreciation	-	190,492	-	**190,492**	181,004
Fees and contracts	101,389	-	77,922	**179,311**	117,562
Building costs	6,080	-	159,438	**165,518**	180,993
Special events	65,308	-	1,368	**66,676**	62,215
Direct program expenses	3,111	-	50,194	**53,305**	53,990
	296,472	190,492	4,770,887	**5,257,851**	4,921,060
NET EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	801,510	(190,492)	(700,263)	**(89,245)**	981,131
FUND BALANCE - BEGINNING OF YEAR	239,536	3,368,055	1,267,882	**4,875,473**	3,894,342
	1,041,046	3,177,563	567,619	**4,786,228**	4,875,473
INTERFUND TRANSFERS	(971,516)	273,813	697,703	**-**	-
FUND BALANCE - END OF YEAR	$ 69,530	$ 3,451,376	$ 1,265,322	**$ 4,786,228**	$ 4,875,473

HOSPICE CALGARY SOCIETY
Statement of Cash Flows
For the Years Ended March 31, 2026 and March 31, 2025

	2026	2025
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	**$ (89,245)**	$ 981,131
Item not affecting cash:		
Depreciation	**190,492**	181,004
	101,247	1,162,135
Changes in non-cash working capital:		
Accounts receivable	**(107,966)**	13,736
Accounts payable	**(53,064)**	35,582
Prepaid expenses	**575**	(52,483)
Goods and services tax recoverable	**6,113**	(7,090)
Wages payable	**23,813**	16,467
Deferred revenue	**(15,634)**	(128,936)
	(146,163)	(122,724)
Cash flow used by operating activities	**(44,916)**	1,039,411
INVESTING ACTIVITY		
Purchase of capital assets	**(273,813)**	(432,642)
Cash flow used by investing activity	**(273,813)**	(432,642)
NET CHANGE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	**(318,729)**	606,769
Cash and cash equivalents - beginning of year	**1,832,674**	1,225,905
CASH AND CASH EQUIVALENTS - END OF YEAR	**$ 1,513,945**	$ 1,832,674

1. PURPOSE OF THE SOCIETY

Hospice Calgary Society (the Society) is incorporated under the Societies' Act of Alberta. The Society is committed to providing programs and services dedicated to the care of the dying and the bereaved. The Society is a non-profit registered charity as defined under paragraph 149 of the Income Tax Act, and therefore is not subject to income taxes.

Included in these financial statements are the revenues and expenses of Rosedale Hospice, the Children's Grief Centre, and the Living with Advanced Illness Centre.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

Fund accounting

The Society follows the restricted fund method of accounting for contributions using the following funds:

The Unrestricted Fund reflects the activities associated with the Society's day-to-day operations and administrative activities.

The Capital Asset Fund reflects the activities related to capital assets and related expenditures, disposals, and amortization.

This Restricted Fund reflects the activities related to capital grants, donations and bequests made available to the Society under conditions specified by donors.

Revenue recognition

Restricted contributions are recognized as revenue of the Restricted Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions are recognized as revenue of the Unrestricted Fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Deferred revenue is recorded when amounts are received in advance of the related event or program delivery.

Unrestricted investment income is recognized as revenue in the Unrestricted Fund when earned.

Cash equivalents

Cash equivalents are investments in term deposits that are short-term, highly liquid and readily convertible to known amounts of cash.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capital assets

Capital assets are stated at cost less accumulated depreciation. Capital assets are amortized over their estimated useful lives using the following rates and methods:

Buildings	4%	declining balance method
Leasehold improvements		straight-line method over lease term
Equipment	20%	declining balance method
Computer equipment	20%	declining balance method
Furniture and fixtures	20%	declining balance method
Computer software	50%	declining balance method

Measurement uncertainty

The preparation of financial statements in conformity with Canadian 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. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. Management has determined that no significant estimates are subject to a high degree of measurement uncertainty.

Donated materials and services

Donated materials and services are recorded in the financial statements at fair market value when fair market value can be reasonably estimated, and the materials or services are used in the normal course of business and would otherwise have been purchased. Services donated to the Society through volunteer work are not reflected in these financial statements.

Items donated for auction are not recorded as revenue until the items are sold. No accounting recognition occurs when the items are initially donated, as their values are more accurately measured by amounts raised at auction.

3. CAPITAL ASSETS

	Cost	Accumulated depreciation	**2026 Net book value**	2025 Net book value
Buildings	$ 4,820,269	$ 2,409,753	**$ 2,410,518**	$ 2,510,955
Leasehold improvements	1,985,316	1,133,460	**851,856**	660,592
Equipment	718,744	641,491	**77,253**	90,843
Computer equipment	420,448	348,746	**71,702**	70,861
Furniture and fixtures	344,599	304,552	**40,047**	34,804
Computer software	134,463	134,463	**-**	-
	$ 8,423,839	$ 4,972,465	**$ 3,451,376**	$ 3,368,055

4. ALBERTA HEALTH SERVICES CONTRACTS

On December 6, 2019, the Society entered into a 5 year funding agreement with Alberta Health Services (AHS) for Rosedale Hospice operations. The agreement provides for a minimum of $1,409,434 in funding per year. The funding agreement, initially scheduled to end on December 2024 has been extended and will now end on December 2026.

For the year ended March 31, 2026, funding received for Rosedale Hospice operations totaled $1,734,758 (2025 - $1,709,345), which is included as revenue recognized in the Restricted Fund.

An additional AHS funding agreement became effective on April 1, 2018 that provided funding via Alberta Health, Child & Adolescent Addictions and Mental Health and Psychiatry Program (CAAMHPP) for the Society's Children’s Grief Centre to March 31, 2026. The agreement provides for a minimum of $500,000 funding per year for the provision of Children’s Grief Centre services and is also included as revenue in the Restricted Fund. For the year ended March 31, 2026, funding received for the Society's Grief Centre totaled $544,193 (2025 - $453,263), which is also included as revenue in the Restricted Fund. Funding recognized was reduced by the return of surplus funds resulting from staffing vacancies during the year.

For both contracts, management has been advised that renewal discussions are ongoing and renewed agreements are delayed due to the restructuring of Alberta Health Services.

5. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, accounts receivable, interest receivable, goods and services tax recoverable, term deposits, wages payable, and accounts payable. Management has elected to measure these financial instruments at fair value, which is approximated by their carrying values. Unless otherwise noted, it is management’s opinion that the Society is exposed to credit, liquidity and market risks in the normal course of operations. Management does not believe these risks are significant.

6. ADDITIONAL INFORMATION TO COMPLY WITH THE DISCLOSURE REQUIREMENT OF THE CHARITABLE FUND-RAISING ACT AND REGULATION

As required under Section 7(2) of the Charitable Fundraising Regulation in Alberta, the following amounts are disclosed:

Gross contributions received totaled $2,497,552 (2025 - $3,304,811).

Gross contributions received were disposed as follows:

	2026	2025
Administration	$ 1,115,740	$ 859,000
Rosedale Hospice	862,674	907,000
Living with Advanced Illness Centre	314,718	280,000
Children's Grief Centre	204,420	100,000
Capital	-	1,158,000
	$ 2,497,552	$ 3,304,000

No disposition was made that equal to or exceeds 10% of the gross contributions received.

Expenses incurred for the purposes of soliciting contributions totaled $131,697 (2025 - $110,902).

$438,083 (2025 - $325,838) was paid as remuneration to employees whose principal duties involve fundraising.

No amount was paid as remuneration to a fundraising business, including any expenses or fees paid by the charitable organization on behalf of the fundraising business or as reimbursements to the fundraising business.

7. LINES OF CREDIT

The Society has secured a $500,000 line of credit with CIBC Bank effective July 11, 2023. No amounts were outstanding on the line of credit during the year or at year end.

8. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.