

Financial Statements of

**SASKATOON PUBLIC SCHOOLS
FOUNDATION CORP.**

And Independent Auditor's Report thereon

Year ended August 31, 2025



KPMG LLP
500-475 2nd Avenue South
Saskatoon, SK S7K 1P4
Canada
Telephone 306-934-6200
Fax 306-934-6233

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Saskatoon Public Schools Foundation Corp.:

Qualified Opinion

We have audited the financial statements of Saskatoon Public Schools Foundation Corp. (the Entity), which comprise:

- the statement of financial position as at August 31, 2025
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of remeasurement gains and losses for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, except for the possible 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 Entity as at August 31, 2025, and its results of operations, its remeasurement gains and losses, its changes in net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Entity derives revenue from donations and special events, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity. Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at end of August 31, 2025 and August 31, 2024
- the donations and special events revenues and excess (deficiency) of revenues over expenses reported in the statements of operations for the year ended August 31, 2025 and August 31, 2024



Page 2

- the unrestricted net assets, at the beginning and end of the year, reported in the statements of changes in net assets for the years ended August 31, 2025 and August 31, 2024
- the excess (deficiency) of revenues over expenses reported in the statements of cash flows for the year ended August 31, 2025.

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 auditor’s report.

We are independent of the Entity 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 the financial statements in accordance with Canadian public sector accounting standards, 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 Entity’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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’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 the 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.



Page 3

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 Entity'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 Entity'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 Entity 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, slightly slanted font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants

Saskatoon, Canada

December 5, 2025

SASKATOON PUBLIC SCHOOLS FOUNDATION CORP.

Statement of Financial Position

As at August 31, 2025, with comparative information for 2024

	2025	2024
Assets		
Cash and cash equivalents	\$ 564,932	\$ 4,983,170
Portfolio investments (note 2)	2,847,165	1,817,720
Accounts receivable	8,516	6,621
	<u>3,420,613</u>	<u>6,807,511</u>
Tangible capital assets (note 3)	82,588	88,487
	<u>\$ 3,503,201</u>	<u>\$ 6,895,998</u>

Liabilities and Net Assets

Accounts payable and accrued liabilities (note 5)	\$ 151,489	\$ 112,706
Deferred contributions (note 4)	2,990,680	4,835,957
	<u>3,142,169</u>	<u>4,948,663</u>
Net assets:		
Unrestricted	190,285	1,889,558
Internally restricted (note 1(g))	30,000	30,000
	<u>220,285</u>	<u>1,919,558</u>
Accumulated remeasurement gains	140,747	27,777
	<u>\$ 3,503,201</u>	<u>\$ 6,895,998</u>

See accompanying notes to financial statements.

Approved by:

SASKATOON PUBLIC SCHOOLS FOUNDATION CORP.

Statement of Operations

Year ended August 31, 2025, with comparative information for 2024

	2025	2024
Revenue:		
Donations and grants	\$ 3,571,960	\$ 5,814,999
Special events	372,967	285,444
Grants from Saskatoon Public School Division (note 5)	294,075	295,255
Investment and interest income	165,535	406,669
Other income	76,638	62,168
Realized gain (loss) on portfolio investments	27,317	(174,543)
	<u>4,508,492</u>	<u>6,689,992</u>
Expenses:		
Grants to Saskatoon Public School Division (note 5)	4,771,923	5,018,915
Salaries and benefits	441,437	436,685
Awareness, communications and promotion	419,601	180,971
Grants, programs and initiatives	310,767	518,047
Professional fees and contract services	125,850	119,020
Special events	89,560	140,669
General and administration	42,728	39,010
Amortization	5,899	5,899
	<u>6,207,765</u>	<u>6,459,216</u>
Excess (deficiency) of revenues over expenses	\$ (1,699,273)	\$ 230,776

See accompanying notes to financial statements.

SASKATOON PUBLIC SCHOOLS FOUNDATION CORP.

Statement of Changes in Net Assets

Year ended August 31, 2025, with comparative information for 2024

	Unrestricted	Internally restricted	2025	2024
Balance, beginning of year	\$ 1,889,558	\$ 30,000	\$ 1,919,558	\$ 1,688,782
Excess (deficiency) of revenue over expenses	(1,699,273)	-	(1,699,273)	230,776
Balance, end of year	\$ 190,285	\$ 30,000	\$ 190,285	\$ 1,919,558

See accompanying notes to financial statements.

SASKATOON PUBLIC SCHOOLS FOUNDATION CORP.

Statement of Remeasurement Gains and Losses

Year ended August 31, 2025, with comparative information for 2024

	2025	2024
Accumulated remeasurement gains (losses), beginning of year	\$ 27,777	\$ (152,067)
Unrealized gains attributable to portfolio investments	140,287	5,301
Amounts reclassified to the statement of operations	(27,317)	174,543
Net remeasurement gains for the year	112,970	179,844
Accumulated remeasurement gains, end of year	\$ 140,747	\$ 27,777

SASKATOON PUBLIC SCHOOLS FOUNDATION CORP.

Statement of Cash Flows

Year ended August 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ (1,699,273)	\$ 230,776
Donations of investments	(29,911)	(1,579)
Realized (gain) loss on portfolio investments	(27,317)	174,543
Amortization	5,899	5,899
	<u>(1,750,602)</u>	<u>409,639</u>
Changes in non-cash working capital		
Accounts receivable	(1,895)	6,549
Accounts payable and accrued liabilities	38,783	15,940
Deferred contributions	(1,845,277)	(584,931)
	<u>(3,558,991)</u>	<u>(152,803)</u>
Investing activities:		
Purchase of portfolio investments, net of reinvested income	(5,470,894)	(300,596)
Proceeds from disposal of portfolio investments	4,611,647	4,289,916
	<u>(859,247)</u>	<u>3,989,320</u>
Net change in cash and cash equivalents	(4,418,238)	3,836,517
Cash and cash equivalents, beginning of year	4,983,170	1,146,653
Cash and cash equivalents, end of year	<u>\$ 564,932</u>	<u>\$ 4,983,170</u>
Cash and cash equivalents are comprised of:		
Cash	\$ 416,728	\$ 325,188
Cash equivalents	148,204	4,657,982
Cash and cash equivalents, end of year	<u>\$ 564,932</u>	<u>\$ 4,983,170</u>

See accompanying notes to the financial statements.

SASKATOON PUBLIC SCHOOLS FOUNDATION CORP.

Notes to Financial Statements

Year ended August 31, 2025

Nature of operations:

Saskatoon Public Schools Foundation Corp. (the “Foundation”) is dedicated to enhancing learning opportunities for the students at Saskatoon Public Schools and celebrating the vital role that public education plays in our society. Saskatoon Public Schools Foundation Corp. is incorporated under the Saskatchewan Non-Profit Corporations Act, 1995. Saskatoon Public School Division is the sole member of the Foundation.

1. Significant accounting policies:

The financial statements of the Foundation are prepared by management in accordance with Canadian Public Sector Accounting Standards. Significant accounting policies adopted by the Foundation are as follows:

a) Revenue recognition:

The Foundation follows the deferral method of accounting for contributions. 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. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred or when expended for the purpose specified.

The estimated value of contributed products and services is recognized in revenue and expenses at the estimated value of such products and services when the value can be reasonably measured and supported.

Deferred contributions represent revenue received that may only be used for specific purposes.

b) Cash and cash equivalents:

Cash consists of balances with financial institutions which have an initial term to maturity of three months or less. Cash equivalents consist of short-term investment savings accounts and deposit notes.

c) Grants to Saskatoon Public School Division:

Grants are recognized as expenses when the Foundation is obligated through a Board motion to provide them.

d) Financial instruments:

The Foundation has classified its financial instruments into one of the following categories:

i) fair value, or ii) cost or amortized cost.

SASKATOON PUBLIC SCHOOLS FOUNDATION CORP.

Notes to Financial Statements (continued)

Year ended August 31, 2025

1. Significant accounting policies (continued):

d) Financial instruments (continued):

All financial instruments are measured at fair value upon initial recognition. The fair value of a financial instrument is the amount at which the financial instrument could be exchanged in an arm's length transaction between knowledgeable and willing parties under no compulsion to act. Financial instruments which are subsequently measured at cost or amortized cost consist of cash and cash equivalents, accounts receivable and accounts payable.

Investments consist of equities quoted in an active market that are measured at fair value. Sales and purchases of investments are recorded on the settlement date. Transaction costs are expensed. Unrealized gains and losses associated with financial instruments measured at fair value are recorded in the statement of remeasurement gains and losses. Realized investment income is recognized in the statement of operations. If investment income is externally restricted, it is recorded as a deferred contribution and recognized when used for the purpose specified.

Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any unrealized gain is adjusted through the statement of remeasurement gains and losses.

e) Tangible capital assets:

Tangible capital assets are recorded at cost and include all costs directly attributable to the acquisition, design, construction, development, installation and betterment of the tangible capital asset.

The cost of depreciable tangible capital assets, net of any residual value, is amortized on a straight-line basis over the estimated useful lives as follows:

Leasehold improvements	20 years
------------------------	----------

f) Related party transactions:

Transactions with related parties are in the normal course of operations. Amounts resulting from these transactions, including amounts due to related parties, are outlined in note 5 and are recorded at exchange amounts charged by those organizations and are settled on normal trade terms.

g) Internally restricted:

Internally restricted net assets are funds that are set aside based on Board motion in the event of future emergencies or shortage of funds.

SASKATOON PUBLIC SCHOOLS FOUNDATION CORP.

Notes to Financial Statements (continued)

Year ended August 31, 2025

1. Significant accounting policies (continued):

h) Use of estimates:

The preparation of financial statements in accordance with Canadian public sector accounting standards 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 date of the financial statements and the reported amount of revenue and expenses during the reporting period. Significant items subject to such estimates and assumptions include the fair value of investments, collectability of accounts receivable, and the estimated useful lives of capital assets. Actual results could differ from these estimates.

2. Portfolio investments:

Investments are stated at fair value. The Foundation's investments consist of the following:

	2025		2024	
	Cost	Fair market value	Cost	Fair market value
Pooled fixed income funds	\$ 985,905	\$ 995,168	\$ 1,429,067	\$ 1,456,575
Equity securities	1,411,913	1,544,544	-	-
Other investments	308,600	307,453	361,145	361,145
	\$ 2,706,418	\$ 2,847,165	\$ 1,790,212	\$ 1,817,720

3. Tangible capital assets:

	2025		2024	
	Cost	Accumulated amortization	Net book value	Net book value
Leasehold improvements	\$ 117,982	\$ 35,934	\$ 82,588	\$ 88,487

SASKATOON PUBLIC SCHOOLS FOUNDATION CORP.

Notes to Financial Statements (continued)

Year ended August 31, 2025

4. Deferred contributions:

As at August 31, 2025	Balance, beginning of year	Amount of funding received	Amount of funding recognized	Balance, end of year
Early Learning Equal Start	\$ 1,853,349	\$ 507,242	\$ (2,360,591)	\$ -
All In	2,550,434	190,212	(86,720)	2,653,926
Cameco Centre of Excellence in Science and Mathematics	44,673	-	(35,760)	8,913
Cheer Crate	36,657	104,817	(112,701)	28,773
Eco-Science and Indigenous Learning Centre	2,856	1,028	(2,772)	1,112
Nutrition	237,897	461,218	(480,638)	218,477
Awareness	53,238	375,000	(395,783)	32,455
Other	56,853	63,705	(73,534)	47,024
	\$ 4,835,957	\$ 1,703,222	\$ (3,548,499)	\$ 2,990,680

During the year, the amount of funding recognized in the statement of operations totals \$3,548,499 (2024 - \$5,874,738), of which an amount of \$3,508,658 (2024 - \$5,814,999) is recognized within "Donations and grants" and \$39,841 (2024 - \$59,739) is recognized within "Other income".

As at August 31, 2024	Balance, beginning of year	Amount of funding received	Amount of funding recognized	Balance, end of year
Early Learning Equal Start	\$ 5,255,422	\$ 999,761	\$ (4,401,834)	\$ 1,853,349
All In	-	2,550,434	-	2,550,434
Cameco Centre of Excellence in Science and Mathematics	46,496	-	(1,823)	44,673
Cheer Crate	12,007	130,500	(105,850)	36,657
Eco-Science and Indigenous Learning Centre	4,783	-	(1,927)	2,856
Nutrition	2,965	1,084,510	(849,578)	237,897
Saskatoon Industry Education Council	-	250,000	(250,000)	-
Awareness	-	200,000	(146,762)	53,238
Other	99,215	74,602	(116,964)	56,853
	\$ 5,420,888	\$ 5,289,807	\$ (5,874,738)	\$ 4,835,957

Certain comparative figures have been reclassified to conform to the current year presentation of deferred contribution categories.

SASKATOON PUBLIC SCHOOLS FOUNDATION CORP.

Notes to Financial Statements (continued)

Year ended August 31, 2025

5. Related party transactions:

During the year, the Saskatoon Public School Division granted the Foundation \$291,293 (2024 - \$289,362) for salaries and benefits and \$2,782 (2024 - \$5,893) for other expenses. The Foundation paid grants directly to the Saskatoon Public School Division and to individual schools within the Saskatoon Public School Division in the amount of \$4,771,923 (2024 - \$5,018,915). In kind goods and services received from the Division include office space, insurance, administrative, maintenance, utilities, telephone, and IT support. These amounts are not recorded due to the difficulty of determining the fair value of the goods and services received.

Included in accounts payable and accrued liabilities is \$116,051 (2024 - \$88,720) owing to the Saskatoon Public School Division.

6. Tax status:

The Foundation is a registered charity under the Income Tax Act and accordingly is exempt from income taxes under paragraph 149(1)(f) of the Income Tax Act. In order to maintain charitable status, the Foundation must fulfill certain annual expenditure requirements. At August 31, 2025 the Foundation believed it had fulfilled these annual expenditure requirements.

7. Financial instruments and risk management:

The Foundation is exposed to various risks through its financial instruments.

(a) Interest rate risk:

Cash, when received, is deposited into an interest-bearing account with interest earned based on prime rates on the balance in the account. The Foundation is exposed to interest rate risk arising from fluctuations in interest rates.

(b) Credit risk:

The Foundation's principal financial assets are cash and cash equivalents, accounts receivable and portfolio investments, which are subject to credit risk. The carrying amounts of financial assets on the statement of financial position represent the Foundation's maximum credit exposure at the statement of financial position date.

(c) Fair value risk:

The Foundation is exposed to fair value risk as the fair value of portfolio investments will fluctuate based on changes in market prices. The fair value of the Foundation's accounts payable and accrued liabilities approximates their carrying amounts due to the short-term period to maturity of the instruments.

SASKATOON PUBLIC SCHOOLS FOUNDATION CORP.

Notes to Financial Statements (continued)

Year ended August 31, 2025

7. Financial instruments and risk management (continued):

(e) Currency risk:

Foreign 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 Foundation is exposed to currency risk on portfolio investments denominated in foreign currencies, which are subject to exchange rate fluctuations.

(f) Liquidity risk:

Liquidity risk is the risk that the Foundation will not be able to meet its financial obligations as they come due. The Foundation manages liquidity risk by maintaining adequate cash balances, budget practices and monitoring, and cash flow forecasts.

(g) Market risk:

The Foundation is exposed to market risk on its balanced fund investments. Investments consist primarily of funds managed by external investments advisors. These investments are subject to fluctuations in market value. The market value of investments is disclosed in note 2.

The Foundation manages its investment portfolio according to the Foundation's investment policy and the Board's direction. In addition, the Foundation's external investment advisors manage the investment portfolio and make adjustments according to risk tolerances set by the Foundation and Board of Directors.