CATHOLIC COMMUNITY SERVICES OF YORK REGION

FINANCIAL STATEMENTS

MARCH 31, 2026

KRIENS~LAROSE, LLP
CHARTERED PROFESSIONAL
ACCOUNTANTS

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CATHOLIC COMMUNITY SERVICES OF YORK REGION

FINANCIAL STATEMENTS

MARCH 31, 2026

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Catholic Community Services of York Region

Report on the Audit of the Financial Statements

Qualified Opinion
We have audited the financial statements of the Catholic Community Services of York Region, which comprise the statement of financial position as at March 31, 2026, 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 adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of fundraising activities described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of Catholic Community Services of York 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 for Qualified Opinion
In common with many charitable organizations, the Organization derives revenue from fundraising, the completeness of which is not susceptible to satisfactory audit procedures. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenues, excess of revenues over expenses and cash flows for the years ended March 31, 2026 and March 31, 2025 , current assets as at March 31, 2026 and March 31, 2025 , and net assets balances as at the beginning and the end of the years ended March 31, 2026 and March 31, 2025 . Our audit opinion on the financial statements for the year ended March 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

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 Catholic Community Services of York 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.

KRIENS~LAROSE, LLP
CHARTERED PROFESSIONAL
ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT (Continued)

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

Management is responsible for the preparation and fair presentation of these 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 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.

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 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 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.

KRIENS~LAROSE, LLP

KRIENS~LAROSE, LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
July 27, 2026

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2026

	2026 $	2025 $
ASSETS		
CURRENT		
Cash (Note 5)	1,336,264	1,045,293
Investments (Note 2)	18,748	42,799
Grant and other receivables (Note 3)	231,694	732,291
Cash - Forum (Note 4)	68,570	68,570
Prepaid expenses	206,604	286,267
	1,861,880	2,175,220
INTERNALLY RESTRICTED INVESTMENTS (Note 5)	1,051,985	325,733
EQUIPMENT (Note 6)	30,298	92,552
	2,944,163	2,593,505

CATHOLIC COMMUNITY SERVICES OF YORK REGION

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2026

	2026 $	2025 $
LIABILITIES		
CURRENT		
Accounts payable - Forum (Note 4)	68,570	68,570
Accounts payable and accrued liabilities	287,101	482,515
Deferred contributions (Note 8)	462,938	176,752
	818,609	727,837
NET ASSETS		
INTERNALLY RESTRICTED (Note 5)	1,555,278	1,401,958
GENERAL FUND	570,276	463,710
	2,125,554	1,865,668
	2,944,163	2,593,505

Approved by the Board

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STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2026

	2026 General Fund $	2026 Reserve Fund $	2026 Total $	2025 Total $
REVENUES				
Immigration Refugees and Citizenship Canada	8,360,050	-	8,360,050	9,215,857
Minister of Children, Community and Social Services (GBV and OAP) (Note 10)	914,247	-	914,247	-
Catholic Charities	883,824	-	883,824	695,648
Ministry of Labour, Training and Skills Development (MLTSD) (Note 11)	238,245	-	238,245	811,189
Women and Gender Equality Canada	125,298	-	125,298	28,422
Other	78,612	-	78,612	64,622
Counselling	89,770	-	89,770	41,468
Fundraising - bingo/donations	88,587	-	88,587	99,797
Sustainable Canadian Agricultural Partnership	64,351	-	64,351	-
Programs	34,406	-	34,406	19,581
Amortization of deferred capital contribution (Note 9)	-	-	-	56,674
Ministry of Employment and Social Development	-	-	-	24,000
	10,877,390	-	10,877,390	11,057,258
EXPENSES				
Salaries and wages (Note 13)	7,052,173	-	7,052,173	7,496,582
Building occupancy	1,632,453	-	1,632,453	1,508,061
Employee benefits	1,250,103	-	1,250,103	1,229,987
Contract services	304,738	-	304,738	79,243
Equipment maintenance	132,215	-	132,215	123,063
Conference workshops and meetings	71,699	-	71,699	112,765
Amortization	62,254	-	62,254	73,389
Office and general	50,777	-	50,777	17,989
Communications	48,414	-	48,414	95,647
Membership fees and literature	39,461	-	39,461	28,619
Travel - mileage	32,873	-	32,873	48,271
Promotional materials	31,812	-	31,812	40,649
Staff development	19,119	-	19,119	20,931
Volunteer program	14,488	-	14,488	22,837
HST	13,949	-	13,949	78,618
Program office supplies	9,646	-	9,646	28,245
Community programs	4,650	-	4,650	4,048
	10,770,824	-	10,770,824	11,008,944
Excess of revenues over expenses prior to interest income	106,566	-	106,566	48,314
Interest income (Note 14)	-	153,320	153,320	39,736
Excess of revenues over expenses for the year	106,566	153,320	259,886	88,050

See accompanying notes to the financial statements

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2026

	2026			2025
	Internally Restricted $	Unrestricted $	Total $	Total $
Net assets, beginning of year	1,401,958	463,710	1,865,668	1,777,618
Excess of revenues over expenses for the year	153,320	106,566	259,886	48,314
Interfund transfer (Note 5)	-	-	-	-
Net assets, end of year	1,555,278	570,276	2,125,554	1,825,932

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

	2026 $	2025 $
CASH FROM OPERATING ACTIVITIES		
Cash receipts from Immigration, Refugees and Citizenship Canada	9,067,395	8,731,808
Cash from Minister of Children, Community and Social Services (GBV and OAP)	1,043,204	-
Cash receipts from Catholic Charities	900,696	695,648
Other cash receipts	424,578	285,230
Cash receipts from Ministry of Labour, Training and Skills Development (MLTSD)	245,000	603,801
Cash receipts from Women and Gender Equality Canada	133,704	28,752
Cash receipts from Sustainable Canadian Agricultural Partnership	64,351	-
Cash paid to suppliers and employees	(10,885,756)	(11,336,859)
	993,172	(991,620)
CASH FROM INVESTING ACTIVITIES		
Net change in investments	(702,201)	722,612
Purchase of equipment	-	(10,335)
	(702,201)	712,277
Change in cash	290,971	(279,343)
Cash, beginning of year	1,113,863	1,393,206
Cash, end of year	1,404,834	1,113,863
Cash consist of:		
Cash	1,336,264	1,045,293
Cash - Forum	68,570	68,570
Cash, end of year	1,404,834	1,113,863

See accompanying notes to the financial statements

PURPOSE OF THE ORGANIZATION

Catholic Community Services of York Region (The Agency) is a social service agency serving individuals and families in York Region within the values and traditions of the Catholic Church. The Agency assists people with social and personal needs in order to strengthen and enhance individual and family functioning and to empower them to live as independent, healthy and socially responsible people. The Agency serves all people regardless of religion, culture, race or creed.

As a registered charitable organization, Catholic Community Services of York Region is exempt from income taxes.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook and include the following significant accounting policies:

Financial Instruments

The Agency initially measures its financial assets and financial liabilities at fair value. The Agency subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in the statement of operations. The financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Use of Estimates

The preparation of financial statements in accordance 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 and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Significant financial statement items that require the use of estimates are allowance for doubtful accounts and accrued liabilities. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations in the year they become known.

Continued...

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related Party Transactions

Related party transactions in the normal course of business are recorded at the exchange amount which is the amount of consideration exchanged in the transaction. Related party transactions outside the normal course of business are recorded at either the exchange amount or the carrying amount depending on the substance of the transaction. Carrying amount is defined as the recorded amount of the item transferred.

For transactions with related parties involving financial instruments they are initially and subsequently recorded at cost unless the financial instrument is an equity instrument quoted in an active market. Cost is defined depending on the existence or absence of repayment terms. If there are repayment terms then cost is the undiscounted cash flows from excluding any interest element. If there are no repayment terms then cost is determined to be either the exchange amount or the carrying amount depending on the substance of the transaction.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and fixed income investments with maturities of less than 90 days.

Prepaid Expenses

Prepaid expenses are recorded for goods and services to be received in the next fiscal year, which were paid for in the current fiscal year.

Equipment and Amortization

Equipment is stated at acquisition cost. Amortization is provided on the following basis at the following annual rates:

Equipment	3 years straight-line
Furniture and fixtures	5 years straight-line
Leasehold improvements	Term of the lease

Where equipment no longer has any long-term service potential to the Agency, the excess of their net carrying amount over any residual value is recognized as an expense in the statement of operations.

Deferred Contributions

Deferred contributions represent unspent resources externally restricted for operating funding that will be spent in a subsequent period.

Continued...

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

The Agency follows the deferral method of accounting for revenue. Restricted contributions are recognized as revenue in the period 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. Endowment contributions are recognized as direct increases in net assets.

Counselling fees

Counselling fees are recognized as revenue once the related service has been provided and the fee collection is reasonably assured.

Investment Income

Interest is recognized as revenue when earned on an accrual basis. Unrealized gain or loss on investments, being the difference between book value and fair value, are recognized on an annual basis.

Other Income

Other income is recognized as revenue when the amount can be reasonably estimated and collection is reasonably assured.

Donated Property and Services

During the year volunteers contribute numerous hours to the Agency in carrying out certain aspects of its service delivery activities. Because of these services are not normally purchased by the Agency, and because of the difficulty of determining their fair value, donated services are not recognized in these statements.

Continued...

2. INVESTMENTS

	2026 $	2025 $
GICs, 4.55% to 4.80%, maturing April, 2026.	18,748	42,799

The GICs may only be cashed on each anniversary date of the initial investment

3. GRANTS AND OTHER RECEIVABLES

	2026 $	2025 $
Immigration, Refugees and Citizenship Canada Grant	-	565,127
HST rebate	162,394	100,959
Other receivables	69,300	66,205
	231,694	732,291

4. CASH - FORUM

In a previous fiscal year a Forum for Children, Youth and Families was formed, the funds provided by members of the Forum were held by Catholic Community Services of York Region. The Forum was disbanded and $68,570 was held with the intent to provide the funds to a organization carrying out similar goals as the Forum, or to return an equal portion to each of the Forum's members. As at March 31, 2026 the funds have not been disbursed to the intended parties.

Continued...

5. INTERNALLY RESTRICTED INVESTMENTS

The reserve fund was established to provide for any emergency expenditures or replacement of assets that the Board of Directors determine necessary. The reserve fund is funded from operations at the discretion of the Board. The fund's assets are as follows:

	2026 $	2025 $
GICs, 3.0% to 4.15% maturing July, 2026 to November, 2027	1,051,985	325,733
Cash in bank	503,293	1,027,911
	1,555,278	1,353,644

The investments are pledged as security for the Agency's operating loan facility with its bank to a limit of $300,000.

The Board of Directors approved the transfer of $0 (2025: $48,314) from the General Fund to the Internally Restricted Fund in the 2026 fiscal year.

In April, 2026 GICs totaling $400,000 were purchased from cash to be segregated as an investment for the internally restricted fund. Subsequent to the year-end a $153,320 GIC was purchased.

6. EQUIPMENT

	2026		2025	
	Cost $	Accumulated Amortization $	Cost $	Accumulated Amortization $
Leasehold improvements	2,616,258	2,616,258	2,616,258	2,616,258
Office equipment	530,852	523,950	530,852	486,373
Furniture and fixtures	569,532	546,136	569,532	521,459
	3,716,642	3,686,344	3,716,642	3,624,090
Net book value	30,298		92,552	

Continued...

7. BANK INDEBTEDNESS

The Agency has an operating loan facility agreement with its bank to a limit of $300,000. The facility bears interest at the prime lending rate plus 1%.

The facility is secured by a General Security Agreement and the internally restricted investments described in Note 5.

8. DEFERRED CONTRIBUTIONS

Deferred contributions represents funding received less the costs incurred to date for programs which were not completed as at March 31, 2026. Certain funds received for projects from various funders must be returned to the funder if not expended or absent permission for the purpose for which they were received or permission from the funder to carry these funds forward to be expended in the following year. Any funds to be returned or carried forward are reflected on the statement of financial position as deferred contributions.

The change in the deferred contributions balance is as follows:

	2026 $	2025 $
Balance, beginning of year	176,752	425,796
Contributions received or receivable during the year	10,927,113	10,526,072
Amounts recognized as revenue during the year	(10,640,927)	(10,775,116)
Balance, end of year	462,938	176,752

Deferred contributions consists of the following:

	2026	2025
Immigration, Refugees and Citizenship Canada	295,973	153,755
Ministry of Employment and Social Development	5,645	22,667
Women and Gender Equality Canada	8,736	330
Ministry of Labour, Training and Skills Development (MLTSD)	6,755	-
Minister of Children, Community and Social Services (GBV and OAP)	128,957	-
Catholic Charities	16,872	-
	462,938	176,752

Continued...

9. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized restricted grants and donations relating the purchase of equipment. These contributions are amortized over the life of the related assets. The changes in the balance for the year is as follows:

	2026 $	2025 $
Balance at beginning of the year	-	56,674
Add: additions during the year	-	-
Less: amounts recognized as revenue	-	(56,674)
Balance at end of year	-	-

10. MINISTRY OF CHILDREN, COMMUNITY AND SOCIAL SERVICES - GBV / OAP

The Agency received funding from the Ministry of Children, Community and Social Services for the following grants:

Gender-based violence	795,608
Ontario Autism Program	118,639
	914,247

Net expenditures allocated by the Agency in connection with Children, Community and Social Services programs for the 2026 fiscal year are as follows:

	Gender Based Violence	**Ontario Autism Program**
Salaries and wages	503,674	91,835
Administration	205,000	17,771
Employee's benefits	51,406	-
Contract services	11,488	4,909
Transportation	7,007	371
Workshops / meetings	6,719	632
Program expenses	3,270	2,844
Communication	2,756	277
GST / HST	3,758	-
Volunteer Program	530	-
Total	795,608	118,639

Continued...

11. MINISTRY OF LABOUR, TRAINING AND SKILLS DEVELOPMENT

The Agency received funding from the Ministry of Labour, Training and Skills Development (MLTSD) for the following grants:

Core funding	238,245

Net expenditures allocated by the Agency in connection with Labour, Training and Skills Development (MLTSD) programs for the 2026 fiscal year are as follows:

	Core Funding
Salaries and wages	191,299
Employee's benefits	35,538
Administration	10,844
Community programs	564
Total	238,245

12. COMMITMENTS

The Agency has entered into a various long-term operating lease agreements. Future minimum payments under such lease obligations to the expiry of the lease are due as follows:

Building space	
2027	1,127,012
2028	1,138,512
2029	384,112
2030	384,112
Future	672,196
	3,705,944

Continued...

12. COMMITMENTS (Continued)

Office Equipment	
2027	14,748
2028	14,748
2029	14,748
2030	3,687
	47,931

HR/Health and Safety Services	
2027	17,840
2028	17,840
2029	17,840
2030	17,840
	71,360

In the event that the Agency's funding from their major funders is not renewed, the Agency has the right to terminate their Richmond Hill office lease upon three months notice by providing the the landlord with three months prior written notice.

The Agency has a tenant's termination right in the event the Richmond Hill Welcome Centre's funding agreement is not renewed. The lease extension terms were designed to coincide with the renewal terms of the funding agreement.

13. RELATED PARTY TRANSACTIONS

Two employees of the Agency are related to individuals charged with governance. During the fiscal year, the Agency paid salaries and wages of $88,904 (2025: $62,385) to the related employees.

The transactions were carried out in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed upon by the parties. The exchange amount is determined based on the costs incurred.

There are no amounts due to or from the related employees as at March 31, 2026.

Continued...

14. INTEREST INCOME

During FY 2025/26, the Organization recognized investment income of $153,320. This amount includes a one-time reversal of balances associated with prior-period activities and does not solely represent investment returns earned during the current fiscal year.

15. FINANCIAL INSTRUMENTS

The Agency is exposed to various risks through its financial instruments. The following presents the Agency’s risk exposures and concentrations at March 31, 2026.

Credit Risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Agency's credit risk would occur with their accounts receivable. Actual exposure to credit losses has been minimal in prior years. The allowance for doubtful accounts is $0 (2025: $0).

Liquidity Risk
Liquidity risk is the risk the Agency will encounter difficulties in meeting obligations associated with financial liabilities. The Agency is exposed to this risk as they depend on Government and other funding for their operations, the funding represents 98% (2025: 97%) of their revenue. In order to reduce this risk the Agency seeks to continue to receive funding on an annual basis and set aside funds to fulfil their obligations. There has been no change in the risk assessment from the prior period.

Market Risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: currency risk, interest rate risk and other price risk.

Continued...

14. FINANCIAL INSTRUMENTS (Continued)

Currency Risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Agency is not exposed to foreign currency risk.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Agency has a low interest rate risk.

Other Price Risk
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Agency is not exposed to other price risk.