



# **DISTRESS CENTRE**

**24 HOUR SUPPORT | COUNSELLING | RESOURCES**

# 2025

## **Annual Financial Statements**

Distress Centre Calgary

December 31, 2025



KPMG LLP  
KPMG Tower  
2200 - 240 4th Avenue SW  
Calgary, AB T2P 4H4  
Canada  
Tel 403 691 8000  
Fax 403 691 8008

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Distress Centre Calgary

### ***Opinion***

We have audited the financial statements of Distress Centre Calgary (the Entity), which comprise:

- the statement of financial position as at December 31, 2025
- the statement of operations and 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 December 31, 2025, 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.



## ***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.

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 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

March 31, 2026

<b>STATEMENT OF FINANCIAL POSITION</b>						<b>December 31,</b>	<b>December 31,</b>
<b>As at</b>		<b>Operating</b>	<b>Sustainability</b>		<b>Capital</b>	<b>2025</b>	<b>2024</b>
<b>(\$ Cdn thousands)</b>	<b>Note</b>	<b>fund</b>	<b>fund</b>	<b>Subtotal</b>	<b>fund</b>	<b>Total</b>	<b>Total</b>
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents		3,230	264	3,494	-	<b>3,494</b>	3,101
Short term investments	4	-	1,117	1,117	-	<b>1,117</b>	1,587
Accounts receivable		241	29	270	-	<b>270</b>	338
Prepaid expenses		291	-	291	-	<b>291</b>	250
<b>Total current assets</b>		<b>3,762</b>	<b>1,410</b>	<b>5,172</b>	<b>-</b>	<b>5,172</b>	<b>5,276</b>
<b>Non-current assets</b>							
Capital assets		-	-	-	38	<b>38</b>	49
Long term investments	4	-	1,341	1,341	-	<b>1,341</b>	791
<b>Total non-current assets</b>		<b>-</b>	<b>1,341</b>	<b>1,341</b>	<b>38</b>	<b>1,379</b>	<b>840</b>
<b>Total assets</b>		<b>3,762</b>	<b>2,751</b>	<b>6,513</b>	<b>38</b>	<b>6,551</b>	<b>6,116</b>
<b>Liabilities</b>							
<b>Current liabilities</b>							
Accounts payable and accrued liabilities		573	-	573	-	<b>573</b>	574
Deferred contributions	5	2,762	-	2,762	-	<b>2,762</b>	2,228
<b>Total current liabilities</b>		<b>3,335</b>	<b>-</b>	<b>3,335</b>	<b>-</b>	<b>3,335</b>	<b>2,802</b>
<b>Non-current liabilities</b>							
Deferred leases liabilities		172	-	172	-	<b>172</b>	167
<b>Total non-current liabilities</b>		<b>172</b>	<b>-</b>	<b>172</b>	<b>-</b>	<b>172</b>	<b>167</b>
<b>Total liabilities</b>		<b>3,507</b>	<b>-</b>	<b>3,507</b>	<b>-</b>	<b>3,507</b>	<b>2,969</b>
<b>Net assets</b>							
Invested in capital assets		-	-	-	38	<b>38</b>	49
Restricted		-	-	-	-	<b>-</b>	-
Unrestricted		255	2,751	3,006	-	<b>3,006</b>	3,098
<b>Total net assets</b>		<b>255</b>	<b>2,751</b>	<b>3,006</b>	<b>38</b>	<b>3,044</b>	<b>3,147</b>
<b>Total liabilities and net assets</b>		<b>3,762</b>	<b>2,751</b>	<b>6,513</b>	<b>38</b>	<b>6,551</b>	<b>6,116</b>

Contractual obligations (note 6)

Contingencies (note 8)

See accompanying notes to the financial statements.

Approved by the Board

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES**

For the year ended December 31,

(\$ Cdn thousands)	Note	Operating fund	Sustainability fund	Subtotal	Capital fund	2025 Total	2024 Total
<b>Revenue</b>							
Government	5	5,832	-	5,832	-	<b>5,832</b>	6,818
Community support	5	6,391	-	6,391	-	<b>6,391</b>	5,422
Other fundraising	5	1,383	-	1,383	-	<b>1,383</b>	1,807
Investment income	5	5	91	96	-	<b>96</b>	123
Total revenue		<b>13,611</b>	<b>91</b>	<b>13,702</b>	-	<b>13,702</b>	<b>14,170</b>
<b>Expenses</b>							
Personnel		11,402	-	11,402	-	<b>11,402</b>	10,901
Program costs		513	-	513	-	<b>513</b>	1,432
Basic needs fund		318	-	318	-	<b>318</b>	319
Volunteer and training		28	-	28	-	<b>28</b>	43
Information technology		372	-	372	-	<b>372</b>	364
Building		440	-	440	-	<b>440</b>	462
Office administration		414	-	414	-	<b>414</b>	212
Marketing and fundraising		279	-	279	-	<b>279</b>	114
Communication		19	-	19	-	<b>19</b>	185
Finances		9	-	9	-	<b>9</b>	165
Amortization		-	-	-	11	<b>11</b>	40
Total expenses		<b>13,794</b>	-	<b>13,794</b>	<b>11</b>	<b>13,805</b>	<b>14,237</b>
(Deficiency) excess of revenue over expenses		<b>(183)</b>	<b>91</b>	<b>(92)</b>	<b>(11)</b>	<b>(103)</b>	<b>(67)</b>
Fund balance, beginning of year		443	2,655	3,098	49	<b>3,147</b>	3,214
Interfund transfer		(5)	5	-	-	-	-
Fund balance, end of year		<b>255</b>	<b>2,751</b>	<b>3,006</b>	<b>38</b>	<b>3,044</b>	<b>3,147</b>

See accompanying notes to the financial statements.

<b>STATEMENT OF CASH FLOWS</b>		
<b>For the year ended December 31,</b>		
<b>(\$ Cdn thousands)</b>	<b>2025</b>	<b>2024</b>
<b>Cash flows provided by (used in)</b>		
<b>Operating activities</b>		
(Deficiency) excess of revenue over expenses	(103)	(67)
Adjustments for:		
Amortization	11	40
Unrealized gain on investments	(80)	(13)
Deferred lease liability	5	16
Funds used in operations before change in non-cash working capital	(167)	(24)
Changes in non-cash working capital item:		
Accounts receivable	68	1,225
Prepaid expenses	(41)	(49)
Accounts payable and accrued liabilities	(1)	295
Deferred contributions	534	(941)
Total change in non-cash working capital item:	560	530
Total funds provided by operating activities	393	506
<b>Investing activities</b>		
Proceeds from sale of investments	1,554	1,609
Purchase of investments	(1,554)	(1,483)
Total funds provided by investing activities	-	126
Increase (decrease) in cash and cash equivalents	393	632
Cash and cash equivalents - beginning of period	3,101	2,469
Cash and cash equivalents - end of period	3,494	3,101

See accompanying notes to the financial statements.

## **1. NATURE OF OPERATIONS**

Distress Centre Calgary (the “Distress Centre” or the “Organization”) provides immediate crisis and suicide intervention support to anyone through its 24-hour crisis line, online crisis services, ConnecTeen youth peer support, the national 988 suicide crisis line and through professional counselling. The Distress Centre also provides navigation services through 211. Calgarians experiencing or at risk of houselessness are served out of the Safe Communities Opportunities and Resource Centre (SORCe). The Distress Centre is a not-for-profit organization incorporated under the Societies Act (Alberta). The Distress Centre is dependent on its contributors to continue as a going concern.

The Distress Centre is a registered charity under the Income Tax Act and as such is exempt from income taxes.

## **2. BASIS OF PRESENTATION**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles, specifically Canadian accounting standards for not-for-profit organizations (“ASNFP”), using the restricted fund method to report restricted contributions.

These financial statements are presented in thousands of Canadian dollars. Amounts have been rounded to the nearest thousand.

## **3. SIGNIFICANT ACCOUNTING POLICIES**

### **Funding accounting**

The Organization uses the restricted fund method to report restricted contributions.

#### General funds

General Funds include the Operating Fund and Sustainability Fund.

The Operating Fund is used for program delivery and administrative activities. This fund is comprised of restricted grants, restricted donations, and unrestricted contributions.

The Sustainability Fund accounts for unrestricted resources. This fund was established to sustain the existence and ensure the continuing activities of the Organization. The funds will be utilized to fund operating deficits and future projects at the Board’s discretion.

#### Capital fund

This fund accounts for capital assets and any related capital funding.

### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balances with banks and Guaranteed Investment Certificates (“GICs”) with original maturities less than or equal to 90 days.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Investments

Investments are comprised of savings accounts, Guaranteed Investment Certificates (“GICs”), and fixed income instruments with original maturities greater than 90 days and related accrued interest. Investments maturing in one year or less from the date of the statement of financial position are classified as short-term investments; investments with longer original maturities are classified as long-term investments.

#### Capital assets

Purchased capital assets are recorded in the Capital Fund account at cost. Contributed capital assets are recorded in the Capital Fund at fair value at the date of contribution. Capital assets are amortized using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives. Building improvements are amortized using the straight-line method over the remaining term of the lease. Capital assets acquired during the year are amortized beginning when they are placed into use.

<i>Capital assets</i>	<i>Rate</i>
Computer equipment	3 year
Computer software	2 year
Furniture and fixtures	5 year
Telephone system	5 year
Website	2 year
Leasehold improvements	remaining term of the lease

The Organization regularly reviews its capital assets for obsolescence, and assets determined to be obsolete are derecognized. When a capital asset no longer contributes to the Organization’s ability to provide goods and services, or when the value of future economic benefits or service potential associated with it is less than its net carrying amount, its carrying amount is written down to its fair value.

#### Deferred lease liability

Lease expenses for the premises are recognized on a straight-line basis over the term of the lease with the calculated lease expense in excess of payments under the terms of the lease accounted for as a deferred lease liability.

#### Revenue recognition

Restricted contributions related to the Operating and Sustainability Funds are recognized as revenue in the year in which related costs are incurred. Restricted contributions related to the Capital Fund are recognized as revenue when received, or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions are recorded in the Operating Fund in the year received, or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### Contributed materials and services

The value of contributed materials and services is recorded when the fair value can be reasonably estimated, when the material and services are used in the normal course of operations and would otherwise have been purchased. Volunteers have contributed a variety of services to assist the Organization in carrying out its objectives. The fair value of such services is not recognized in these financial statements.

### **3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **Government assistance**

Government grants are recorded as revenue when eligibility criteria are met and receipt is reasonably assured.

#### **Measurement uncertainty**

The preparation of financial statements in conformity with ASNFPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. The most significant of these estimates are related to the collectability of accounts receivable and the amortization period for and potential impairment of capital assets. Actual results could differ significantly from the estimates. Management reviews these estimates on a periodic basis and, if required, makes adjustments prospectively.

#### **Financial instruments**

The Organization recognizes its financial instruments when the Organization becomes a party to the contractual provisions of the financial instrument. Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost unless management has elected to carry the instruments at fair value. The Organization has not elected to carry any such financial instruments at fair value, except for fixed income instruments.

Transaction costs incurred through the acquisition of financial instruments that are subsequently measured at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred upon acquisition and by financing costs. These costs are amortized using the straight-line method.

Financial assets measured at cost or amortized cost are tested for impairment on an annual basis at the end of the fiscal year if there are indicators that the asset may be impaired. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset, or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial impairment charge.

### **4. INVESTMENTS**

Short term investments consist of a saving account, GICs, and fixed income investments in total of \$1.1 million (2024: \$1.6 million) with effective interest rates ranging from 1.80% to 5.00% per annum (2024: 4.25% to 5.14% per annum).

Long term investments consist of GICs and fixed income investments in total of \$1.3 million (2024: \$0.8 million) with effective interest rates of 1.55% to 4.00% per annum (2024: 1.55% to 5% per annum) maturing between June 1, 2027 to June 18, 2031.

**5. REVENUE**

For the years ended December 31, (\$ Cdn thousands)	2025	2024
<b>Government</b>		
Municipal - City of Calgary	3,819	3,871
Provincial - Alberta	577	977
Federal - Canada	1,436	1,970
	5,832	6,818
<b>Community support</b>		
Calgary Homeless Foundation	1,537	1,284
United Way of Calgary	1,634	1,587
Alberta Capital Region	3,010	2,551
Calgary Foundation	210	-
	6,391	5,422
<b>Other fundraising</b>	1,383	1,807
<b>Investment income</b>	96	123
	13,702	14,170

The Organization presents revenue in four major categories:

Government funding consists of government grants recorded as revenue when eligibility criteria are met and receipts are reasonably assured.

Community support funding consists of community support grants recorded as revenue when eligibility criteria are met and receipts are reasonably assured.

Other fundraising revenue consists of individual donations and grants secured by corporate donors and one-time grants.

Investment income consists of interest income generated from the Organization's cash and investments.

Restricted contributions related to the Operating and Sustainability Funds are recognized as revenue in the year in which related costs are incurred. Restricted contributions related to the Capital Fund are recognized as revenue when received, or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions are recorded in the Operating Fund in the year received, or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

## 5. REVENUE (CONTINUED)

### Deferred contributions

The Distress Centre’s funders restrict certain contributions for specific purposes. Recognition of unused restricted amounts is deferred to future years in which the specified expenses are incurred. When the contributions are made for the acquisition of capital assets, revenue is recognized when the contributions are received or receivable.

Changes for the year in the balance are as follows:

(\$ Cdn thousands)	2025	2024
Balance, beginning of year	2,228	3,169
Contributions received	14,236	12,919
Amounts recognized as revenue	(13,702)	(13,860)
Balance, ending of year	2,762	2,228

The balance is comprised as follows:

For the year ended December 31, (\$ Cdn thousands)	2025	2024
Municipal government	875	962
Calgary Foundation	298	-
Calgary Homeless Foundation	58	42
Provincial government	45	-
United Way of Calgary	43	571
Other contributions / fundraising	1,443	653
	2,762	2,228

## 6. CONTRACTUAL OBLIGATIONS

Total obligations under the existing lease for premises (exclusive of operating costs) are as follows:

(\$ Cdn thousands)	
2026	383
2027	386
2028	387
2029	359
2030	91
Thereafter	-
	<u>1,606</u>

## 7. EXPENSE INCURRED FOR FUNDRAISING

Expense incurred for soliciting contributions were \$0.4 million (2024: \$0.3 million) including \$0.2 million (2024: \$0.2 million) paid to employees involved in securing contributions including fundraising. These expenses are included in personnel, building, office administration, marketing and fundraising, and finance.

## 8. CONTINGENCIES

The Organization is involved in various claims and legal actions which occur in the ordinary course of operations. Liability for these claims and lawsuits are recorded to the extent that the probability of a loss is likely and estimable. At the time of the financial statements preparation, there has been no resolution or indication that the settlement of any actions will result in any material liabilities.

## 8. FINANCIAL INSTRUMENTS

The Organization's use of financial instruments and its exposure to risks associated with such instruments arises out of its normal course of operations and investing activities. The Organization is exposed to the following significant financial risks:

### Liquidity risk

Liquidity risk is the risk that the Organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Centre manages liquidity risk by monitoring its operating requirements and maintaining adequate cash and cash equivalents.

The Organization continues to manage liquidity risk by forecasting and assessing cash flow requirements on an ongoing basis. As of December 31, 2025, the Centre continues to meet its contractual obligations within normal payment terms and the Organization's exposure to credit risk remains largely unchanged.

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

### **Interest rate risk**

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

### **Credit risk**

Credit risk is the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Organization is exposed to credit risk with respect to its cash and investments, which are deposited with Canadian commercial banks and investment managers. The Organization is exposed to credit risk relating to accounts receivable, which is influenced by the individual characteristics of each debtor. The Organization has no significant concentration of credit risk with any one party and limits exposure to credit risks by dealing with only creditworthy organizations. Management does not expect any debtor to fail in meeting their obligation.

There has been no significant change to risk exposures from 2024.

## **10. CHANGE IN PRESENTATION CURRENCY UNITS**

Effective for the year ended December 31, 2025, the Organization changed the presentation of monetary amounts in the financial statements from Canadian dollars to thousands of Canadian dollars. The change was made to improve the readability of the financial statements and to present amounts at a scale that management believes better reflects the magnitude of the organization's operations.

The change in presentation is a re-presentation only and does not affect the recognition, measurement or classification of the Organization's assets, liabilities, revenues or expenses. All amounts in the financial statements and notes have been rounded to the nearest thousand. Comparative amounts have been adjusted to conform to the presentation adopted in the current year.

No adjustments to the previously reported total assets, total liabilities, net assets or deficiency of revenue over expenses arise solely as a result of this change in presentation; the only difference is the unit of presentation and rounding.

## **11. COMPARATIVE INFORMATION**

Certain comparative information has been reclassified to be consistent with the financial statement presentation adopted in the current year to better reflect the operations of the Organization. There was no impact on total revenue, total expenses, excess (deficiency) of revenue over expenses, or net assets.