

**Service Coordination for Persons with Special Needs**  
**Financial Statements**  
*March 31, 2026*

# Service Coordination for Persons with Special Needs

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For the year ended March 31, 2026

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To the Board of Directors of Service Coordination for Persons with Special Needs:

## Opinion

We have audited the financial statements of Service Coordination for Persons with Special Needs (the "Organization"), 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 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.

Ottawa, Ontario

June 16, 2026

*MNP LLP*

Chartered Professional Accountants

Licensed Public Accountants

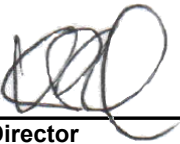
**MNP**

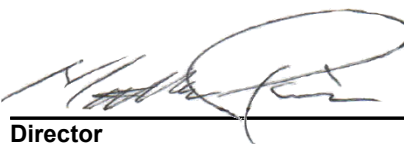
# Service Coordination for Persons with Special Needs Statement of Financial Position

*As at March 31, 2026*

	2026	2025
<b>Assets</b>		
<b>Current</b>		
Cash	9,016,626	6,514,516
Accounts receivable (Note 3)	1,148,868	935,042
Prepaid expenses	51,724	99,755
	10,217,218	7,549,313
<b>Tangible capital assets (Note 4)</b>	<b>383,635</b>	<b>405,012</b>
<b>Intangible assets (Note 5)</b>	<b>264,597</b>	<b>29,489</b>
	10,865,450	7,983,814
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 6)	10,441,452	7,776,258
<b>Deferred lease inducement</b>	<b>268,760</b>	<b>238,729</b>
	10,710,212	8,014,987
<b>Commitments (Note 7)</b>		
<b>Contingencies (Note 8)</b>		
<b>Net Assets (Deficit)</b>		
Unrestricted	155,238	(31,173)
	10,865,450	7,983,814

Approved on behalf of the Board of Directors

  
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Director

  
\_\_\_\_\_  
Director

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

## Service Coordination for Persons with Special Needs Statement of Operations and Changes in Net Assets

*For the year ended March 31, 2026*

	<b>2026</b>	<b>2025</b>
<b>Revenue</b>		
Ministry of Children, Community and Social Services (MCCSS)		
Contributions	76,930,378	71,470,658
Permanent Compensation Enhancement Program	2,321,445	-
COVID-19 related funding	-	11,575
Family Services Toronto - Passport Program	2,320,079	2,130,438
Other client revenue	36,589	31,831
	<b>81,608,491</b>	<b>73,644,502</b>
<b>Expenses</b>		
Client expenditures	69,891,692	62,597,391
Salaries	6,528,172	6,196,863
Passport program	2,320,079	2,130,438
Benefits	1,505,250	1,436,006
Building accommodation	302,075	281,350
Purchased services	292,067	361,024
Office	230,072	269,253
Amortization of tangible capital assets	131,890	143,107
Other operating expenses	99,262	151,103
Amortization of intangible assets	63,845	47,083
Staff transportation	45,875	50,166
Corporate governance	11,801	28,173
COVID-19 Residential Relief Fund (CRRF)	-	11,575
	<b>81,422,080</b>	<b>73,703,532</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>186,411</b>	<b>(59,030)</b>
<b>Net assets (deficit), beginning of year</b>	<b>(31,173)</b>	<b>27,857</b>
<b>Net assets (deficit), end of year</b>	<b>155,238</b>	<b>(31,173)</b>

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

# Service Coordination for Persons with Special Needs

## Statement of Cash Flows

For the year ended March 31, 2026

	2026	2025
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Excess (deficiency) of revenue over expenses	186,411	(59,030)
Amortization of tangible capital assets	131,890	143,107
Amortization of intangible assets	63,845	47,083
Amortization of deferred lease inducement	(36,589)	(31,831)
	345,557	99,329
Changes in working capital items		
Accounts receivable	(213,826)	549,106
Prepaid expenses	48,031	(25,554)
Accounts payable and accrued liabilities	2,665,194	911,355
	2,844,956	1,534,236
<b>Financing activities</b>		
Deferred lease inducements	66,620	-
<b>Investing activities</b>		
Purchase of tangible capital assets	(110,513)	(87,596)
Purchase of intangible assets	(298,953)	(25,380)
	(409,466)	(112,976)
<b>Increase in cash resources</b>	<b>2,502,110</b>	<b>1,421,260</b>
<b>Cash resources, beginning of year</b>	<b>6,514,516</b>	<b>5,093,256</b>
<b>Cash resources, end of year</b>	<b>9,016,626</b>	<b>6,514,516</b>

The accompanying notes are an integral part of these financial statements

# Service Coordination for Persons with Special Needs

## Notes to the Financial Statements

For the year ended March 31, 2026

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### 1. Incorporation and nature of the organization

Service Coordination for Persons with Special Needs (the "Organization") was incorporated without share capital under the *Canada Not-for-profit Corporations Act*. As a not-for-profit organization under the *Income Tax Act*, the Organization is exempt from income taxes, provided certain requirements of the act are met.

The Organization provides information, support and guidance to people with developmental needs living in the former Eastern Region of the Ministry of Children, Community and Social Services. The Organization provides leadership and coordination within the service system.

### 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, and include the following significant accounting policies:

#### **Revenue recognition**

The Organization follows the deferral method of accounting for grants and contributions. Restricted grants and contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted grants and contributions are recognized as revenue when received.

The Organization receives funding from the Ministry of Children, Community and Social Services as well as from Family Services Toronto. The final amount of revenue recorded cannot be determined until the funders have reviewed the Organization's financial returns for the year. Any adjustments arising from the funder reviews are recorded in the year in which the adjustment is made.

#### **Tangible capital assets**

Purchased tangible capital assets are recorded at cost.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives using the following annual rates:

Computer equipment	33 %
Furniture and equipment	20 %
Leasehold improvements	Lease term

#### **Intangible asset**

Specified intangible assets are recognized and reported apart from goodwill.

Intangible assets are recorded at cost.

Amortization is provided using the straight-line method at a rate intended to amortize the cost of intangible assets over their estimated useful life using the following annual rate:

	<b>Rate</b>
Software - cost	33 %

#### **Long-lived assets**

Long-lived assets consist of tangible capital assets and intangible assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Organization writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Organization's ability to provide goods and services. The asset are also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Organization determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

# Service Coordination for Persons with Special Needs

## Notes to the Financial Statements

For the year ended March 31, 2026

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### 2. Significant accounting policies (Continued from previous page)

#### **Financial instruments**

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

#### **Arm's length financial instruments**

Financial instruments originated or issued in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Organization has not made such an election during the year.

The Organization subsequently measures all arm's length financial assets and liabilities at amortized cost.

Transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost.

#### **Financial asset impairment**

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. Management considers whether the issuer is having significant financial difficulty or whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenue over expenses in the year the reversal occurs.

#### **Measurement uncertainty (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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital and intangible assets. The amount of certain accrued liabilities is estimated based on expected costs. Unspent funding repayable to the funder is estimated based on eligible expenses incurred in the year.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

# Service Coordination for Persons with Special Needs

## Notes to the Financial Statements

*For the year ended March 31, 2026*

**2. Significant accounting policies** *(Continued from previous page)*

***Customer's accounting for cloud computing arrangement***

A software intangible asset for cloud computing arrangement has been accounted for in accordance with Section 3064 *Goodwill and Intangible Assets*.

Software services expensed in the current year total \$180,351 (2025 - \$117,465). These expenses have been recognized in purchased services.

Expenditures that are directly attributable to implementing the software service are expensed directly to purchased services. Expenditures that are directly attributable to implementing software intangible assets are capitalized to intangible assets and expensed over the expected period of access

**3. Accounts receivable**

	2026	2025
Passport receivable	776,368	601,749
Harmonized sales tax receivable	355,145	292,309
Other	17,355	40,984
	1,148,868	935,042

**4. Tangible capital assets**

	Cost	Accumulated amortization	2026 Net book value	2025 Net book value
Computer equipment	423,726	338,526	85,200	106,112
Furniture and equipment	83,354	54,650	28,704	45,375
Leasehold improvements	462,051	192,320	269,731	253,525
	969,131	585,496	383,635	405,012

**5. Intangible asset**

	2026	2025
Software - cost	773,451	474,498
Software - accumulated amortization	(508,854)	(445,009)
	264,597	29,489

**6. Accounts payable and accrued liabilities**

	2026	2025
Trade payables	7,645,481	5,607,995
Accrued liabilities	1,779,986	1,129,145
Ministry of Children, Community and Social Service	665,705	746,474
Accrued salaries and benefits	350,280	292,644
	10,441,452	7,776,258

# Service Coordination for Persons with Special Needs

## Notes to the Financial Statements

For the year ended March 31, 2026

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### 7. Commitments

The Organization occupies leased premises under a lease agreement expiring September 2032 for basic rent plus additional costs for operating expenses. The Organization subleases a portion of its leased premises to a third party and records amounts recovered from the sublessee as a reduction of occupancy costs. Sublease recoveries for the year totaled \$28,250 (2025 - \$Nil). The estimated minimum annual lease payments, net of sublease, are as follows:

2027	81,928
2028	86,020
2029	87,909
2030	89,797
2031	91,686
Thereafter, to September 2032	138,945
	<hr/>
	576,285

The Organization has signed an agreement for software development and implementation services which remains in progress as at year end. Minimum remaining payments under the agreement total \$232,620.

### 8. Contingencies

The Organization's primary source of revenue is grants from the Ministry of Children, Community and Social Services. The Ministry can execute an audit of the financial records of the Organization to ensure compliance with the requirements of this funding. In the event that amounts are identified as requiring reimbursement to the sponsor, the necessary adjustments will be recognized in the year they are identified.

In the normal course of operations, the Organization may become involved in various legal actions. As litigation is subject to many uncertainties, it is not possible to predict the ultimate outcome of these lawsuits or to estimate the loss, if any, which may result at this time. Management believes that their resolution will not materially affect the Organization's financial position or results of operations.

### 9. Economic dependence

The Organization's primary source of revenue is grants from the Ministry of Children, Community and Social Services. The grant funding can be cancelled if the Organization does not observe certain established guidelines. The Organization's ability to continue viable operations is dependent upon maintaining its compliance with the criteria within the agreed upon Service Contract. As at the date of these financial statements the Organization believes that it is in compliance with the Service Contract.

### 10. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

#### **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's main credit risks relate to its accounts receivable. The Organization establishes allowances for doubtful accounts while keeping in mind the credit risk of specific accounts, their historic tendencies and economic situation. The Organization considers that it is not subject to any significant credit risk.

#### **Liquidity risk**

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization's exposure to liquidity risk is dependent on monitoring its cash flows from operations and anticipating cash flow needs to ensure that there is a sufficient amount of cash available throughout the year.

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