SASKATOON FIGURE SKATING CLUB

FINANCIAL STATEMENTS

JUNE 30, 2026

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of Saskatoon Figure Skating Club have been prepared by the Club'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.

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

Melissa Stolte
On behalf of the Board

Sara McLeod
On behalf of Management

Saskatoon, Saskatchewan
October 19, 2026

INDEPENDENT AUDITORS' REPORT

To the Members of Saskatoon Figure Skating Club

Opinion

We have audited the financial statements of Saskatoon Figure Skating Club (the Club), which comprise the statement of financial position as at June 30, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Club as at June 30, 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 Opinion

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 Club in accordance with ethical requirements that are relevant to our audit of the financial statements in Saskatchewan, 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 Club'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 Club or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Club'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.

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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 Club'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 Club'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 Club 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.

Virtus Group LLP

October 19, 2026
Saskatoon, Saskatchewan

Chartered Professional Accountants

VIRTUS GROUP

SASKATOON FIGURE SKATING CLUB
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	2026	2025
ASSETS		
Current		
Cash	$ 242,882	$ 302,004
Accounts receivable (net of allowance of $0; 2025 - $107)	886	776
Inventory	3,163	2,978
Prepaid expenses	4,153	4,466
Short-term investments *(Note 3)*	79,010	163,795
	330,094	474,019
Long-term investments *(Note 3)*	342,280	239,815
Tangible capital assets *(Note 4)*	25,597	30,136
	$ 697,971	$ 743,970
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 40,017	$ 47,343
Government remittances payable	7,974	6,208
Deferred revenue *(Note 5)*	34,358	39,566
	82,349	93,117
NET ASSETS		
Invested in capital assets	25,597	30,136
Unrestricted net assets	590,025	620,717
	615,622	650,853
	$ 697,971	$ 743,970

Contingent liability *(Note 6)*

Commitments *(Note 7)*

APPROVED BY:

_____ *Director*

See accompanying notes to the financial statements

SASKATOON FIGURE SKATING CLUB
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2026

	Invested in capital assets	Unrestricted net assets	2026	2025
Net assets - beginning of year	$ 30,136	$ 620,717	$ 650,853	$ 650,602
Excess (deficiency) of revenue over expenses	-	(35,231)	(35,231)	251
Amortization of tangible capital assets	(8,340)	8,340	-	-
Additions to tangible capital assets	3,801	(3,801)	-	-
Net assets - end of year	$ 25,597	$ 590,025	$ 615,622	$ 650,853

See accompanying notes to the financial statements

SASKATOON FIGURE SKATING CLUB
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
Revenue		
ACT hall revenue	$ 3,654	$ 6,171
Assessment fees	9,320	10,045
Club fees, option time, and other	140,205	160,249
Coached program fees	550,753	537,244
Grants and government subsidies	128,041	135,683
Ice show revenue	18,330	14,107
Interest income	22,489	28,061
Seminar revenue	-	5,725
	872,792	897,285
Expenses		
Accounting and legal	32,636	26,438
ACT hall expenses	17,880	18,347
Bad debts (recovery)	(25)	107
Advertising, meetings, and professional development	5,073	4,477
Amortization	8,340	5,015
Assessment fees	7,809	6,582
Bank charges, processing and Uplifter fees	31,679	31,694
Ice rental	404,001	409,463
Ice show expenses	12,611	10,977
Insurance	3,880	3,849
Meetings and professional development	547	958
Office and general	8,464	8,657
Program supplies	5,931	3,617
Program instruction and assistance	157,952	139,301
Repairs and maintenance	3,142	4,471
Salary and employee benefits	200,458	205,653
Seminar expenses	-	9,834
Skate Canada memberships	2,313	1,961
Skater assistance	3,300	3,320
Telephone	2,032	2,313
	908,023	897,034
Excess (deficiency) of revenue over expenses	$ (35,231)	$ 251

See accompanying notes to the financial statements

SASKATOON FIGURE SKATING CLUB
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
Cash flows from operating activities		
Excess (deficiency) of revenue over expenses	$ (35,231)	$ 251
Item not involving cash:		
Amortization	8,340	5,015
	(26,891)	5,266
Changes in non-cash working capital:		
Accounts receivable	(110)	(439)
Inventory	(185)	1,211
Accounts payable and accrued liabilities	(7,326)	(8,657)
Deferred revenue	(5,208)	(3,819)
Prepaid expenses	313	(396)
Government remittances payable	1,767	205
	(10,749)	(11,895)
Cash flows from operating activities	(37,640)	(6,629)
Cash flows from investing activities		
Additions to investments	(17,680)	(28,852)
Additions to tangible capital assets	(3,802)	(26,950)
Cash flows from investing activities	(21,482)	(55,802)
Decrease in cash	(59,122)	(62,431)
Cash - beginning of year	302,004	364,435
Cash - end of year	$ 242,882	$ 302,004

See accompanying notes to the financial statements

1. Purpose of the Club

Saskatoon Figure Skating Club (the "Club") is a not-for-profit organization of Saskatchewan. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The Club operates to promote and offer a broad selection of affordable effective skating programs designed for the life-long social, emotional, and physical benefit of all in Saskatoon, Saskatchewan and surrounding communities.

2. Summary of significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Measurement uncertainty

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments

Financial assets and financial liabilities are recorded on the statement of financial position when the Club becomes party to the contractual provisions of the financial instrument. The Club initially measures its financial assets and financial liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The Club subsequently measures all its financial assets and financial liabilities at cost or 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 of these financial instruments are recognized in excess (deficiency) of revenue over expenses. 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.

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

Contributed services

The operations of the Club depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Revenue recognition

The Club follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year 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.

Fees are recognized in the period in which the services are rendered related to those fees.

Sales are recognized when the goods and services are delivered to the purchaser.

Government grants and subsidies are recorded in the accounts when there is reasonable assurance that the Club has complied with, and will continue to comply with, all conditions necessary to obtain the grants and subsidies. Forgivable government loans are recognized when the Club is entitled to receive them.

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

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Tangible capital assets

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

Computer equipment	4 years
Equipment	5 years
Furniture and fixtures	5 years

In the year of acquisition, amortization is provided at one-half the annual rate.

3. Investments

	2026	2025
BMO GIC maturing November 2025 with interest at 5.60%	$ -	$ 163,795
BMO GIC maturing November 2026 with interest at 3.25%	79,010	76,522
BMO GIC maturing November 2027 with interest at 5.40%	172,110	163,293
BMO GIC maturing November 2028 with interest at 2.85%	170,170	-
	421,290	403,610
Short-term investments	(79,010)	(163,795)
	$ 342,280	$ 239,815

4. Tangible capital assets

	Cost	Accumulated amortization	2026 Net book value	2025 Net book value
Computer equipment	$ 14,021	$ 9,957	$ 4,064	$ 1,961
Other machinery and equipment	106,064	86,871	19,193	24,959
Furniture and fixtures	34,192	31,852	2,340	3,216
	$ 154,277	$ 128,680	$ 25,597	$ 30,136

5. Deferred revenue

Deferred revenue relates to amounts paid to the Club prior to year end for programs that will take place subsequent to year end. Revenue will be recognized when the related programs take place.

6. Contingent liability

The Club has been named in a legal claim that was in progress at year end. The outcome of the claim is indeterminiable at this time and therefore, no contingency has been accrued.

7. Commitments

On July 1, 2026, the Club entered into a five-year lease with the City of Saskatoon to lease the ACT Arnea and Hall with payments scheduled as follows:

Contractual obligation repayment schedule:

2027	$ 285,620
2028	285,620
2029	285,620
2030	285,620
2031	285,620
	$ 1,428,100

8. Financial instruments

The Club is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Club's risk exposure and concentration as of June 30, 2026.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Club's exposure to this risk is dependent on the receipt of funds from its operations, grants and other related sources. The Club manages its liquidity risk by forecasting cash flows from operations and anticipating investing and financing activities to ensure it has sufficient available funds to meet current and foreseeable financial requirements.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Club manages exposure through its normal operating and financing activities. The Club's exposure to interest rate risk is limited as the interest rates on its investments are fixed.

9. Comparative figures

Some of the comparative figures for the prior year have been reclassified to conform to the current year's presentation.