
**SASKATOON SOCIETY FOR
CHRISTIAN EDUCATION INC.**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

INDEPENDENT AUDITORS' REPORT

To the Members of
Saskatoon Society for Christian Education Inc.

Qualified Opinion

We have audited the accompanying financial statements of Saskatoon Society for Christian Education Inc., which comprise the statement of financial position as at June 30, 2026 and the statements of revenue and expenditures, changes in fund balances and cash flows and the schedule of restricted funds revenue and expenditures for the year then ended, along with the summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* paragraph, the financial statements present fairly, in all material respects, the financial position of Saskatoon Society for Christian Education Inc. as at June 30, 2026 and its financial performance 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 society derives revenue from the general public in the form of donations and fundraising, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of revenue was limited to the amounts recorded in the records of the society and we were not able to determine whether any adjustments might be necessary to revenue, excess (deficiency) of revenue over expenditures for the year, assets and fund balances.

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 Saskatoon Society for Christian Education Inc. 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 qualified opinion.

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 Saskatoon Society for Christian Education Inc.'s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate Saskatoon Society for Christian Education Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Saskatoon Society for Christian Education Inc.'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 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 Saskatoon Society for Christian Education Inc.'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 Saskatoon Society for Christian Education Inc.'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 Saskatoon Society for Christian Education Inc. 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.



CHARTERED PROFESSIONAL ACCOUNTANTS
Saskatoon, SK
October 9, 2026

SASKATOON SOCIETY FOR CHRISTIAN EDUCATION INC.

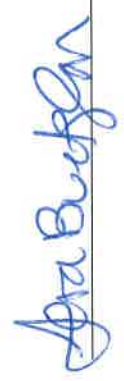
STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30

	General Fund		Capital Asset Fund		Restricted Funds		Total
	2026	2025	2026	2025	2026	2025	
	\$	\$	\$	\$	\$	\$	\$
CURRENT ASSETS (note 6)							
Cash	1,352,615	1,012,923	-	-	407,952	392,358	1,760,567
Term deposits (note 3)	1,000,000	500,000	-	-	-	-	1,000,000
Accounts receivable (note 4)	13,561	12,793	-	-	-	-	13,561
Prepaid expenditures	23,015	12,295	-	-	-	-	23,015
	2,389,191	1,538,011	-	-	407,952	392,358	2,797,143
TANGIBLE CAPITAL ASSETS							
(note 5)	-	-	3,920,188	4,027,028	-	-	3,920,188
TOTAL ASSETS	2,389,191	1,538,011	3,920,188	4,027,028	407,952	392,358	6,717,331
							5,957,397
CURRENT LIABILITIES							
Accounts payable and accrued liabilities (note 7)	107,730	104,003	-	-	-	-	107,730
Government payroll remittances payable	106,690	139,581	-	-	-	-	106,690
Deferred revenue (note 8)	314,631	323,699	-	-	-	-	314,631
	529,051	567,283	-	-	-	-	529,051
							567,283
FUND BALANCES							
Unrestricted	1,860,140	970,728	-	-	-	-	1,860,140
Invested in tangible capital assets	-	-	3,920,188	4,027,028	-	-	3,920,188
Internally restricted	-	-	-	-	151,242	162,274	151,242
Externally restricted	-	-	-	-	256,710	230,084	256,710
	1,860,140	970,728	3,920,188	4,027,028	407,952	392,358	6,188,280
							5,390,114
TOTAL LIABILITIES AND FUND BALANCES	2,389,191	1,538,011	3,920,188	4,027,028	407,952	392,358	6,717,331
							5,957,397

SIGNED ON BEHALF OF THE BOARD

 Director

 Director

SASKATOON SOCIETY FOR CHRISTIAN EDUCATION INC.

STATEMENT OF CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30

	General Fund		Capital Asset Fund		Restricted Funds		Total
	2026	2025	2026	2025	2026	2025	
	\$	\$	\$	\$	\$	\$	\$
BALANCE - BEGINNING OF YEAR	970,728	285,870	4,027,028	4,056,302	392,358	449,954	5,390,114
Excess (deficiency) of revenue over expenditures	889,412	742,907	(140,422)	(168,400)	49,176	23,481	798,166
Repayment of callable debt	-	(58,049)	-	58,049	-	-	-
Tangible capital asset purchases: Fundraising fund	-	-	33,582	81,077	(33,582)	(81,077)	-
BALANCE - END OF YEAR	1,860,140	970,728	3,920,188	4,027,028	407,952	392,358	5,390,114
FUND BALANCES CONSIST OF:							
Unrestricted	1,860,140	970,728	-	-	-	-	1,860,140
Invested in tangible capital assets	-	-	3,920,188	4,027,028	-	-	3,920,188
Internally restricted - schedule 1	-	-	-	-	151,242	162,274	151,242
Externally restricted - schedule 1	-	-	-	-	256,710	230,084	256,710
	1,860,140	970,728	3,920,188	4,027,028	407,952	392,358	6,188,280
							5,390,114

SASKATOON SOCIETY FOR CHRISTIAN EDUCATION INC.

STATEMENT OF REVENUE AND EXPENDITURES

FOR THE YEAR ENDED
JUNE 30

	General Fund		Capital Asset Fund		Restricted Funds		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE								
Ministry of Education funding	3,265,803	2,957,266	-	-	-	-	3,265,803	2,957,266
Tuition	1,348,933	1,308,964	-	-	-	-	1,348,933	1,308,964
Fundraising	-	-	-	-	104,288	58,265	104,288	58,265
Missions	-	-	-	-	70,602	42,738	70,602	42,738
Student fund	-	-	-	-	66,300	65,522	66,300	65,522
Donations	57,631	81,458	-	-	-	-	57,631	81,458
Interest	33,611	26,257	-	-	-	-	33,611	26,257
Other	16,422	23,076	-	-	-	-	16,422	23,076
	4,722,400	4,397,021	-	-	241,190	166,525	4,963,590	4,563,546
EXPENDITURES								
Teacher services	2,218,109	2,189,237	-	-	-	-	2,218,109	2,189,237
Salaries and benefits	1,064,046	968,287	-	-	-	-	1,064,046	968,287
Materials, services and supplies -								
Administration	191,138	170,263	-	-	-	-	191,138	170,263
Education	117,196	99,806	-	-	2,578	8,700	119,774	108,506
Depreciation	-	-	140,422	146,653	-	-	140,422	146,653
Financial assistance	92,270	85,476	-	-	-	-	92,270	85,476
Utilities	91,807	86,811	-	-	-	-	91,807	86,811
Missions	-	-	-	-	73,735	56,980	73,735	56,980
Repairs and maintenance	58,422	53,426	-	-	13,558	14,961	71,980	68,387
Student fund	-	-	-	-	58,795	58,506	58,795	58,506
Fundraising	-	-	-	-	43,348	3,897	43,348	3,897
Loss on disposal of tangible capital assets	-	-	-	21,747	-	-	-	21,747
Interest on callable debt	-	808	-	-	-	-	-	808
	3,832,988	3,654,114	140,422	168,400	192,014	143,044	4,165,424	3,965,558
EXCESS (DEFICIENCY) OF REVENUE								
OVER EXPENDITURES	889,412	742,907	(140,422)	(168,400)	49,176	23,481	798,166	597,988

SASKATOON SOCIETY FOR CHRISTIAN EDUCATION INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED
JUNE 30

	2026 \$	2025 \$
OPERATING ACTIVITIES		
Excess of revenue over expenditures for the year	798,166	597,988
Items not affecting cash -		
Depreciation	140,422	146,653
Loss (gain) on disposal of tangible capital assets	-	21,747
	938,588	766,388
Changes in non-cash working capital items -		
Accounts receivable	(768)	3,159
Prepaid expenditures	(10,720)	3,182
Accounts payable and accrued liabilities	3,727	41,526
Government payroll remittances payable	(32,891)	45,904
Deferred revenue	(9,068)	105,361
Cash Provided By Operating Activities	888,868	965,520
FINANCING ACTIVITIES		
Repayment of callable debt	-	(58,049)
Cash Used In Financing Activities	-	(58,049)
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(33,582)	(81,077)
Net purchase of term deposits	(500,000)	(500,000)
Cash Used In Investing Activities	(533,582)	(581,077)
INCREASE IN CASH POSITION	355,286	326,394
CASH POSITION - BEGINNING OF YEAR	1,405,281	1,078,887
CASH POSITION - END OF YEAR	1,760,567	1,405,281

SASKATOON SOCIETY FOR CHRISTIAN EDUCATION INC.

SCHEDULE 1 - RESTRICTED FUNDS REVENUE AND EXPENDITURES

FOR THE YEAR ENDED
JUNE 30

	2026 \$	2025 \$
REVENUE		
Fundraising fund	82,034	57,405
Missions fund	70,602	42,738
Student fund	66,300	65,522
Financial assistance fund	22,254	-
General restricted fund	-	860
	241,190	166,525
EXPENDITURES		
Missions fund	73,735	56,980
Student fund	58,795	58,506
Fundraising fund	45,926	10,350
Non-designated restricted fund	13,558	15,183
Building fund	-	1,401
General restricted fund	-	624
	192,014	143,044
EXCESS OF REVENUE OVER EXPENDITURES	49,176	23,481
TRANSFERS WITHIN RESTRICTED FUNDS:		
Fundraising fund	(13,558)	-
Non-designated restricted fund	13,558	-
PURCHASE OF TANGIBLE CAPITAL ASSETS:		
Fundraising fund	(33,582)	(81,077)
RESTRICTED FUNDS - BEGINNING OF YEAR	392,358	449,954
RESTRICTED FUNDS - END OF YEAR	407,952	392,358
INTERNALLY RESTRICTED FUNDS CONSIST OF:		
Teacher services reserve fund	107,907	107,907
Fundraising fund	35,259	46,291
Salary reserve fund	5,000	5,000
General restricted fund	3,076	3,076
	151,242	162,274
EXTERNALLY RESTRICTED FUNDS CONSIST OF:		
Building fund	150,395	150,395
Student fund	49,025	41,520
Financial assistance fund	22,254	-
Missions fund	19,666	22,799
Designated fund	15,370	15,370
	256,710	230,084
TOTAL RESTRICTED FUNDS	407,952	392,358

1. THE ORGANIZATION

Saskatoon Society for Christian Education Inc. is incorporated under the Non-profit Corporations Act of the Province of Saskatchewan and operates an educational institution under the name of Saskatoon Christian School. Saskatoon Society for Christian Education Inc. is a registered charitable organization and is exempt from income taxes under provisions of the Canadian Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

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

Financial Instruments

The society initially measures its financial assets and liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The society subsequently measures all financial assets and financial liabilities at amortized cost except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess (deficiency) of revenue over expenditures for the year.

Financial assets measured at amortized cost include cash, term deposits and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and government payroll remittances payable.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in excess (deficiency) of revenue over expenditures for the year. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting an allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess (deficiency) of revenue over expenditures for the year.

Tangible Capital Assets and Depreciation

Tangible capital assets are recorded at cost and amortized over their estimated useful lives. This requires estimation of the useful life of the asset and its salvage and residual value. When management considers that a tangible capital asset no longer contributes to the society's ability to provide services, its carrying amount is written down to its residual value. As is true of all accounting estimates, it is possible that changes in future conditions could require changes in the recognized amounts for accounting estimates. Should an adjustment become necessary, it would be reported in earnings in the period in which it became known.

SASKATOON SOCIETY FOR CHRISTIAN EDUCATION INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2026

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation of tangible capital assets is calculated using the declining balance method at the following annual rates:

Land improvements	2.5%
Buildings	2.5% to 10%
Landscaping and school grounds improvements	5% to 10%
Furniture, fixtures and school equipment	10%
Playground equipment	10%
Automotive equipment	20%
Computer equipment	20%

Depreciation on assets acquired during the year is recorded at the full annual rate. There is no depreciation recorded in the year of disposal.

Fund Accounting

Saskatoon Society for Christian Education Inc. follows the restricted fund method of accounting for contributions. It accounts for its operations using the following funds:

General Fund

The general fund reflects the primary operations of the society.

Capital Asset Fund

The capital asset fund is a restricted fund that reflects the equity of the society in tangible capital assets after taking into consideration any associated debt. Expenditures consist primarily of depreciation on tangible capital assets.

Restricted Funds

Restricted funds account for contributions for various externally and internally restricted funds as created by the society.

Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the general fund in the year in which the related expenditures are incurred. All other restricted contributions are recognized as revenue of the appropriate fund in the year received. Unrestricted contributions are recognized as revenue of the general fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Specifically, Ministry of Education and other government funding is recognized as revenue based upon the terms of the funding agreement. Accordingly, amounts not received by year end are shown as grants receivable and any amounts received relating to the next fiscal year are shown as deferred revenue. Tuition is recognized as revenue upon providing services to students during the school year. In addition, missions, fundraising, student fund and donations revenue is recognized when funds are received. Finally, interest income is recognized as revenue based on the terms of the investment.

SASKATOON SOCIETY FOR CHRISTIAN EDUCATION INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2026

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash Resources

Cash resources consist of restricted and unrestricted cash balances.

Donated Goods and Services

The society benefits from the donation of goods and services from individuals. Donations of goods for operating and fundraising purposes are recorded as donations and fundraising revenue at estimated fair market value if they would have been otherwise purchased. No accounting recognition is given to the value of services donated to the society since a fair market value cannot be reasonably estimated.

Use of Estimates

The preparation of the 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 at the date of the financial statements and the reported amounts of revenue and expenditures during the year. Significant items subject to estimate and assumption include the estimated useful lives of tangible capital assets. Actual results could differ from estimates.

3. TERM DEPOSITS

The term deposits mature within 11 months and bear interest at variable rates based on prime.

The prime rate at June 30, 2026 was 4.45%.

4. ACCOUNTS RECEIVABLE

	2026	2025
	\$	\$
GST receivable	8,569	10,707
Trade receivables	4,992	7,702
Less: allowance for doubtful accounts	-	(5,616)
	13,561	12,793

SASKATOON SOCIETY FOR CHRISTIAN EDUCATION INC.**NOTES TO FINANCIAL STATEMENTS****FOR THE YEAR ENDED
JUNE 30, 2026****5. TANGIBLE CAPITAL ASSETS**

	Cost	Accumulated Depreciation	Net Book Value	
	\$	\$	2026 \$	2025 \$
Land	309,015	-	309,015	309,015
Land improvements	94,181	34,362	59,819	61,353
Buildings	5,173,851	2,152,678	3,021,173	3,106,271
Landscaping and school grounds improvements	415,503	168,847	246,656	260,056
Furniture, fixtures and school equipment	587,028	391,020	196,008	189,780
Playground equipment	127,700	104,169	23,531	21,640
Automotive equipment	40,306	38,568	1,738	2,172
Computer equipment	151,535	89,287	62,248	76,741
	6,899,119	2,978,931	3,920,188	4,027,028

6. LINE OF CREDIT

Saskatoon Society for Christian Education Inc. carries a line of credit with the RBC Royal Bank which is secured by a general security agreement covering all assets of the society. The line of credit bears interest at a floating rate based on bank prime plus 0.25 percent. The society's total available line of credit is \$100,000 (2025 - \$100,000). The terms of the line of credit are renegotiated from time to time.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2026 \$	2025 \$
Trade payables and accrued liabilities	69,476	71,072
Vacation pay	38,254	32,931
	107,730	104,003

8. DEFERRED REVENUE

	2026 \$	2025 \$
Prepaid tuition fees	314,631	323,699

9. ECONOMIC DEPENDENCE

Saskatoon Society for Christian Education Inc. receives significant funding from the Ministry of Education and continued operations are dependent upon this funding.

10. FINANCIAL RISKS***Credit Risk***

Credit risk is the risk that financial instrument future cash flows will fluctuate due to changes in the financial position of entities that possess credit with the society. The society is subject to credit risk on its accounts receivable. Management has attempted to minimize this risk by monitoring accounts receivable and by having policies in place regarding the extension of credit. There has been no change in risk exposure from the prior year.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates. The society is exposed to interest rate risk on its floating interest rate financial instruments. Floating interest rate financial instruments subject the society to potential cash flow risk. The society has attempted to minimize this risk by negotiating the best possible interest rates. There has been no change in risk exposure from the prior year.

Liquidity Risk

Liquidity risk is the risk that the society will encounter difficulty in meeting obligations associated with financial liabilities. The society is exposed to this risk mainly with respect to its accounts payable and accrued liabilities and government payroll remittances payable. The society has attempted to minimize this risk by budgeting future cash flows, monitoring cash resources and consulting with the Ministry of Education regarding future funding agreements. There has been no change in risk exposure from the prior year.