Saskatoon Figure Skating Club

Audit Completion Report to the
Board of Directors and Management

Annual Financial Statements
June 30, 2026

To: Sara McLeod, President
Board of Directors

VIRTUS GROUP
Chartered Professional Accountants & Business Advisors LLP

Serving Saskatchewan for over 50 years

Purpose of this Report: To provide the Board of Directors and Management information for consideration in the recommendation of approval of the annual general purpose financial statements and to address certain communication requirements of the auditor.

GENERAL

We have substantially completed the audit of the annual financial statements of **Saskatoon Figure Skating Club** for the year ended June 30, 2026, in accordance with Canadian auditing standards.

The annual audit process involved four phases:

a) Organizational level control - review and evaluation,
b) Control systems and procedures - review and evaluation,
c) Substantive procedures - examination, on a test basis, of documentation and other evidence supporting the financial transactions and balances reflected in the financial statements, and
d) Overall review of the financial disclosures contained in the financial statements, including the appropriateness and completeness of the notes.

This report summarizes matters to be communicated that arise from audit execution. We have communicated with the Board and Management regarding our responsibilities under Canadian auditing standards and matters related to planning the audit. We have, in all significant respects, executed our work in accordance with that plan as per our audit engagement letter including planning considerations. Materiality for planning purposes was $48,000.

In addition to the independence letter issued to you on June 30, 2026, we confirm that we are not aware of any relationships between the Club and Virtus Group LLP that, in our professional judgment, may reasonably be thought to bear on our independence.

We have discussed our detailed findings and observations with management. There were no matters that, in our judgment, constituted a reportable matter to the Board of Directors.

MATTERS ARISING FROM AUDIT EXECUTION

Matters resulting from auditor responsibility to consider fraud and error, illegal or possibly illegal acts

No matters were identified. **We request that the Board of Directors confirm to us that the Board is not aware of any actual, suspected or alleged instances of fraud within the Club**. If the Board is aware of any instances, please provide details.

Matters resulting from auditor responsibility to consider laws and regulations

No matters were identified. **We request that the Board of Directors confirm to us that the Board is not aware of any instances of non-compliance with laws or regulations within the Club**. If the Board is aware of any instances, please provide details.

Matters resulting from assessment of internal controls

No matters were identified that, in our judgment, significantly impact approval of the financial statements.

Considerations regarding related party transactions not in the normal course of operations and involving significant management judgment concerning accounting

No matters were identified. Related parties include Skate Canada, management, Board of Directors and their immediate family members.

SIGNIFICANT ISSUES, JUDGMENTS AND QUALITATIVE MATTERS AFFECTING FINANCIAL REPORTING

Nothing to report.

SUMMARY OF ADJUSTED & UNADJUSTED ITEMS

We did not identify any unadjusted errors in the financial statements.

During the audit, no adjusting journal entries were made.

Canadian auditing standards require the auditor to obtain written representations from Management and, where appropriate, those charged with governance regarding their responsibility for the financial statements and knowledge of the matters concerned herein. We will request that a representation letter be signed and returned to us.

FINANCIAL REPORTING

Management prepares the general-purpose financial statements and we provide additional comments for management's consideration.

We noted no significant exceptions related to management's selection, application or disclosure of accounting policies.

Significant transactions and activities appear to be fairly described in the financial statements. We have assessed the financial statement disclosures for overall neutrality, consistency and clarity.

We did not identify any events or conditions that cast doubt on the Club's ability to continue as a going concern.

Management is responsible for assessing subsequent events up to the date of the release of the financial statements. We are not aware of any significant subsequent events requiring financial statement disclosure at this time. **We request that the Board of Directors consider the period subsequent to year end and disclose any issues.**

ACCOUNTING ESTIMATES

Financial statement preparation requires management to make estimates and assumptions that affect the amounts reported and disclosed in the annual financial statements. No significant estimates were noted.

FUTURE ASSURANCE STANDARD CHANGES

Going Concern Assessment

Canadian Auditing Standard 570 *Going Concern* has been revised to strengthen an auditor's evaluation of management's assessment of the going concern basis in the financial statements. This standard is effective for year ends starting on or after December 15, 2026, i.e. the Organization's 2028 year end, and the changes consist of:

- The auditor requesting an assessment from management about its ability to continue as a going concern for 12 months after the audit report date, including an assessment of management's plan to address any concerns, and
- The audit report will be expanded to include a going concern section, regardless of whether there are any specific going concern matters or not.

Once the standard becomes effective, we will be requesting additional documentation about going concern from your organization. As we get closer to the implementation date, we will provide guidance to assist you in preparing for this requirement.

Fraud Assessment

Canadian Auditing Standard 240 *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements* has been revised to strengthen and clarify the auditor's responsibilities relating to fraud in the audit of your financial statements. This standard is effective for year ends starting on or after December 15, 2026, ie. the Organization's 2028 year end. These changes are expected to impact the work we perform and increase our communications throughout the audit. As we get closer to the implementation date, we will provide more specific details about the changes and the impact on your engagement.

RELATIONS WITH MANAGEMENT

No difficulties were encountered. Management and staff were very helpful and responsive to our requests for information.

CONCLUDING COMMENTS

For the purposes of Board approval of the financial statements, we are aware of no significant outstanding audit issues that, in our judgment, impair our ability to issue our unmodified report on the annual financial statements.

The nature of items herein noted together with the status of management's current consideration of these items, as we understand it, indicates that a formal response appears to not be required. Further, in our judgment, there are no particular actions required of the Board relating to the contents of this report.

The co-operation and assistance provided by your management and staff during our audit is appreciated.

Thank you for the opportunity to be of service to Saskatoon Figure Skating Club.

Respectfully submitted,
Virtus Group LLP

Virtus Group LLP

Breanna MacEwan, CPA, CA
Senior Manager, Assurance Services

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