CHESTERMERE REGIONAL COMMUNITY ASSOCIATION

Financial Statements

Year Ended June 30, 2026

CHESTERMERE REGIONAL COMMUNITY ASSOCIATION
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Year Ended June 30, 2026

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CHESTERMERE REGIONAL COMMUNITY ASSOCIATION
Statement of Financial Position
June 30, 2026

	2026	2025
ASSETS		
CURRENT		
Cash *(Note 3)*	**$ 854,411**	$ 1,102,227
Accounts receivable	**81,890**	111,520
Prepaid expenses	**26,022**	46,748
Inventory	**3,994**	-
Goods and Services Tax receivable	**6,418**	18,880
	972,735	1,279,375
PROPERTY AND EQUIPMENT *(Note 4)*	**5,278,726**	5,088,939
	$ 6,251,461	$ 6,368,314
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	**$ 263,918**	$ 333,954
Deferred revenue *(Note 5)*	**55,896**	100,029
	319,814	433,983
DEFERRED CAPITAL CONTRIBUTIONS *(Note 6)*	**4,241,590**	4,251,661
	4,561,404	4,685,644
NET ASSETS	**1,690,057**	1,682,670
	$ 6,251,461	$ 6,368,314

COMMITMENTS *(Note 7)*

APPROVED ON BEHALF OF THE BOARD

Director

Director

CHESTERMERE REGIONAL COMMUNITY ASSOCIATION
Statement of Operations
Year Ended June 30, 2026

	2026	2025
REVENUE		
Arena	**$ 959,296**	$ 1,016,618
Program and facility rental	**728,314**	644,128
Grants	**401,356**	287,250
Amortization of deferred capital contributions *(Note 6)*	**232,971**	233,082
Memberships	**75,365**	77,235
Fundraising	**46,286**	54,243
Interest income	**7,469**	19,291
	2,451,057	2,331,847
EXPENSES		
Wages and benefits	**956,206**	907,941
Office and building	**842,488**	696,100
Amortization	**287,894**	275,168
Program and event costs	**102,925**	76,283
Arena	**68,942**	143,739
Professional fees	**52,290**	51,410
Service and bank charges	**30,765**	26,281
Advertising and communication	**12,909**	15,930
Goods and Services Tax expense	**3,037**	73
Training	**1,596**	794
Fundraising and development	**578**	4,020
Bad debts	**-**	63
	2,359,630	2,197,802
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	**91,427**	134,045
OTHER INCOME (EXPENSES)		
Loss on disposal of property and equipment	**(84,040)**	-
EXCESS OF REVENUE OVER EXPENSES	**$ 7,387**	$ 134,045

CHESTERMERE REGIONAL COMMUNITY ASSOCIATION
Statement of Changes in Net Assets
Year Ended June 30, 2026

	2026	2025
UNRESTRICTED NET ASSETS - BEGINNING OF YEAR	**$ 1,682,670**	$ 1,548,625
Excess of revenue over expenses	**7,387**	134,045
UNRESTRICTED NET ASSETS - END OF YEAR	**$ 1,690,057**	$ 1,682,670

CHESTERMERE REGIONAL COMMUNITY ASSOCIATION
Statement of Cash Flows
Year Ended June 30, 2026

	2026	2025
OPERATING ACTIVITIES		
Excess of revenue over expenses	**$ 7,387**	$ 134,045
Items not affecting cash:		
Amortization of property and equipment	**287,894**	275,168
Amortization of deferred capital contributions	**(232,971)**	(233,082)
Loss on disposal of property and equipment	**84,040**	-
	146,350	176,131
Changes in non-cash working capital:		
Accounts Receivable	**29,632**	(47,894)
Prepaid expenses	**20,726**	(14,745)
Inventory	**(3,994)**	-
Goods and Services Tax receivable	**29,962**	(13,923)
Deferred revenue	**(44,133)**	(45,690)
Accounts payable and accrued liabilities	**(87,538)**	217,187
	(55,345)	94,935
Cash flow from operating activities	**91,005**	271,066
INVESTING ACTIVITY		
Purchase of property and equipment	**(561,721)**	(298,508)
FINANCING ACTIVITY		
Additions to deferred capital contributions	**222,900**	-
DECREASE IN CASH FLOW	**(247,816)**	(27,442)
Cash - beginning of year	**1,102,227**	1,129,669
CASH - END OF YEAR	**$ 854,411**	$ 1,102,227

1. PURPOSE OF ASSOCIATION

The Chestermere Regional Community Association (the "Association") is a not-for-profit, charitable organization formed under the Societies Act of the Province of Alberta. The Association provides its members and the community with a multi-purpose recreational complex in Chestermere, Alberta and surrounding area.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Revenue Recognition

The Association follows the deferral method of accounting for both donations and grant contributions.

Restricted contributions are recognized as revenue in the year in which related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted non-capital contributions are recorded as deferred revenue and recognized as revenue in the periods in which the related expenses are incurred. Externally restricted amounts can only be used for the purposes as designated by external parties. Externally restricted capital contributions are recorded as deferred revenue until the amount is invested in capital assets. Contributions for capital assets that will be amortized are transferred to deferred capital contributions in the period the asset is acquired. Capital donations of assets that would otherwise be purchased are accounted for as externally restricted capital contributions, and are recorded at fair value when fair value can be reasonably estimated. Deferred capital contributions are recognized as revenue in the periods in which the related capital assets are amortized. The related portion of amortization expense and the earned capital contributions revenue are matched to indicate how the related amortization expense has been funded. Deferred capital contributions relating to capital assets disposed, are recognized as revenue in the period of disposal, provided that all restrictions have been complied with.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Memberships, programs, facility rentals and arena fees are recognized in the period to which the related services are provided.

Cash

Cash consists of balances held with banks.

Inventory

Inventories consist of food and spirits and are valued at the lower of cost and net realizable value. Cost consists of the original purchase price and applicable carrying charges.

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

Property and Equipment

Property and equipment are stated at cost less accumulated amortization. Property and equipment are amortized over their estimated useful lives at the following rates and methods:

Building	25 years	straight-line method
Building	2.5%	declining balance method
Furniture and fixtures	10%	declining balance method
Outdoor highway sign	10%	declining balance method
Equipment	10%	declining balance method
Grounds and landscaping	8%	declining balance method
Parking Lot	8%	declining balance method

The half year rule is in effect in the year of acquisition. No amortization is taken in the year of disposition or if the asset is not ready for use.

Unrestricted Net Assets

These amounts are not restricted and are available for any purpose approved by the Members of the Board.

Contributed Services and Materials

Volunteers contribute a significant number of hours each year to assist the Association in carrying out its services. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

The Association records donated goods and services, primarily relating to equipment and materials or services at the estimated fair market value of such contributions, if reasonably determinable and those items or services would otherwise have been purchased.

Government Assistance

Government assistance for acquiring fixed assets and related to expenses is recorded as unamortized capital contributions and is amortized on the same basis and accounting to the same rates as the related fixed assets or to income as eligible expenditures are incurred.

Government assistance for operations are recorded when there is a reasonable assurance that the Association has complied with and will continue to comply with, all the necessary conditions to obtain the grants.

Income Taxes

Chestermere Regional Community Association is a registered charity and is exempt from income taxes under Section 149 (1)(f) of the Income Tax Act (Canada). It is required to meet certain requirements concerning disbursements to maintain this status.

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

Financial Instruments Policy

The Association initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions. The Association subsequently measures all of 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 net income.

Measurement Uncertainty

The precise value of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of approximations, which have been made using careful judgment by management. Actual results could differ from those approximations.

The useful lives and related amortization of property and equipment is an area where management makes significant estimates and assumptions in determining the amounts to be recorded in the financial statements.

3. CASH

	2026	2025
Bank accounts	**$ 519,089**	$ 400,208
Savings account	**335,322**	702,019
	$ 854,411	$ 1,102,227

The Association holds funds that are restricted in use and are to be utilized in the next fiscal period as funding for specific projects. As these projects have not been completed for which the funding has been received $55,896 *(Note 5)* is not available for general use.

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	**2026 Net book value**	2025 Net book value
Buildings	$ 7,260,716	$ 2,830,506	**$ 4,430,210**	$ 4,591,031
Furniture and fixtures	389,600	282,478	**107,122**	184,203
Equipment	582,647	158,197	**424,450**	119,766
Outdoor highway sign	92,127	76,296	**15,831**	28,032
Grounds and landscaping	23,950	13,609	**10,341**	11,240
Parking Lot	309,332	18,560	**290,772**	154,667
	$ 8,658,372	$ 3,379,646	**$ 5,278,726**	$ 5,088,939

The building was built by the Association on land under a 50 year lease agreement between the Association and Municipal District of Rocky View No. 44, expiring on December 31, 2029, with a renewal option of 50 years. During the year, the title of the land transferred over to the City of Chestermere. The City assumed the lease from Rocky View County on September 15th, 2025.

5. DEFERRED REVENUE

	2025	Increases	Decreases	2026
Youth Outreach Program Grants	$ 30,376	$ 48,193	$ (30,562)	$ **48,007**
Membership	4,928	4,611	(5,142)	**4,397**
Casino	335	93,371	(90,214)	**3,492**
Community Facility Enhancement Program Grant	64,390	-	(64,390)	**-**
	$ 100,029	$ 146,175	$ (190,308)	$ **55,896**

The Community Facility Enhancement Program Grant, Youth Outreach Program Grants, and Casino funds represent unspent contributions received for future capital and operating projects expected to be spent in the next fiscal period.

Deferred membership revenue represents membership fees received in advance for the next fiscal period.

6. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of donations and grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations. Deferred capital contributions is comprised of unamortized capital grants received relating to the building and equipment.

	2025	Increases	Decreases	2026
Deferred capital contributions	$ 4,251,661	$ 222,900	$ (232,971)	$ **4,241,590**

7. COMMITMENTS

The Association's multi-purpose recreation complex is situated on land under lease originally from the Municipal District of Rocky View No. 44 ("Rocky View"). This lease was assumed by the City of Chestermere on September 15th, 2025. The lease expires on December 31, 2029, with an option to renew for 50 years. The Association is not obligated to make any lease payments to the City during the term of the lease. Upon the expiration of the lease, title of the building built by the Association will transfer to the City of Chestermere.

8. FINANCIAL INSTRUMENTS

The Associations financial instruments consist of: cash, accounts receivable, and accounts payable and accrued liabilities. The risks attached to these financial instruments are as follows:

Interest Rate Risk

Interest rate risk arises from the possibility that the value of, or cash flows related to, a financial instrument will fluctuate as a result of changes in market interest rates. The Association is exposed to financial risk from interest rate differentials between market interest rates and the rates used on their financial instruments.

Fair Value

The fair values of cash, accounts receivable, and accounts payable and accrued liabilities, correspond closely to their carrying amount because of their short term maturity dates.

Liquidity Risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association meets its liquidity requirement by preparing and monitoring detailed forecast of cash flow from operations, investing and financial activities and seeking grants for specific projects and activities.

There has been no change to the Association's risk exposures from 2025.

9. COMPARATIVE FIGURES

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

10. APPROVAL OF FINANCIAL STATEMENTS

The Board of Directors have approved these financial statements.