FAMILY SERVICE SASKATOON INC.

FINANCIAL STATEMENTS

MARCH 31, 2026

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of Family Service Saskatoon Inc. have been prepared by the Agency's management in accordance with Canadian accounting standards for not-for-profit organizations and necessarily include some amounts based on informed judgement and management estimates.

To assist management in fulfilling its responsibilities, a system of internal controls has been established to provide reasonable assurance that the financial statements are accurate and reliable and that assets are safeguarded.

The Board of Directors has reviewed and approved these financial statements.

These financial statements have been examined by the independent auditors, Virtus Group LLP, and their report is presented separately.

Executive Director

Saskatoon, Saskatchewan
May 26, 2026

INDEPENDENT AUDITORS' REPORT

To the Members of Family Service Saskatoon Inc.

Qualified Opinion

We have audited the financial statements of Family Service Saskatoon Inc. (the Agency), which comprise the statement of financial position as at March 31, 2026, and the statements of changes in net assets, operations 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 Agency as at March 31, 2026, and its financial performance 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 Agency derives revenues from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenue was limited to accounting for amounts recorded in the records of the Agency. As a result, we were not able to determine whether any adjustments might be necessary in respect of revenues, assets, liabilities or net assets.

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 Agency 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 Information

Management is responsible for the other information. The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with the governance.

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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 Agency'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 Agency or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Agency'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 Agency’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 Agency’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 auditors' report. However, future events or conditions may cause the Agency 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.

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Independent Auditors' Report to the Members of Family Service Saskatoon Inc. *(continued)*

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.

Virtus Group LLP

May 26, 2026
Saskatoon, Saskatchewan

Chartered Professional Accountants

VIRTUS GROUP

FAMILY SERVICE SASKATOON INC.
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

	2026	2025
ASSETS		
Current		
Cash	$ 536,901	$ 526,696
Investments *(Note 3)*	1,165,002	989,387
Accounts receivable	57,651	39,612
Prepaid expenses	64,430	74,923
	1,823,984	1,630,618
Tangible capital assets *(Note 4)*	66,089	84,696
	$ 1,890,073	$ 1,715,314
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 275,980	$ 262,933
Deferred revenue *(Note 5)*	95,545	252,086
	371,525	515,019
NET ASSETS		
Financial sustainability fund	906,393	784,254
Long-term reserve	304,851	165,647
Capital reserve	307,304	250,394
	1,518,548	1,200,295
	$ 1,890,073	$ 1,715,314

Lease commitments *(Note 6)*

APPROVED BY THE BOARD:

_______________ *Director*

_______________ *Director*

See accompanying notes to the financial statements

FAMILY SERVICE SASKATOON INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2026

	Capital Reserve	Long-term Reserve	Financial Sustainability Fund	2026	2025
Net assets - beginning of year	$ 250,394	$ 165,647	$ 784,254	$ 1,200,295	$ 912,143
Excess (deficiency) of revenue over expenses	(18,606)	7,690	329,169	318,253	288,152
Additions to tangible capital assets	-	-	-	-	-
Interfund transfers	75,516	131,514	(207,030)	-	-
Net assets - end of year	$ 307,304	$ 304,851	$ 906,393	$ 1,518,548	$ 1,200,295

See accompanying notes to the financial statements

FAMILY SERVICE SASKATOON INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
Revenue		
Grants		
City of Saskatoon	$ 30,000	$ 30,000
Project and foundation grants	267,925	269,807
United Way of Saskatoon	60,000	40,000
	357,925	339,807
User fees and program contracts		
EFAP	24,438	24,184
Program revenue	969,680	866,870
Province of Saskatchewan *(Note 7)*	2,033,936	1,709,668
	3,028,054	2,600,722
Donations	81,137	63,703
Interest	15,769	12,521
	3,482,885	3,016,753
Expenses		
Building and occupancy	186,015	175,164
Contract staff	20,673	20,832
Employee benefits	351,020	272,877
Organization dues	11,393	8,870
Other	81,002	87,514
Parking	28,755	24,206
Postage and office supplies	96,784	100,853
Professional fees	82,772	59,020
Program materials and professional development	114,445	74,469
RRSP contributions	45,756	48,745
Salary and wages	2,141,987	1,812,943
Telephone	28,951	26,832
	3,189,553	2,712,325
Excess of revenue over expenses from operations	293,332	304,428
Other income (expenses) *(Note 9)*	24,921	(16,276)
Excess of revenue over expenses	$ 318,253	$ 288,152

See accompanying notes to the financial statements

FAMILY SERVICE SASKATOON INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
Cash flows from operating activities		
Excess of revenue over expenses	$ 318,253	$ 288,152
Items not involving cash:		
Amortization of tangible capital assets	18,606	19,717
	336,859	307,869
Changes in non-cash working capital *(Note 10)*	(326,654)	151,303
Cash flows from operating activities	10,205	459,172
Cash flows from investing activity		
Additions to tangible capital assets	-	(21,016)
Increase in cash	10,205	438,156
Cash - beginning of year	526,696	88,540
Cash - end of year	$ 536,901	$ 526,696

See accompanying notes to the financial statements

1. Nature of operations

Family Service Saskatoon Inc. (the "Agency") was incorporated under The Non-profit Corporations Act in the province of Saskatchewan and is exempt from taxes under income tax legislation.The Agency is a community-based organization, governed by a volunteer Board of Directors. The Agency provides a variety of programs to further its mission of working to develop and support communities where all persons have safe, healthy and respectful relationships.

2. Summary of significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) which required 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 revenues and expenses during the period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known. The financial statements reflect the following policies:

Fund accounting

The accounts of the Agency are maintained in accordance with the principles of fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

The Financial Sustainability Fund reflects the primary operations of the Agency including grant revenues received and billings to clients and other agencies for client services. Expenses are for delivery of services.

The Capital Reserve is a restricted fund that reflects the equity of the Agency in fixed assets plus a contingency for replacement.

The Long-term Reserve is a restricted fund that reflects revenues received from sources such as restricted donations, proceeds on disposition of capital assets, and interest revenue. These balances are maintained to fund future capital expenditures and to establish and/or develop unfunded new programs. Transfers to/from designated equity must be approved by the Board of Directors.

Financial instruments

Financial assets and financial liabilities are recorded on the statement of financial position when the Agency becomes party to the contractual provisions of the financial instrument. All financial instruments are required to be recognized at fair value upon initial recognition, except for certain related party transactions. Measurement in subsequent periods of equity instruments is at fair value. All other financial assets and financial liabilities are subsequently measured at amortized cost adjusted by transactions costs, which are amortized over the expected life of the instrument. Fair value is the amount at which a financial instrument could be exchanged at arm’s length between willing, unrelated parties in an open market. Changes in fair values of financial assets and financial liabilities measured at fair value are recognized in excess of revenue over expenses. When there is an indication of impairment, the carrying amount of financial assets measured at amortized cost may be reduced. Such impairments can be subsequently reversed if the value improves.

The Agency's recognized financial instruments include cash, investments, accounts receivable, and accounts payable and accrued liabilities.

Investments

The investments are initially recorded at cost and are adjusted quarterly to record unrealized gains or losses resulting from market fluctuations. The unrealized gains or losses are reported in excess of revenue over expenses as part of other income.

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2. Summary of significant accounting policies *(continued)*

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Computer hardware and software	3 to 5 years
Furniture and equipment	10 years

Leasehold improvements are amortized on the straight-line basis over the term of the lease.

The Agency performs impairment testing on tangible capital assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset or group of assets may not be recoverable. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment and any gain or loss on disposal is included in expenses in the statement of operations.

Revenue recognition

Grants are recognized as revenue when the related program expenses are incurred. Grants received pertaining to specific programs for subsequent years are reflected on the statement of financial position as deferred revenue.

User fees and program contracts are recognized as revenue when the services are provided. For individual clients, user fees are recognized as revenue when the payment is received.

Unrestricted donations are recognized as revenue when received.

Designated donations which have donor stipulations on use are recognized as deferred revenue when received. They are recognized as revenue when the stipulations have been met.

RRSP program

Substantially all permanent employees of the Agency participate in a defined contribution RRSP program. The Agency's obligation under the plan is limited to making regular payments to the plan to match contributions made by the employees for current services.

3. Investments

Investments consist of guaranteed investment certificates and mutual funds. The guaranteed investment certificates have maturity dates between June 2025 and March 2026 and interest rates between 2.70% to 4.90%.

	2026	2025
Guaranteed investment certificates	$ 860,151	$ 819,488
Mutual funds	304,851	169,899
Balance at end of the year	$ 1,165,002	$ 989,387

4. Tangible capital assets

	Cost	Accumulated amortization	2026 Net book value	2025 Net book value
Computer hardware and software	$ 144,790	$ 140,617	$ 4,173	$ 7,840
Furniture and equipment	131,995	72,198	59,797	70,499
Leasehold improvements	21,189	19,070	2,119	6,357
	$ 297,974	$ 231,885	$ 66,089	$ 84,696

5. Deferred revenue

	2026	2025
Deferred revenue, beginning of year	$ 252,086	$ 264,106
Amounts received during the year	580,566	1,674,278
Less amounts recognized as revenue during the year	(737,107)	(1,686,298)
Deferred revenue, end of year	$ 95,545	$ 252,086

6. Lease commitments

The Agency has entered into an operating lease for its building premises, which expires in April 2028. Aggregate minimum payments over the next three years are as follows:

2027	$ 154,589
2028	149,295
2029	12,461
	$ 316,345

The Agency has entered into two memorandums of understanding for leasing space in the Saskatoon Police Service building, one of which expires in December 2026, the other December 2028. Future minimum lease payments for the next two years are as follows:

2027	$ 13,986
2028	4,275
	$ 18,261

7. Province of Saskatchewan

User fees and program contracts from the Province of Saskatchewan are comprised as follows:

	2026	2025
Ministry of Social Services		
Support worker program	$ 460,636	$ 447,218
Counselling	206,184	201,635
Teen parent program	82,982	80,565
Leadership	49,825	48,374
Childcare	38,508	37,386
Parent education	26,472	25,701
Ministry of Justice and Attorney General		
Domestic court	260,424	252,838
Domestic violence outreach	272,244	264,315
Abuse and beyond	118,140	114,699
Victims services	104,155	101,121
Early intervention	414,366	135,816
	$ 2,033,936	$ 1,709,668

8. Economic dependence

A substantial portion of the Agency's revenue is derived from funding provided by the Government of Saskatchewan. The provincial government's contributions are used in the delivery of specific programs and community services.

9. Other income (expenses)

	2026	2025
Amortization	$ (18,606)	$ (19,717)
Bad debts	-	(2,661)
Equipment purchases	(6,656)	(6,335)
Gain on sale of investments	-	6,353
Hardware purchases	(931)	(31,966)
Interest	21,587	31,982
Unrealized (gains) losses	29,527	6,068
	$ 24,921	$ (16,276)

10. Non-cash operating working capital

Details of net change in each element of working capital relating to operations excluding cash are as follows:

	2026	2025
(Increase) decrease in current assets:		
Investments	$ (175,614)	$ (60,272)
Accounts receivable	(18,039)	141,980
Prepaid expenses	10,493	6,911
	(183,160)	88,619
Increase (decrease) in current liabilities:		
Accounts payable and accrued liabilities	13,047	74,704
Deferred revenue	(156,541)	(12,020)
	$ (326,654)	$ 151,303

11. RRSP program

Employer contributions to the defined contribution RRSP program of $45,756 (2025 - $48,745) were included in expenses.

12. Financial risk management

The Agency has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Agency's risk exposure and concentration as of March 31, 2026.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Agency is exposed to credit risk on the accounts receivable from its customers, however, does not have a significant exposure to any individual customer or counterpart.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Agency is exposed to liquidity risk is dependent on the receipt of funds from its operations and grant funding. Funds from these sources are primarily used to finance working capital and capital expenditure requirements, and are considered adequate to meet the Agency’s financial obligations.

Statement of Operations by Class/Program
April 1, 2025 to March 31, 2026

	1002 Abuse & Beyond	1003 Teen & Young Parent	1004 MSS Counselling	1005 EFAP Contracts	1006 Youth Exposed to Violence	1007 IPV Outreach	1008 Men's Group	1009 Community Counselling	1011 Red Flag Awareness - PSC	1012 Leadership	1013 RAC - Family Service SK
	FVI-05	TSP02	CSE06 & CSE45		CEV-05	FVI-06			PDCP - 26097	LS22	
Ordinary Income/Expense											
Income											
Direct Public Grants	-	-	-	-	-	-	-	147,066	-	-	-
Direct Public Support	-	-	-	-	-	-	-	30,000	-	-	-
Government Contracts	118,140	82,982	206,184	-	104,155	272,244	-	-	-	49,825	-
Government Grants	-	-	-	-	-	-	-	22,026	28,798	-	195,942
Indirect Public Support	-	-	-	-	-	-	-	60,000	-	-	-
Interest & Investment Income	-	-	-	-	-	-	-	35,744	-	-	-
Program Revenue	-	-	-	24,438	-	-	22,550	106,568	-	-	-
Special Events Income	-	-	-	-	-	-	-	-	-	-	-
Total Income	118,140	82,982	206,184	24,438	104,155	272,244	22,550	401,404	28,798	49,825	195,942
Expense	-	-	-	-	-	-	-	-	-	-	-
Board Expenses	-	600	-	-	-	-	-	3,895	-	-	-
Business Expenses	-	-	-	-	-	-	-	7,057	-	-	-
Contract Services	-	381	-	2,629	-	-	7,733	60,405	-	-	-
Facilities and Equipment	7,046	5,881	31,237	-	19,864	16,352	-	39,905	1,161	104	10,710
Operations	4,784	1,949	-	-	5,447	13,719	-	21,037	2,729	-	6,840
Other Types of Expenses	993	1,372	-	-	4,260	8,673	-	26,807	9,271	442	11,445
Payroll Expenses	104,192	72,441	174,947	-	68,551	228,965	-	76,270	20,173	49,279	163,610
Program Expenses	1,125	235	-	-	2,746	4,535	1,933	15,624	-	-	1,250
Transportation	-	123	-	-	302	-	256	4,513	-	-	2,087
Total Expense	118,140	82,982	206,184	2,629	101,170	272,244	9,922	255,511	33,334	49,825	195,942
Net Ordinary Income	-	-	-	21,809	2,985	-	12,628	145,893	(4,536)	-	-
Other Income/Expense	-	-	-	-	-	-	-	-	-	-	-
Total Other Income	-	-	-	-	-	-	-	29,527	-	-	-
Other Expense	-	-	-	-	-	-	-	-	-	-	-
Bad Debt	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	18,606	-	-	-
Capital Purchases	-	-	-	-	2,985	-	-	3,671	-	-	-
Total Other Expense	-	-	-	-	2,985	-	-	22,277	-	-	-
Net Other Income	-	-	-	-	(2,985)	-	-	7,249	-	-	-
Net Income	**-**	**-**	**-**	**21,809**	**-**	**-**	**12,628**	**153,143**	**(4,536)**	**-**	**-**

Statement of Operations by Class/Program
April 1, 2025 to March 31, 2026

	1014 RAC - C&Y	1015 Early Intervention	1016 52 North - PHAC	1018 Childcare	1020 Child & Youth Support	1021 Domestic Violence Court	1022 Parent Education SK	1025 Prairie Prism	1029 Fund Development	TOTAL
		NAP-07	2425-HQ-000108	IDS127	IDS125	DV-05	PCC17			
Ordinary Income/Expense										
Income										
Direct Public Grants	-	-	-	-	-	-	-	-	-	147,066
Direct Public Support	-	-	-	-	-	-	-	-	81,137	111,137
Government Contracts	-	414,366	-	38,508	460,636	260,424	26,472	-	-	2,033,936
Government Grants	299,594	-	328,432	-	-	-	-	-	-	874,792
Indirect Public Support	-	-	-	-	-	-	-	-	-	60,000
Interest & Investment Income	-	-	1,612	-	-	-	-	-	-	37,356
Program Revenue	-	-	-	-	-	-	-	-	-	153,556
Special Events Income	-	-	-	-	-	-	-	4,099	82,530	86,629
Total Income	299,594	414,366	330,044	38,508	460,636	260,424	26,472	4,099	163,668	3,504,472
Expense	-	-	-	-	-	-	-	-	-	-
Board Expenses	1,000	2,939	-	-	-	604	-	-	-	9,037
Business Expenses	-	-	-	-	-	-	-	-	-	7,057
Contract Services	-	21,561	8,134	-	-	-	-	-	-	100,842
Facilities and Equipment	15,813	16,975	23,162	1,399	13,905	17,302	1,800	-	-	222,615
Operations	15,850	16,265	5,813	1,735	4,335	10,595	4,080	-	-	115,177
Other Types of Expenses	16,567	15,849	1,764	55	4,394	2,657	180	-	26,426	131,154
Payroll Expenses	241,873	333,960	275,292	34,974	434,402	228,249	20,412	-	-	2,527,590
Program Expenses	4,590	5,017	15,172	345	3,600	953	-	4,099	2,033	63,256
Transportation	3,902	1,800	708	-	-	64	-	-	-	13,756
Total Expense	299,594	414,366	330,044	38,508	460,636	260,424	26,472	4,099	28,458	3,190,483
Net Ordinary Income	-	-	-	-	-	-	-	-	135,210	313,989
Other Income/Expense	-	-	-	-	-	-	-	-	-	-
Total Other Income	-	-	-	-	-	-	-	-	-	29,527
Other Expense	-	-	-	-	-	-	-	-	-	-
Bad Debt	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	18,606
Capital Purchases	-	-	-	-	-	-	-	-	-	6,656
Total Other Expense	-	-	-	-	-	-	-	-	-	25,262
Net Other Income	-	-	-	-	-	-	-	-	-	4,264
Net Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**135,210**	**318,253**