FAMILIES MATTER SOCIETY OF CALGARY

Financial Statements

Year Ended December 31, 2025

SUNSTONE
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Families Matter Society of Calgary

Opinion

We have audited the financial statements of Families Matter Society of Calgary (the Society), which comprise the statement of financial position as at December 31, 2025, and the statements of revenues and expenditures, 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 December 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 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 ASNPO, 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:

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- 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.

Sunstone

Calgary, Alberta
April 2, 2026

Chartered Professional Accountants

FAMILIES MATTER SOCIETY OF CALGARY
Statement of Financial Position
December 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	$ **688,121**	$ 1,258,111
Short term investments *(Note 4)*	**812,116**	228,271
Accounts receivable	**3,247**	16,909
Goods and services tax recoverable	**32,741**	15,461
Prepaid expense and prepaid deposits	**82,052**	46,136
	1,618,277	1,564,888
Long term investments *(Notes 4, 8)*	**444,000**	444,000
Property and equipment *(Note 5)*	**71,537**	82,463
	$ **2,133,814**	$ 2,091,351
LIABILITIES		
CURRENT		
Accounts payable *(Note 6)*	$ **212,714**	$ 180,005
Deferred revenue *(Note 7)*	**782,725**	807,458
	995,439	987,463
Deferred capital contributions *(Note 7)*	**1,356**	2,265
	996,795	989,728
NET ASSETS		
Operating fund	**693,019**	657,623
Internally restricted fund *(Note 8)*	**444,000**	444,000
	1,137,019	1,101,623
	$ **2,133,814**	$ 2,091,351

Lease commitments *(Note 11)*

On behalf of the Board

Alyson Jenkins ____________________ *Director*

Lisa Barton ____________________ *Director*

See notes to financial statements

FAMILIES MATTER SOCIETY OF CALGARY

Statement of Revenues and Expenditures

Year Ended December 31, 2025

	2025	2024
Revenue		
Funding *(Note 9)*	**$ 3,803,887**	$ 3,713,771
Interest and other investment income	**47,521**	39,720
Unrealized gain (loss) on investment	**26,877**	(15,726)
Dividend income	**14,464**	23,555
Realized gain (loss) on sale of investments	**6,258**	(1,834)
Amortization of deferred capital contribution	**909**	1,149
	3,899,916	3,760,635
Expenses		
Salaries and wages	**2,788,589**	2,842,995
Occupancy and equipment	**387,763**	408,993
Program operations	**307,553**	204,859
Contracted services	**124,429**	100,659
Staff and volunteers	**85,076**	38,833
Administration	**75,062**	63,932
Marketing and fundraising *(Note 10)*	**59,055**	30,937
Other	**19,347**	14,147
Amortization	**17,646**	18,735
	3,864,520	3,724,090
Excess of revenue over expenses	**$ 35,396**	$ 36,545

See notes to financial statements

FAMILIES MATTER SOCIETY OF CALGARY
Statement of Changes in Net Assets
Year Ended December 31, 2025

	Operating Fund	Internally Restricted Fund	**2025**	2024
NET ASSETS - BEGINNING OF YEAR	$ 657,623	$ 444,000	**$ 1,101,623**	$ 1,065,078
Excess of revenue over expenses	35,396	-	**35,396**	36,545
NET ASSETS - END OF YEAR	$ 693,019	$ 444,000	**$ 1,137,019**	$ 1,101,623

See notes to financial statements

FAMILIES MATTER SOCIETY OF CALGARY
Statement of Cash Flows
Year Ended December 31, 2025

	2025	2024
Operating activities		
Excess of revenue over expenses	**$ 35,396**	$ 36,545
Items not affecting cash:		
Amortization of property and equipment	**17,646**	18,735
Unrealized loss (gain) on investments	**(47,918)**	15,726
Other investment income	**(22,978)**	(8,651)
Amortization of deferred capital contribution	**(909)**	(1,149)
Dividend reinvestment plan	**(1,096)**	(23,555)
	(19,859)	37,651
Changes in non-cash working capital:		
Accounts payable	**32,710**	71,396
Accounts receivable	**13,662**	(11,060)
Goods and services tax receivable	**(17,280)**	1,209
Deferred income	**(24,733)**	(216)
Prepaid expense and prepaid deposits	**(35,916)**	2,936
Deposits received	**-**	(8,280)
	(31,557)	55,985
Cash flow from (used by) operating activities	**(51,416)**	93,636
Investing activities		
Net sale over purchase in short term investments	**(511,854)**	242,614
Purchase of property and equipment	**(6,720)**	-
Cash flow from (used by) investing activities	**(518,574)**	242,614
Increase (decrease) in cash flow	**(569,990)**	336,250
Cash and cash equivalents - beginning of year	**1,258,111**	921,861
Cash and cash equivalents - end of year	**$ 688,121**	$ 1,258,111

See notes to financial statements

1. PURPOSE OF THE SOCIETY

Families Matter Society of Calgary ("The Society") was incorporated under the Societies Act (Alberta) as a result of an amalgamation filed on December 23, 2003 that combined the operating assets of Calgary Family Connections Society, The Parent Development Centre (Calgary) Association, and Calgary Support for Young Parents Association.

The Society's mission is to strengthen families through life's transitions by providing families with education and support, and by promoting community understanding of family issues through public awareness and advocacy. Services provided include parenting resources and courses, in-home support, early childhood development, postpartum support, and a parent resource telephone line.

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).

Measurement uncertainty

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 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. Actual results could differ from these estimates. Significant estimates include the recoverability and useful life of property and equipment and valuation of investments.

Cash and cash equivalents

The Society considers cash on deposit with chartered banks, and certificates of deposit with original maturities of 90 days or less as cash and cash equivalents.

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life at the following rates and methods:

Equipment	20%	declining balance method
Computer equipment	30%	declining balance method
Leasehold improvements	10 years	straight-line method

The Society regularly reviews its property and equipment for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. When a capital asset no longer contributes to the Society's ability to provide services, its carrying amount is written down to its residual value. The impairment loss is recognized in the statement of revenues and expenses and is not reversed subsequently.

Investments

Investments are classified as current if they have original maturities of more than three months and mature within one year from the balance sheet date. Short-term investments include marketable securities, mutual funds equities and other similar investments and can be redeemed at any time by the Society.

Investments are classified as long-term investments if they have maturities of more than one year from the balance sheet date, or if the amounts are internally restricted by the board for long term use.

Changes in fair values are recognized in the statement of revenues and expenses as changes in unrealized gains or losses.

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

Revenue recognition

Families Matter Society of Calgary 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.

Fees for services are recognized as revenue as related services are provided and the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions restricted for the acquisition of capital assets are recognized as revenue in the amounts that match the amortization expense of the related capital assets purchased with the contributions.

Unrestricted donations, fundraising revenue and dividend income are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed services

Volunteers assist the Society in carrying out certain activities. Due to uncertainty in determining fair value of the service and given that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Donated equipment and materials

Donated equipment and materials are recorded at fair market value if the fair value can be reasonably determined and the equipment and materials would otherwise be purchased. If fair market value cannot be reasonably determined, donated equipment and materials are recorded at nominal value.

Income taxes

The Society is a registered charity and while registered, the Society is exempt from income tax and may issue tax deductible receipts to donors.

Financial instruments

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Society has elected to carry its investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset.

If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Society expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

3. FINANCIAL INSTRUMENTS

The Society is subject to the following financial instrument risks:

Credit risk

Credit risk refers to the risk that a counterparty to a financial instrument may default on its contractual obligations resulting in a financial loss. The Society does not believe it is subject to any significant concentration of credit risk. Cash and cash equivalents, and investments are in place with major financial institutions and majority of the accounts receivables are due from the landlord for leasehold improvement reimbursements, where chances of default are low.

Liquidity risk

Liquidity risk is the risk that the Society will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Society does not believe it is subject to any significant concentration of liquidity risk.

The Society manages its liquidity risk by monitoring its operating requirements. The Society prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

Interest rate risk

Interest rate risk arises on cash and cash equivalents, and investments. The Society is exposed to interest rate risk due to fluctuations in the bank's interest rates.

4. SHORT AND LONG TERM INVESTMENTS

Investments consist of term deposits, equity funds, mutual funds, and fixed income funds. Term deposits consist of following Guaranteed Investment Certificates ("GIC") which are redeemable or with original maturity dates more than 90 days from year-end. Investments are held with a Canadian chartered banking institution.

1. Non-redeemable GIC in the amount of $30,000 bearing interest at 2.45% and maturing October 23, 2026.
2. Non-redeemable GIC in the amount of $5,000 bearing interest at 2.45% and maturing December 18, 2026.
3. Redeemable GIC in the amount of $150,000 bearing interest at 2.65% and maturing May 11, 2026.
4. Redeemable GIC in the amount of $150,000 bearing interest at 2.70% and maturing May 11, 2026.
5. Redeemable GIC in the amount of $213,178 bearing interest at 2.70% and maturing May 11, 2026.

Other investments include the following and are held with a public investment firm.

	2025	2024
Equity funds	**$ 463,618**	$ 396,932
Mutual funds	**130,588**	144,682
Fixed income funds	**113,732**	95,657
	$ 707,938	$ 637,271

Total term deposits and investments held by the Society have a year-end market value of $1,256,116 (2024 - $672,271). Included in these investments are $444,000 (2024 - $444,000) of internally restricted funds which is presented as long term assets (Note 8).

5. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	**2025 Net book value**	2024 Net book value
Leasehold improvements	$ 160,909	$ 96,362	**$ 64,547**	$ 80,637
Computer equipment	90,426	83,436	**6,990**	1,826
Furniture and equipment	24,448	24,448	**-**	-
	$ 275,783	$ 204,246	**$ 71,537**	$ 82,463

6. ACCOUNTS PAYABLE AND ACCRUALS

	2025	2024
Payroll and payroll remittance payable	**$ 125,325**	$ 109,461
Accrued payable	**49,904**	36,447
Other accrued payable	**24,582**	23,776
Credit cards payable	**12,903**	10,321
	$ 212,714	$ 180,005

The Society has a corporate credit card facility from a Canadian bank for $30,000 (2024 – $30,000).

7. DEFERRED REVENUE AND DEFERRED CAPITAL CONTRIBUTIONS

Deferred revenue consists of externally restricted funds which are required to be expended on specific programs and possibly could require repayment.

Deferred revenue consist of the following:

	2025	2024
Deferred revenue related to operations		
Private foundations	**$ 659,583**	$ 710,769
Alberta Gaming, Liquor and Cannabis	**71,208**	62,735
Calgary Learns	**41,645**	29,386
Public Health Agency of Canada	**10,289**	-
The Wagemaker Foundation	**-**	4,568
	$ 782,725	$ 807,458

Contributions provided or allocated for the purpose of acquiring property and equipment are recognized as revenues on the same basis as the related property and equipment is amortized.

Deferred capital contributions related to property and equipment represents the unamortized amount and unspent amount of the donations and grants received for the purchase of property and equipment. The amortization of capital contribution is recorded as revenue in the statement of revenues and expenses.

	2025	2024
Deferred contributions related to capital assets		
Balance - beginning of the year	**$ 2,265**	$ 3,414
Utilizations	**(909)**	(1,149)
	$ 1,356	$ 2,265

8. INTERNALLY RESTRICTED FUNDS

Internally restricted funds are set aside by the board of directors for future operational initiatives and funding shortfalls. The funds can be released by approval of the board of directors at their discretion.

9. FUNDING

	2025	2024
Government funding and supports	**$ 2,569,441**	$ 2,884,729
Public donations and contributions	**1,145,667**	782,737
Casino, bingo and special events	**75,159**	28,492
Other income	**13,621**	17,452
Program income	**-**	360
	$ 3,803,888	$ 3,713,770

10. FUNDRAISING EXPENSES

Section 7(2) of the Charitable Fund-raising Act of Alberta requires the foundation to disclose the expenses incurred for the purpose of soliciting contributions.

Direct expenses incurred for the purpose of soliciting contributions: $127 (2024 – $5,709).

11. LEASE COMMITMENTS

The Society has a long term lease with respect to its premises from periods ranging from one year to six years. Future annual base lease payments for the next five years are as follows:

	3404 25th	Midnapore	Total
2026	$ 84,242	$ 23,109	$ 107,351
2027	84,242	-	84,242
2028	84,242	-	84,242
2029	$ 84,242	$ -	$ 84,242