Financial Statements of

EDMONTON NEWCOMER CENTRE

Year ended March 31, 2026

EDMONTON NEWCOMER CENTRE

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Year ended March 31, 2026

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The integrity, relevance and comparability of the data in the accompanying financial statements are the responsibility of management.

The financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations established by the Chartered Professional Accountants of Canada. They necessarily include some amounts that are based on the best estimates and judgements of management.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized, that assets are properly accounted for and safeguarded, and that financial records are reliable for preparation of financial statements.

Metrix Group LLP, Chartered Professional Accountants, have been appointed by the Centre's Members to express an opinion on the Centre's financial statements.

Edmonton, Alberta

May 26, 2026

Original Signed by

Samuel Juru, Executive Director

INDEPENDENT AUDITORS' REPORT

To the Members of Edmonton Newcomer Centre

Opinion

We have audited the accompanying financial statements of Edmonton Newcomer Centre (the Centre), 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 a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Centre as at March 31, 2026 and the results of its operations, changes in net assets, 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Centre in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Community Report, (but does not include the financial statements and our auditors' report thereon) which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Community Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 Centre'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 Centre or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibility 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 auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but it 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 conducted 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 Centre’s internal control.

- Evaluate the appropriateness of accounting policies 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 Centre’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ 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 or our auditors’ report. However, future events or conditions may cause the Centre 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 significant deficiencies in internal control that we identify during our audit.

METRIX GROUP LLP

Chartered Professional Accountants

Edmonton, Alberta
May 26, 2026

EDMONTON NEWCOMER CENTRE

Statement of Financial Position

March 31 2026

	2026	2025
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 4,062,637	$ 3,078,864
Accounts receivable (Note 2)	520,547	1,668,241
Investments (Note 3)	218,029	207,584
Prepaid expenses	388,554	222,217
	5,189,767	5,176,906
Endowment investments (Note 3)	20,914	20,914
Capital assets (Note 4)	6,175,892	6,695,464
	$ 11,386,573	$ 11,893,284
LIABILITIES and NET ASSETS		
Current Liabilities:		
Accounts payable and accrued liabilities (Note 5)	$ 805,656	$ 1,184,017
Deferred contributions - operations (Note 6)	2,092,399	2,337,701
Current portion of long term debt (Note 9)	125,127	101,698
Current portion of deferred lease inducements (Note 7)	354,366	354,366
	3,377,548	3,977,782
Deferred contributions - capital assets (Note 8)	314,992	357,334
Long term debt (Note 9)	3,316,332	3,452,112
Deferred lease inducements (Note 7)	807,583	1,161,985
	7,816,455	8,949,213
Net Assets:		
Externally restricted (Notes 10)	153,772	153,772
Endowment (Note 10)	20,914	20,914
Invested in Capital Assets	2,419,441	2,784,320
Unrestricted	975,991	(14,935)
	3,570,118	2,944,071
Contingencies (Note 11)		
Contractual obligations (Note 12)		
	$ 11,386,573	$ 11,893,284

See accompanying notes to financial statements.

On behalf of the Board:

Original Signed by	Original Signed by
Paola Matallana CPA	Bilal Abdu CPA CA
Board Chair	Treasurer

EDMONTON NEWCOMER CENTRE

Statement of Operations

For the period ending March 31, 2026

	2026	2025
Revenue:		
Grants (Note 13)	$ 17,533,537	$ 21,085,807
Donations	902,994	858,392
Investment income	127,043	165,963
Rent	19,316	10,274
Other income	9,055	15,967
	18,591,945	22,136,403
Expenses:		
Salaries, wages and benefits	12,548,386	13,841,652
Contract services	1,948,453	3,643,976
Rent, utilities and maintenance	1,897,994	2,052,991
Resources	518,304	687,841
Administrative and support expenses (Schedule 1)	509,502	434,532
Interest on long term debt and bank charges	179,971	179,739
Supplies, repairs and maintenance	109,140	121,655
Bad debts	-	73,167
	17,711,750	21,035,553
Excess of revenue over expense before other non cash items	880,195	1,100,850
Other non cash items:		
Amortization of deferred lease inducements	246,840	246,840
Amortization of deferred contributions - capital assets	42,343	24,103
Amortization of capital assets	(543,331)	(548,581)
	(254,148)	(277,638)
Excess of revenue over expenses	$ 626,047	$ 823,212

See accompanying notes to financial statements.

EDMONTON NEWCOMER CENTRE

Statement of Changes in Net Assets

March 31, 2026

	Externally Restricted (Note 10)	Endowments (Note 10)	Invested in Capital Assets	Unrestricted	**2026**	**2025**
Balance, beginning of year	$ 153,772	$ 20,914	$ 2,784,320	$ (14,935)	**$ 2,944,071**	**$ 2,120,859**
Excess of revenue over expenses	-	-	-	626,047	**626,047**	**823,212**
Purchase of Capital Assets	-	-	23,759	(23,759)	**-**	**-**
Repayment of Long Term Debt	-	-	112,350	(112,350)	**-**	**-**
Amortization of deferred contributions - capital assets	-	-	42,343	(42,343)	**-**	**-**
Amortization of capital assets	-	-	(543,331)	543,331	**-**	**-**
Balance, end of year	$ 153,772	$ 20,914	$ 2,419,441	$ 975,991	**$ 3,570,118**	**$ 2,944,071**

See accompanying notes to financial statements.

EDMONTON NEWCOMER CENTRE

Statement of Cash Flow

March 31, 2026

	2026	2025
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	$ 626,047	$ 823,212
Items not involving cash:		
Amortization of deferred lease inducements	(246,840)	(246,840)
Amortization of rent free fixturing period	(107,562)	(107,562)
Amortization of deferred contributions - capital assets	(42,343)	(24,103)
Amortization of capital assets	543,331	548,581
Unrealized loss (gain) in investments	(10,444)	(11,497)
	762,189	981,791
Changes in non-cash operating working capital:		
Accounts receivable	1,147,694	(1,088,965)
Prepaid expenses	(166,337)	149,000
Accounts payable and accrued liabilities	(378,361)	368,921
Deferred contributions - operations	(245,302)	(1,486,971)
	357,694	(2,058,015)
Financing activities:		
Repayment of long term debt	(112,351)	(108,005)
Deferred contributions - capital assets	-	91,200
	(112,351)	(16,805)
Investing activities:		
Purchase of capital assets	(23,759)	(200,973)
	(23,759)	(200,973)
Increase (decrease) in cash	983,773	(1,294,002)
Cash and cash equivalents, beginning of year	3,078,864	4,372,866
Cash and cash equivalents, end of year	$ 4,062,637	$ 3,078,864

See accompanying notes to financial statements.

Nature of operations:

The Edmonton Newcomer Centre (the "Centre") is incorporated under the Societies Act of the Province of Alberta as a non-profit organization. Its purpose is to provide settlement assistance to new Canadians. The Centre is also a registered charity and, therefore, is exempt from income tax.

1. Significant accounting policies:

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

(a) Revenue recognition:

The Centre follows the deferral method of accounting for contributions.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Restricted contributions for the purchase of capital assets are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired capital asset. 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. Endowment contributions are recognized as direct increases in net assets.

Unrestricted investment income is recognized as revenue when earned. Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Investment income earned on endowment funds is recorded as a direct increase in net assets.

(b) Cash and cash equivalents:

Cash and cash equivalents include items that are readily convertible to known amounts of cash, subject to an insignificant risk of change in value, have a maturity of 90 days or less at acquisition, and are held for the purpose of meeting short-term cash commitments rather than for investing.

1. Significant accounting policies (continued):

(c) Capital assets:

Purchased capital assets are stated at cost, less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Assets acquired under capital leases are amortized over the estimated useful life of the asset or over the lease term, as appropriate.

Amortization is provided for on a straight-line basis over the following useful lives:

Asset	Rate
Buildings	30 years
Office furniture and computer equipment	3 - 5 years
Furniture and fixtures	5 years
Leasehold improvements	Term of the lease
Vehicles	5 years

The carrying amount of capital assets is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount is not recoverable and exceeds its fair value.

(d) Leases and tenant inducements:

Leases are classified as capital or operating leases. A lease that transfers substantially all the benefits and risks incidental to ownership is classified as a capital lease. All other leases are accounted for as operating leases, wherein rental payments are expensed on a straight-line basis.

Tenant inducements are recognized as revenue or as a reduction in rent expense on a straight-line basis over the term of the related lease.

(e) Contributed services:

Volunteers contribute a significant amount of time each year to assist the Centre in carrying out its service delivery activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

1. Significant accounting policies (continued):

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition and 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.

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 Centre determines if there is 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 Centre 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.

Financial assets measured at amortized cost include cash and cash equivalents and Guaranteed Investment Certificates.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and long term debt.

Mutual fund investments are measured at fair value.

(g) Use of estimates:

The preparation of the financial statements 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 revenue and expenses during the year. Items subject to such estimates includes allowances for doubtful accounts and amortization rates and methods for amortization expense of capital assets. Actual results could differ from those estimates.

2. Accounts receivable:

	2026	2025
Program funding grants	$ 386,853	$ 1,434,902
Goods and services tax rebate	75,085	102,459
Other	58,609	39,680
Tenant Improvement Allowance	-	91,200
	$ 520,547	$ 1,668,241

3. Investments:

	2026	2025
Mutual funds	$ 76,065	$ 69,723
Guaranteed investment certificates	162,878	158,775
	238,943	228,498
Less: Endowment investments	(20,914)	(20,914)
	$ 218,029	$ 207,584

As at March 31,2026, the cost of the mutual funds were $ 54,072 (2025 $51,079).

The guaranteed investment certificate bears interest at 2.40% (2025 2.65%) with a maturity date of September 7, 2026 and is held as security for an irrevocable letter of guarantee (Note 11).

Unrealized gains on the mutual funds in the amount of $7,351 (2025 - $4,940) are included in investment income.

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4. Capital assets:

	Cost	Accumulated amortization	Net Book Value 2026	Net Book Value 2025
Buildings	$ 6,563,696	$ 1,354,122	$ 5,209,574	$ 5,435,782
Leasehold improvements	2,998,496	2,087,232	911,264	1,195,013
Furniture and fixtures	356,995	315,840	41,155	48,535
Office and computer equipment	1,093,092	1,079,193	13,899	16,134
Vehicles	22,891	22,891	-	-
	$ 11,035,169	$ 4,859,277	$ 6,175,892	$ 6,695,464

5. Accounts payable and accrued liabilities:

	2026	2025
Accrued vacation liability	$ 363,028	$ 341,380
Other accrued liabilities	279,816	271,487
Trade payables	136,014	522,137
Payroll related liabilities	25,495	46,050
Goods and Services Tax Payable	1,302	2,963
	$ 805,656	$ 1,184,017

6. Deferred contributions - operations:

Deferred contributions - operations comprise unspent externally restricted program funding that is related to a future period. Changes in the deferred contribution balances are as follows:

	2026	2025
Balance, beginning of the year	$ 2,337,701	$ 3,824,672
Add: Contributions received	14,894,423	14,709,027
Less:		
Amounts recognized as revenue	(14,972,179)	(16,026,301)
Amounts repaid	(167,546)	(169,698)
Balance, end of year	$ 2,092,399	$ 2,337,701

The balance is comprised of following:

Provincial grants	$ 995,828	$ 1,131,170
Other grants and donations	635,275	856,590
Municipal grants	436,222	309,298
Federal grants	25,074	40,643
	$ 2,092,399	$ 2,337,701

7. Deferred lease inducements:

	2026	2025
Balance, beginning of the year	$ 1,516,351	$ 1,870,753
Amortization of rent free fixturing period	(107,562)	(107,562)
Amortization of deferred lease inducements	(246,840)	(246,840)
Deferred lease inducements	1,161,949	1,516,351
Less:		
Current portion of deferred lease inducements	(354,366)	(354,366)
Balance, end of year	$ 807,583	$ 1,161,985

8. Deferred contributions - capital assets:

Deferred contributions - capital assets represent contributed capitals assets and restricted contributions with which some of the Centre's capital assets were purchased. The changes in the deferred contributions balance for the year are as follows:

	2026	2025
Balance, beginning of the year	$ 357,334	$ 290,237
Contributions received	-	91,200
Amounts recognized as revenue	(42,342)	(24,103)
Balance, end of year	$ 314,992	$ 357,334

9. Long term debt:

	2026	2025
Loan payable to Royal Bank of Canada (RBC) bearing interest at 4.30% repayable in blended monthly payments of $22,558, maturing August 9, 2028	$ 3,441,459	$ 3,553,810
Less current portion of long term debt	(125,127)	(101,698)
	$ 3,316,332	$ 3,452,112

The principal portion of the long term debt, based on the terms of the agreement in effect at March 31, 2026, are as follows:

2027	$ 125,127
2028	130,240
2029	136,326
2030	142,305
2031	148,547
Thereafter	2,633,787

Interest on the debt facilities of $ 173,157 (2025 - $173,255) is included in interest and bank charges on the statement of operations.

The loan payable to Royal Bank of Canada (RBC) is secured by a general security agreement constituting a first ranking security interest in the personal property of the Centre and is subject to certain financial covenants.

In addition to the above, the Centre has established a Revolving Demand Facility with a maximum balance of $500,000, bearing interest at prime plus 0.73%. The authorized overdraft has not been drawn upon at March 31, 2026.

10. Restrictions on net assets:

a) Endowment
Net assets restricted for endowment purposes represent the Anne Falk Memorial Endowment Fund.

These net assets are subject to externally imposed restrictions stipulating that the resources be maintained permanently.

Investment income on this amount is externally restricted for bursary purposes.

Investments in the amount of $20,914 (2025 - $20,914) have been restricted as they are not available for current purposes.

b) Externally restricted
The Centre has externally restricted net assets of $153,772 (2025 - $153,772) related to the guarantee as disclosed in note 11.

11. Contingencies:

As at March 31, 2026, the Centre has an irrevocable letter of guarantee issued in the amount of $149,600 (2025 - $149,600) relating to programs funded by Alberta Human Services.
The letter of guarantee is secured by a General Security Agreement and an assigned guaranteed investment certificate in the amount of $149,600 (2025 - $149,600).
Alberta Human Services may exercise its right to draw on this letter of guarantee if the Centre fails to provide the educational program for which it has been approved, to follow the Skills Development program policies, or to repay tuition owed to Alberta Human Services.

12. Contractual obligations:

The Centre has entered into leases for office space and equipment at its various locations. The Centre is also responsible for its share of operational costs related to the respective leases. These costs are not fixed within the lease and are subject to change on a year to year basis. The Centre is required to make annual base rent and lease payments as follows:

2027	$	1,116,807
2028		1,058,733
2029		1,010,661
2030		926,440
2031		-

13. Grants:

		2026		2025
Federal government	$	12,802,737	$	15,235,820
Provincial government		3,886,515		4,506,803
Other foundations and organizations		505,189		913,460
Municipal government		339,096		429,724
	$	17,533,537	$	21,085,807

14. Financial Risks:

It is managements' opinion that the Centre is not exposed to significant credit, interest, other price risk, and liquidity risk arising from its financial instruments. The following analysis provides information about the Centre's risk exposure and concentration.

(a) Credit risk:

The Centre is subject to credit risk with respect to its receivables. Management monitors these accounts regularly and is reasonably assured that the Centre is not exposed to significant credit risk. The significant portion of the Centre's receivables are from the Governments of Canada and Alberta which reduces the Centre's exposure to credit risk.

(b) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Center is not exposed to significant interest rate risk as its investments in guaranteed investment certificates and its long-term debt bear fixed rates of interest.

(c) Other price risk:

Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Centre is exposed to other price risk on its investments in mutual funds.

(d) Liquidity risk:

Liquidity risk is the risk that the Centre cannot meet a demand for cash or fund its obligations as they come due. the Centre is exposed to this risk mainly in respect to its receipt of grant funds and other related sources and expects to continue to meet future requirements through these revenue sources. The Centre mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting.

15. Economic dependence:

The Centre’s primary source of revenue is grant funding from the Federal and Provincial governments. The Centre’s ability to continue to provide the programs and services these grants fund is dependent on this external funding.

16. Fundraising:

The Centre's gross contributions from fund raising activities per the Charitable Fund-Raising Act of Alberta includes donations and grants as recorded on the statement of operation.

The Centre did not have any separate distributions greater to or equal to 10% of the gross contributions received.

Total remuneration to employees involved in fund raising activities during the year was $152,191 (2025 - $157,325).

17 Comparative figures:

Certain comparative figures have been represented to conform with current year's presentation.

EDMONTON NEWCOMER CENTRE

Schedule 1 - Administrative and Support Expenses

Year ended March 31, 2026

	2026	2025
Professional fees	$ 99,458	$ 57,670
Travel costs	51,784	53,782
Service charges	51,730	54,104
Professional development	51,631	47,823
Telephone	51,469	56,466
Insurance	51,454	49,686
Office and general	40,129	25,335
Printing and photocopy	29,914	15,718
Staff and volunteers	29,638	32,706
Advertising	26,578	18,638
Dues and memberships	19,152	17,781
Board	4,565	4,825
Bursary Awards	2,000	-
	$ 509,502	$ 434,532

EDMONTON NEWCOMER CENTRE

Schedule 2 - Program revenues and expenses

Year ended March 31, 2026

City of Edmonton - Family & Community Support Services
Global Youth

	2026	2025
Revenue:		
City of Edmonton FCSS grant	$ 179,233	$ 178,796
Expenses:		
Salaries, wages and benefits	142,473	147,084
Occupancy expenses	17,012	10,529
General administration	16,876	16,110
Materials and supplies	2,872	5,073
	179,233	178,796
Excess of revenue over expenses	$ -	$ -

As at March 31, 2026 there is $42,160 held in deferred contributions - operations related to this program.

EDMONTON NEWCOMER CENTRE

Schedule 3 - Program revenues and expenses

Year ended March 31, 2026

City of Edmonton - Family & Community Support Services
Seniors Coordinated Outreach Program

	2026	2025
Revenue:		
City of Edmonton FCSS grant	$ 48,467	$ 64,535
Expenses:		
Salaries, wages and benefits	38,313	54,057
Occupancy expenses	4,600	2,512
General administration	4,406	5,641
Travel and training	901	476
Materials and supplies	247	700
Capital expenses	-	1,149
	48,467	64,535
Excess of revenue over expenses	$ -	$ -

As at March 31 2026 there are no funds held in deferred contributions - operations related to this program.