



2024 Management's Discussion & Analysis



Calgary Homeless
FOUNDATION

Management's Discussion and Analysis

This Management's Discussion and Analysis (MD&A) includes information about Calgary Homeless Foundation's (CHF) expectations for the future. When strategy, plans, future operating performance, or other things that have not yet occurred are discussed, CHF makes statements considered forward-looking information. Forward-looking information involves risks, uncertainties and other factors that may cause actual results to differ materially from those stated in this MD&A. Forward-looking information is designed solely to help readers understand management's current views and is not appropriate for other purposes. CHF disclaims any intention or obligation to update or revise any forward-looking information, whether because of new information, future events or otherwise.

Please note that April 1, 2022, to March 31, 2023, is referred to as Fiscal 2023, April 1, 2023, to March 31, 2024, is referred to as Fiscal 2024, and April 1, 2024, to March 31, 2025, is referred to as Fiscal 2025.

1. Organization and Leadership

CHF is structured into three primary areas: Homeless-Serving System of Care, Stakeholder Engagement, and Operations. As of March 31, 2024, there were 41 employees at CHF. A list of the executive leadership team can be found on CHF's website at: <http://calgaryhomeless.com/about/leadership/>

2. Strategy

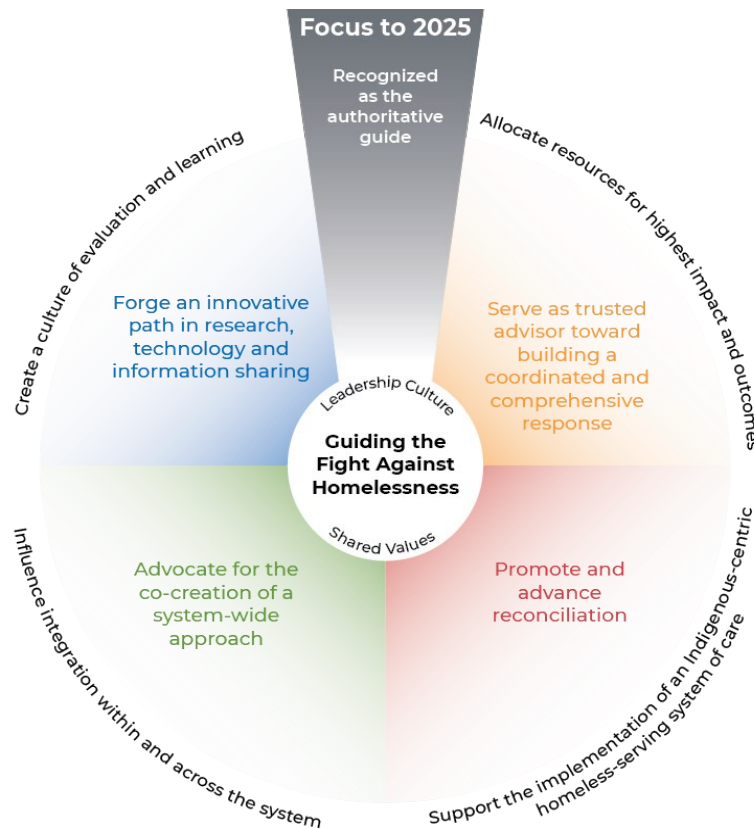
Our purpose — *Guiding the fight against homelessness* — articulates the higher calling of CHF. It provides the passion and focus for what we do and underlines the true meaning behind the daily work of our staff.

We are uniquely positioned within the homeless-serving system of care to observe the many complicated factors that affect those faced with or experiencing homelessness.

Our broad line of sight gives us a deep understanding of the cause-and-effect dynamics of homelessness. This insight, delivered as an arm's length advisor, enables us to inspire governments, service providers and our community to undertake a shared responsibility to maximize our collective impact in the fight against homelessness.

In Fall of 2021, CHF unveiled *Guiding the Fight Against Homelessness: Focus to 2025* strategic plan.

Our strategic plan emanates from purpose, the heartbeat of CHF. It sits at the center of everything we do, enabled by our leadership culture and shared values. Our ambition is to be recognized as the authoritative guide in conducting a unified fight against homelessness. Through 2025, we have identified four strategic ambitions around which we will concentrate our efforts to create breakthroughs. This is represented by the graphic below.



3. Fiscal 2024 Accomplishments

CHF accomplished several activities in Fiscal 2024, informed by our four strategic ambitions.

Serve as the trusted advisor to all orders of government, the business community and all Calgarians toward building a coordinated and comprehensive response to the complicating issues affecting homelessness.

The Foundation is reporting total project disbursements of \$69.1 million. The Foundation collaborates with thirty-one agencies to allocate resources for highest impact and outcomes. Trusted by the Government of Alberta, Government of Canada, City of Calgary, and CHF donors, the Foundation allocates these resources to community partners and strategic initiatives to achieve its purpose of guiding the fight against homelessness.

Since 2021, we have helped guide a city-wide support system that keeps Calgarians safe and warm in extreme weather conditions, while opening a door to resources they need to begin their journey home. The Coordinated Community Extreme Weather Response, or CCEWR, provides vulnerable Calgarians with warming spaces, increased access to shelters, and essential items to help them weather the cold. When individuals and families visit a warming space, they have the chance to connect with expert staff about medical care and recovery supports including mental health and addiction supports, affordable housing, and other programs. It's a team effort—and a starting point. By continuing to work with governments, community partners, and outreach groups long after the

winter is over, we're co-creating a system that will serve our most vulnerable citizens throughout the year.

Promote the reconciliation necessary to break down barriers by giving, receiving, listening, and reaching out in love.

CHF commits to promoting the reconciliation necessary to break down barriers by giving, receiving, listening, and reaching out in love. That phrasing, written into our strategic plan, is very intentional. We know the journey toward reconciliation is iterative, changes daily, and requires deep personal and organizational commitment.

Within the past year, we were honored to contribute to:

- *Indigenous Warming Centre* - The Indigenous Warming Centre, established in partnership with the CCEWR team, the Aboriginal Friendship Centre, and the City of Calgary, provides a space to warm up during a cold snap and is a spiritual space for the Indigenous community.
- *The Aboriginal Friendship Centre's Elders' Lodge* - The lodge opened this past year, offering affordable housing and indoor and outdoor spaces to practice land teachings, hold ceremonies and promote healing.
- *The Aboriginal Friendship Centre's Red Dress Powwow* - The 1st annual Red Dress Traditional Powwow 2024 was a special gathering to honour MMIWG2S+ through sacred ancestral songs, drums, and dance.
- *Miskanawah's Buffalo Tracks Youth Conference* - The 2nd annual Buffalo Tracks youth conference provided over 60 youth, aged 15-24, with the opportunity to engage in an Elder's Panel, Traditional Dance Teachings, and a mini-Round Dance.
- *Is Kitsii Gome Seven Brothers' Circle* - We continue to support this community-driven collective that works tirelessly to meet physical, mental, and spiritual needs of Indigenous Individuals living in Treaty 7 territory.
- *Truth Telling Ceremonies* - We continue to learn and grow from Miskanawah, and have this year embarked on a journey to understand their Indigenous evaluation framework, which includes Oral Truth Telling Ceremonies as an important way to evaluate programs.

Advocate with unwavering conviction for the co-creation with community of a system-wide approach to serving people experiencing homelessness.

We hosted conversations that brought community together, fostered shared learning, and built relationships for deeper connections and collaboration within the sector.

Conversations we hosted last year:

- Twenty-five CEOs discussed the most pressing challenges they face leading organizations within the sector. Together, they identified solutions and began advocating for change through a joint budget submission.
- A "World Café" facilitated discussions on redeveloping the Needs Service Questionnaire (NSQ). The discussions were guided by nine principles, and 589 individual pieces of input were collected and grouped by themes of potential change. The NSQ is a data-informed tool designed to determine the needs and key issues related to a client's housing needs.

- Consultations to engage partner agency expertise when data revealed a gap in the system, such as services for families or people with highly complex needs. All CHF's calls for proposals were shaped by the input from these conversations with agencies with first-hand experience.

Forge an innovative path for targeted research, powerful data analytics, a cutting-edge technology platform and sponsored forum for sharing best practices.

CHF's cutting-edge approach to data plays an important role in earning the trust of our partner agencies and improving the lives of vulnerable Calgarians.

Our agency dashboards, launched in 2022, provide real-time data to agencies about their programs for people at risk of or experiencing homelessness. Through the dashboards, we share up-to-date information with agencies on the success of their programs and the needs of individuals and families within them, making it easy for agencies to identify those who require more tailored supports to help them on their journey home. They also allow us to identify system wide trends. That means agencies can improve their programs as they happen, and CHF can allocate funds to programs that deliver the greatest impact for the most vulnerable citizens.

Our agency partners trust our data, because—in partnership with them—we created a framework that makes it clear where the data comes from, how we collect it, and how we analyze it. It ensures our data is accurate and paints an authoritative picture of homelessness in Calgary.

By revolutionizing our approach to data, we not only empower our partners—we build the trust and collaboration that is crucial to yielding a lasting, lifechanging outcome for Calgarians experiencing homelessness.

4. Looking Forward to Fiscal 2025

Four annual organizational goals have been identified in support of our four strategic ambitions for Fiscal 2025.

Foster an inclusive and equitable workplace, further cultivating our leadership culture, where all employees can flourish, positioning CHF as an employer of choice; we will strengthen the engagement of our staff and uphold a commitment to fostering an equitable and inclusive workplace where employees feel fundamentally valued and supported. We will strengthen leadership continuity with a focus on succession strategies, learning, development, and culture enhancement while strategically aligning our employee-centric initiatives with our purpose.

Standardize processes and align programs and financial data to generate advanced sectoral-level insights; we will develop a framework for predictive analytics to better understand the underlying drivers affecting people experiencing homelessness and how they move through the system of care over time and how their journey may change over time. Working with Indigenous allies, funded agencies and all levels of government, we will seek to influence change at a systems level leveraging data and evaluation and our shared learnings. Ultimately, we will be able to better meet

the needs of those moving through the system of care, and to proactively navigate the changing state of homelessness in Calgary.

Continue to steward trusting relationships with Indigenous allies, funded agencies, community partners, and all levels of government to build a comprehensive response to the complicating issues affecting homelessness; acknowledging the trust placed in us to allocate funds by the Government of Alberta and Government of Canada we will continue to convene critical conversations in support of relationship development with community stakeholders in service of collaboration and co-creation to benefit those experiencing homelessness. We will continue to show allyship with Indigenous allies while advancing learning opportunities and open dialogue with our staff about our efforts to be a good ally. We will continue to learn and grow as an organization in our knowledge of Indigenous ways of knowing.

Invest in automated business processes and systems and enterprise strategies to increase organizational capacity; we will conduct a strategic plan check-in as we enter the penultimate year of Focus 2025 – our five-year strategic plan, which will identify expected and unexpected outcomes and impacts of our strategic ambitions. We will work to safeguard our technology infrastructure and data through risk mitigation and complete the implementation of new software programs that contribute to capacity building.

5. Risk Management

CHF mitigates enterprise risk through an annual strategic review process, a yearly budgeting and business planning process, templates for service agreements (projects and consulting), transparent request for proposal (RFP) processes, and a tracking process for current contractual commitments.

PERFORMANCE RISK

Performance Risk includes the risks related to strategy, program (agency) performance and the risk of a program participant incident within a CHF-funded program. There is a risk that annual plans and investments are ineffective in reducing homelessness. To address this risk, an annual review process with the community evaluates progress, identifies system gaps, integrates new knowledge and results from system and program monitoring processes, integrates best practices, and adjusts annual plans and investments accordingly. There is also a risk that agencies do not deliver their program commitments. CHF conducts comprehensive program monitoring and quality assurance processes, including site visits and reviews. Lastly, there is a risk of disruption to CHF plans due to a world event, such as the COVID-19 pandemic. CHF works with the appropriate government agencies and strategic partners to assess areas of highest need and identify appropriate responses to manage the disruption.

FINANCIAL RISK

There is a risk that inadequate fiscal management could impact CHF's strategy, reputation and/or liquidity. CHF mitigates this risk through rigorous internal controls, system access restrictions, staff

oversight, and regular financial monitoring. CHF has a Board-approved Financial Policy, which is updated and reviewed annually.

POLITICAL AND REPUTATIONAL

CHF operates in a fluid political environment working with all four levels of government (Indigenous, municipal, provincial, and federal). There is always the potential risk for government funding to be reduced. CHF mitigates this risk by strengthening government relationships with multiple levels of government staff, filing all reports on time, adjusting budgets and plans to align with current government funding levels and aligning with government priorities.

6. Governance

The CHF Board of Directors ensures that CHF meets all legal, financial, and regulatory requirements, progresses on its stated goals, and is appropriately resourced to meet them. The Board acts to remove barriers or impediments and enhances engagement among community leaders. A list of the Board of Directors can be found on CHF website at: <http://calgaryhomeless.com/about/leadership/>.

7. Financial Results

STATEMENT OF FINANCIAL POSITION (as of March 31, 2024)

The Foundation is reporting a total fund balance of \$26.8 million, a decrease of \$8.5M over the prior year. Total assets decreased by \$5.7 million comprised of a decrease of \$7.1 million in cash, a decrease of \$0.5 million for cash paid out for the Calgary Collaborative Campaign for Affordable Housing (CCCCAH), an increase of \$1.2 million in prepaid expenses, and a net increase in short and long-term investments of \$0.7 million. Total liabilities increased by \$2.8 million primarily comprised of an increase of 3.5 million in short-term borrowings and a decrease of \$0.5 million of funds held in trust for CCCCCAH.

Investments of \$15.1 million are classified based on the intended use and estimated timing of utilization. The Foundation's investments are held within the Strategic Investment Fund, an internally restricted fund to support strategic projects that directly contribute to achieving the Foundation's purpose and long-term ambitions.

STATEMENT OF OPERATIONS (as of March 31, 2024)

Revenue:

Total revenues of \$66.5 million decreased by \$1.8 million over prior year. Government grants of \$63.2 million decreased by \$2.6 million over prior year due to a decrease of \$3.1 million in City of Calgary grant funding for four-year winter emergency response funding that was fully recognized in Fiscal 2023 offset by an increase of \$0.5M of Government of Canada winter response funding.

General fundraising and donations increased by \$0.3 million due to a \$0.7 million increase in general and restricted giving and fundraising campaigns offset by a \$0.4 million decrease of pledges collected in the CCCCAH fund.

Investment and other income increased by \$0.5 million due to higher interest rates combined with \$0.7 million in reinvested investment income from the Foundation's investment holdings.

Expenses:

Total expenses increased by \$17.7 million from \$57.8 million in Fiscal 2023 to \$75.4 million in Fiscal 2024 with \$16.9 million of the increase attributed to increased expenses for project disbursements under the System Programs and Strategic Investment Funds. In both years, project disbursement expenses included payments to partner agencies delivering front-line services to people at risk of or experiencing homelessness.

Salaries, fundraising and general and administration expenses of \$6.3 million increased by \$0.8 million comprised of \$4.7 million in salaries and benefits and \$1.7 million in general and administrative and fundraising and event expenses. General and administrative expenses include consulting and professional fees, occupancy costs, licenses and subscriptions and other general admin.

Net Operations:

Deficiency of revenue over expenses of \$8.5 million is comprised of \$2.0 million in operating fund surplus and \$10.4 million in system programs fund deficit. The systems program deficit is due to the expenditure of restricted funds carried forward from prior year. Operating fund surplus is allocated to the Strategic Investment Fund in accordance with financial policy.

LIQUIDITY AND CAPITAL RESOURCES (as of March 31, 2024)

Total cash used by Operating Activities was \$11.5M attributed to a deficiency of revenue over expenses of \$9.6M, after non-cash items, combined with a decrease in operating working capital of \$1.9 million.

Investing and financing activities contributed to favourable cash flows of \$0.4 million and \$3.5 million, respectively.

Financial Statements of

CALGARY HOMELESS FOUNDATION

And Independent Auditor's Report thereon

Year ended March 31, 2024



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Calgary Homeless Foundation

Opinion

We have audited the financial statements of Calgary Homeless Foundation (the Entity), which comprise:

- the statement of financial position as at March 31, 2024
- the statement of operations for the year then ended
- the statement of changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2024, 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 auditor's report.

We are independent of the Entity 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.



Other Matter – Comparative Information

As part of our audit of the financial statements for the year ended March 31, 2024, we also audited the adjustments that were applied to adjust certain comparative information presented for the year ended March 31, 2023. In our opinion, such adjustments are appropriate and have been properly applied.

Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor's report thereon, included in Management's Discussion and Analysis (MD&A) document.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in MD&A document as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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, due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the 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 Entity'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 Entity'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 Entity's 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.



- 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.

KPMG LLP

Chartered Professional Accountants

Calgary, Canada

June 26, 2024

CALGARY HOMELESS FOUNDATION

Statement of Financial Position

March 31, 2024, with comparative information for 2023

	Operating	System Programs	Strategic Investment	March 31, 2024 Total	March 31, 2023 Total
(Adjustment-note 16)					
Assets					
Current assets:					
Cash	\$ 5,198,117	\$ 3,087,392	\$ 1,929,895	\$ 10,215,404	\$ 17,278,529
Restricted cash for CCCCAH	—	—	—	—	536,128
Short-term investments (note 5)	—	—	—	—	700,000
Accounts receivable	63,927	7,322	54	71,303	109,693
Prepaid expenses	133,842	4,934,468	16,666	5,084,976	3,832,052
	5,395,886	8,029,182	1,946,615	15,371,683	22,456,402
Long-term investments (note 5)	—	—	15,074,730	15,074,730	13,712,716
Property and equipment (note 6)	67,337	—	—	67,337	93,380
Intangible assets (note 7)	159,247	—	—	159,247	113,388
	\$ 5,622,470	\$ 8,029,182	\$ 17,021,345	\$ 30,672,997	\$ 36,375,886
Liabilities and Fund Balances					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 292,859	\$ 8,505	\$ —	\$ 301,364	\$ 442,916
Short-term borrowing (note 8)	—	3,500,000	—	3,500,000	—
Funds held in trust for CCCCAH	—	—	—	—	538,403
Deferred contributions	9,361	78,671	—	88,032	129,950
	302,220	3,587,176	—	3,889,396	1,111,269
Fund balances:					
Internally restricted – Capital	226,584	—	—	226,584	206,768
Internally restricted – Wind-Up Reserve	2,100,000	—	—	2,100,000	2,100,000
Internally restricted – Sustainability Reserve	2,500,000	—	—	2,500,000	2,100,000
Internally restricted – Strategic Investment Reserve	—	—	17,021,345	17,021,345	15,682,903
Externally restricted – System Programs	—	4,442,006	—	4,442,006	14,869,799
Unrestricted Operating	493,666	—	—	493,666	305,147
	5,320,250	4,442,006	17,021,345	26,783,601	35,264,617
Commitments and contingencies (notes 4 and 12)					
Subsequent event (note 8)					
	\$ 5,622,470	\$ 8,029,182	\$ 17,021,345	\$ 30,672,997	\$ 36,375,886

See accompanying notes to the financial statements.

Approved by the Board of Directors

Carey Morgan

Chair, Board of Directors

Zeb

Chair, Audit & Risk Management Committee

CALGARY HOMELESS FOUNDATION

Statement of Operations

Year ended March 31, 2024, with comparative information for 2023

					March 31 2024 Total	March 31, 2023 Total
	Operating	System Programs	Strategic Investment			
	(Adjustment-note 16)					
Revenue:						
Government grants (note 9)	\$ 7,400,023	\$ 55,809,807	\$ —	\$ 63,209,830	\$ 65,827,048	
Other grants	—	—	—	—	128,132	
Fundraising & donations (note 3)	339,089	1,290,687	—	1,629,776	1,283,510	
Investment & other income	345,660	600,131	686,457	1,632,248	1,090,815	
	8,084,772	57,700,625	686,457	66,471,854	68,329,505	
-						
Expenses:						
Project disbursements (note 3)	—	67,952,611	1,144,055	69,096,666	52,181,131	
Salaries & benefits	4,486,125	170,387	—	4,656,512	4,413,516	
Fundraising & special events	168,316	—	—	168,316	81,079	
General & administrative (note 10)	1,426,934	5,420	32,054	1,464,408	1,046,359	
Amortization	42,524	—	—	42,524	41,681	
	6,123,899	68,128,418	1,176,109	75,428,426	57,763,766	
(Deficiency)/excess of revenue over expenses before Undermentioned items	\$ 1,960,873	\$ (10,427,793)	\$ (489,652)	\$ (8,956,572)	\$ 10,565,739	
Change in unrealized gain/(loss) on investments	\$ —	\$ —	\$ 475,556	\$ 475,556	\$ (58,554)	
(Deficiency)/excess of revenue over expenses	\$ 1,960,873	\$ (10,427,793)	\$ (14,096)	\$ (8,481,016)	\$ 10,507,185	

See accompanying notes to the financial statements.

CALGARY HOMELESS FOUNDATION

Statement of Changes in Fund Balances

Year ended March 31, 2024, with comparative information for 2023

	Internally Restricted - Capital	Internally Restricted Wind-Up Reserve	Internally Restricted Sustainability Reserve	Internally Restricted Strategic Investment Reserve	Externally Restricted System Programs	Unrestricted Operations	Total (Adjustment-note 16)
Fund balances, March 31, 2022	\$ 49,899	\$ 2,100,000	\$ 2,100,000	\$ 9,784,840	\$ 7,065,627	\$ 3,657,066	\$ 24,757,432
Purchase of property and equipment and intangible assets	198,550	—	—	(123,697)	—	(74,853)	—
Interfund transfer	—	—	—	6,001,299	—	(6,001,299)	—
Excess of revenue over expenses	(41,681)	—	—	20,461	7,804,172	2,724,233	10,507,185
Fund balances, March 31, 2023	206,768	2,100,000	2,100,000	15,682,903	14,869,799	305,147	35,264,617
Purchase of property and equipment and intangible assets	62,340	—	—	—	—	(62,340)	—
Interfund transfer	—	—	400,000	1,352,538	—	(1,752,538)	—
(Deficiency) excess of revenue over expenses	(42,524)	—	—	(14,096)	(10,427,793)	2,003,397	(8,481,016)
Fund balances, March 31, 2024	\$ 226,584	\$ 2,100,000	\$ 2,500,000	\$ 17,021,345	\$ 4,442,006	\$ 493,666	\$ 26,783,601

See accompanying notes to the financial statements.

CALGARY HOMELESS FOUNDATION

Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
	(Adjustment-note 16)	
Cash provided by (used in):		
Operations:		
(Deficiency) excess of revenue over expenses	\$ (8,481,016)	\$ 10,507,185
Non-cash items:		
Amortization	42,524	41,681
Loss on sale of investments	—	36,153
Income reinvested in investments	(686,457)	—
Change in unrealized (gain) loss on investments	(475,556)	58,554
	(9,600,505)	10,145,581
Changes in non-cash operating working capital		
Accounts receivables	38,390	(87,385)
Prepaid expenses	(1,252,924)	88,381
Accounts payable and accrued liabilities	(141,552)	214,315
Deferred contributions	(41,918)	(161,158)
Funds held in trust	(538,403)	(345,948)
	(1,936,407)	(291,795)
	(11,536,912)	9,853,786
Investing:		
Purchase of property and equipment	(16,481)	(114,930)
Purchase of intangible assets	(45,859)	(83,620)
Redemption of investments	17,748,455	5,724,746
Purchase of investments	(17,248,456)	(18,724,739)
	437,659	(13,198,543)
Financing:		
Proceeds from short-term borrowing	3,500,000	—
	3,500,000	—
Decrease in cash	(7,599,253)	(3,344,757)
Cash, beginning of year	17,814,657	21,159,414
Cash, end of year	\$ 10,215,404	\$ 17,814,657
Cash is comprised of:		
Cash	\$ 10,215,404	\$ 17,278,529
Restricted cash for CCCCAH Campaign	—	536,128
	\$ 10,215,404	\$ 17,814,657

See accompanying notes to the financial statements.

CALGARY HOMELESS FOUNDATION

Notes to Financial Statements

Year ended March 31, 2024, with comparative information for 2023

1. Nature of operations:

Calgary Homeless Foundation (the "Foundation") was incorporated under the *Alberta Societies Act* on September 4, 1998. The Foundation is a not-for-profit organization and a registered charity and is exempt from income taxes under the *Income Tax Act*. The Foundation's purpose is to guide the fight against homelessness in Calgary. The Foundation's stated objectives are to serve as a community partner in identifying the causes of and solutions to homelessness; to develop plans, in conjunction with all aspects of the community, that will provide access to housing for the homeless in Calgary; to provide leadership and focus to address homelessness issues in Calgary and to raise such funds as may be necessary to achieve these objectives. The Foundation does this through the disbursement of government and other funding through a granting process to partner agencies and various strategic initiatives in alignment with the Foundation's purpose and ambition.

2. Significant accounting policies:

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

(a) Fund accounting:

The Foundation maintains the following unrestricted fund:

- (i) The Operating Fund is an unrestricted fund that contains the assets, liabilities, revenue, and expenses related to the Foundation's operating activities to; allocate resources for highest impact and outcomes, build knowledge and understanding, galvanize public and political will and mobilize the community. The Operations Fund includes the expenses for the Foundation's management and staff, general office and administrative costs and fundraising expenses.

The Foundation maintains the following restricted funds:

- (i) The System Programs Fund contains the assets, liabilities, revenue and expenses related to the Foundation's distribution of funding for program expenditures allocated under contract to partner agencies.

CALGARY HOMELESS FOUNDATION

Notes to Financial Statements, page 2

Year ended March 31, 2024, with comparative information for 2023

2. Significant accounting policies (continued):

(a) Fund accounting (continued):

- (ii) The Strategic Investment Fund contains the assets, liabilities, revenue, and expenses related to the Foundation's strategic reserve which was created to invest in gaps in the homeless serving system of care that directly contribute to achieving the Foundation's purpose and strategic ambitions in four key areas: 1. pilot programs and evaluation projects 2. collaborative stakeholder integration projects 3. strategic research projects / partnerships 4. strategic technology project.

(b) Revenue recognition:

The Foundation follows the restricted fund method for accounting for contributions.

Restricted contributions related to a restricted fund are recognized as revenue of the appropriate restricted fund when received or when future receipt of cash is guaranteed by a funding agreement. Restricted contributions to the Operating Fund are deferred and recognized to revenue when the related expenses are incurred. Unrestricted contributions and contributions in the System Programs Fund are recognized in the Operating Fund, System Programs Fund, and Strategic Investment Fund respectively, as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Special events revenue, such as event ticket sales and sponsorships, is recognized when the event has occurred, and the amount can be reasonably assured to be received.

Restricted investment income is recognized as revenue of the System Programs Fund and Strategic Investment Fund when earned.

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

(c) Cash:

Cash includes cash on hand, held at Canadian financial institutions which is highly liquid.

(d) Investments:

The Foundation classifies investments as short-term or long-term based on the expected utilization timeline for investment holdings and invests in specific instruments based on the Board approved Investment Policy Statement. Interest income on investments is accrued over the term of investments.

Short-term investments are investments expected to be utilized within the next 12 month period.(ii) Long-term investments are investments that have been classified based on organizational intent and represent the balance of investments after classification of short-term holdings.

CALGARY HOMELESS FOUNDATION

Notes to Financial Statements, page 3

Year ended March 31, 2024, with comparative information for 2023

2. Significant accounting policies (continued):

(e) Property and equipment:

Purchased property and equipment are recorded at cost and are amortized over the estimated useful life on a straight-line basis as follows:

Computer equipment	2 years
Other equipment	4 years
Leasehold improvements	Remaining term of the lease including the first renewal option

In the year of acquisition, the assets are amortized at one-half of the normal rate.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable and exceeds its fair value or replacement cost. An impairment loss is recognized when the asset's carrying amount is not recoverable and the capital asset no longer contributes to the Foundation's ability to provide services or that the future economic benefits or service potential associated with the assets is less than its net carrying amount.

(f) Intangible assets:

Intangible assets with finite lives are recorded at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is computed using the straight-line method over the following periods:

Asset	Period
Software costs	3years

(g) Measurement uncertainty:

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Amounts accrued as receivable pursuant to various funding contracts associated with the Foundation's programs are based on management's best estimates of the amounts to be received for the periods in question upon the actual finalization of the associated claims and/or contract processes.

CALGARY HOMELESS FOUNDATION

Notes to Financial Statements, page 4

Year ended March 31, 2024, with comparative information for 2023

2. Significant accounting policies (continued):

(g) Measurement uncertainty (continued):

By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

(h) Financial instruments:

(i) Measurement:

The Foundation initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions that are measured at the exchange amount.

Equity instruments that are quoted in an active market are subsequently recorded at fair value. The Foundation subsequently measures all other financial assets and financial liabilities at amortized cost unless management has elected to carry the instruments at fair value.

Financial assets measured at amortized cost include cash, restricted cash for CCCCAH campaign and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, funds held in trust for CCCCAH campaign, short-term borrowings, and approved system programs disbursements.

(ii) Impairment:

Financial assets measured at cost or amortized cost are tested for impairment, at the end of each year, to determine whether there are indicators that the asset may be impaired. The amount of the write-down, if any, is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account. The reversal may be recorded provided it is no greater than the amount that had been previously reported as a reduction in the asset and it does not exceed original cost. The amount of the reversal is recognized in excess of revenue over expenses.

(iii) Transaction costs:

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments, which are subsequently measured at cost or amortized cost, are adjusted by the transaction costs and financing fees that are directly attributable to their origination, issuance or assumption and amortized on a straight-line basis over the terms of the instruments.

CALGARY HOMELESS FOUNDATION

Notes to Financial Statements, page 5

Year ended March 31, 2024, with comparative information for 2023

2. Significant accounting policies (continued):

(i) Contributed goods and services:

Donations of materials and services are recognized when the fair value can be reasonably estimated, and the materials and services would otherwise be purchased and are used in the normal course of operations.

Volunteers have contributed to a variety of services to assist the Foundation in carrying out its objectives. The fair value of such services is not recognized in these financial statements.

(j) Presentation and disclosure of controlled not-for-profit organization:

HomeSpace Society (the "Society"), which is controlled by the Foundation for accounting purposes, is not consolidated in the Foundation's financial statements. The financial information of the controlled not-for-profit organization is disclosed in note 7.

3. CCCCAH (Calgary Collaborative Capital Campaign for Affordable Housing):

During the 2012 fiscal year, the Foundation entered into an agreement with two other homeless serving charities to form the Calgary Collaborative Capital Campaign for Affordable Housing. During the 2013 fiscal year, six additional partners joined. The purpose of CCCCAH was to fundraise to support the acquisition (both past and future) of affordable housing. The Foundation acted as the fiscal agent for the campaign. The fundraising campaign concluded on March 31, 2018 and all pledge collection has now been finalized.

As of March 31, 2023 the Foundation ceased operating as fiscal agent for the campaign. All accounts relating to the campaign were closed and remaining funds held in trust disbursed among partner agencies. Administration expenses incurred during the year ended March 31, 2024 were \$ nil (2023 – \$36,801). The Foundation also received \$ nil (2023 – \$36,000) as a fiscal agent fee.

The Statement of Operations includes contributions of \$ nil (2023 – \$382,747) made to the CCCCAH Campaign as system programs revenue and total expenditures and distributions related to the CCCCAH Campaign of \$ nil (2023 – \$382,747) as system programs disbursements related to all partners' interest in the CCCCAH Campaign.

The Statement of Operations includes revenue of \$ nil (2023 – \$36,000) as operating revenue representing CCCCAH distributions to the Foundation during the year.

4. Conveyance of affordable housing net assets:

On September 30, 2016, the Foundation conveyed the property held for affordable housing and the associated cash, receivables, payables, mortgages, loans, deposits, tenant and grant agreements to HomeSpace Society, a separately registered charity with its own Board of Directors, management and office. Since the conveyance, the Society focuses on housing solutions for ending homelessness, while the Foundation continues its leadership role within Calgary's homeless – serving system of care.

CALGARY HOMELESS FOUNDATION

Notes to Financial Statements, page 6

Year ended March 31, 2024, with comparative information for 2023

4. Conveyance of affordable housing net assets (continued):

The Foundation is one of the nine participating agencies in the CCCCAH campaign to fundraise capital for affordable housing which concluded on March 31, 2018 (note 3). On September 30, 2016, the Foundation and the Society entered into agreements assigning the funds raised for the Foundation through the CCCCAH campaign to the Society (the “benefits”). The agreements specify that the Society is the registered owner and trustee of the properties for which CCCCAH fundraised (the “CCCAH assets”). In return for transferring the benefits and the CCCCAH assets, the Foundation is the beneficial owner of the CCCCAH assets with a net book value of \$105 million (2023 – \$103.0 million). The beneficial ownership of the CCCCAH assets will not transfer to the Society until the last pledge is received and the obligations of the CCCCAH campaign and the associated gift agreements have expired or terminated and legal transfer of beneficial ownership is fully executed.

5. Investments:

The following is a summary of the Foundation’s investments which are recorded at fair value:

Fair Value	2024	2023
Cash, T Bill’s & GICs	\$ 2,915,014	\$ 3,555,118
Fixed income	5,200,120	6,428,812
Marketable Securities/Equities	6,959,596	4,428,786
Total	\$ 15,074,730	\$ 14,412,716
Investments classified as current	\$ –	\$ 700,000
Investments classified as non-current	\$ 15,074,730	\$ 13,712,716

6. Property and equipment:

			2024	2023
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment	\$ 152,676	\$ 120,850	\$ 31,826	\$ 49,037
Other equipment	19,921	5,603	14,318	19,298
Leasehold improvements	51,127	29,934	21,193	25,045
	\$ 223,724	\$ 156,387	\$ 67,337	\$ 93,380

CALGARY HOMELESS FOUNDATION

Notes to Financial Statements, page 7

Year ended March 31, 2024, with comparative information for 2023

7. Intangible assets:

			2024	2023
	Cost	Accumulated amortization	Net book value	Net book value
Software costs	\$ 236,043	\$ 76,796	\$ 159,247	\$ 113,388
	\$ 236,043	\$ 76,796	\$ 159,247	\$ 113,388

In the prior year, intangible assets were included in property and equipment. These have been separately disclosed on the face of the balance sheet.

8. Short term borrowings:

As at March 31, 2023, the Foundation had \$3,500,000 (2023 – nil) outstanding on the revolving demand facility. The short-term borrowings were paid back in full in April 2024.

Amounts advanced under the facility incur interest payable monthly at the lender's prime rate plus 0.0%. During the year, the Foundation incurred \$0 (2023 – nil) of interest expense on the facility. The loan is secured by a general security agreement from the Foundation granted the lender first priority over all personal property. The Foundation is required to provide audited financial statements within 150 days of the fiscal year.

9. Government grants:

Government grants consist of the following contributions:

	2024	2023
Government of Alberta	\$ 41,629,031	\$ 41,629,031
Government of Canada	21,580,799	21,117,420
City of Calgary	–	3,080,597
Total	\$ 63,209,830	\$ 65,827,048

CALGARY HOMELESS FOUNDATION

Notes to Financial Statements, page 8

Year ended March 31, 2024, with comparative information for 2023

10. General & administrative expenses:

General and administrative expenses in the statement of operations is comprised of the following expenses:

	2024	2023
Consulting & professional fees	\$ 377,919	\$ 289,375
Occupancy costs & insurance	423,282	289,235
Licenses, subscriptions and other	525,389	273,328
Other general admin	137,818	194,421
Total	\$ 1,464,408	\$ 1,046,359

11. Related party transactions:

The Foundation controls HomeSpace Society (the “Society”), as the Foundation guarantees certain liabilities of the Society (note 12) and is the beneficial owner of certain assets of the Society (note 4).

The Society is a not-for-profit society incorporated June 19, 2003, under the Societies Act of Alberta. The Society is a designated charitable organization and is exempt from income taxes under the Income Tax Act. The Society receives and holds donations and purchases of land and buildings and funds to acquire land and buildings that will be dedicated in perpetuity for transitional and affordable housing in Calgary.

There are no significant differences in the accounting policies of the Foundation and the Society.

During the year, the Foundation provided \$377,730 (2023 – \$262,010) of grant funding, of which \$275,980 (2023 – \$254,510) was for a supportive housing program, \$56,750 (2023 – \$7,500) was to support the installation of a stairlift and \$45,000 (2023 – \$nil) was for Tennant Insurance Support.

CALGARY HOMELESS FOUNDATION

Notes to Financial Statements, page 9

Year ended March 31, 2024, with comparative information for 2023

11. Related party transactions (continued):

HomeSpace information

The Foundation reports condensed financial information of this controlled not-for-profit organization as follows:

	2024	2023
Assets		
Current assets	\$ 5,150,628	\$ 5,174,561
Property held for affordable housing	165,590,226	159,976,003
Property and equipment	114,037	77,119
	\$ 170,854,891	\$ 165,227,683
Liabilities	\$ 31,848,386	\$ 29,642,910
Fund balances:		
Internally restricted – net investment in property and equipment	\$ 114,037	\$ 77,119
Internally restricted – net investment in property held for affordable housing	137,728,122	133,272,905
Internally restricted – capital reserve fund for building maintenance	30,340	1,311,459
Unrestricted	1,134,006	923,290
	139,006,505	135,584,773
	\$ 170,854,891	\$ 165,227,683

	2024	2023
Revenue	\$ 15,257,275	\$ 19,210,045
Expenses	(11,835,543)	(9,589,433)
Excess of revenue over expenses	\$ 3,421,732	\$ 9,620,612
Cash provided from operating activities	\$ 6,027,148	\$ 21,436,875
Cash inflow from financial activities	3,189,546	5,000,491
Cash outflow from investing activities	(10,247,976)	(25,644,441)

All related party transactions are recorded at the exchange amount, which is the amount agreed upon by the parties.

CALGARY HOMELESS FOUNDATION

Notes to Financial Statements, page 10

Year ended March 31, 2024, with comparative information for 2023

12. Commitments and contingencies:

The Foundation enters into contracts to disburse system program funds over the next fiscal year. At the close of the fiscal year ended March 31, 2024, the terms of these agreements include a 30-day notification of cancellation of contracts. The Foundation is committed to System Program expenditures of approximately \$5 million per month until the termination of the agreements.

The Foundation has a lease for office space requiring the Foundation to pay monthly expenses of \$35,834. The current lease expires on August 31, 2024 and the Foundation has signed a new lease contract effective April 3, 2024 which commences February 1, 2025 and runs until January 31, 2035. The annual payments for the new lease consist of \$149,090 for years 1-2, \$178,908 for years 3-4, \$208,726 for years 5-6, \$238,544 for years 7-8 and \$268,362 for years 9-10.

As a result of the Foundation's beneficial ownership of the CCCCAH assets (Note 4):

- (a) The Foundation guarantees the Society's mortgages on the CCCCAH assets totaling \$2.7 million, with maturity dates ranging from December 1, 2027, to December 1, 2028, a current portion of \$162,788, interest rates ranging from 4.18 % to 4.28% per annum on the mortgages and secured by assets with a net book value of \$14.7 million.
- (b) The Foundation guarantees the Society's \$5 million evergreen line of credit facility to finance land purchases, of which \$1.4 million has been drawn as of March 31, 2024.

CALGARY HOMELESS FOUNDATION

Notes to Financial Statements, page 11

Year ended March 31, 2024, with comparative information for 2023

13. Financial instruments:

The Foundation is exposed to the following significant financial risks:

(a) Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation does not have a concentration of credit exposure with any one party. The Foundation does not consider itself exposed to undue credit risk.

The Foundation is exposed to credit risk relating to cash, restricted cash to CCCCAH and investments. The risk is mitigated as cash, T-bills and GICs, and restricted cash to CCCCAH, are deposited with major Canadian financial institutions.

The Foundation is exposed to credit risk relating to accounts receivable, which is influenced by the individual characteristics of each debtor. The majority of the accounts receivable are from financial institutions and government agencies. The Foundation limits its exposure to credit risks by dealing with only credit worthy organizations. Management does not expect any debtor to fail to meet their obligations.

(b) Liquidity risk:

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation manages its liquidity risk through cash and debt management.

(c) Interest rate risk:

Interest rate risk arises on cash and cash equivalents, restricted cash to CCCCAH, investments and short-term borrowings. The Foundation is exposed to interest rate risk due to fluctuations in the bank's interest rates.

(d) Other price risk:

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Foundation is subject to price risk in the value of donated shares on the date of sale compared to the date of donation. The Foundation mitigates this risk by selling all shares upon release to the Foundation in an effort to ensure that price on date of sale does not materially differ from the price on transfer.

There is no significant change in risk exposure from 2023.

CALGARY HOMELESS FOUNDATION

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Year ended March 31, 2024, with comparative information for 2023

14. Statutory disclosures:

As required under Section 7(2) of the Charitable Fundraising Regulation of Alberta, the Foundation discloses the following:

	2024	2023
Amounts paid as remuneration to employees whose principal duties involve fundraising	\$ 23,933	\$ 95,403

Proceeds from fundraising are disclosed as fundraising & donations on the statement of operations.

15. Internally Restricted Funds:

The Foundation maintains three internally restricted funds established by the Board of Directors to mitigate risk, ensure sustainability, and support investment in strategic projects with no other source of designated or sustainable funding.

The Foundation maintains the following internally restricted funds:

- (i) The Wind-Up Reserve was created to ensure coverage of 100% of all legal commitments to wind up the Foundation in the event funding is discontinued. The Wind-Up Reserve is assessed on an annual basis and any adjustments require approval of the Foundation’s Board of Directors
- (ii) The Sustainability Reserve was created to allow for orderly transition in the event a significant portion of annual funding is discontinued. The Sustainability Reserve is assessed on an annual basis with any adjustments approved by the Foundation’s Board of Directors
- (iii) The Strategic Investment Reserve was created to fund gaps and support innovation in the homeless serving system of care that is responsive to community need. Investments in strategic projects require Board approval and must directly contribute to achieving the Foundations’ Purpose and Ambitions in the following four areas:
 - 1. Pilot programs and evaluation projects
 - 2. Collaborative stakeholder integration projects
 - 3. Strategic research project/partnerships
 - 4. Strategic technology projects

CALGARY HOMELESS FOUNDATION

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Year ended March 31, 2024, with comparative information for 2023

16. Prior period adjustment:

During the current year, the Foundation identified an adjustment in the application of accounting guidance associated with the system program disbursement accrual. As such, amounts previously recorded as a liability at March 31, 2023 have been reversed, and opening net assets as at April 1, 2022 and system grant disbursement expenses for the year ended March 31, 2023 were adjusted accordingly.

These adjustments resulted in the following changes to the 2023 comparative financial statements:

	As previously reported March 31, 2023	Adjustment	As Adjusted- March 31, 2023
Statement of Financial Position:			
Current liabilities:			
Approved system program disbursement	\$ 4,484,499	\$ (4,484,499)	\$ –
Fund balances:			
Externally restricted – System programs	10,385,300	4,484,499	14,869,799
Fund balances, March 31, 2023	30,780,118	4,484,499	35,264,617
Statement of Operations:			
Project Disbursements	52,872,591	(691,460)	52,181,131
Excess of revenue over expenses	9,874,279	691,460	10,565,739
Statement of changes in Fund Balances			
Fund balances, March 31, 2023	30,780,118	4,484,499	35,264,617
Statement of cash flow:			
Excess of revenue over expenses	9,815,725	691,460	10,507,185
Increase (decrease) in approved system program disbursements	\$ 691,460	\$ (691,460)	\$ –



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CHF is committed to providing transparency and accountability to our stakeholders. We invite community members to anonymously voice any concerns regarding our business conduct to our external whistleblower line at 403-214-1821.