

**STEPPING STONES CRISIS SOCIETY**  
**Financial Statements**  
**For the Year Ended March 31, 2023**

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## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

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The financial statements of Stepping Stones Crisis Society have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Stepping Stones Crisis Society's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board of Directors meets periodically with management and the directors' auditors to review significant accounting, reporting and internal control matters. The Board of Directors also considers, for approval by the directors, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the directors by Metrix Group LLP, in accordance with Canadian accounting standards for not-for-profit organizations.



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Ms. Susan White, Executive Director

Cold Lake, Alberta  
June 28, 2023

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## INDEPENDENT AUDITORS' REPORT

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To the Directors of Stepping Stones Crisis Society

### *Qualified Opinion*

We have audited the financial statements of Stepping Stones Crisis Society (the Society), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2023, 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.

### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, the Society derives revenue from donations and fundraising activities the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenues over expenses, cash flows from operations for the year ended March 31, 2023, current assets and net assets as at March 31, 2023. The predecessor auditor's opinion on the financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this limitation of scope.

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 Society in accordance with 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 qualified audit opinion.

### *Other Matter*

The financial statements for the year ended March 31, 2022 were audited by another auditor who expressed a qualified opinion on those financial statements on July 7, 2022 for the reasons described in the *Basis for Qualified Opinion* section.

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

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

(continues)

Independent Auditors' Report to the Directors of Stepping Stones Crisis Society (*continued*)

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.

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

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

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

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

**METRIX GROUP LLP**

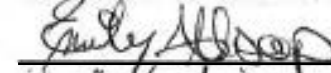
Chartered Professional Accountants

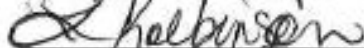
Edmonton, Alberta  
June 28, 2023

**STEPPING STONES CRISIS SOCIETY****Statement of Financial Position****As at March 31, 2023**

	<b>2023</b>	2022 <i>(Restated)</i> <i>(Note 12)</i>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 1,608,124	\$ 1,383,470
Cash held in trust	3,204	2,966
Investments <i>(Note 2)</i>	672,766	1,096,136
Government subsidies receivable	-	146,161
Goods and Services Tax recoverable	6,572	11,823
Prepaid expenses	11,403	13,153
	<b>2,302,069</b>	2,653,709
TANGIBLE CAPITAL ASSETS <i>(Note 3)</i>	<b>3,438,529</b>	3,015,167
	<b>\$ 5,740,598</b>	\$ 5,668,876
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities <i>(Note 4)</i>	\$ 200,461	\$ 61,538
Accrued payroll liabilities <i>(Note 5)</i>	77,465	153,049
Funds held in trust	3,204	2,966
	<b>281,130</b>	217,553
LONG TERM DEBT	-	1,427,902
DEFERRED CAPITAL CONTRIBUTIONS <i>(Note 6)</i>	<b>1,024,637</b>	122,429
	<b>1,305,767</b>	1,767,884
<b>NET ASSETS</b>		
Unrestricted	719,000	1,336,207
Internally restricted	88,842	1,289,950
Internally restricted - Invested in tangible capital assets	2,413,892	1,274,835
Internally Restricted - capital reserve	1,213,097	-
	<b>4,434,831</b>	3,900,992
	<b>\$ 5,740,598</b>	\$ 5,668,876

**ON BEHALF OF THE BOARD**

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

The accompanying notes are an integral part of these financial statements

**STEPPING STONES CRISIS SOCIETY****Statement of Operations****For the Year Ended March 31, 2023**

	<b>2023</b>	2022 <i>(Restated)</i> <i>(Note 12)</i>
<b>REVENUE</b>		
Grants - Ministry of Human Services	\$ 1,719,112	\$ 1,719,112
Grants - Other	549,979	669,123
Sales - Social Enterprise	543,583	417,587
Grants - Health Canada	91,692	91,692
Donations	60,716	43,701
Rental	37,735	27,561
Fundraising	31,105	39,845
Other <i>(Note 13)</i>	26,615	638,230
Interest	16,231	4,091
Amortization of deferred contributions - tangible capital assets	11,770	11,950
	<u>3,088,538</u>	<u>3,662,892</u>
<b>EXPENSES</b>		
Salaries, wages and benefits	2,196,285	2,018,398
Professional fees	277,725	125,904
Office and administration	247,202	235,286
Office rent	158,826	111,784
Amortization of tangible capital assets	101,530	136,668
Utilities	88,076	90,501
Insurance	32,650	28,910
Repairs and maintenance	20,031	381,323
Interest and bank charges	7,995	5,329
Other	5,376	14,772
	<u>3,135,696</u>	<u>3,148,875</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES BEFORE OTHER INCOME (EXPENSES)</b>	<u>(47,158)</u>	514,017
<b>OTHER INCOME (EXPENSES)</b>		
Gain (loss) on disposal of tangible capital assets	598,455	(225)
Realized and unrealized loss on marketable securities	(17,458)	(25,775)
	<u>580,997</u>	<u>(26,000)</u>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<u>\$ 533,839</u>	<u>\$ 488,017</u>

The accompanying notes are an integral part of these financial statements

**STEPPING STONES CRISIS SOCIETY**

**Statement of Changes in Net Assets**

**For the Year Ended March 31, 2023**

	Unrestricted	Internally Restricted Operating Reserve	Internally Restricted - Invested in Tangible Capital Assets	Internally Restricted Capital Reserve	2023	2022
<b>NET ASSETS - BEGINNING OF YEAR, AS PREVIOUSLY STATED</b>						
As previously reported	\$ 1,146,207	\$ 1,289,950	\$ 1,627,025	\$ -	\$ 4,063,182	\$ 3,412,975
Restatement ( <i>Note 14</i> )	-	-	(162,190)	-	(162,190)	-
<b>NET ASSETS - BEGINNING OF YEAR, AS RESTATED</b>						
	1,146,207	1,289,950	1,464,835	-	3,900,992	3,412,975
Excess of revenue over expenses	533,839	-	-	-	533,839	488,017
Transfer to internally restricted ( <i>Note 11</i> )	(11,989)	11,989	-	-	-	-
Amortization of tangible capital assets	101,530	-	(101,530)	-	-	-
Purchase of tangible capital assets	(1,958,437)	-	1,958,437	-	-	-
Net disposal of tangible capital assets	1,433,544	-	(1,433,544)	-	-	-
Deferred capital contributions received	913,978	-	(913,978)	-	-	-
Repayment of long term debt	(1,427,902)	-	1,427,902	-	-	-
Amortization of deferred capital contributions	(11,770)	-	11,770	-	-	-
Operating reserve funds redesignated as capital ( <i>Note 10</i> )	-	(1,213,097)	-	1,213,097	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 719,000</b>	<b>\$ 88,842</b>	<b>\$ 2,413,892</b>	<b>\$ 1,213,097</b>	<b>\$ 4,434,831</b>	<b>\$ 3,900,992</b>

The accompanying notes are an integral part of these financial statements

**STEPPING STONES CRISIS SOCIETY****Statement of Cash Flows****For the Year Ended March 31, 2023**

	<b>2023</b>	2022
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 533,839	\$ 488,017
Items not affecting cash:		
Amortization of tangible capital assets	101,530	136,668
Loss (gain) on disposal of tangible capital assets	(598,455)	225
Amortization of deferred contributions - tangible capital assets	(11,770)	(11,950)
Unrealized gain on marketable securities	-	25,947
	<u>25,144</u>	<u>638,907</u>
Changes in non-cash working capital:		
Government subsidies receivable	146,161	12,930
Accounts payable and accrued liabilities	22,917	(41,129)
Prepaid expenses	1,750	27,120
Goods and Services Tax recoverable	5,251	(8,125)
Cash held in trust	(238)	(2,966)
Accrued payroll liabilities	(75,583)	82,364
Funds held in trust	238	2,966
	<u>100,496</u>	<u>73,160</u>
	<u>125,640</u>	<u>712,067</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of tangible capital assets	(1,042,432)	(42,247)
Proceeds on disposal of tangible capital assets	2,032,000	-
Purchase of investments	423,370	-
	<u>1,412,938</u>	<u>(42,247)</u>
<b>FINANCING ACTIVITIES</b>		
Additions to deferred capital contributions	113,978	-
Repayment of long term debt	(1,427,902)	(71,353)
	<u>(1,313,924)</u>	<u>(71,353)</u>
<b>INCREASE IN CASH FLOWS</b>	<b>224,654</b>	598,467
<b>CASH - BEGINNING OF YEAR</b>	<u>1,383,470</u>	<u>785,003</u>
<b>CASH - END OF YEAR</b>	<u>\$ 1,608,124</u>	<u>\$ 1,383,470</u>

The accompanying notes are an integral part of these financial statements



# STEPPING STONES CRISIS SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2023

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### PURPOSE OF THE SOCIETY

Stepping Stone Crisis Society (the Society) is a non-profit organization in the Province of Alberta which provides a safe and supporting environment for abused women and their children, women in crisis, or women needing emergency accomodation. The Society was incorporated under the Society's Act of the Province of Alberta on November 10, 1983. The Society is a registered charity under the Income Tax Act of Canada.

As a registered charity organization the Society is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Basis of Presentation*

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

#### *Investments*

Investments for which there are quoted prices in an active market are carried at fair value. Unrealized gains or losses are reported as part of excess of revenue over expenses. Investments for which there is not an active market are carried at amortized cost except when it is established that their value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of excess of revenue over expenses.

#### *Tangible capital assets*

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Contributed capital assets are recorded at their estimated fair value at the date of contribution. Amortization is computed at the following rates and methods:

Buildings	4%	declining balance method
Furniture and equipment	20%	declining balance method
Vehicles	30%	declining balance method
Land improvements	6%	declining balance method
Leasehold improvements	term of the lease	straight-line method

Tangible capital assets under construction are not amortized until they are completed and put into use.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

#### *Internally Restricted Net Assets*

The invested in capital assets fund consists of funds received to finance the purchase of tangible capital assets, less any disposals and amortization expense.

The internally restricted operating fund consists of funds designated by the Board for the payment of future operating costs at the discretion of the Board.

The internally restricted capital reserve fund consists of a fund designated by the Board for the construction of a new women's shelter.

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# STEPPING STONES CRISIS SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2023

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### *Revenue Recognition*

Stepping Stones Crisis Society follows the deferral method of accounting for contributions, which include donations, fundraising, and government grants. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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.

Contributions related to tangible capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the tangible capital assets.

Sales - Social Enterprise is comprised of the sale of donated goods and is recognized when sold.

Interest is recognized in the period in which it is earned.

#### *Contributed Services*

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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# STEPPING STONES CRISIS SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2023

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### *Financial Instruments*

##### *Measurement of financial instruments*

The Society initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instruments.

The Society subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash, investments, and accounts receivable.

Financial assets measured at fair value include investments (marketable securities).

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

##### *Impairment*

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down 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, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

##### *Transaction costs*

The Society recognizes its transaction costs in excess of revenue over expenses in the period incurred. However, the carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their organization, issuance or assumption.

##### *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. Significant areas requiring the use of management's estimates include the useful lives of tangible capital assets, and the corresponding rates of amortization, fair value of contributed tangible capital assets, and the amount of accrued liabilities. 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.

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# STEPPING STONES CRISIS SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2023

### 2. INVESTMENTS

	2023	2022
Term deposit	\$ 606,000	\$ -
Marketable securities	56,766	1,086,136
Common shares	10,000	10,000
	<b>\$ 672,766</b>	<b>\$ 1,096,136</b>

Marketable securities, which consist primarily of fixed income securities held in a financial institution, are recorded at fair value.

The term deposit bears interest at a fixed rate of 2.93% (2022 - NIL) maturing on January 27, 2027.

### 3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Furniture and equipment	\$ 218,744	\$ 156,198	\$ 62,546	\$ 57,528
Buildings	1,921,338	662,382	1,258,956	2,772,468
Vehicles	104,409	92,114	12,295	17,564
Land	978,790	-	978,790	62,785
Land improvements	108,276	5,346	102,930	103,773
Leasehold improvements	2,099	1,469	630	1,049
Construction in progress	1,022,382	-	1,022,382	-
	<b>\$ 4,356,038</b>	<b>\$ 917,509</b>	<b>\$ 3,438,529</b>	<b>\$ 3,015,167</b>

### 4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023	2022
Trades payable and accrued liabilities	\$ 155,518	\$ 40,293
Source deductions	44,943	21,246
	<b>\$ 200,461</b>	<b>\$ 61,539</b>

### 5. ACCRUED PAYROLL LIABILITIES

	2023	2022
Vacation payable	\$ 47,929	\$ 51,232
Wages payable	29,536	101,817
	<b>\$ 77,465</b>	<b>\$ 153,049</b>

# STEPPING STONES CRISIS SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2023

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### 6. DEFERRED CAPITAL CONTRIBUTIONS

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 122,429	\$ 134,378
Contributions received	913,978	1
Amortization of deferred capital contributions	<u>(11,770)</u>	<u>(11,950)</u>
	<u>\$ 1,024,637</u>	<u>\$ 122,429</u>

Deferred capital contributions represent the unamortized portion of specified donations and grants that were used for the purchase of capital assets as well as the fair value of contributed land upon which a new building will be constructed. As the terms of the use of the land have not been met, \$800,000 representing the fair value has been deferred. Contributed donations and grants are recognized as revenue as the assets are amortized over their useful life. Contributed land will be recognized as an increase in net assets when the terms of the agreement have been met.

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### 7. ECONOMIC DEPENDENCE

The Society currently generates substantially most of its revenue from the Province of Alberta. A cancellation of the funding contract with the Province of Alberta could significantly reduce the Society's ongoing revenue and could materially and adversely effect the services provided and financial condition.

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### 8. RELATED PARTY TRANSACTIONS

The Society employs the Executive Director's spouse under an employment contract. The Board of Directors approved the employment of the spouse.

	<u>2023</u>	<u>2022</u>
Salaries, wages and benefits	\$ 23,140	\$ 3,999
Repairs and maintenance	<u>16,790</u>	<u>14,782</u>
	<u>\$ 39,930</u>	<u>\$ 18,781</u>

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### 9. 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 March 31, 2023.

#### **(a) 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 online donation platforms. In order to reduce its credit risk, the Society conducts regular reviews of its donation performance from online platforms. 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 a significant number of customers which minimizes concentration of credit risk.

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# STEPPING STONES CRISIS SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2023

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### 9. FINANCIAL INSTRUMENTS *(continued)*

#### *(b) 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 funding agencies, donors and disbursement of funds through accounts payable and accrued liabilities.

The Society mitigates this risk by monitoring cash activities and expected outflows through budgeting.

#### *(c) Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through its normal operating and financing activities. The Society is exposed to interest rate risk primarily through its investments in Guaranteed Investment Certificates.

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

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### 10. INTERNALLY RESTRICTED RESERVES

The Board has approved the restriction of investments for the purpose of operational reserves as follows:

	<u>2023</u>	<u>2022</u>
Healthy Babies	\$ 59,234	\$ 57,980
General	29,608	524,939
Capital Replacement	-	217,785
Shelter Renovations	-	489,246
	<u>\$ 88,842</u>	<u>\$ 1,289,950</u>

In the current year, the board approved the transfer of reserves from operations to a restricted capital reserve for the purpose of funding the building costs of a new women's shelter as further described in note 14. Total transfers of \$1,213,097 occurred from restricted operations' reserves to the capital reserve.

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### 11. INTERFUND TRANSFERS

The Society transferred \$11,989 from the unrestricted fund to the internally restricted fund during the year.

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# STEPPING STONES CRISIS SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2023

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### 12. RESTATEMENT

During fiscal year 2023, the Society discovered that the assets recorded as construction in progress in fiscal year 2022 had not been capital in nature. A portion of the funding used for the expenses capitalized had been recorded as deferred capital contributions, reducing revenue recognized. Capital assets, deferred capital contributions, grant revenue, and expenses have been restated to reflect the changes.

The effect on the financial statements has been as follows:

- a) Decrease in capital assets of \$352,190
- b) Decrease in deferred capital contributions of \$190,000
- c) Decrease in opening net assets of \$162,190

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

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### 13. GOVERNMENT ASSISTANCE

During the current and prior year, the Society qualified for the Canada Emergency Wage Subsidy ("CEWS"), the Canada Emergency Rent Subsidy ("CERS"), and the Hardest-Hit Business Recovery Program ("HHBRP"). These amounts have been included in miscellaneous income on the Statement of Operations.

	<u>2023</u>	<u>2022</u>
Canada Emergency Wage Subsidy/Hardest-Hit Business Recovery Program	\$ 22,594	\$ 606,693
Canada Emergency Rent Subsidy	691	17,232
	<u>\$ 23,285</u>	<u>\$ 623,925</u>

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### 14. SUBSEQUENT EVENTS

The following events occurred subsequent to the fiscal year end:

#### Canada Mortgage Housing Corporation ("CMHC")

On March 11, 2022, the Society was approved for grant funding of \$17.9 million from CMHC towards the cost of building a new shelter. In 2023, the budget for the project increased and the CMHC approved a new total of \$23 million grant and contribution, as well as \$4.9M of financing. Construction has started on the project and it is expected to be completed in 1.5 years. Funding from CMHC was not received prior to the financial statement release; however, on May 26, 2022 the Society made the first advance request of funding in the amount of \$1,448,257.

#### Government of Alberta Capital Funding

On March 2, 2023, the Government of Alberta announced capital funding in the amount of \$2,040,000 under the Affordable Housing Partnership Program to assist in covering the cost of building the new shelter. Funding from the Government was not received prior to the financial statement release.

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**STEPPING STONES CRISIS SOCIETY**
**Schedule of Program Revenue and Expense**
**For The Year Ended March 31, 2023**
**Schedule 1**

	Women's Shelter	Second Stage	Orbiting Trends	Ella's Closet	Healthy Babies	Other Programs	2023	2022 (Restated) (Note 12)
<b>REVENUE</b>								
Grants - Ministry of Human Services	\$ 1,364,167	\$ 354,945	\$ -	\$ -	\$ -	\$ -	\$ 1,719,112	\$ 1,719,112
Grants - Other	233,270	-	-	-	-	316,709	549,979	669,123
Sales - Social Enterprise	-	-	405,915	137,668	-	-	543,583	417,587
Grants - Health Canada	-	-	-	-	91,692	-	91,692	91,692
Donations	59,297	-	-	-	1,419	-	60,716	43,701
Rental income	-	37,735	-	-	-	-	37,735	27,561
Fundraising	31,105	-	-	-	-	-	31,105	39,845
Other income	19,834	1,312	3,057	1,359	1,053	-	26,615	638,230
Interest income	15,198	-	-	-	755	278	16,231	4,091
Amortization of deferred capital contributions	8,973	-	-	-	-	2,797	11,770	11,950
	<b>\$ 1,731,844</b>	<b>\$ 393,992</b>	<b>\$ 408,972</b>	<b>\$ 139,027</b>	<b>\$ 94,919</b>	<b>\$ 319,784</b>	<b>\$ 3,088,538</b>	<b>\$ 3,662,892</b>
<b>EXPENSES</b>								
Salaries, wages and benefits	\$ 1,403,818	\$ 253,170	\$ 308,871	\$ 55,047	\$ 91,772	\$ 83,607	\$ 2,196,285	\$ 2,018,398
Professional fees	79,806	11,983	-	-	1,153	184,783	277,725	125,904
Office and administration	133,342	8,539	8,809	4,201	41,012	51,299	247,202	235,286
Rental expense	19,320	110,350	-	23,718	-	5,438	158,826	111,784
Amortization	57,349	32,710	10,784	-	-	687	101,530	136,668
Utilities	49,444	13,964	19,570	4,423	675	-	88,076	90,501
Insurance	21,604	5,526	3,816	1,105	599	-	32,650	28,910
Repairs and maintenance	10,549	2,040	4,403	2,189	-	850	20,031	381,323
Bank charges and interest	944	-	5,064	1,987	-	-	7,995	5,329
Other expenses	(455)	5,774	29	-	-	28	5,376	14,772
	<b>\$ 1,775,721</b>	<b>\$ 444,056</b>	<b>\$ 361,346</b>	<b>\$ 92,670</b>	<b>\$ 135,211</b>	<b>\$ 326,692</b>	<b>\$ 3,135,696</b>	<b>\$ 3,148,875</b>

The accompanying notes are an integral part of these financial statements