IF NATIONAL INSTITUTE OF FAMILIES FOUNDATION FOR CHILD & YOUTH MENTAL HEALTH (DBA "FAMILYSMART")

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

manning elliott

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INDEPENDENT AUDITORS' REPORT

To the Members of IF National Institute of Families Foundation for Child & Youth Mental Health

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of IF National Institute of Families Foundation for Child & Youth Mental Health (the "Institute"), which comprise the statement of financial position as at March 31, 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 Institute as at March 31, 2026, and the results of its operations 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 Institute in accordance with 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 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 Institute'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 Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute'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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INDEPENDENT AUDITORS' REPORT

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 Institute'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 Institute'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 Institute 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 that we identify during our audit, including any:

- Significant deficiencies in internal control;
- Identified fraud or suspected fraud; and
- Other matters related to fraud that are, in our judgment, relevant to the responsibilities of those charged with governance.

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INDEPENDENT AUDITORS' REPORT

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Societies Act, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Manning Elliott LLP

Chartered Professional Accountants
Vancouver, British Columbia
September 24, 2026

IF NATIONAL INSTITUTE OF FAMILIES FOUNDATION FOR CHILD & YOUTH MENTAL HEALTH

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2026

	2026	2025
ASSETS		
CURRENT		
Cash	**$ 260,402**	$ 876,408
Term deposits *(Note 3)*	**1,579,657**	1,068,497
Accounts receivable	**58,361**	52,383
Interest receivable	**37,574**	50,554
Goods and services tax recoverable	**11,142**	8,316
Prepaid expenses	**5,843**	66,580
Rent deposit	**7,645**	7,645
	1,960,624	2,130,383
RESTRICTED CASH *(Note 4)*	**1,000,000**	700,000
CAPITAL ASSET *(Note 5)*	**-**	538
	$ 2,960,624	$ 2,830,921
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	**$ 88,683**	$ 44,447
Government remittances payable	**15,754**	17,501
Deferred contributions *(Note 6)*	**81,375**	141,641
Due to funders *(Notes 6, 7)*	**1,432,662**	1,293,456
Funds held in trust *(Note 1(b))*	**3,371**	3,371
	1,621,845	1,500,416
NET ASSETS		
INTERNALLY RESTRICTED *(Note 4)*	**1,000,000**	700,000
UNRESTRICTED	**338,779**	630,505
	1,338,779	1,330,505
	$ 2,960,624	$ 2,830,921

SUBSEQUENT EVENTS *(Notes 3, 4)*

ECONOMIC DEPENDENCE *(Note 11)*

COMMITMENTS *(Note 12)*

APPROVED ON BEHALF OF THE BOARD

Director

Abiola Fischer

Director

IF NATIONAL INSTITUTE OF FAMILIES FOUNDATION FOR CHILD & YOUTH MENTAL HEALTH
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2026

	Unrestricted	Internally Restricted	**2026**
NET ASSETS, BEGINNING OF YEAR	$ 630,505	$ 700,000	**$ 1,330,505**
Transfer of unrestricted net assets to internally restricted	(300,000)	300,000	**-**
Excess of revenue over expenses for the year	8,274	-	**8,274**
NET ASSETS, END OF YEAR	$ 338,779	$ 1,000,000	**$ 1,338,779**

	Unrestricted	Internally Restricted	2025
NET ASSETS, BEGINNING OF YEAR	$ 535,938	$ 700,000	$ 1,235,938
Excess of revenue over expenses for the year	94,567	-	94,567
NET ASSETS, END OF YEAR	$ 630,505	$ 700,000	$ 1,330,505

IF NATIONAL INSTITUTE OF FAMILIES FOUNDATION FOR CHILD & YOUTH MENTAL HEALTH

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
REVENUE		
Ministry of Children and Family Development	**$ 3,222,270**	$ 2,105,362
Service contracts *(Note 8)*	**1,024,767**	1,058,418
Direct public support	**39,681**	42,541
Grants - foundations *(Note 9)*	**21,550**	32,885
Indirect public support - donations	**3,232**	5,513
	4,311,500	3,244,719
EXPENSES		
Amortization of capital asset	**538**	738
Board	**53,919**	22,897
Computer and software	**116,408**	34,818
Evaluation	**25,744**	43,050
Insurance	**7,508**	5,518
Office	**40,516**	34,727
Professional development	**60,742**	66,505
Professional fees	**289,185**	234,311
Promotion and other	**35,029**	25,317
Rent	**67,138**	51,581
Salaries and benefits *(Note 10)*	**3,428,871**	2,485,963
Subcontracts	**23,952**	38,314
Telephone and virtual platforms	**47,008**	43,233
Travel	**45,568**	36,843
Website, internet and IT	**14,785**	24,257
Worksafe BC and Employer Health Tax	**100,966**	64,292
	4,357,877	3,212,364
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	**(46,377)**	32,355
INTEREST INCOME	**54,651**	62,212
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	**$ 8,274**	$ 94,567

IF NATIONAL INSTITUTE OF FAMILIES FOUNDATION FOR CHILD & YOUTH MENTAL HEALTH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	**$ 8,274**	$ 94,567
Items not affecting cash:		
Amortization of capital asset	**538**	738
Contributions recognized as revenue during the year	**(4,309,719)**	(3,229,033)
Receipt of contributions during the year, net	**4,249,453**	3,256,149
	(51,454)	122,421
Changes in non-cash working capital:		
Accounts receivable	**(5,978)**	64,960
Interest receivable	**12,980**	(26,960)
Goods and services tax recoverable	**(2,826)**	16,648
Prepaid expenses	**60,737**	(36,328)
Accounts payable and accrued liabilities	**44,236**	(9,493)
Government remittances payable	**(1,747)**	5,253
Due to funders	**139,206**	606,390
Funds held in trust	**-**	(2,460)
	246,608	618,010
	195,154	740,431
INVESTING ACTIVITIES		
Purchase of term deposits	**(1,579,657)**	(1,268,497)
Proceeds from term deposits	**1,068,497**	659,059
Purchase of term deposit - restricted cash	**(300,000)**	-
	(811,160)	(609,438)
(DECREASE) INCREASE IN CASH DURING THE YEAR	**(616,006)**	130,993
CASH, BEGINNING OF YEAR	**876,408**	745,415
CASH, END OF YEAR	**$ 260,402**	$ 876,408

PURPOSE OF THE INSTITUTE

IF National Institute of Families Foundation for Child & Youth Mental Health (the "Institute") DBA "FamilySmart" is a not-for-profit organization incorporated provincially under the British Columbia Societies Act. As a registered charity the Institute is exempt from the payment of income tax under Section 149(1) of the Income Tax Act (Canada).

The Institute operates to improve child and youth mental health in Canada by involving families in consultation, education, and partnerships.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") under Part III of the CPA Canada Handbook - Accounting.

These financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies noted below:

(a) Financial instruments

i) Measurement

The Institute’s financial instruments consist of cash, term deposits, restricted cash, accounts receivable, interest receivable, accounts payable, and amounts due to funders.

The Institute initially measures all of its financial assets and liabilities at fair value. The Institute subsequently measures all of its financial assets and liabilities at amortized cost.

ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down that is determined is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of any improvement, 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 statement of operations in the period in which it is determined.

iii) Transaction costs

Transaction costs that are directly attributable to the origination, issuance or assumption of a financial instrument that is subsequently measured at amortized cost are assigned to those financial instruments. All other transaction costs are recognized in the statement of operations in the period incurred.

(b) Cash and restricted cash

Cash is comprised of cash on deposit.

Included in cash is $3,371 (2025 - $3,371) of funds held in trust for expenses related to the Continuous Quality Improvement project.

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(b) Cash and restricted cash *(continued)*

Restricted cash is comprised of guaranteed investment certificates that are readily convertible at maturity to a known amount of cash. Restricted cash has been restricted internally by the Board as a reserve fund (Note 4) and is not used for current operations.

(c) Capital asset

Capital asset is stated at cost less accumulated amortization and is amortized over its useful life at the following rate and method:

Computer equipment	5 years	straight-line method

The Institute's policy is to record a write-down to a capital asset's fair value or replacement cost when conditions indicate that a capital asset is impaired. Such conditions include when the capital asset no longer contributed to the Institute's ability to provide goods and services or when the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. Write-downs are recognized as an expenditure in the statement of operations and are not reversed.

(d) Revenue recognition

The Institute 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.

Deferred contributions from government contracts are recorded at the full amount of the government commitment for the fiscal year, and are recognized as revenue as related expenses are incurred on these contracts.

Income from restricted investments funds is recognized as interest income as it is earned in the year. Restricted investment income is then transferred to the general fund. Only the principal amount is restricted. Unrestricted investment income is recognized as revenue when earned.

(e) Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, revenue and expenses as at the end of or during the reporting period. Management reviews these estimates periodically and believes that the estimates used are reasonable and prudent, however, actual results could differ from those estimates in which adjustments are made to revenue or expenses in the year they become known. Significant areas requiring the use of management estimates relate to the valuation of accounts receivable, the amounts recorded as accrued liabilities and the measurement of deferred contributions.

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(f) Contributed services and materials

Contributed services are not recognized in the financial statements due to the difficulty in determining their fair value. Contributed materials are recognized only when the fair value can be reasonably estimated and when the materials are used in the normal course of the Institute's operations and would otherwise have been purchased.

2. FINANCIAL INSTRUMENTS RISKS

The Institute's financial instruments are described in Note 1(a). In management's opinion, the Institute is not exposed to significant credit, liquidity, market, interest rate, currency or other price risk except as explained below. In addition, the Institute is not exposed to any material concentrations of risk and there has been no significant changes in risk exposures from the prior year, except as noted below.

Credit risk

Credit risk is the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Institute is exposed to credit risk through its accounts receivable. A significant number of projects are funded by the provincial government and therefore the Institute is exposed to government policy changes beyond their control. However, as the amounts receivable are substantially owing from the provincial government, there is very low default risk and collection is reasonably assured. As at March 31, 2026 and 2025, management does not consider an allowance for doubtful accounts necessary.

Liquidity risk

Liquidity risk is the risk that the Institute will encounter difficulty in meeting obligations associated with financial liabilities. The Institute is exposed to this risk mainly in respect of its accounts payable and amounts due to funders. The Institute mitigates liquidity risk by maintaining a reserve to cover approximately three months of operating costs and by monitoring its cash balances and cash flows generated from operations against its anticipated, committed and contemplated cash flows. The Institute also closely monitors its expenditures through the use of budgets.

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.

Currency risk

Currency risk is the risk to the Institute's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Institute is not exposed to significant foreign currency exchange risk as it operates in Canadian dollars and all of its financial instruments are denominated in Canadian dollars.

2. FINANCIAL INSTRUMENTS RISKS *(continued)*

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. The Institute is exposed to interest rate risk on its interest bearing fixed income investments when it renews them. The Institute's investments are comprised of guaranteed investment certificates with fixed rates of interest and staggered maturity dates. The fair value of the Institute's investments is disclosed in Note 3. In seeking to minimize the risks from interest rate fluctuations, the Institute manages exposure through its normal operating and financing activities and by investing in fixed rate investments.

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 Institute is not exposed to other price risk.

3. TERM DEPOSITS

All guaranteed investment certificates ("GIC") are held with Vancouver City Savings Credit Union.

	2026	2025
Cashable 90-day, one year GIC, interest yields 3.05% per annum, maturity on May 5, 2025.	**$ -**	$ 211,423
Cashable 90-day, one year GIC, interest yields 4.00% per annum, maturity on May 16, 2025.	**-**	200,000
Cashable 30-day, one year GIC, interest yields 3.00% per annum, maturity on August 10, 2025.	**-**	157,074
Cashable 90-day, one year GIC, interest yields 2.75% per annum, maturity on November 25, 2025.	**-**	500,000
Cashable 90-day, one year GIC, interest yields 2.00% per annum, maturity on May 5, 2026.	**217,871**	-
Cashable 90-day, one year GIC, interest yields 2.10% per annum, maturity on May 28, 2026. (i)	**200,000**	-
Cashable 30-day, one year GIC, interest yields 2.00% per annum, maturity on August 10, 2026.	**161,786**	-
Cashable 90-day, one year GIC, interest yields 2.45% per annum, maturity on November 25, 2026.	**500,000**	-
Cashable 90-day, one year GIC, interest yields 2.35% per annum, maturity on January 27, 2027.	**500,000**	-
	$ 1,579,657	$ 1,068,497

(i) Subsequent to year end, the Institute reinvested the principal amount of $200,000 in a cashable 90-day, one year GIC, with an interest rate of 2.25% per annum, maturing on May 28, 2027.

4. RESTRICTED CASH

The Institute's Board of Directors has approved an internally restricted net assets reserve of $1,000,000 (2025 - $700,000) to cover approximately three months of operating costs. The Institute has invested the restricted cash as follows:

- $700,000 non redeemable, one year GIC, interest yields 2.85% per annum, maturity on May 28, 2026 (i)
- $300,000 non redeemable, one year GIC, interest yields 2.90% per annum, maturity on January 27, 2027

(i) Subsequent to year end, the Institute purchased a non-redeemable one year GIC for $700,000 with an interest rate of 2.90% per annum, maturing on May 28, 2027.

5. CAPITAL ASSET

	Cost	Accumulated amortization	**2026 Net book value**	2025 Net book value
Computer equipment	$ 6,887	$ 6,887	**$ -**	$ 538

6. DEFERRED CONTRIBUTIONS

	2026	2025
Balance, beginning of year	**$ 141,641**	$ 541,668
Contributions received during the year	**4,450,252**	3,802,628
Contributions recognized as revenue during the year	**(4,309,719)**	(3,229,033)
Amendments to contribution agreements and funds to be returned	**(200,799)**	(973,622)
Balance, end of year	**$ 81,375**	$ 141,641

Deferred contributions are comprised of the following:

	2026	2025
Johnny's Heart of Gold	**$ 31,529**	$ 38,333
Fraser Health Authority	**22,020**	12,566
Ministry of Children and Family Development	**19,731**	23,592
Canada Helps	**-**	8,500
BC Children's Hospital	**8,095**	10,878
Bell Let's Talk	**-**	7,425
Simon Fraser University	**-**	8,332
Vancouver Coastal Health Authority	**-**	7,921
Royal Bank of Canada	**-**	21,550
Telus	**-**	2,544
	$ 81,375	$ 141,641

7. DUE TO FUNDERS

The amounts due to funders arise as a result of underspent surplus, and are comprised of the following:

	2026	2025
Ministry of Children and Family Development	**$ 1,432,662**	$ 1,235,092
Fraser Health Authority	**-**	58,364
	$ 1,432,662	$ 1,293,456

The amounts due to the Ministry of Children and Family Development funding is compromised of multiple service agreements.

8. SERVICE CONTRACTS

	2026	2025
Ministry of Children and Family Development	**$ 384,364**	$ 364,694
Fraser Health Authority	**199,840**	198,065
BC Children's Hospital	**143,691**	126,618
BC Mental Health & Substance Use Service	**137,915**	214,748
Child, Adolescent and Family Mental Health	**116,000**	108,775
Vancouver Island Health Authority	**27,201**	27,201
Simon Fraser University	**8,332**	-
Bell Let's Talk	**7,424**	-
Vancouver Coastal Health Authority	**-**	9,025
YMCA of Northern BC	**-**	9,292
	$ 1,024,767	$ 1,058,418

9. GRANTS - FOUNDATIONS

	2026	2025
Royal Bank of Canada Foundation	**$ 21,550**	$ 32,885

10. SALARIES AND BENEFITS

In accordance with the Societies Act of British Columbia, the Institute is required to provide the total remuneration, if any, paid by the Institute to the directors during the year, and the remuneration paid by the Institute during the year to the employees of the Institute, and to persons under a contract for services with the Institute, whose remuneration was at least $75,000.

No directors (2025 - no directors) received a salary from the Institute and no persons (2025 - no persons) under a contract for services was remunerated at least $75,000 by the Institute during the fiscal year ended March 31, 2026.

Ten employees (2025 - five employees) earned at least $75,000 during the fiscal year ended March 31, 2026 for a total of $942,119 (2025 - $470,048).

11. ECONOMIC DEPENDENCE

The Institute is economically dependent on funding from the B.C. Provincial Government which represents a majority of its total revenue. There is no indication that these funds will not be forthcoming in future years.

12. COMMITMENTS

The Institute has entered into various office and equipment hardware leases. The minimum annual anticipated lease payments during the next three fiscal years are anticipated to be as follows:

2027	$ 62,697
2028	33,892
2029	4,772
	$ 101,361

13. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation. Specifically, $1,022,644 previously presented as deferred contributions has been reclassified to due to funders to better reflect the nature of the obligation. This reclassification had no impact on total liabilities, excess of revenues over expenses, or net assets previously reported.