Community Legal Assistance Services for Saskatoon Inner City Inc. o/a CLASSIC

Financial Statements

March 31, 2026

COMMUNITY LEGAL ASSISTANCE SERVICES FOR SASKATOON INNER CITY INC. O/A CLASSIC

MARCH 31, 2026

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HTH CPAs

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INDEPENDENT AUDITORS' REPORT

To the directors of:
Community Legal Assistance Services for Saskatoon Inner City Inc. o/a CLASSIC

Opinion
We have audited the financial statements of Community Legal Assistance Services for Saskatoon Inner City Inc. o/a CLASSIC, which comprise the statement of financial position as at March 31, 2026, and the statements of operations, changes in net assets 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 organization as at March 31, 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 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 organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

Allyn Tastad, *B.Comm, CPA, CGA** | **Dustin Harpham,** *B.Comm, CPA, CGA** | **Hope Fremont,** *H.B.Com, CPA, CGA** | **Hanny Cooper,** *B.Sc, CPA**
** operating as professional corporations*

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 organization’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 organization'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 organization 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.

HTH CPAs

May 29, 2026
Saskatoon, Saskatchewan

CHARTERED PROFESSIONAL ACCOUNTANTS

COMMUNITY LEGAL ASSISTANCE SERVICES FOR SASKATOON INNER CITY INC. O/A CLASSIC

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
REVENUE		
Donations (Note 3)	$ 40,536	$ 92,079
Fundraising	1,557	32,664
Grants (Note 2)	1,495,631	1,395,083
Interest	22,304	21,409
Miscellaneous revenue	15,000	-
Sponsorships	25	22,500
	1,575,053	1,563,735
EXPENDITURES		
Advertising and promotion	4,147	4,970
Amortization	26,244	32,078
Consultants and strategic planning	27,567	51,503
Fees and dues	28,550	23,505
Fundraising	-	27,597
Honorariums	3,225	7,253
Information technology support	82,998	44,609
Insurance	15,035	11,612
Interest and bank charges	1,128	2,093
Meetings	14,246	5,924
Office rent	86,085	79,231
Office supplies	34,067	29,735
Professional fees	13,408	13,815
Project ID expenses	(230)	8,820
Repairs and maintenance	19,996	13,865
Salaries and benefits	1,231,485	1,064,063
Telephone	11,244	11,131
Training and seminars	6,002	6,777
Utilities	12,402	11,312
	1,617,599	1,449,893
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	$ (42,546)	$ 113,842

COMMUNITY LEGAL ASSISTANCE SERVICES FOR SASKATOON INNER CITY INC. O/A CLASSIC

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
INTERNALLY RESTRICTED NET ASSETS		
Balance, beginning of year	$ 538,286	$ 472,332
Transfer from unrestricted net assets (Note 4)	21,198	65,954
	$ 559,484	$ 538,286
UNRESTRICTED NET ASSETS		
Balance, beginning of year	$ 461,511	$ 413,623
Transfer to internally restricted net assets	(21,198)	(65,954)
Excess (deficiency) of revenue over expenditures	(42,546)	113,842
	$ 397,767	$ 461,511

COMMUNITY LEGAL ASSISTANCE SERVICES FOR SASKATOON INNER CITY INC. O/A CLASSIC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures	$ (42,546)	$ 113,842
Items not involving cash:		
Amortization	26,244	32,078
	(16,302)	145,920
Net change in working capital:		
Accounts receivable	(274)	64
Grants receivable	(1,766)	15,599
GST receivable	(2,649)	965
Accrued interest receivable	688	(291)
Prepaid expenses	(1,484)	(1,121)
Accounts payable and accrued liabilities	45,367	(9,986)
Salaries payable	(14,186)	30,609
Vacation pay payable	(8,284)	403
Payroll deductions payable	(9,108)	(4,000)
Deferred revenue	97,718	189,678
	89,720	367,840
INVESTING ACTIVITIES		
Increase in short term investments	(150,000)	(125,000)
Increase in investments	(50,000)	-
Additions to capital assets	(73,413)	(4,813)
	(273,413)	(129,813)
(DECREASE) INCREASE IN CASH	(183,693)	238,027
CASH, beginning of year	868,187	630,160
CASH, end of year	$ 684,494	$ 868,187

	2026	2025
CASH IS REPRESENTED BY:		
Cash - unrestricted	$ 656,119	$ 861,698
Cash - restricted	28,375	6,489
	$ 684,494	$ 868,187

COMMUNITY LEGAL ASSISTANCE SERVICES FOR SASKATOON INNER CITY INC. O/A CLASSIC

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2026

	2026	2025
ASSETS		
CURRENT		
Cash - unrestricted	$ 656,119	$ 861,698
Cash - restricted	28,375	6,489
Accounts receivable	346	72
Grants receivable (Note 5)	14,167	12,400
GST receivable	8,768	6,118
Short term investments - unrestricted (Note 6)	200,000	-
Short term investments - restricted (Note 6)	275,000	325,000
Accrued interest receivable - restricted	6,109	6,797
Prepaid expenses	24,185	22,700
	1,213,069	1,241,274
INVESTMENTS - RESTRICTED (Note 6)	250,000	200,000
TANGIBLE CAPITAL ASSETS (Note 7)	96,150	48,982
	$ 1,559,219	$ 1,490,256
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 66,496	$ 21,126
Salaries payable	23,721	37,907
Vacation pay payable	30,756	39,040
Payroll deductions payable	21,444	30,552
Deferred revenue (Note 8)	459,551	361,834
	601,968	490,459
NET ASSETS		
UNRESTRICTED NET ASSETS	397,767	461,511
INTERNALLY RESTRICTED NET ASSETS (Note 9)	559,484	538,286
	957,251	999,797
	$ 1,559,219	$ 1,490,256

APPROVED ON BEHALF OF THE BOARD:

Signed by: Stephen Yee 5A206FE471DB4C4... , Director

Signed by: Jan M. King 4045B439FCF849B... , Director

The organization was incorporated under the laws of the Non-Profit Corporations Act of the Province of Saskatchewan on March 31, 2006. It became a registered charity under the provision of the Canada Revenue Agency effective February 2, 2007. The main purpose of the organization is to provide legal services to low income individuals.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the organization are in accordance with Canadian accounting standards for not-for-profit organizations applied on a basis consistent with that of the preceding year. Outlined below are those policies considered particularly significant.

Donated materials and services

The organization recognizes donated goods as revenue at their fair value when the goods are donated, the organization would have otherwise purchased the goods, and the goods are expected to be used in the normal course of operations and management believes the fair value can be reasonably determined.

Volunteers assist the organization in carrying out its service delivery activities. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

Estimates

The preparation of financial statements in accordance 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 assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reported period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they became known.

Financial instruments

Financial assets and liabilities are recognized when the organization becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are derecognized when the rights and obligations to receive or repay cash flows from the assets and liabilities have expired or have been transferred and the organization has transferred substantially all the risks and rewards of ownership.

The organization initially measures all its financial assets and financial liabilities at fair value and subsequently at amortized cost. Financial assets are tested for impairment at the end of each reporting period when there are indicators the assets may be impaired.

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

Recognition of revenue

The organization follows the deferral method of accounting for contributions, which include donations and grants. Grants are recognized as revenue when the related expenses are incurred. Donations are recorded when received. Revenue from fundraising activities are recorded when the event occurs or when they are considered receivable. All other revenue is recognized when earned.

Income taxes

The organization is incorporated as a not-for-profit organization; therefore, its earnings are not subject to income tax and no provision has been made for them in these financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tangible capital assets and amortization

Tangible capital assets are recorded at cost. Normal maintenance and repair expenditures are expensed as incurred. Amortization is recorded using the following rates and methods:

	Rate	Method
Computer equipment	45%	Declining balance
Equipment	20%	Declining balance
Leasehold improvements	5 years	Straight line
Office equipment	20%	Declining balance

In the year of acquisition, assets are amortized at half of the above rates. No amortization is charged in the year of disposal.

2. GRANTS

	2026	2025
Anonymous donor	$ 150,000	$ 150,000
City of Saskatoon	25,000	20,000
Community Initiatives Fund - Legal Advice Clinic	34,167	30,000
Community Initiatives Fund - Walk-In Advocacy Clinic	31,250	30,000
Department of Justice Canada	70,000	70,000
Future Generations Foundation	-	44,000
Government of Canada - Community Services Recovery Fund	11,508	20,924
Law Foundation of Saskatchewan	850,000	675,000
Law Foundation of Saskatchewan Legacy Grant - Addressing Newcomer Needs	490	-
Law Foundation of Saskatchewan Legacy Grant - Developing Law Training Materials	9,943	17,575
Law Foundation of Saskatchewan Legacy Grant - Measuring Individual and Systemic Impact of CLASSIC's Services	29,575	7,700
Law Foundation of Saskatchewan Legacy Grant - Technology and Office Upgrades	6,669	481
Merlis Belsher Fund	15,000	20,700
Saskatoon Community Foundation	10,000	10,000
Saskatoon Community Foundation and the Robert Steane gift	91,029	91,032
SaskEnergy - Share the Warmth program	1,000	1,000
Sisters of St. Joseph of Chambery	35,000	-
United Way of Saskatoon and Area	50,000	55,000
University of Saskatchewan - College of Law	75,000	79,300
University of Saskatchewan - College of Law (from Saskatchewan Ministry of Justice)	-	63,640
University of Saskatchewan - Social Innovation Lab	-	8,731
	$ 1,495,631	$ 1,395,083

3. DONATIONS

	2026	2025
Canada Helps donations	$ 31,740	$ 24,660
Receipted donations	2,225	6,350
Unreceipted donations	6,571	61,069
	$ 40,536	$ 92,079

4. TRANSFER OF FUNDS

The transfers between funds represent the interest earned on the accounts and other amounts approved by the board.

5. GRANTS RECEIVABLE

	2026	2025
Community Initiatives Fund - Legal Advice Clinic	$ 1,167	$ 1,000
Community Initiatives Fund - Walk-In Advocacy Clinic	6,000	-
Department of Justice Canada	7,000	7,000
Future Generations Foundation	-	4,400
	$ 14,167	$ 12,400

6. INVESTMENTS

Investments consist of term deposits at the Synergy Credit Union. These amounts bear interest at varying rates between 2.20% and 3.50%. Short term investments mature on or before December 23, 2026 and long term investments mature on June 23, 2027.

7. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2026	Net 2025
Computer equipment	$ 77,465	$ 61,482	$ 15,983	$ 29,061
Leasehold improvements	28,903	23,487	5,416	9,072
Office equipment	99,648	24,897	74,751	10,849
	$ 206,016	$ 109,866	$ 96,150	$ 48,982

COMMUNITY LEGAL ASSISTANCE SERVICES FOR SASKATOON INNER CITY INC. O/A CLASSIC

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2026

8. DEFERRED REVENUE

The deferred revenue represents funding that was unspent prior to the end of the year.

	2026	2025
Affinity Credit Union - Project ID	$ 10,000	$ -
Anonymous donor	150,000	-
Community Initiatives Fund - Walk-In Advocacy Clinic	19,250	16,500
Government of Canada - Community Services Recovery Fund	14,067	25,576
Law Foundation of Saskatchewan Legacy Grant - Addressing Newcomer Needs	47,662	-
Law Foundation of Saskatchewan Legacy Grant - Developing Law Training Materials	22,482	32,425
Law Foundation of Saskatchewan Legacy Grant - Measuring Individual and Systemic Impact of CLASSIC's Services	47,726	77,300
Law Foundation of Saskatchewan Legacy Grant - Technology and Office Upgrades	57,850	54,519
Saskatoon Community Foundation and the Robert Steane gift	45,514	45,514
Sisters of St. Joseph of Chambery	45,000	35,000
University of Saskatchewan - College of Law	-	75,000
	$ 459,551	$ 361,834

9. INTERNALLY RESTRICTED NET ASSETS

The purpose of the Contingency and Organizational Development Fund is to enable the organization to meet its obligations in the case of shortfall, emergencies, equipment replacement, or windup of the organization as approved by the board.

10. ECONOMIC DEPENDENCE

The organization is dependant on grant funding to provide its programs and to cover administrative expenses. The majority of the funding comes from single-year contracts. This lack of certainty in funding makes it difficult to plan for the future. In the current fiscal year, the Law Foundation of Saskatchewan has provided funding of $850,000. This constitutes 54% of the organization's total revenue. This funding is approved annually.

11. REAL ESTATE CONTRACTUAL OBLIGATIONS

The organization leases its premises in Saskatoon. The current lease agreement ends April 30, 2026. Arrangements have been made for an overholding period and discussions for an additional 5-year lease are ongoing.

12. FINANCIAL RISK MANAGEMENT

Management has established policies and procedures to manage risk relating to financial instruments, with the objective of minimizing any adverse effects on financial performance. The organization measures and monitors risk throughout the year. A brief description of management's assessment of these risks is as follows:

Credit risk
Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the organization.

Financial instruments potentially exposed to credit risk include cash, term deposits, and grants receivable. Management considers its exposure to credit risk over cash to be remote as the company holds its cash deposits with a major Canadian bank. Credit risk relating to the term deposits is also considered remote as it is a fixed income security issued by a major Canadian financial institution. Grants receivable are not concentrated significantly; therefore their carrying amount represents the maximum credit risk exposure.

Liquidity risk
Liquidity risk is defined as the risk that the organization may not be able to settle or meet its obligations as they come due.

In actively addressing liquidity risk, the organization applies appropriate measures to ensure it will have sufficient working capital available to meets its obligations.

Changes in risk
There are no significant changes to financial risk from the prior year.

13. COMPARATIVE STATEMENTS

Certain accounts from the prior year's financial statements have been reclassified for comparative purposes.