EXTEND-A-FAMILY WATERLOO REGION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

EXTEND-A-FAMILY WATERLOO REGION

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Chartered
Professional
Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of: Extend-A-Family Waterloo Region

Opinion

We have audited the accompanying financial statements of Extend-A-Family Waterloo Region, 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, these financial statements present fairly, in all material respects, the financial position of Extend-A-Family Waterloo Region as at March 31, 2026 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis of 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 report. We are independent of Extend-A-Family Waterloo Region 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 organization's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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

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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 these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 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 organization'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 organization'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 organization 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.

RLB LLP

Guelph, Ontario
June 27, 2026

Chartered Professional Accountants
Licensed Public Accountants

EXTEND-A-FAMILY WATERLOO REGION

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2026

	2026	2025
ASSETS		
CURRENT		
Cash	$ 1,780,195	$ 1,093,268
Short-term investments (note 4)	671,486	1,082,824
Accounts receivable (note 5)	261,571	198,569
Due from the PassportONE	659,508	709,429
Prepaid expenses	178,348	221,920
Due from the Ministry of Children, Community and Social Services	0	258,918
	3,551,108	3,564,928
TANGIBLE CAPITAL ASSETS (note 6)	122,299	145,982
	$ 3,673,407	$ 3,710,910
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 1,383,562	$ 1,081,657
Due to the Ministry of Children, Community and Social Services	312,268	0
Deferred revenue (note 7)	0	41,900
	1,695,830	1,123,557
DEFERRED CAPITAL CONTRIBUTIONS (note 8)	121,546	0
	1,817,376	1,123,557
NET ASSETS		
UNRESTRICTED	(99,309)	612,013
INTERNALLY RESTRICTED (note 2a)	1,955,340	1,975,340
	1,856,031	2,587,353
	$ 3,673,407	$ 3,710,910

APPROVED ON BEHALF OF THE BOARD:

Ryan V[illegible] Director

Angela [illegible] Director

See notes to the financial statements

EXTEND-A-FAMILY WATERLOO REGION

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2026

	Unrestricted	**Operating** (internally restricted) (note 2a)	**Training and Education** (internally restricted) (note 2a)	**Relocation** (internally restricted) (note 2a)	**Opportunities** (internally restricted) (note 2a)	**2026**	**2025**
NET ASSETS, beginning of year	$ 612,013	$ 1,200,000	$ 14,340	$ 700,000	$ 61,000	$ 2,587,353	$ 2,471,411
(Deficiency) excess of revenue over expenses for the year	(731,322)	0	0	0	0	(731,322)	115,942
Transfers (note 9)	20,000	0	0	0	(20,000)	0	0
NET ASSETS, end of year	$ (99,309)	$ 1,200,000	$ 14,340	$ 700,000	$ 41,000	$ 1,856,031	$ 2,587,353

See notes to the financial statements

EXTEND-A-FAMILY WATERLOO REGION

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
REVENUE		
Province of Ontario	$ 11,316,064	$ 10,798,524
PassportONE	4,966,993	4,628,206
Home and Community Care Support Services	477,101	340,328
Donations and fundraising (note 10)	417,712	356,660
Program billing and fees	331,454	381,525
Investment income	42,658	79,632
Other funding	4,688	1,954
Amortization of deferred capital contributions (note 8)	0	13,333
	17,556,670	16,600,162
EXPENSES		
Direct families and programs	10,346,143	9,905,502
Salaries, wages and benefits	6,811,282	5,733,125
Consulting and professional fees	382,603	272,727
Other	206,922	2,282
Occupancy costs	165,461	133,440
Indirect families and programs	123,052	131,098
Office	103,260	105,044
Staff training and travel	96,610	114,394
Amortization	29,243	51,241
Computer related expenses	23,416	26,037
Fundraising	0	9,330
	18,287,992	16,484,220
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES for the year	$ (731,322)	$ 115,942

See notes to the financial statements

EXTEND-A-FAMILY WATERLOO REGION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
(Deficiency) excess of revenue over expenses for the year	$ (731,322)	$ 115,942
Items not requiring an outlay of cash		
Amortization	29,243	51,241
Amortization of deferred capital contributions	0	(13,333)
Fair value changes on short-term investments	(72,842)	(45,056)
	(774,921)	108,794
Changes in non-cash working capital		
Accounts receivable	(63,002)	(37,570)
Prepaid expenses	43,572	(128,612)
Due from the PassportONE	49,921	57,231
Accounts payable and accrued liabilities	301,905	82,038
Due to the Ministry of Children, Community and Social Services	312,268	(107,091)
Due from the Ministry of Children, Community and Social Services	258,918	(258,918)
Deferred revenue	(41,900)	(90,800)
	86,761	(374,928)
CASH PROVIDED BY FINANCING ACTIVITIES		
Deferred capital contributions received	121,546	0
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Additions to tangible capital assets	(5,560)	(68,627)
Purchase of short-term investments	0	(13,749)
Disposal of short-term investments	484,180	0
	478,620	(82,376)
NET INCREASE (DECREASE) IN CASH	686,927	(457,304)
NET CASH, BEGINNING OF YEAR	1,093,268	1,550,572
NET CASH, END OF YEAR	$ 1,780,195	$ 1,093,268

See notes to the financial statements

1. NATURE OF OPERATIONS

Extend-A-Family Waterloo Region is incorporated without share capital under the laws of Ontario. The organization is committed to enhancing the well-being of people with disabilities and their families and networks, by promoting an inclusive community through the fostering of relationships and partnerships. The organization is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) NET ASSETS

Unrestricted net assets
The unrestricted net assets reports resources available for the organization's general operating activities.

The organization has established internally restricted reserves within net assets as follows:

Operating
The operating reserve is held to maintain three months of operating expenses should the organization need to dissolve. This will provide the organization with sufficient resources to fulfill payment obligations to staff and vendors.

Training and education
The training and education reserve maintains funds to be used for higher education opportunities or specialized training for staff. This is separate from the unrestricted expenses.

Relocation
The relocation reserve reports resources to support a future relocation of the organization's home office. Potential expenses could consist of moving costs, leasehold improvements, down payments, and consultant support for a capital campaign.

Opportunities
The opportunities net assets holds resources that the organization can use to explore or pilot new programs, services or other organizational opportunities complementary to but not covered by the Ministry of Children, Community and Social Services (MCCSS) funded core services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) REVENUE RECOGNITION

The organization follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Contributions restricted for the purchase of tangible capital assets are deferred and amortized into revenue on a straight line basis, at a rate corresponding with the amortization rate for the related tangible capital assets.

Unrestricted contributions from the government and other funders are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Unrestricted donations are recorded when received.

Revenue from program billing and fees are recognized when the services are provided.

Revenue from fundraising is recognized when the fundraising event has taken place.

(c) TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost and amortized on the basis of their estimated useful life using the following methods and rates:

Furniture and fixtures	- 20 % declining balance basis
Computer equipment	- 4 years straight line basis
Leasehold improvements	- 3 years straight line basis
Computer software	- 5 years straight line basis
Asset under construction	- unamortized

(d) USE OF ESTIMATES

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 amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant areas requiring management's estimates include the carrying amounts of tangible capital assets, accrued liabilities, and the amounts due to/from the Ministry of Children, Community and Social Services. Actual results could differ from those estimates.

(e) FINANCIAL INSTRUMENTS

The organization initially measures its financial assets and liabilities at fair value.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost, unless otherwise noted below. Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment and any impairment is recorded.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) CONTRIBUTED MATERIALS AND SERVICES

During the year, a number of volunteers contribute a significant amount of their time. Because of the difficulty in determining the fair value, contributed services are not recorded in the financial statements.

Contributed materials and services which would otherwise be paid for by the organization, are recorded at fair value when provided. The organization received donations in kind of $0 (2025 - $0) for the various program offerings which are not reflected in the financial statements.

3. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from its financial instruments.

The extent of the organization's exposure to these risks did not change in 2026 compared to the previous period.

The organization does not have a significant exposure to any individual customer or counterparty.

4. SHORT-TERM INVESTMENTS

Short-term investments consist of investment savings accounts, fixed income securities and equity funds.

5. ACCOUNTS RECEIVABLE

Accounts receivable consists of:

	2026	2025
Accounts receivable	$ 212,812	$ 110,555
HST receivable	82,986	79,772
Home and Community Care Support Services	0	32,260
Allowance for doubtful accounts	(34,227)	(24,018)
	$ 261,571	$ 198,569

6. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2026	Net 2025
Furniture and fixtures	$ 179,555	$ 171,080	$ 8,475	$ 11,489
Computer equipment	620,568	545,391	75,177	94,265
Leasehold improvements	417,660	413,208	4,452	0
Computer software	475,389	441,194	34,195	0
Asset under construction	0	0	0	40,228
	$ 1,693,172	$ 1,570,873	$ 122,299	$ 145,982

7. DEFERRED REVENUE

Deferred revenue consists of:

	2026	2025
Ontario Trillium Foundation	$ 0	$ 41,900
Balance, beginning of year	$ 41,900	$ 132,700
Less amount recognized as revenue in the year	(41,900)	(174,600)
Add amount received related to the following year	0	83,800
Balance, end of year	$ 0	$ 41,900

8. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions related to tangible capital assets represent the unamortized amount and grants received for the purchase of tangible capital assets.

	2026	2025
Balance, beginning of year	$ 0	$ 13,333
Less amount recognized as revenue in the year	0	(13,333)
Plus amount received related to future purchases	121,546	0
Balance, end of year	$ 121,546	$ 0

9. TRANSFERS

The transfers from unrestricted to internally restricted reserves are as follows:

Opportunities	$ 20,000

A transfer of $40,000 was approved from the opportunities internally restricted reserve to the unrestricted net assets. The transfers within net assets were completed in order to align with the organization's strategic initiatives, as determined by the board of directors.

10. DONATIONS AND FUNDRAISING

Donations and fundraising relates to the following:

	2026	2025
Grants	$ 323,740	$ 242,315
Fundraising	49,826	47,314
Donations	30,710	33,520
Program billing	13,436	33,511
	$ 417,712	$ 356,660

11. ECONOMIC DEPENDENCE

The organization is economically dependent on the Province of Ontario for 64% (2025 - 65%) of its revenue.

12. COMMITMENTS

The organization rents premises under long-term operating leases. Future minimum lease payments are as follows:

2027	$ 145,870
2028	10,875
2029	11,375
2030	8,875
	$ 176,995

EXTEND-A-FAMILY WATERLOO REGION ***Schedule 1***

SCHEDULE OF REVENUE AND EXPENSES BY DETAIL CODE
FOR THE MINISTRY OF CHILDREN, COMMUNITY AND SOCIAL SERVICES

FOR THE YEAR ENDED MARCH 31, 2026

	Adults' DS Community Support Services F510	Children's DS Community Support Services F510	DSRS-Adults' Community Accomodation F510	Autism E701	Special Services at Home E532	Respite Services E532	Total MCCSS
REVENUE							
Province of Ontario received in year	$ 1,176,069	$ 758,059	$ 2,688,046	$ 10,020	$ 6,383,698	$ 645,910	$ 11,661,802
Program billing and fees	45,227	1,000	245	0	0	0	46,472
Other funding	3,235	0	0	0	0	0	3,235
Donations and fundraising	125	0	0	0	0	0	125
	1,224,656	759,059	2,688,291	10,020	6,383,698	645,910	11,711,634
DIRECT EXPENSES							
Direct families and programs	145,899	127,340	712,565	10,000	5,236,081	457,397	6,689,282
Salaries, wages and benefits	901,508	479,161	1,670,016	(980)	426,849	176,918	3,653,472
	1,047,407	606,501	2,382,581	9,020	5,662,930	634,315	10,342,754
INDIRECT EXPENSES							
Indirect families and programs	129,113	87,638	210,024	1,000	99,851	11,186	538,812
Occupancy costs	38,206	62,658	77,091	0	53,862	409	232,226
Other	0	0	10	0	207,043	0	207,053
Consulting and professional fees	5,226	0	3,645	0	12,023	0	20,894
Staff training and travel	5,516	2,262	12,036	0	768	0	20,582
Office	(812)	0	2,237	0	1,483	0	2,908
Computer related expenses	0	0	667	0	0	0	667
	177,249	152,558	305,710	1,000	375,030	11,595	1,023,142
TOTAL ALL EXPENSES	1,224,656	759,059	2,688,291	10,020	6,037,960	645,910	11,365,896
EXCESS OF REVENUE OVER EXPENSES BEFORE PAYABLE	0	0	0	0	345,738	0	345,738
SURPLUS REPAYABLE	0	0	0	0	(345,738)	0	(345,738)
EXCESS OF REVENUE OVER EXPENSES	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0

See notes to the financial statements