SARNIA LAMBTON "REBOUND" - A PROGRAM FOR YOUTH

Financial Statements

For the Year Ended March 31, 2026

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For the Year Ended March 31, 2026

Contents

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Independent Auditor's Report

To the members of Sarnia Lambton "Rebound" - A Program for Youth

Opinion

We have audited the financial statements of Sarnia Lambton "Rebound" - A Program for Youth (the Organization), which comprise the statement of financial position as at March 31, 2026, 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 its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's 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 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 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.

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 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 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 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 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Sarnia, Ontario
June 11, 2026

SARNIA LAMBTON "REBOUND" - A PROGRAM FOR YOUTH
Statement of Financial Position

As at March 31,	2026	2025
ASSETS		
CURRENT		
Cash	$ 309,968	$ 516,466
Short-term investments	509,071	597,702
Accounts receivable (Note 3)	127,795	57,007
Prepaid expenses	18,137	8,294
	964,971	1,179,469
EQUIPMENT AND LEASEHOLD IMPROVEMENTS (Note 4)	123,244	70,270
	$ 1,088,215	$ 1,249,739
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	$ 92,942	$ 74,973
Deferred revenue (The NEST - $36,345, 2025 - $130,848)	218,599	358,973
	311,541	433,946
DEFERRED CAPITAL CONTRIBUTION (The NEST - $58,067, 2025 - $3,888)	60,601	7,555
	372,142	441,501
NET ASSETS (DEFICIT)		
Internally Restricted		
Contingency reserve fund	425,000	425,000
Program expansion and enhancement fund	505,000	505,000
Invested in equipment	62,643	62,716
Unrestricted	(276,570)	(184,478)
	716,073	808,238
	$ 1,088,215	$ 1,249,739

On behalf of the Board:

_______________ Director

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Net Assets

For the year ended March 31,	Contingency Reserve Fund	Program Expansion and Enhancement Fund	Invested in Equipment	Unrestricted	2026 Total	2025 Total
Balance, beginning of the year	$ 425,000	$ 505,000	$ 62,716	$ (184,478)	$ 808,238	$ 601,199
Excess of revenue over expenses (expenses over revenue)	-	-	(23,002)	(69,163)	(92,165)	207,039
Investment in equipment	-	-	22,929	(22,929)	-	-
Balance, end of the year	$ 425,000	$ 505,000	$ 62,643	$ (276,570)	$ 716,073	$ 808,238

The accompanying notes are an integral part of these financial statements.

SARNIA LAMBTON "REBOUND" - A PROGRAM FOR YOUTH
Statement of Operations

For the year ended March 31,	2026	2025
Revenue		
Amortization of deferred capital contribution	$ 11,954	$ 3,463
Bequests	-	350,000
Donations	177,558	130,248
Fundraising	213,000	148,467
Grants	1,793,671	1,481,386
Interest	11,369	20,390
Memberships	5,500	19,250
Other	49	3,343
Store sales	-	14,359
	2,213,101	2,170,906
Expenses		
Amortization	34,956	25,069
Bank charges	5,736	3,254
Fundraising	83,392	36,790
Insurance	19,203	16,911
Loss on disposal of equipment	13	-
Office and miscellaneous	56,452	72,564
Professional fees	31,211	44,878
Programs	183,953	165,442
Public relations	7,732	10,291
ReFound store expenditures	-	15,199
ReFound store inventory write-down	-	12,256
Rent	59,722	66,422
Staff development	24,019	17,657
Telephone	20,252	17,314
Travel and promotion	9,561	7,694
Wages and benefits	1,769,064	1,452,126
	2,305,266	1,963,867
Excess of revenue over expenses (expenses over revenue) from operations	$ (92,165)	$ 207,039
Schedule 1 - "The Nest" Operations	-	-
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	$ (92,165)	$ 207,039

The accompanying notes are an integral part of these financial statements.

SARNIA LAMBTON "REBOUND" - A PROGRAM FOR YOUTH
Statement of Cash Flows

For the year ended March 31,	2026	2025
Cash flows from operating activities		
Excess of revenue over expenses (expenses over revenue)	$ (92,165)	$ 207,039
Items not affecting cash:		
Amortization of equipment and leasehold improvements	34,956	25,069
Amortization of deferred capital contributions	(11,954)	(3,462)
Transfer to program expansion and enhancement fund	-	(300,000)
Loss on disposal of equipment	13	-
	(69,150)	(71,354)
Changes in non-cash working capital:		
Accounts receivable	(70,788)	120,895
Inventories	-	23,301
Prepaid expenses	(9,843)	(579)
Accounts payable and accrued liabilities	17,969	18,417
Deferred revenue	(140,374)	(55,960)
	(272,186)	34,720
Cash flows from investing activities		
Proceeds on disposal of investments	100,000	-
Acquisition of equipment and leasehold improvements	(87,943)	(48,125)
Interest earned by short-term investments	(11,369)	(13,933)
	688	(62,058)
Cash flows from financing activities		
Deferred capital contribution received	65,000	-
Net decrease in cash	(206,498)	(27,338)
Cash, beginning of the year	516,466	543,804
Cash, end of the year	$ 309,968	$ 516,466

The accompanying notes are an integral part of these financial statements.

1. Significant Accounting Policies

Statutes of Incorporation and Nature of Activities	Sarnia - Lambton "Rebound" - A Program for Youth (the Organization) is incorporated under the Business Corporations Act of the Province of Ontario as an Organization without share capital subject to the Charities Accounting Act.
	The Organization has been granted tax exempt status as a registered charity and is classified as a charitable organization under Sections 149 and 149.1 of the Income Tax Act, Canada. The Organization is in compliance with its disbursement quota requirement as set by the Canada Revenue Agency.
	The Organization provides prevention and early intervention supports for youth ages 8-24. Programs focus on life skills and social competencies. Programs include: community and school based services, groups and diversion services offered through a service contract with the Ministry of Children and Youth Services - Youth Justice Division. A variety of community partnerships exist to allow for a continuum of youth focused supports.
Basis of Accounting	The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.
Revenue Recognition	The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unearned grants and donations are recorded as deferred revenue.
	Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can reasonably be estimated and collection is reasonably assured.
	Fundraising revenue is recognized as revenue when the event occurs.
	Store revenue was recognized when goods were sold and payment was received.
	Interest income from short-term investments is recognized as revenue of the appropriate fund when earned on an accrual basis.
Deferred Capital Contributions	Contributions received to fund the acquisition of equipment and leasehold improvements are deferred and amortized over the same term and on the same basis as the asset.

1. Significant Accounting Policies (continued)

Expenses	Expenses are recognized as they are incurred and measurable as a result of receipt of goods and services and the creation of a legal obligation to pay.
Investments	Investments are recorded at cost, which equals net realizable value.
Management 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 expense during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported as revenue or expense in the period in which they became known.
In-Kind Contributions	Contributed goods received by the Organization are recognized at their fair value at the date of contribution where a fair value can be reasonably established.
Inventory	Inventory consisting of clothes and other thrift items for resale, is valued at the lower of cost and net realizable value with cost determined on a first-in, first-out basis and net realizable value determined to be current replacement cost.
Equipment and Leasehold Improvements	Equipment and leasehold improvements are recorded at cost and amortized using the following annual rates and methods:

	Method	Rate
Office equipment	Diminishing-balance	20%
The Nest equipment	Diminishing-balance	20-45%
Computer equipment	Diminishing-balance	45%
Computer software	Diminishing-balance	100%
Vehicles	Diminishing-balance	30%
Leasehold improvements	Straight line	5 year

1. Significant Accounting Policies (continued)

Internally Restricted Funds

The internally restricted funds have been created by the Board for the following purposes:

• The contingency reserve has been established by resolutions of the Board of Directors. It provides funds to ensure a continuation of operations should there be a significant reduction in the Organization's sources of funding.

• The program expansion and enhancement fund was established in 2021 by resolution of the Board of Directors to provide funds to be used to expand programming in the future.

Donated Services

A number of unpaid volunteers have made significant contributions of their time in the furtherance of the Organization's programs. Due to the difficulty of determining their fair value, the value of this contributed time has not been included in these financial statements.

2. Financial Instruments

The Organization has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include credit risk.

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 Organization monitors its accounts receivable regularly and establishes allowances for doubtful accounts as needed.

3. Accounts Receivable

	2026	2025
Trade	$ 93,121	$ 33,484
Harmonized sales tax recoverable	34,674	23,523
	$ 127,795	$ 57,007

March 31, 2026

4. Equipment and Leasehold Improvements

	2026		2025	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Office equipment	$ 110,999	$ (82,255)	$ 107,791	$ (75,470)
Computer equipment	164,315	(145,205)	160,495	(133,017)
The NEST - equipment	40,689	(28,470)	35,444	(24,973)
Computer software	15,257	(15,257)	15,257	(15,257)
Leasehold improvements	30,075	(30,075)	30,075	(30,075)
Vehicle	74,319	(11,148)	-	-
	435,654	(312,410)	349,062	(278,792)
		$ 123,244		$ 70,270

5. Accounts Payable and Accrued Charges

	2026	2025
Accounts payable and other accruals	$ 78,906	$ 58,520
Government remittances	14,036	16,453
	$ 92,942	$ 74,973

6. Repayment of Program Supplies

The service contract with the Ministry of Children, Community and Social Services requires the Organization to file a reconciliation report summarizing, by project code, all revenue and expenditure and identifying any resulting surplus or deficiency relating to that service contract. A review of this report shows that the project is in a balanced position as at March 31, 2026 and that there are no amounts owing to or from the Ministry.

7. Commitments

The Organization is committed to leases for office space.

Future minimum payments under these agreements over the next three years are as follows:

2027:	$ 107,392
2028:	$ 61,914
2029:	$ 44,837

Sarnia Lambton "Rebound" - A Program for Youth
Schedule 1 - "The Nest" Operations

For the year ended March 31	2026	2025
Revenue		
Amortization of deferred capital contribution	$ 10,821	$ 1,640
Donations	22,780	10,774
Grants	278,409	264,624
	312,010	277,038
Expenses		
Amortization	$ 14,646	$ 2,880
Insurance	3,959	2,750
Office and miscellaneous	16,948	2,330
Programs	26,312	22,506
Rent	11,550	12,600
Staff development	1,221	3,526
Telephone	3,618	2,628
Wages and benefits	233,756	227,818
	312,010	277,038
EXCESS OF REVENUE OVER EXPENSES	$ -	$ -