

**FAMILY SERVICES OF THE NORTH SHORE FOUNDATION**

**FINANCIAL STATEMENTS**

**31 MARCH 2026**

**FAMILY SERVICES OF THE NORTH SHORE FOUNDATION**  
**Financial Statements**

For the year ended 31 March 2026

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## INDEPENDENT AUDITORS' REPORT

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To the Members,  
Family Services of the North Shore Foundation

### Report on the Audit of the Financial Statements

#### Qualified Opinion

We have audited the financial statements of Family Services of the North Shore Foundation (the "Foundation"), which comprise the statement of financial position as at 31 March 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at 31 March 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 Foundation derives revenues from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of this revenue was limited to the amounts recorded in the records of the Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses, and cash flows from operations for the years ended 31 March 2026 and 2025, current assets as at 31 March 2026 and 2025, and net assets as at 1 April and 31 March for both the 2026 and 2025 years. Our audit opinion on the financial statements for the year ended 31 March 2025 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation 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.

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## INDEPENDENT AUDITORS' REPORT - Continued

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### **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 ASNPO, 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation'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 professional judgment and maintain professional skepticism throughout the audit. We will 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 Foundation's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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## INDEPENDENT AUDITORS' REPORT - Continued

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- ◆ 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 Foundation'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 Foundation 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.

### Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

*Rolfe Benson LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada  
27 May 2026

**FAMILY SERVICES OF THE NORTH SHORE FOUNDATION**  
**Statement of Financial Position**  
**31 March 2026**

	<b>2026</b>	<b>2025</b>
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 1,568,033	\$ 1,364,480
GST receivable	2,943	2,727
Prepaid expenses	18,553	19,901
Contributions receivable	10,611	25,862
	<b>1,600,140</b>	<b>1,412,970</b>
<b>Investment Funds (Note 3)</b>	<b>3,072,035</b>	<b>3,152,738</b>
	<b>\$ 4,672,175</b>	<b>\$ 4,565,708</b>

**Liabilities**

<b>Current</b>		
Accounts payable and accrued liabilities	\$ 6,367	\$ 4,800
Deferred contributions (Note 4)	88,988	80,025
Due to Family Services of the North Shore (Note 5)	99,457	87,653
	<b>194,812</b>	<b>172,478</b>

**Net Assets**

Internally restricted (Note 2(e)(ii) and (Note 2(e)(iii))	260,200	260,200
Restricted endowment funds (Note 2(e)(i))	23,850	23,850
Unrestricted	4,193,313	4,109,180
	<b>4,477,363</b>	<b>4,393,230</b>
	<b>\$ 4,672,175</b>	<b>\$ 4,565,708</b>

APPROVED BY THE BOARD:

Nancy Adie-Mackay Director

 Director

The accompanying notes are an integral part of these financial statements

**FAMILY SERVICES OF THE NORTH SHORE FOUNDATION**  
**Statement of Changes in Net Assets**  
**For the year ended 31 March 2026**

	<u>Internally Restricted</u>						
	FSNS	Joanne				Total	Total
	Fund	Houssian	Legacy	Endowment	Unrestricted	2026	2025
	Fund	Fund					
<b>Balance - beginning of year</b>	210,200	50,000	\$	23,850	4,109,180	<b>4,393,230</b>	4,501,592
Excess (deficiency) of revenues over expenses for the year	-	-	-	-	84,133	<b>84,133</b>	(108,362)
<b>Balance - end of year</b>	210,200	50,000	\$	23,850	4,193,313	<b>4,477,363</b>	4,393,230

The accompanying notes are an integral part of these financial statements

**FAMILY SERVICES OF THE NORTH SHORE FOUNDATION**  
**Statement of Operations**  
For the year ended 31 March 2026

	<b>2026</b>	<b>2025</b>
<b>Revenues</b>		
Donations	\$ 1,420,188	\$ 1,089,027
Special events and campaigns	879,164	762,788
Investment income	205,247	194,676
	<b>2,504,599</b>	<b>2,046,491</b>
<b>Expenses</b>		
Contributions to Family Services of the North Shore	2,042,074	1,965,344
Wages and benefits	125,000	125,000
Special event and campaign costs	117,341	99,665
Office and sundry	26,021	22,829
Computer supplies	20,292	16,304
Professional fees	5,279	5,723
Insurance	3,756	3,756
	<b>2,339,763</b>	<b>2,238,621</b>
<b>Excess (deficiency) of revenues over expenses from operations</b>	<b>164,836</b>	<b>(192,130)</b>
<b>Other income</b>		
Unrealized (loss) gain on investment funds	(80,703)	83,768
<b>Excess (deficiency) of revenues over expenses for the year</b>	<b>\$ 84,133</b>	<b>\$ (108,362)</b>

The accompanying notes are an integral part of these financial statements

**FAMILY SERVICES OF THE NORTH SHORE FOUNDATION**  
**Statement of Cash Flows**  
**For the year ended 31 March 2026**

	<b>2026</b>	<b>2025</b>
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Excess (deficiency) of revenues over expenses for the year	\$ 84,133	\$ (108,362)
Item not involving cash		
Unrealized loss (gain) on investment funds	80,703	(83,768)
	164,836	(192,130)
Changes in non-cash working capital balances		
GST receivable	(216)	(620)
Prepaid expenses	1,348	3,687
Contributions receivable	15,251	(25,862)
Accounts payable and accrued liabilities	1,567	699
Deferred contributions	8,963	(48,230)
Due to Family Services of the North Shore	11,804	(116,484)
	203,553	(378,940)
<b>Investing activity</b>		
Redemption of investments - net	-	1,000,000
<b>Net increase in cash</b>	<b>203,553</b>	<b>621,060</b>
<b>Cash - beginning of year</b>	<b>1,364,480</b>	<b>743,420</b>
<b>Cash - end of year</b>	<b>\$ 1,568,033</b>	<b>\$ 1,364,480</b>

The accompanying notes are an integral part of these financial statements

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**FAMILY SERVICES OF THE NORTH SHORE FOUNDATION**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2026**

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**1. Purpose of the Organization**

Family Services of the North Shore Foundation (the “Foundation”) is a not-for-profit organization that provides funding to Family Services of the North Shore (“Family Services”). The Foundation is incorporated under the Societies Act (British Columbia) as a non-profit organization and is a registered charity under the Income Tax Act.

**2. Summary of significant accounting policies**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Financial instruments

(i) Measurement of financial instruments

The Foundation initially measures its financial assets and liabilities at fair value and subsequently measures all of its 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 the statement of operations.

Financial assets measured at amortized cost include cash and contributions receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and amounts due to Family Services of the North Shore.

The Foundation's financial assets measured at fair value are its investment funds. Fair value is determined on the basis of market value or cost plus accrued interest.

(ii) Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the 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 the statements of operations.

(iii) Transaction costs

The Foundation recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

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**FAMILY SERVICES OF THE NORTH SHORE FOUNDATION**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2026**

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**2. Summary of significant accounting policies - Continued**

(b) Revenue recognition

The Foundation 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 estimated and collection is reasonably assured. Endowment contributions are recognized as a direct increase in net assets. Donation revenue is recognized when received.

Investment income includes interest and realized and unrealized investment gains and losses. Unrealized gains and losses of held-for-trading financial assets are included in investment income and recognized as revenue in the statement of operations, deferred or reported directly in net assets, depending on the nature of any external restrictions imposed on the investment income. Investment income is recognized as revenue when earned.

(c) Contributed services

Volunteers contributed approximately 672 hours (2025 - 707 hours) to assist the Foundation in carrying out its activities by working in various fundraising and special event committees. Contributed services are not recognized in the financial statements, as there is difficulty in determining their monetary value, although they provide significant value to the health of the community.

(d) Gifts in kind

During the year, the Foundation received gifts in kind of \$200,379 (2025 - \$275,973). Included in this amount is \$199,732 (2025 - \$192,001) of non-monetary donations for which the Foundation issued tax receipts. These donations are valued at the fair value or a reasonable estimate of the fair value. Gifts in kind are not reflected in the accounting records of the Foundation.

(e) Net assets

The Foundation has established various internally and externally restricted net assets, as follows:

(i) Endowment Fund

The Foundation receives funds from donors for the establishment and augmentation of the Endowment Fund. Income is available for the operations of the Foundation. The capital is to be maintained in perpetuity.

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**FAMILY SERVICES OF THE NORTH SHORE FOUNDATION**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2026**

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**2. Summary of significant accounting policies - Continued**

(ii) FSNS Fund (internally restricted)

The Foundation received funds from Family Services of the North Shore at the time of its inception to be utilized for the operations of the Foundation. The members of the Foundation decided to internally restrict that amount. Income earned on invested funds is available for the operations of the Foundation.

(iii) Joanne Houssian Legacy Fund (internally restricted)

During the year ended 31 March 2005, the members of the Foundation passed a motion to transfer \$50,000 from the FSNS Fund to establish the Joanne Houssian Legacy Fund. Income earned on invested funds is available for the operations of the Foundation.

(f) 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 amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Items requiring the use of management estimates include the recognition of accrued liabilities and the allocation of expenses from Family Services of the North Shore. Management believes that the estimates utilized in preparing the financial statements are reasonable; however, actual results could differ from those reported.

**3. Investment Funds**

Investment funds include the following:

(a) Investment Fund

On 1 April 2008, the Foundation established the Family Services of the North Shore Foundation Investment Fund (the "Fund") with Vancouver Foundation with an initial capital contribution of \$150,000. At 31 March 2026, total contributions made were \$3,400,000 (2025 - \$3,400,000). The Vancouver Foundation shall hold, invest and administer the Fund in accordance with the provision of the Vancouver Foundation Act. Income of the Fund shall be disbursed, from time to time to the Foundation and the Foundation may encroach upon the capital of the Fund subject to no encroachment being made until at least 60 months after the establishment of the Fund and the request must be made in writing. During the year, the Foundation withdrew \$Nil from the Fund (2025 - \$700,000). The fair market value of the Fund at 31 March 2026 was \$2,515,199 (2025 - \$2,550,110) and income received during the year was \$155,299 (2025 - 140,885).

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**FAMILY SERVICES OF THE NORTH SHORE FOUNDATION**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2026**

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**3. Investment Funds - Continued**

(b) Socially Responsible Investment Fund

On 24 May 2022, the Foundation established the Family Services of the North Shore Foundation Socially Responsible Investment Fund (the “SRI Fund”) with Vancouver Foundation with an initial capital contribution of \$500,000. The Vancouver Foundation shall hold, invest and administer the Fund in accordance with the provision of the Vancouver Foundation Act. Income of the Fund shall be disbursed, from time to time to the Foundation and the Foundation may encroach upon the capital of the Fund subject to no encroachment being made until at least 12 months after the establishment of the Fund and the request must be made in writing. After the initial 12-months period, the Foundation has access to 10% of the capital in years 2 to 5 annually, non-cumulative and access to all capital after the initial 60 months. The fair market value of the Fund at 31 March 2026 was \$556,836 (2025 - \$602,628) and income received during the year was \$35,233 (2025 - \$27,868).

**4. Deferred contributions**

Restricted contributions received by the Foundation that are related to expenses of future years are deferred.

Changes in the deferred revenue balance are as follows:

	2026	2025
Balance - beginning of year	\$ 80,025	\$ 128,255
Add: amount received relating to the future years	88,988	80,025
Less: amount recognized as revenue in the year	(80,025)	(128,255)
Balance - end of year	\$ 88,988	\$ 80,025

**5. Due to Family Services of the North Shore**

Membership of the Foundation is comprised of the Board of Directors of Family Services of the North Shore, who elects a Board of Directors of the Foundation. The Foundation receives funds from investments, donations and fundraising events on behalf of Family Services of the North Shore. The Foundation’s constitution provides that the excess of revenues over expenses must be provided to or used for the benefit of Family Services of the North Shore.

Amounts due to Family Services of the North Shore do not bear interest, are unsecured and have no fixed repayment terms.

During the year operating expenses of \$154,778 (2025 - \$148,945) were allocated from the Family Services of the North Shore to the Foundation.

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**FAMILY SERVICES OF THE NORTH SHORE FOUNDATION**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2026**

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**6. Financial instruments**

The Foundation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Foundation's risk exposure and concentrations at the statement of financial position date, 31 March 2026.

(a) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and due to Family Services of the North Shore. The Foundation monitors and manages its cash and investment balances to ensure adequate cash flow is available to meet its obligations. There has been no change to the risk exposure from the prior year.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation's main credit risk relates to its cash. Cash is maintained with large federally regulated financial institutions in Canada. There has been no change to the risk exposure from the prior year.

(c) 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 risk: currency risk, interest rate risk and other price risk. The Foundation is mainly exposed to interest rate risk and other price risk.

(d) 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 Foundation is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-rate instruments subject the Foundation to a fair value risk while the floating-rate instruments subject it to a cash flow risk. There has been no change to the risk exposure from the prior year.

(e) 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 Foundation is exposed to other price risk through its investments. There has been no change to the risk exposure from the prior year.