

# Financial Statements

Edmonton City Centre Church Corporation

December 31, 2025

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# Independent Auditor's Report

To the Members of the Edmonton City Centre Church Corporation (operating as e4c)

## Opinion

We have audited the financial statements of Edmonton City Centre Church Corporation (operating as e4c) ("the Organization"), which comprise the statement of financial position as at December 31, 2025, 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 Organization as at December 31, 2025, 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 Organization 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 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization 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.

Edmonton, Canada  
Month X, 2026

Chartered Professional Accountants

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# Edmonton City Centre Church Corporation

## Statement of Financial Position

December 31

	2025	2024
<b>Assets</b>		
Current		
Cash	\$ 14,324,102	\$ 13,818,603
Restricted cash (Note 6)	5,744,409	4,323,563
Short-term investments	-	377,706
Accounts receivable (Note 3)	1,022,254	1,829,488
Inventory	28,697	-
Prepaid expenses and deposits	181,542	66,885
	<b>21,301,004</b>	<b>20,416,245</b>
Long-term investments (Note 4)	1,669,721	1,346,704
Capital assets (Note 5)	15,042,205	10,824,551
	<b>\$ 38,012,930</b>	<b>\$ 32,587,500</b>
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities	\$ 1,697,203	\$ 1,568,832
Funds held for others (Note 6)	5,744,409	4,323,563
Deferred contributions (Note 7)	2,895,990	2,545,767
Current portion of long-term debt (Note 8)	262,792	886,347
	<b>10,600,394</b>	<b>9,324,509</b>
Long-term debt (Note 8)	589,947	218,887
Deferred capital contributions (Note 9)	5,827,442	5,736,177
	<b>17,017,783</b>	<b>15,279,573</b>
<b>Net assets</b>		
Unrestricted	4,697,551	5,083,956
Restricted (Note 14)	7,935,573	8,240,831
Investment in capital assets (Note 15)	8,362,023	3,983,140
	<b>20,995,147</b>	<b>17,307,927</b>
	<b>\$ 38,012,930</b>	<b>\$ 32,587,500</b>

Commitments and guarantees (Note 10)

On behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

See accompanying notes to the financial statements

# Edmonton City Centre Church Corporation

## Statement of Operations

Year Ended December 31

	2025	2024
<b>Revenues</b>		
Contract income (Note 11)	\$ 25,031,311	\$ 24,290,373
Donations and grants (Note 16)	1,105,266	2,276,620
Rents and client fees	915,035	871,778
Cafe operations	554,769	456,117
Interest	514,479	823,552
Amortization of deferred capital contributions (Note 9)	282,935	379,319
Other	124,668	40,050
Management fees	-	5,802
	<b>28,528,463</b>	<b>29,143,611</b>
<b>Expenditures</b>		
Wages and benefits	18,606,002	17,983,465
Facility, office and other	4,507,973	4,987,544
Direct client costs	3,855,643	4,310,105
Amortization of capital assets	231,798	377,836
Cafe cost of sales	167,734	165,794
Professional fees	141,771	243,771
Mortgage interest	14,322	16,035
	<b>27,525,243</b>	<b>28,084,550</b>
Excess of revenues over expenditures before other items	<b>1,003,220</b>	<b>1,059,061</b>
<b>Other items</b>		
Gain on disposal of capital assets	-	38,802
Excess of revenues over expenditures	<b>\$ 1,003,220</b>	<b>\$ 1,097,863</b>

See accompanying notes to the financial statements

# Edmonton City Centre Church Corporation

## Statement of Changes in Net Assets

Year Ended December 31

	<u>Unrestricted</u>	<u>Restricted</u> (Note 14)	<u>Investment in</u> <u>capital assets</u> (Note 15)	<u>2025</u> <u>Total</u>	<u>2024</u> <u>Total</u>
Net assets, beginning of year	\$ 5,083,956	\$ 8,240,831	\$ 3,983,140	\$ <b>17,307,927</b>	\$ 16,210,064
Excess of revenues over expenditures	952,083	-	51,137	<b>1,003,220</b>	1,097,863
Transfer from unrestricted fund to restricted fund	(1,039,198)	1,039,198	-	-	-
Transfer from restricted fund to unrestricted fund	236,977	(236,977)	-	-	-
Transfer from restricted fund to capital asset fund	-	(1,107,479)	1,107,479	-	-
Transfer from unrestricted fund to capital asset fund	(536,267)	-	536,267	-	-
Contribution of land (Note 5)	-	-	2,684,000	<b>2,684,000</b>	-
Net assets, end of year	<u>\$ 4,697,551</u>	<u>\$ 7,935,573</u>	<u>\$ 8,362,023</u>	<u>\$ <b>20,995,147</b></u>	<u>\$ 17,307,927</u>

See accompanying notes to the financial statements

# Edmonton City Centre Church Corporation

## Statement of Cash Flows

Year Ended December 31

Increase (decrease) in cash	2025	2024
<b>Operating</b>		
Excess of revenues over expenditures	\$ 1,003,220	\$ 1,097,863
Non-cash items:		
Amortization of capital assets	231,798	377,836
Amortization of deferred capital contributions	(282,935)	(379,319)
Gain on disposal of capital assets	-	(38,802)
Accrued interest and investment income	(47,248)	-
	904,835	1,057,578
Change in non-cash operating working capital:		
Accounts receivable	807,234	(587,988)
Inventory	(28,697)	-
Prepaid expenses and deposits	(114,657)	(66,885)
Accounts payable and accrued liabilities	128,371	(987,763)
Deferred contributions	350,223	711,482
	2,047,309	126,424
<b>Financing</b>		
Capital contributions received	374,200	-
Repayment of long-term debt	(252,495)	(250,426)
	121,705	(250,426)
<b>Investing</b>		
Net redemption of long-term investments	-	129,648
Proceeds on sale of capital assets	-	693,473
Acquisition of capital assets	(1,765,451)	(1,302,043)
Net redemption of investments	101,936	63,985
	(1,633,515)	(544,585)
Net increase (decrease) in cash	505,499	(668,587)
Cash, beginning of year	13,818,603	14,487,190
Cash, end of year	\$ 14,324,102	\$ 13,818,603

### Supplemental cash flow information

	2025	2024
Interest paid	\$ 14,322	\$ 16,035
Interest received	\$ 467,231	\$ 823,552
Non-cash transaction:		
Contribution of land (Note 5)	\$ 2,684,000	\$ nil

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# Edmonton City Centre Church Corporation

## Notes to the Financial Statements

December 31, 2025

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### 1. Purpose of the organization

Edmonton City Centre Church Corporation (operating as e4c) is incorporated under the Companies Act of the Province of Alberta, as a non-profit organization (the "Organization"). It is a registered Canadian charitable organization, and therefore, is not subject to income taxes.

The Organization exists to limit, alleviate and ultimately eliminate poverty. Through the expression of the Organization's values – courage, compassion, connection, commitment, the programs and services address the fundamental causes of vulnerability for children, youth, families, individuals and communities. The Organization currently focuses work in four areas: food security, housing and shelter, education and skill development, and community and connection.

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### 2. Summary of significant accounting policies

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

#### Use of estimates and measurement uncertainty

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. Actual results could differ from those estimates.

Significant estimates included in these financial statements are the amortization basis for capital assets, and valuation of allowance for doubtful accounts receivable.

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# Edmonton City Centre Church Corporation

## Notes to the Financial Statements

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December 31, 2025

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### 2. Summary of significant accounting policies (cont'd)

#### Revenue recognition

The Organization follows the deferral method of accounting for contributions.

Restricted contributions for operational purposes, including grants and donations, and restricted contract income are recognized as revenue in accordance with the contract, grant or donor agreements in the year in which the related expenses are incurred. Restricted contributions received for the purchase of capital assets that will be amortized are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets. Restricted contributions for the purchase of capital assets that will not be amortized are recognized as a direct increase in the investment in capital asset fund. A liability to repay a restricted contribution with contingent repayment terms is accounted for in the period in which conditions arise that causes the restricted contribution to be repaid.

Unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

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

Revenues relating to rent and client fees, other and Cafe operations are recognized as revenue once received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### Cash

Cash is comprised of cash on hand, and bank balances including bank savings accounts, net of bank overdrafts and cashable term deposits.

#### Short-term investments

Short-term investments are comprised of term deposits with maturity of less than a year.

#### Long-term investments

Long-term investments consist of externally and internally restricted term deposits and/or cash held for major capital repairs on various properties. The term deposits are one-year term deposits renewed annually. These investments have been classified as long-term, based on contracts with Assisted Living and Social Services, and the Muttart Foundation that require that the Organization fund replacement reserves for the buildings (Note 14).

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# Edmonton City Centre Church Corporation

## Notes to the Financial Statements

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December 31, 2025

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### 2. Summary of significant accounting policies (cont'd)

#### Capital assets

Capital assets are recorded at cost less accumulated amortization. The capital assets not available for use are not amortized. Amortization is provided using the straight-line method over the estimated useful lives of the assets as follows:

Buildings	40 years
Building equipment	10 years
Computer equipment	3 years
Furniture and equipment	5 years
Leaseholds	over the term of the lease
Motor vehicles	5 years
Office equipment	10 years

#### Impairment of long-lived assets

The Organization tests for impairment when events or changes in circumstances indicate the carrying amount of an item or class of capital assets may not be recoverable. Recoverability is determined by comparing the carrying amount of the asset to the undiscounted future cash flows expected from use and eventual disposition of the asset. In such situations, the asset is measured at its fair value and presented in the balance sheet at the lower of the fair value or carrying amount.

#### Long-lived assets held for sale

Long-lived assets are classified as held for sale when there is a commitment to sell and the sale is probable and is expected to be completed within one year. Long-lived assets classified as held for sale are measured at the lower of carrying amount or fair value less cost to sell. Long-lived assets will not be amortized while classified as held for sale and any expenses attributable to the assets will be accrued.

#### Contributed services

Volunteers assist the Organization in carrying out certain activities. Because of the difficulty of determining the fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

#### Contributed materials

The Organization receives contributions in the form of supplies or property. Contributed materials and property are recorded at fair market value as determined on the date contributed, if fair value can be reasonably determined.

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# Edmonton City Centre Church Corporation

## Notes to the Financial Statements

December 31, 2025

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### 2. Summary of significant accounting policies (cont'd)

#### Financial instruments

##### Initial measurement:

The Organization's financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

##### Subsequent measurement:

At each reporting date, the Organization measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for equities quoted in an active market, which must be measured at fair value. The Organization uses the effective interest method to amortize any premiums, discounts, transaction fees and financing fees to the statement of operations. The financial instruments measured at amortized cost are cash, restricted cash, short term investments, accounts receivable, long term investments, accounts payable and accrued liabilities, and long-term debt. The carrying value of these financial instruments approximates their fair value due to the short-term nature, unless otherwise noted.

For financial assets measured at cost or amortized cost, the Organization regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Organization determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

##### Related party financial instruments:

Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. Subsequent measurement is based on how the Association initially measured the instrument. The Association does not have any financial assets or financial liabilities in related party transactions measured at fair value.

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# Edmonton City Centre Church Corporation

## Notes to the Financial Statements

December 31, 2025

### 3. Accounts receivable

Accounts receivable includes the following:

	<u>2025</u>	<u>2024</u>
Homeward Trust	\$ 233,894	\$ 473,202
Edmonton Public School	169,600	169,350
Canada Revenue Agency (GST)	147,589	310,650
Child & Family Services	250,938	250,938
Donations	-	367,639
Recovery Alberta	181,777	-
Others	38,456	257,709
	<u>\$ 1,022,254</u>	<u>\$ 1,829,488</u>

### 4. Long-term investments

Long-term investments consist of externally and internally restricted term deposits and/or cash held for major capital repairs on various properties (Note 14). The term deposits are one-year term deposits renewed annually. Use of the externally restricted funds requires approval by Assisted Living and Social Services or the Muttart Foundation prior to the use of these funds. Internally restricted funds require approval by the Board of Directors of the Organization prior to the use of these funds.

#### Externally restricted funds

	<u>2025</u>	<u>2024</u>
Women's Emergency Accommodation Centre	\$ 359,444	\$ 326,158
Our Place	109,666	99,778
Sorensen Place	182,881	170,315
Meadows 1	40,441	37,477
Meadows 2	97,714	88,086
Alex Taylor School	316,665	69,767
Youth Housing and Innerways	115,293	98,047
	<u>\$ 1,222,104</u>	<u>\$ 889,628</u>

#### Internally restricted funds

	<u>2025</u>	<u>2024</u>
General	\$ 417,349	\$ 257,076
Lila Lee	30,268	200,000
	<u>447,617</u>	<u>457,076</u>

<b>Total long term investments</b>	<b>\$ 1,669,721</b>	<b>\$ 1,346,704</b>
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# Edmonton City Centre Church Corporation

## Notes to the Financial Statements

December 31, 2025

### 5. Capital assets

	Cost	Accumulated Amortization	<b>2025 Net Book Value</b>	2024 Net Book Value
Land	\$ 4,698,567	\$ -	\$ <b>4,698,567</b>	\$ 1,991,521
Buildings	14,268,465	(6,707,642)	<b>7,560,823</b>	7,244,411
Building equipment	739,892	(243,115)	<b>496,777</b>	685,928
Computer equipment	280,172	(231,903)	<b>48,269</b>	91,185
Furniture and equipment	584,446	(552,136)	<b>32,310</b>	-
Leaseholds	3,058,703	(3,015,195)	<b>43,508</b>	-
Motor vehicles	326,801	(326,801)	-	-
Office equipment	32,281	(32,281)	-	-
Projects under development	2,161,951	-	<b>2,161,951</b>	811,506
	<b>\$ 26,151,278</b>	<b>\$ (11,109,073)</b>	<b>\$ 15,042,205</b>	<b>\$ 10,824,551</b>

Projects under development pertains to construction work in progress costs incurred for project management, architecture and design costs for the Purpose-Built Building (Note 20).

Land for the Purpose-Built Building, assessed at \$2,700,000 was contributed to the Organization in 2025 for a nominal sum and recorded at fair market value less acquisition costs.

### 6. Funds held for others

	<b>2025</b>	2024
Financial Management HUB participant funds held in trust	\$ <b>5,715,562</b>	\$ 4,287,714
Tenant security deposits	<b>28,847</b>	35,849
	<b>\$ 5,744,409</b>	<b>\$ 4,323,563</b>

The funds held for others are recorded as restricted cash on the statement of financial position.

The Financial Management HUB program helps formerly homeless people and health care patients to manage their money, on a voluntary basis, and to increase their financial literacy and housing stability. The program holds funds on behalf of its participants.

# Edmonton City Centre Church Corporation

## Notes to the Financial Statements

December 31, 2025

### 7. Deferred contributions

Details of the changes in deferred contributions are as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 2,545,767	\$ 1,834,285
Grants received during the year	13,282,606	8,789,710
Amounts recognized as revenue	(12,321,028)	(8,078,228)
Reclassification of Homeward Trust contributions to accounts payable and accrued liabilities	<u>(611,355)</u>	<u>-</u>
Balance, end of year	\$ <u>2,895,990</u>	\$ <u>2,545,767</u>

The deferred contributions include the following:

	<u>2025</u>	<u>2024</u>
Assisted Living and Social Services	\$ <u>1,021,487</u>	\$ 456,859
Homeward Trust:		
Intensive Case Management Team	-	513,581
Financial Management HUB	-	381,780
Youth Housing First	-	131,676
Rapid Re-Housing	-	117,970
Safe Spaces	-	18,666
	<u>-</u>	<u>1,163,673</u>
Others:		
Recovery Alberta	909,709	580,961
Public Health Agency of Canada	153,161	185,314
Edmonton Family & Community Support Services	-	56,889
United Way	-	54,507
Prosper Canada	74,517	29,589
Child and Family Services	250,938	-
Winspear Emergency Grant	69,879	-
Rupertsland Institute	1,093	-
Edmonton Community Adult Learning Association	38,434	-
Other Designated Donations and Grants	376,772	-
Miscellaneous	-	17,975
	<u>1,874,503</u>	<u>925,235</u>
	\$ <u>2,895,990</u>	\$ <u>2,545,767</u>

# Edmonton City Centre Church Corporation

## Notes to the Financial Statements

December 31, 2025

### 8. Long-term debt

	<u>2025</u>	<u>2024</u>
Canadian Mortgage and Housing Corporation ("CMHC") mortgage, with a renewal date of December 1, 2027, payable in monthly blended instalments of \$2,219 with interest at 2.08% per annum. Secured by the collateral mortgage over land and building occupied by Our Place with a net book value of \$115,230.	\$ 52,211	\$ 77,519
CMHC mortgage, with a renewal date of December 1, 2029, payable in monthly blended instalments of \$4,071, with interest at 2.82% per annum. Secured by the collateral mortgage over land and building occupied by Sorensen Place with a net book value of \$191,271.	185,085	229,762
CMHC mortgage, with a renewal date of January 1, 2030, payable in monthly blended instalments of \$9,704, with interest at 2.89% per annum. Secured by the collateral mortgage over land and building occupied by the Women's Emergency Accommodation Centre with a net book value of \$1,215,055.	449,267	555,983
Muttart Foundation interest free loan maturing on July 1, 2027, payable in semi-annual instalments of \$4,000. Secured by the collateral mortgage over land and building occupied by Crossroads House with a net book value of \$102,106.	16,000	24,000
CMHC mortgage, with a renewal date of January 1, 2028, payable in monthly blended instalments of \$1,045, with interest at 3.12% per annum. Secured by the collateral mortgage over land and building occupied by Meadows 1 with a net book value of \$234,765 and general assignment of rents and revenues.	25,334	36,924
CMHC mortgage, with a renewal date of September 1, 2027, payable in monthly blended instalments of \$1,475, with interest at 2.02% per annum. Secured by the collateral mortgage over building and land occupied by Meadows 2 with a net book value of \$414,444 and general assignment of rents and revenues.	30,459	47,392
CMHC mortgage, with a renewal date of April 1, 2028, payable in monthly blended instalments of \$2,116, with interest at 4.07% per annum. Secured by the collateral mortgage over buildings and land in Edmonton, AB with a net book value of \$193,818.	56,662	79,360

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## Edmonton City Centre Church Corporation

### Notes to the Financial Statements

December 31, 2025

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#### 8. Long-term debt (cont'd)

	2025	2024
CMHC mortgage, with a renewal date of February 1, 2028, payable in monthly blended instalments of \$1,498, with interest at 3.12% per annum. Secured by the collateral mortgage over buildings in Edmonton AB with a net book value of \$128,250.	37,721	54,294
	852,739	1,105,234
Less: current portion of long-term debt	(262,792)	(886,347)
	\$ 589,947	\$ 218,887

The principal portion of long-term debt due in each of the next five years and thereafter, is as follows:

2026	262,792
2027	247,397
2028	170,367
2029	162,508
2030	9,675
	\$ 852,739

During the year, the Organization obtained an operating line of credit to maintain sufficient cash flows during the construction of the Purpose-Built Building. The line of credit is due on demand and bears interest at Servus Credit Union's Prime Lending Rate plus 1.05% per annum. As at December 31, 2025, there was no balance on the line of credit.

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# Edmonton City Centre Church Corporation

## Notes to the Financial Statements

December 31, 2025

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### 9. Deferred capital contributions

Details of the changes in deferred capital contributions are as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 5,736,177	\$ 6,115,496
Grants received during the year	374,200	-
Amounts recognized as revenue	<u>(282,935)</u>	<u>(379,319)</u>
Balance, end of year	\$ <u>5,827,442</u>	\$ <u>5,736,177</u>

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### 10. Commitments and guarantees

- i) The Organization signed an agreement to purchase electricity for a five-year term, expiring October 31, 2028, at a fixed rate.
  
- ii) The Organization has commitments related to the operation of a program in leased space. Future expected lease commitments are as follows:

2026	\$40,440
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## Edmonton City Centre Church Corporation

### Notes to the Financial Statements

December 31, 2025

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#### 11. Contract income

Included in contract income are contributions received from the following sources:

	2025	2024
Federal government	\$ 580,592	\$ 1,085,346
Provincial government	18,274,953	16,990,277
Municipal government	605,067	630,548
	19,460,612	18,706,171
 Non-government		
Homeward Trust		
Intensive Case Management Team	1,665,587	1,560,308
Financial Management HUB	588,453	551,218
Youth Housing First	487,037	545,324
Rapid Re-Housing	418,677	449,230
Safe Spaces	240,804	251,569
Supported Referrals	13,429	28,901
	3,413,987	3,386,550
 United Way	220,615	246,865
Edmonton Public School Board	1,562,372	1,696,000
Others	373,725	254,787
	2,156,712	2,197,652
	\$ 25,031,311	\$ 24,290,373

During the year, the Organization received \$605,067 (2024 - \$604,413) from Edmonton Family and Community Support Services (FCSS), included in Municipal government revenue above.

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# Edmonton City Centre Church Corporation

## Notes to the Financial Statements

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### 12. Endowment fund income

During the year, the Organization earned \$26,019 (2024 - \$34,327) in re-invested income from endowment funds held and administered by the Edmonton Community Foundation. The Organization is the specified recipient of the interest income earned on these funds however has no access to the principal amount of the investment. Any money received is included in the Statement of Operations to be used at the discretion of the Organization. As of December 31, 2025, the balance of the endowment funds that the Organization is specified as a recipient of the income earned is \$276,686 (2024 - \$261,857).

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### 13. Allocated expenditures

The Organization provides administrative services to all its programs. The fees for these services are recorded as expenditures to the related restricted programs.

The administration fees are based on funder thresholds and size of programs. The fees range from 3% to 13% of total program revenues. Administrative services include accounting, human resources, information technology, communications, planning and evaluation, leadership and governance.

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### 14. Internally restricted funds

Included in restricted funds are replacement reserves, fund balances for individual programs and reserves restricted for various purposes.

	<u>2025</u>	<u>2024</u>
Operating reserve	\$ 1,906,022	\$ 2,779,173
Replacement reserves (Note 4)	1,669,721	1,346,704
Trust Fund (Note 17)	193,634	185,314
Program funds	<u>4,166,196</u>	<u>3,929,640</u>
	<u>\$ 7,935,573</u>	<u>\$ 8,240,831</u>

The replacement reserves are externally and internally restricted for use towards major capital repairs. During the year, \$564,528 (2024 - \$347,296) was transferred from various programs within the restricted fund into this reserve and as well \$25,000 (2024 - \$75,000) transferred from the unrestricted fund into this reserve. Of the restricted amounts included in the replacement reserves, \$223,959 (2024 - \$457,075) has been internally restricted by the Board of Directors for major capital repairs.

Regarding the operating reserve, during the current year, the Organization transferred \$873,151 (2024 - \$1,693,396) from this reserve to be used for digital transformation and exploration of a new purpose-built facility.

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# Edmonton City Centre Church Corporation

## Notes to the Financial Statements

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### 15. Investment in capital assets

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ <u>3,983,140</u>	\$ <u>3,083,859</u>
Gain on disposal of capital assets	-	38,802
Amortization of capital assets	<u>(231,798)</u>	<u>(377,836)</u>
Amortization of deferred capital contributions	<u>282,935</u>	<u>379,319</u>
Excess of expenses over revenues	<u>51,137</u>	<u>40,285</u>
Other items:		
Net acquisition of capital assets	<u>1,765,451</u>	1,302,043
Contribution of land (Note 5)	<u>2,684,000</u>	-
Proceeds on sale of capital assets	-	(693,473)
Repayment of long-term debt	<u>252,495</u>	250,426
Receipt of capital contributions	<u>(374,200)</u>	-
Increase in net assets invested in capital assets	<u>4,327,746</u>	<u>858,996</u>
Balance, end of year	\$ <u>8,362,023</u>	\$ <u>3,983,140</u>

Current year's total acquisition of capital assets was \$1,765,451 (2024 - \$1,302,043), of which \$1,273,203 (2024 - \$811,506) was supported from the operating reserve in internally restricted funds and \$481,325 (2024 - \$490,537) from internally restricted funds. The major acquisitions include Purpose Built Building Construction Work in Progress of \$1,273,203, and Lila Lee improvements of \$302,525.

### 16. Donations and grants

	<u>2025</u>	<u>2024</u>
Donations	\$ <u>466,461</u>	\$ 1,334,059
Grants	<u>638,805</u>	<u>942,561</u>
Total	\$ <u>1,105,266</u>	\$ <u>2,276,620</u>

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# Edmonton City Centre Church Corporation

## Notes to the Financial Statements

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### 17. Collaborative projects

Included in the financial statements of the Organization are the results of operating several collaborative projects where the Organization is acting in the role of fiscal agent. These projects have been accounted for as controlled organizations and the financial position and results of operations have been consolidated in the financial statements. Funds associated with these projects have been set aside as Trust Funds (Note 14). Descriptions of the major projects are as follows:

#### **Edmonton Head Start**

Edmonton Head Start is a project that is coordinated by the Organization for the delivery of Head Start programming by 3 not-for-profit organizations: ABC Head Start Society, Alder Academy Early Learning Society and the Organization, across 13 locations in Edmonton. Head Start programming and activities are targeted toward families with young children and designed on the understanding that the early years are the most critical time in a child's development. The goal is to lay a foundation for children's future educational and life success, through classroom programming and a range of family support services.

Funding to the project is provided by the Public Health Agency of Canada through a Contribution Agreement. The Contribution Agreement names the Organization as the Sponsoring Organization, with ultimate responsibility to implement the project's operating budget and to ensure that programs are fulfilling their obligations to the funder and to the community.

#### **Allies for Youth Connections (A4YC)**

The Allies for Youth Conference brings together youth, service providers, researchers, and experts to focus on the growing population of youth with increasingly complex needs, who may be involved with gangs, struggling with mental illness and addictions, sexually exploited and/or chronically homeless. The Conference aims to build understanding, skill and resources to address these specialized needs with emerging knowledge and methodology such as: harm reduction, attachment theory, trauma and brain development, relationship-based practice, and resiliency/strength-based approaches.

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# Edmonton City Centre Church Corporation

## Notes to the Financial Statements

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### 18. Fundraising activities

The Organization did not undertake any fundraising activities in 2025 (2024 - \$nil).

Total donations receipted for income tax purposes in the fiscal year 2025 were \$533,623 (2024 - \$535,413).

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### 19. United Way funding

United Way of the Alberta Capital Region ("United Way") provided funding to the Organization in the amount of \$658,764 (2024 - \$700,952). United Way provides funding of \$20,615 for the Empower U initiative and \$438,149 for the All in for Youth initiative. Beginning in October 2024, United Way is investing 200,000 in e4c through a 'Front-line Agency' Funding model which allows e4c to direct funding to where it is needed most while remaining aligned with United Way's core focus areas of Strengthening Mental Wellbeing, Eliminating Barriers to Educational Success and Empowering Financial Security.

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### 20. Purpose Built Building

Since 2022, the Organization has explored building a new facility for the Women's Emergency Accommodation Centre, operating out of the Gibson Block, and relocating the business offices of the Organization, presenting operating out of the leased Alex Taylor School. In 2025, the Organization continued the pre-construction work required to meet the funding agreements in place from the municipal, provincial, and federal governments. 'All in construction' funding of \$32,686,411 for the new building is secured. Building completion is targeted for Spring 2028.

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