United Way of Central Alberta Society
Financial Statements
March 31, 2026

To the Board of Directors of United Way of Central Alberta Society:

Unmodified Opinion

We have audited the financial statements of United Way of Central Alberta 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 the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Unmodified Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

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

MNP LLP
400 - 4311 54 Ave, Red Deer AB, T4N 4L9 1.877.500.0779 T: 403.346.8878 F: 403.341.5599

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Red Deer, Alberta

MNP LLP

June 11, 2026

Chartered Professional Accountants

United Way of Central Alberta Society
Statement of Financial Position
As at March 31, 2026

	2026	*2025*
Assets		
Current		
Cash *(Note 4)*	**60,657**	338,627
Accounts receivable	**3,353**	6,853
Pledges receivable (net of allowance) *(Note 5)*	**278,140**	299,545
Prepaid expenses	**58,671**	54,191
	400,821	699,216
Capital assets *(Note 6)*	**4,713**	7,122
Investments *(Note 7)*	**1,594,316**	1,223,771
	1,999,850	1,930,109
Liabilities		
Current		
Accounts payable and accruals	**38,182**	44,074
Deferred designation revenue *(Note 8)*	**173,022**	159,347
Deferred contributions *(Note 9)*	**15,104**	3,692
Allocations payable	**131,476**	130,776
	357,784	337,889
Commitments *(Note 12)*		
Fund Balances		
Internally restricted *(Note 10)*	**1,506,854**	1,465,670
Invested in capital assets	**4,713**	7,122
Restricted for endowment purposes *(Note 11)*	**18,187**	18,187
Unrestricted	**112,312**	101,241
	1,642,066	1,592,220
	1,999,850	1,930,109

Approved by the board

President

Treasurer

The accompanying notes are an integral part of these financial statements

Statement of Operations

For the year ended March 31, 2026

	2026	2025
Revenue		
Gross general campaign revenue	**1,596,689**	1,608,911
Less: uncollectible pledges	**(28,807)**	(19,986)
Net campaign revenue	**1,567,882**	1,588,925
Interest income	**65,179**	47,489
Miscellaneous Income	**852**	400
Grant income *(Note 13)*	**-**	126,358
	1,633,913	1,763,172
Direct expenses		
Fundraising *(Schedule 2)*	**369,521**	473,899
Net revenue available for distributions, programs and services	**1,264,392**	1,289,273
Distributions, programs and services		
Allocations and grants *(Note 14), (Note 15)*	**657,888**	679,214
Program expenses *(Schedule 3)*	**427,754**	421,557
Designations	**181,299**	172,874
	1,266,941	1,273,645
Excess (deficiency) of revenue over expenses before other items	**(2,549)**	15,628
Other items		
Realized gain on sale of investments	**22,651**	2,143
Unrealized gain on investments	**29,744**	42,748
Excess of revenue over expenses	**49,846**	60,519

The accompanying notes are an integral part of these financial statements

United Way of Central Alberta Society
Statement of Changes in Net Assets
For the year ended March 31, 2026

	Internally restricted (note 10)	*Invested in capital assets*	*Restricted for endowment purposes (note 11)*	*Unrestricted*	***2026***	*2025*
Balance, beginning of year	**1,465,670**	**7,122**	**18,187**	**101,241**	**1,592,220**	1,531,701
Excess of revenue over expenses	**-**	**-**	**-**	**49,846**	**49,846**	60,519
	1,465,670	**7,122**	**18,187**	**151,087**	**1,642,066**	1,592,220
Capital additions/disposals	**-**	**2,128**	**-**	**(2,128)**	**-**	-
Amortization expense	**-**	**(4,537)**	**-**	**4,537**	**-**	-
Board approved transfers	**41,184**	**-**	**-**	**(41,184)**	**-**	-
Balance, end of year	**1,506,854**	**4,713**	**18,187**	**112,312**	**1,642,066**	1,592,220

The accompanying notes are an integral part of these financial statements

Statement of Cash Flows
For the year ended March 31, 2026

	2026	2025
Cash provided by (used for) the following activities		
Operating		
Cash received from contributions and other sources	**1,619,577**	1,680,626
Cash paid for allocations, grants and designations	**(843,112)**	(850,687)
Cash paid to suppliers and employees	**(799,336)**	(896,888)
Interest received	**65,179**	47,489
	42,308	(19,460)
Investing		
Purchase of capital assets	**(2,228)**	(3,841)
Proceeds on disposal of capital assets	**100**	200
Purchase of investments	**(598,124)**	(662,334)
Proceeds on redemption of investments	**279,974**	528,535
	(320,278)	(137,440)
Decrease in cash resources	**(277,970)**	(156,900)
Cash resources, beginning of year	**338,627**	495,527
Cash resources, end of year	**60,657**	338,627

The accompanying notes are an integral part of these financial statements

1. Nature of operations

United Way of Central Alberta Society (the “Society”) is a not-for-profit organization aimed at enabling community-minded citizens and organizations to join together and collectively fund health and social services. The Society is incorporated under the Societies Act of Alberta and is a registered charity under the Income Tax Act. Therefore, the Society is exempt from income tax in accordance with Section 149 of the Income Tax Act.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

Cash and cash equivalents

Cash and cash equivalents include balances with banks, cash and high interest investment savings accounts.

Pledges receivable

Pledges receivable include contributions that have been pledged to the Society, net of an allowance for uncollectible amounts.

Investments

Investments are recorded at fair value. Unrealized gains and losses as a result of fair value adjustments at year end are included in the statement of operations.

Capital assets

Purchased capital assets are recorded at cost.

Amortization is provided using the following methods at rates intended to amortize the cost of assets over their estimated useful lives.

One-half of amortization is calculated in the year of acquisition. No amortization is calculated in the year of disposition.

	Method	Rate
Computer equipment	declining balance	45 %
Computer software	straight-line	5 years

Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Society writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Society’s ability to provide goods and services. The asset are also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Society determines that a long-lived asset is impaired, its carrying amount is written down to the asset’s fair value.

2. Significant accounting policies *(Continued from previous page)*

Financial instruments

The Society recognizes financial instruments when the Society becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm’s length transaction (“arm’s length financial instruments”) are initially recorded at their fair value.

At initial recognition, the Society may irrevocably elect to subsequently measure any arm’s length financial instrument at fair value. The Society has made such an election during the year.

The Society subsequently measures investments in equity instruments quoted in an active market and all derivative instruments at fair value. Fair value is determined by market quotations stated on investment statements received from the investment institutions the Society holds investments at.

All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of estimates include: allowance for uncollectible pledges receivable, the useful life of capital assets, and the allocation of fundraising and program expenses. Actual results may differ from management's best estimates as additional information becomes available in the future.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

Fund balances

Net assets invested in capital assets is comprised of the amount of capital assets acquired with unrestricted funds. The Society has chosen to show this amount as a separate component of net assets.

Unrestricted net assets represents the Society's net assets that may be used by the Society for any purpose it deems necessary.

The internally restricted net assets and the endowment fund are explained in Notes 10 and 11 respectively.

2. Significant accounting policies *(Continued from previous page)*

Revenue recognition

The Society follows the deferral method of accounting for contributions. Contributions from the annual fundraising campaign are recognized in the year in which they are received or receivable if the amount can be reasonably measured and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Externally restricted endowment contributions are recognized as direct increases in net assets.

Interest income is recognized on a time proportioned basis.

Customer's accounting for cloud computing arrangement

The Society has applied the simplification approach to account for expenditures in a cloud computing arrangement. Under the simplification approach, the Society recognizes expenditures related to the elements in the cloud computing arrangement as an expense as incurred. In the current year, expenses of $51,507 have been recognized as office administration and information technology expenses.

Allocation and designations

Donations designated to agencies are recorded using the dollars on top method. Under this method, designated amounts to agencies do not reduce the amount to be allocated by the Community Impact Committee.

Contributed goods and services

The Society benefits from contributed goods and services in the form of volunteer time for various committees. Due to the difficulty in determining the fair value, contributed services are not recognized in the financial statements.

In-kind gifts that are capital in nature are only recorded when they are for the use of the Society's operations. Operating in-kind gifts are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonable estimated and when the materials are used in the normal course of the Society's operations and would otherwise have been purchased.

3. Change in accounting policies

Customer's accounting for cloud computing arrangements

Effective April 1, 2025, the Society adopted the new guideline AcG-20 *Customer's Accounting for Cloud Computing Arrangements*. Applying the new guideline results in the recognition, measurement, and disclosure of cloud computing arrangements, including the allocation of the arrangement consideration to significant separable elements of cloud computing arrangement.

There was no material impact on the financial statements from the application of the new accounting guideline.

4. Cash

	2026	*2025*
Bank account	**46,673**	65,530
Investment cash	**13,984**	10,347
High interest investment accounts	**-**	262,750
	60,657	338,627

Cash accounts bear interest at bank prime rate of 4.45% (2025 - 4.95%) less a percentage based on balance held during the year. At year-end, the unrestricted cash balances bear interest at prime less 2.70% (2025 - prime less 2.70%).

Included in cash is $13,984 (2025 - $260,086) of internally restricted amounts as disclosed in Note 10, and $Nil (2025 - $73,996) of designated funds that are restricted by donors for specific agencies.

The Society has available a credit card with a maximum limit of $7,500 (2025 - $7,500) bearing interest at 19.99% (2025 - 19.99%), and an outstanding balance of $1,223 (2025 - $1,198) at year end.

At March 31, 2026, the Society has a line of credit included in the main chequing account totaling $100,000 (2025 - $Nil), bearing interest at prime plus 3.00% for amounts drawn. There were no draws from this line of credit as at year end.

5. Pledges receivable

Included in pledges receivable is an allowance for uncollectible pledges of $69,181 (2025 - $61,824).

The allowance is based on management's best estimate of the expected pledge losses based on historical losses and future expectations.

6. Capital assets

	Cost	Accumulated amortization	2026 Net book value	2025 Net book value
Computer equipment	**18,291**	**13,578**	**4,713**	5,588
Computer software	**53,033**	**53,033**	**-**	1,534
	71,324	**66,611**	**4,713**	7,122

7. Investments

Investments consist of stocks, mutual funds and bonds that are invested in accordance with the Society's Financial Policy.

Included in investments are internally restricted amounts of $1,492,870 (2025 - $1,205,584), which are restricted for the purposes disclosed in Note 10, and $78,870 (2025 - $NIL) of designated funds that are restricted by donors for specific agencies.

Included in investments is an externally restricted amount of $18,187 (2025 - $18,187), which is restricted for the purpose disclosed in Note 11.

8. Deferred designation revenue

Deferred designated revenue consists of pledges made during the year that have a donor choice designation attached. These are paid out after receipt of funds associated with the original pledge.

	2026	2025
Balance, beginning of year	**159,347**	150,582
Designation pledges recorded	**196,143**	182,835
Designations paid out	**(179,548)**	(170,804)
Fees and write-offs	**(2,920)**	(3,266)
Balance, end of year	**173,022**	159,347

9. Deferred contributions

Deferred contributions consists of unexpended funds which are restricted by the funder(s) to be used for specific purposes.

	Opening balance	Contributions received/ receivable	Contributions recognized	Ending balance
Sponsorships and ticket sales	**3,692**	**23,894**	**(12,482)**	**15,104**

10. Net assets internally restricted

	Balance, beginning of year	*Board transfers: Investment income*	*Reallocation of Funds*	*Balance, end of year*
2026				
Delta Rempel Community Impact reserve	**212,000**	**12,704**	**(12,704)**	**212,000**
Allocations reserve	**696,000**	**41,708**	**(41,708)**	**696,000**
Operating reserve	**487,131**	**29,191**	**10,867**	**527,189**
Technology reserve	**20,539**	**1,231**	**(105)**	**21,665**
Training and development reserve	**50,000**	**2,996**	**(2,996)**	**50,000**
	1,465,670	**87,830**	**(46,646)**	**1,506,854**
2025				
Delta Rempel Community Impact reserve	**212,000**	**7,408**	**(7,408)**	**212,000**
Allocations reserve	**696,000**	**24,320**	**(24,320)**	**696,000**
Operating reserve	**470,684**	**16,447**	**-**	**487,131**
Technology reserve	**19,845**	**694**	**-**	**20,539**
Training and development reserve	**50,000**	**1,747**	**(1,747)**	**50,000**
	1,448,529	**50,616**	**(33,475)**	**1,465,670**

The Delta Rempel Community Impact reserve is used to fund additional community impact ventures to grow the Society's reach to all edges of the Central Alberta community it serves, as well as to be used as a rainy day fund for external agencies when the loss of programs would result in poor outcomes for the community.

The Allocations reserve is used to hold funds relating to member allocations expenditures.

The Operating reserve is used as a rainy day fund specifically relating to our operating expenditure, not including member allocations expenditures.

The Technology reserve is used to ensure the Society has the technology to operate effectively on an ongoing basis.

The Training and Development reserve is used to ensure adequate resources to support staff and volunteer development, to the benefit of the organization and community.

11. Net assets restricted for the endowment fund

The general endowment, which is included in investments, arose as a result of a gift received in 1975. The terms of the gift prevents its use for operations, except upon liquidation of the Society. Income earned by the gift is not externally restricted. The Society's policy is to allocate the income back the endowment fund, at the discretion of the Board.

12. Commitments

The Society has the following premises and equipment lease commitments:

2027	29,298
2028	30,034
2029	30,770
2030	27,966
2031	28,702
	146,770

13. Grant income

	2026	2025
Prosperity Project FCSS Grant	-	100,000
Red Deer Homeless Foundation Project Grant	-	12,000
John Howard Society Prosperity Project Grant	-	5,000
Government of Canada Community Services Recovery Fund Grant	-	5,993
Canada-Alberta Jobs Training Grants	-	3,365
	-	126,358

14. Allocations and grants

	2026	2025
Allocations to member agencies (Note 15)	**517,500**	517,500
Enmax Lights on Fund	**60,000**	60,000
Project grants to qualified donees	**54,013**	48,714
Project grants to non-qualified donees	**31,000**	53,000
	662,513	679,214

15. Allocations to member agencies

The Society provides funding to member agencies for programs in our priority areas: basic needs, mental health, and brighter futures. The Community Impact Council made the following allocation decisions:

	2026	2025
Big Brothers & Sisters - Lacombe & District	**21,643**	21,643
Big Brother & Sisters - Red Deer	**41,643**	41,643
Boys & Girls Club of Olds and Area	**23,643**	23,643
Boys & Girls Club of Red Deer	**41,643**	41,643
Catholic Social Services	**29,643**	29,643
Central Alberta Safe Harbour Society	**71,643**	71,643
Family Services of Central Alberta	**29,643**	29,643
Greenwood Neighbourhood Place and Society	**31,643**	31,643
Ponoka Youth Centre	**51,643**	51,643
Red Deer Meals on Wheels	**26,643**	26,643
Shalom Counselling	**21,643**	21,643
Shining Mountain Community Living Services	**51,643**	51,643
Town of Drumheller	**19,642**	19,642
Turning Point Society of Alberta	**55,142**	55,142
	517,500	517,500

16. Cost allocation

The Society allocates its general management and administration expenses to fundraising and programs. Costs which do not pertain specifically to either function are considered administrative and are allocated to these functional areas. These allocations have been established based on management's estimates of time spent in each functional area using the proportionate share of personnel expenses.

Administrative costs are summarized on Schedule 1, and have been allocated as follows:

	2026	*2025*
Fundraising expenses (Schedule 2)	**120,549**	202,593
Program expenses (Schedule 3)	**169,890**	198,045
	290,439	400,638

17. Financial instruments

The Society's financial instruments consist of cash, accounts receivable, pledges receivable, investments, accounts payable and accruals and allocations payable. It is management's opinion that the Society is not exposed to significant interest, currency, market, liquidity or credit risk arising from these financial instruments except as follows:

Credit Risk

The Society is exposed to credit risk as it has received pledges for contributions. To mitigate this risk, the Society has recorded an allowance for uncollectible pledges based on historical losses and future expectations.

Market risk

The Society is exposed to market price risk as certain investments include funds that are traded in the market. This risk is mitigated through policies that set a minimum percentage to be held in fixed income investments, and maximum percentage to be held in equity investments.

Interest rate risk

The Society is exposed to interest rate price risk as certain cash and investments bear interest at fixed interest rates. The Society is exposed to interest rate cash flow risk as certain investments bear interest at floating interest rates.

18. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

	2026	2025
Salaries and wages	**177,651**	192,312
Professional fees	**28,932**	116,399
Rent and utilities	**28,699**	24,180
Office administration	**19,126**	15,327
Information technology	**17,351**	18,392
Insurance	**6,876**	6,768
Amortization	**4,537**	6,895
Professional development	**3,651**	11,431
Memberships	**2,598**	6,703
Staff and volunteer support	**519**	1,184
Meetings and conventions	**289**	677
Office equipment	**210**	370
Repairs and maintenance	**-**	-
	290,439	400,638
Allocation of fundraising expenses	**(120,549)**	(202,593)
Allocation of program expenses	**(169,890)**	(198,045)
	-	-

	2026	2025
Salaries and benefits	**148,059**	173,571
Annual special events	**62,698**	49,857
Donation processing fees	**15,512**	18,628
Information technology	**14,461**	16,599
Marketing	**8,028**	12,526
Donor relationship management	**214**	125
	248,972	271,306
General management and administrative expenses	**120,549**	202,593
	369,521	473,899

United Way of Central Alberta Society
Schedule 3 - Schedule of Program Expenses
For the year ended March 31, 2026

	2026	2025
Salaries and wages	**208,661**	169,675
Information technology	**20,380**	16,227
United Way Centraide Canada	**15,087**	16,994
Community initiatives	**6,870**	17,738
Community investment process	**6,866**	2,878
	257,864	223,512
General management and administration expenses	**169,890**	198,045
	427,754	421,557