

ARUSHA CENTRE SOCIETY
Financial Statements
Year Ended December 31, 2024

ARUSHA CENTRE SOCIETY
Index to Financial Statements
Year Ended December 31, 2024

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 11

INDEPENDENT AUDITOR'S REPORT

To the Members of Arusha Centre Society

Opinion

I have audited the financial statements of Arusha Centre Society (the Society), which comprise the statement of financial position as at December 31, 2024, 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 my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

(continues)

* Denotes Professional Corporation

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

RSPE Professional Corporation

Chartered Professional Accountant



Calgary, Alberta

April 30, 2025

ARUSHA CENTRE SOCIETY
Statement of Financial Position
December 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash (Note 4)	\$ 247,595	\$ 305,694
Short term investments (Note 5)	206,593	100,403
Accounts receivable	1,525	9,449
Goods and services tax recoverable	771	768
Prepaid and sundry	10,934	3,856
	467,418	420,170
CAPITAL ASSETS	-	1,632
LONG TERM INVESTMENTS (Note 6)	1,229	563
	\$ 468,647	\$ 422,365
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 9,117	\$ 10,066
Deferred contributions (Note 7)	228,069	178,531
	237,186	188,597
NET ASSETS	231,461	233,768
	\$ 468,647	\$ 422,365

ON BEHALF OF THE BOARD

 _____ Director
 _____ Director

ARUSHA CENTRE SOCIETY
Statement of Operations
Year Ended December 31, 2024

	Operating 2024	Repair Exchange Calgary	TAG 2024	FCSS Calgary 2024	Calgary Dollar 2024	Climate Program 2024	Affordable Housing 2024	Total 2024	Total 2023
REVENUES									
Grants	\$ 66,242	\$ 75,000	\$ 16,275	\$ 46,347	\$ 60,436	\$ 75,260	\$ 8,038	\$ 347,598	\$ 406,492
Donations	\$ 9,718	\$ -	\$ -	\$ -	\$ 49	\$ -	\$ -	\$ 9,767	\$ 21,544
Interest income	\$ 6,276	\$ -	\$ -	\$ -	\$ 6	\$ -	\$ -	\$ 6,282	\$ 1,212
Event services	\$ 3,700	\$ -	\$ -	\$ -	\$ 445	\$ 200	\$ -	\$ 4,345	\$ 5,033
Rental revenues	\$ 2,089	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,089	\$ 1,655
Other income	\$ 593	\$ -	\$ -	\$ -	\$ 270	\$ -	\$ -	\$ 863	\$ 7,998
	\$ 88,618	\$ 75,000	\$ 16,275	\$ 46,347	\$ 61,206	\$ 75,460	\$ 8,038	\$ 370,944	\$ 443,934
EXPENSES									
Salaries, wages and benefits	\$ 63,001	\$ 41,805	\$ 5,325	\$ 33,430	\$ 38,130	\$ 34,295	\$ 7,162	\$ 223,148	\$ 281,641
Project administrative	\$ 3,646	\$ 8,358	\$ 2,108	\$ 4,489	\$ 7,015	\$ 11,152	\$ 676	\$ 37,444	\$ 26,859
Events, project and development	\$ 878	\$ 14,060	\$ 8,000	\$ 432	\$ 2,639	\$ 8,938	\$ -	\$ 34,947	\$ 43,092
Consulting fees	\$ 3,775	\$ -	\$ -	\$ -	\$ 6,349	\$ 20,550	\$ -	\$ 30,674	\$ 21,065
Office	\$ 3,794	\$ 3,407	\$ 842	\$ 5,544	\$ 4,208	\$ 2,433	\$ 200	\$ 20,428	\$ 22,196
Rental	\$ 3,534	\$ 6,243	\$ -	\$ 2,400	\$ -	\$ 2,000	\$ -	\$ 14,177	\$ 13,996
Professional fees	\$ 693	\$ -	\$ -	\$ -	\$ 3,991	\$ 791	\$ -	\$ 5,475	\$ 5,802
Insurance	\$ 237	\$ -	\$ -	\$ -	\$ 752	\$ 2,019	\$ -	\$ 3,008	\$ 4,538
Advertising and promotion	\$ 8	\$ 1,127	\$ -	\$ 45	\$ 618	\$ 100	\$ -	\$ 1,898	\$ 6,385
Training	\$ 1,288	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,288	\$ 500
Interest and bank charges	\$ 689	\$ -	\$ -	\$ 7	\$ 7	\$ 61	\$ -	\$ 764	\$ 652
Amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 870
	\$ 81,543	\$ 75,000	\$ 16,275	\$ 46,347	\$ 63,709	\$ 82,339	\$ 8,038	\$ 373,251	\$ 427,596
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES									
FROM OPERATIONS	\$ 7,075	\$ -	\$ -	\$ -	\$ 2,503	\$ 6,879	\$ -	\$ 2,307	\$ 16,338
OTHER INCOME/EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 7,075	\$ -	\$ -	\$ -	\$ 2,503	\$ 6,879	\$ -	\$ 2,307	\$ 16,338

ARUSHA CENTRE SOCIETY
Statement of Changes in Net Assets
Year Ended December 31, 2024

	General Fund		Internally Restricted Fund		2024	2023
NET ASSETS - BEGINNING OF YEAR	\$	174,055	\$	59,713	\$ 233,768	\$ 217,430
Deficiency of revenues over expenses		(2,307)		-	(2,307)	16,338
Amount allocated during the year		(15,913)		15,913	-	-
Amount spent during the year		24,097		(24,097)	-	-
NET ASSETS - END OF YEAR	\$	179,932	\$	51,529	\$ 231,461	\$ 233,768

See notes to financial statements

ARUSHA CENTRE SOCIETY
Statement of Cash Flows
Year Ended December 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (2,307)	\$ 16,338
Items not affecting cash:		
Amortization of property, plant and equipment	-	870
Capital assets expenses	1,632	-
	<u>(675)</u>	<u>17,208</u>
Changes in non-cash working capital:		
Accounts receivable	7,924	106,008
Accounts payable and accrued liabilities	(949)	(708)
Deferred contributions	49,538	(9,729)
Prepaid and sundry	(7,078)	(1,505)
Goods and services tax payable	(3)	(319)
	<u>49,432</u>	<u>93,747</u>
Cash flow from operating activities	<u>48,757</u>	<u>110,955</u>
INVESTING ACTIVITY		
Short term investments	<u>(106,190)</u>	<u>(100,403)</u>
Cash flow used by investing activity	<u>(106,190)</u>	<u>(100,403)</u>
FINANCING ACTIVITY		
Long term investments	<u>(666)</u>	<u>19,772</u>
Cash flow from (used by) financing activity	<u>(666)</u>	<u>19,772</u>
INCREASE (DECREASE) IN CASH FLOW	<u>(58,099)</u>	<u>30,324</u>
Cash - beginning of year	<u>305,694</u>	<u>275,370</u>
CASH - END OF YEAR	<u>\$ 247,595</u>	<u>\$ 305,694</u>

ARUSHA CENTRE SOCIETY
Notes to Financial Statements
Year Ended December 31, 2024

1. PURPOSE OF THE ORGANIZATION

The Arusha Centre Society (the "Society") is a not-for-profit organization incorporated under the Societies Act of the Province of Alberta. The Society is dedicated to the public understanding of issues of social justice and how they relate to the choices we take in our community and community-based programming. The Society is registered as a charitable organization under the Income Tax Act and is exempt from income taxes.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) within the framework of the accounting policies described in Note 3.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash includes cash, cash equivalents and Calgary Dollars. The Society currently holds no investments classified as cash equivalents.

Short-term investments

Investments for which there is no active market are carried at amortized cost, except when it is determined that their value is impaired. At the end of the year, management did not identify any impairments in the investments.

Goods and Services Tax

Goods and services tax is recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate being treated as a receivable.

Prepaid expenses

Prepaid expenses represent expenses paid in advance where the Society expects to use the benefits within a year. It is a future expenses that the Society has paid for in advance. A prepaid expense is only recognized in the income statement when the Society consumes the services.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Furniture and fixtures	20% declining balance method
Equipment	30% declining balance method
Computer equipment	45% declining balance method

The Society regularly reviews its capital assets to eliminate obsolete items.

In accordance with Canadian accounting standards for not-for-profit organizations, small not-for-profit organizations defined as those with average annual revenues of less than \$500,000 can choose not to recognize capital assets on their statement of financial position. As a result, capital assets are charged to expenses on the statement of operations. During the year, the Society expensed capital assets in the amount of \$3,207.

(continues)

ARUSHA CENTRE SOCIETY
Notes to Financial Statements
Year Ended December 31, 2024

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

Revenue recognition

Arusha Centre Society follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

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

Contributed services

The operations of the Society depend on both the contribution of time by volunteers and directors. These services materially benefit the organization; however, a reasonable estimate of the time spent and its fair value cannot be reasonably determined and are therefore not reflected in these financial statements.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. These estimates are reviewed periodically and they are reported in the period in which they become known by making necessary adjustments. Estimates used in the preparation of these financial statements relate to accrual of expenses, useful life of capital assets and determination of timing of recognition of revenues from deferred contributions.

4. CASH

Cash includes \$98,520 (2023: \$58,674) of restricted cash subject to the requirements of the Alberta Gaming, Liquor and Cannabis.

5. SHORT TERM INVESTMENTS

The Society holds units at Aviso Wealth, a mutual fund invests primarily in Canadian bonds and equities. As of December 31, 2024, the carrying value of the investment is \$206,593 (2023: \$100,403). The investment is measured at cost as it is not publicly traded in an active market.

ARUSHA CENTRE SOCIETY
Notes to Financial Statements
Year Ended December 31, 2024

6. LONG TERM INVESTMENT

Common share investment in First Calgary Financial represents equity or capital in First Calgary Financial. Unlike term deposits which are 100% guaranteed by the Credit Union Deposit Guarantee Corporation, Common shares are not 100% guaranteed. The redemption policy for Common shares allows members to redeem their shares once per calendar year, up to a maximum of 20% of the member's Common Share balance subject to other terms and conditions of issuer.

ARUSHA CENTRE SOCIETY
Notes to Financial Statements
Year Ended December 31, 2024

7. DEFERRED CONTRIBUTIONS

	Opening Balance	Addition	Transfer to revenue	2024
Casino Fund	\$ 58,676	\$ 87,059	\$ (47,216)	\$ 98,519
CIP - AGLC	-	75,000	-	75,000
Take Action Grant	9,775	26,625	(16,275)	20,125
Affordable Housing	-	21,379	(8,038)	13,341
Calgary \$'s - Norfolk	9,192	5,000	(6,093)	8,099
AB Eco Trust	25,000	-	(20,500)	4,500
Chinook Blast 2	-	4,972	(647)	4,325
Calgary \$'s - Subnet Housing CUPS	5,960	5,000	(6,800)	4,160
United Way Calgary	34,436	-	(34,436)	-
Trottier Foundation	30,000	-	(30,000)	-
Friends of Chinook Blast	3,936	-	(3,936)	-
Venture Canada	1,556	7,000	(8,556)	-
	\$ 178,531	\$ 232,035	\$ (182,497)	\$ 228,069

8. CALGARY DOLLARS

The Society uses "Calgary Dollars", which is a complementary currency system that brings together local talents and resources to strengthen the local economy and build community. In 2024, the Society received \$5,685 (2023: \$7,526) Calgary Dollars as payment for various types of services performed and used \$1,009 (2023: \$1,126) Calgary Dollars in payment of various expenses. All Calgary Dollars are transacted at the fair value of goods and services exchanged. Calgary Dollars can be purchased with Canadian Dollars, but Calgary Dollars cannot be exchanged for Canadian Dollars.

9. INTERNALLY RESTRICTED FUND

	2024	2023
Arusha Climate Program	\$ 46,631	\$ 46,927
Calgary \$ General Funds	4,899	7,402
Arusha - City Event	-	5,384
	\$ 51,530	\$ 59,713

Internally restricted net assets are funds which have been designated for a specific purpose by the Society's Board of Members.

ARUSHA CENTRE SOCIETY
Notes to Financial Statements
Year Ended December 31, 2024

10. FINANCIAL INSTRUMENTS

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Society's risk exposure and concentration as of December 31, 2024.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society is exposed to credit risk from customers. In order to reduce its credit risk, the Society reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Society has no significant concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from its customers, accounts payable and accrued expenses.

Currency risk

Currency risk is the risk to the Society's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Society is exposed to foreign currency exchange risk on prepaid expenses held in U.S. dollars. The Society does not use derivative instruments to reduce its exposure to foreign currency risk.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant other price risks arising from these financial instruments.

11. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.
