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GYMNASTICS SASKATCHEWAN INC.

FINANCIAL STATEMENTS

AUGUST 31, 2026

Docusign Envelope ID: A2CCE722-807F-8143-80DE-056F64DAA239

MARCIA HERBACK & ASSOCIATES
Chartered Professional Accountants
Professional Corporation

2320 Lorne Street Regina, Saskatchewan S4P 2M9
Telephone: (306) 522-3311 Facsimile: (306) 522-3312
Email: marcia@mherback.ca

INDEPENDENT AUDITOR'S REPORT

To the Members of
Gymnastics Saskatchewan Inc.

Qualified Opinion

I have audited the accompanying financial statements of Gymnastics Saskatchewan Inc. (the Entity), which comprise the statement of financial position as at August 31, 2026 and the statements of revenues over expenses and net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, except for the effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Gymnastics Saskatchewan Inc. as at August 31, 2026 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many non-profit organizations, Gymnastics Saskatchewan Inc. derives part of its revenue from membership fees, donations and other fundraising activities, the completeness and classification of which are not susceptible to satisfactory audit verification. Accordingly my verification of these transactions was limited to accounting for the amounts recorded in the records of the Association and I was not able to determine whether any adjustments might be necessary to the revenues, statement of operations, assets and net assets.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Entity in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 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

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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• 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.



Regina, Saskatchewan
November 6, 2026

Marcia Herback
CPA, CA

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GYMNASTICS SASKATCHEWAN INC.
STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 31, 2026
(with comparative figures for 2025)

	2026	2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 1,050,174	$ 1,281,265
Short-term investments (Note 3)	314,328	-
Odyssey fund	156,622	148,860
Accounts receivable	40,399	4,368
Inventory (cost)	37,658	19,559
Prepaid expenses	179,291	93,486
	1,778,472	1,547,538
Tangible capital assets (Note 4)	30,700	37,058
Investment (Note 5)	-	310,683
	$ 1,809,172	$ 1,895,279
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	$ 56,834	$ 41,687
Deferred revenue (Note 6)	23,809	42,613
Deferred revenue - Odyssey fund (Note 6)	156,622	148,860
	237,265	233,160
NET ASSETS		
Internally Restricted Operating Reserve	850,000	950,000
Emergency Reserve Fund	327,490	327,490
Invested in Capital Assets	30,701	37,058
Strategic and Program Reserve Fund	235,240	335,740
Unrestricted Surplus	128,476	11,831
	1,571,907	1,662,119
	$ 1,809,172	$ 1,895,279

See accompanying notes

Approved on Behalf of the Board

Signed by: Dale Reed 0DF6E7A6A4D0415... Director

Signed by: Nicole Zimmer 278307F8E124499... Director

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GYMNASTICS SASKATCHEWAN INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED AUGUST 31, 2026
(with comparative figures for 2025)

	2026	2025
Revenue		
Grants (Schedule 1)	$ 890,335	$ 761,967
Self Help (Schedule 2)	1,495,070	1,382,231
	2,385,405	2,144,198
Expenditure		
Administration (Schedule 3)	320,071	316,094
Capacity/Interaction (Schedule 4)	482,753	422,143
Participation (Schedule 5)	390,688	332,301
Excellence (Schedule 6)	585,869	584,225
Categorical expenses (Schedule 7)	533,236	300,113
Membership Assistance Program (Schedule 8)	163,000	156,700
	2,475,617	2,111,576
Excess (deficiency) of revenues over expenditures	$ (90,212)	$ 32,622

See accompanying notes

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GYMNASTICS SASKATCHEWAN INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2026
(with comparative figures for 2025)

Net Assets	Restricted Operating Reserve	Emergency Reserve Funds	Invested In Capital Assets	Team Travel Fund	Strategic and Program Reserve Fund	Unrestricted Surplus	2026	2025
Balance - beginning of year, as previously reported	$ 950,000	327,490	37,058	-	335,740	19,999	$ 1,670,287	$ 1,732,994
Prior period adjustment (Note 9)	-	-	-	-	-	(8,168)	(8,168)	(103,497)
As restated	950,000	327,490	37,058	-	335,740	11,831	1,662,119	1,629,497
Excess (deficiency) of revenues over expenses	-	-	(11,840)	-	-	(78,372)	(90,212)	32,622
Allocation to reserves/funds (Note 7)	(100,000)	-	-	-	(100,500)	200,500	-	-
Additions to capital assets	-	-	5,483	-	-	(5,483)	-	-
Balance - end of year	$ 850,000	$ 327,490	$ 30,701	-	235,240	128,476	$ 1,571,907	$ 1,662,119

See accompanying notes

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GYMNASTICS SASKATCHEWAN INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2026
(with comparative figures for 2025)

	2026	2025
Operating activities		
Excess (deficiency) of revenues over expenditures	$ (90,212)	$ 32,622
Items not involving an outlay (receipt) of cash		
Amortization	11,840	9,010
	(78,372)	41,632
Net change in non-cash operating working capital balances		
Short-term investments	(314,328)	-
Odyssey fund	(7,762)	(7,822)
Accounts receivable	(36,031)	458
Inventory	(18,099)	14,534
Prepaid expenses	(85,805)	(6,666)
Accounts payable and accrued liabilities	15,147	23,022
Deferred revenue	(18,804)	28,136
Deferred revenue - Odyssey Fund	7,762	7,822
Cash provided by (used in) operating activities	(536,292)	101,116
Investing activities		
Decrease (increase) in investments	310,683	(3,603)
Additions to tangible capital assets	(5,482)	(24,870)
Cash provided by (used in) investing activities	305,201	(28,473)
Increase (decrease) in cash	(231,091)	72,643
Cash position, beginning of year	1,281,265	1,208,622
Cash position, end of year	$ 1,050,174	$ 1,281,265

See accompanying notes

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GYMNASTICS SASKATCHEWAN INC.
NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2026

1. Status and nature of activities

Gymnastics Saskatchewan Inc. is incorporated under the Non-Profit Corporations Act of Saskatchewan. Under present legislation, no income taxes are payable on the reported income of such operations. The purpose of Gymnastics Saskatchewan Inc. is to govern all activities and promote the sport of gymnastics, trampoline and aerobics within the province in both competitive and recreational areas.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

Cash and cash equivalents

The entity's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity of three months or less from the date of acquisition. Term deposits that the entity cannot use for current transactions because they are pledged as security are excluded from cash and cash equivalents.

Inventory

Inventory is recorded at cost.

Tangible capital assets

Tangible capital assets are recorded at cost. Amortization is provided on a straight-line basis over the assets' estimated useful lives, which for computer equipment is 3 years and furniture and equipment is 10 years. Full amortization is recorded in the year of purchase.

Revenue recognition

Gymnastics Saskatchewan Inc. follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Grants from Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation are received out of the net proceeds of lottery ticket sales in Saskatchewan. These grants have been recorded as revenue by Gymnastics Saskatchewan Inc. as approved by Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreations. Accordingly, amounts received that relate to the next fiscal period are shown as deferred revenue.

Financial instruments

The Gymnastics Saskatchewan Inc. initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities.

Management 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 that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

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3. Short term investments

Short term investments consist of a GIC that matures December 2026 and earns interest at 1.17% (2025 - $nil).

4. Tangible capital assets

	Cost	Accumulated Amortization	2026 Net Book Value	2025 Net Book Value
Computers	$ 33,890	27,722	$ 6,168	$ 8,033
Furniture & equipment	67,707	43,175	24,532	29,025
	$ 101,597	70,897	$ 30,700	$ 37,058

5. Long term investments

	2026	2025
TD Canadian Banks GIC, matures December 6, 2026, interest rate 1.17%	$ -	$ 310,683
	$ -	$ 310,683

6. Deferred revenue

Funding received that has been externally restricted has been deferred and will be recognized as revenue in the year the related project or event occurs. There is also $156,622 of monies accumulated in the Odyssey fund.

	2026	2025
Fees and memberships	$ 23,809	$ 12,947
Spark IDEAS grant	-	29,666
	$ 23,809	$ 42,613

7. Interfund transfers

During the 2026 fiscal year, the Board of Directors approved the following interfund transfers:
- $25,500 from the Strategic Reserve Fund to fund ground transportation costs associated with a competition held in Whitehorse.
- $100,000 from the Restricted Operating Reserves Fund to Unrestricted Surplus.
- $75,000 from the Strategic and Program Reserve Fund to Unrestricted Surplus.

8. Financial instruments

Gymnastics Saskatchewan Inc. is exposed to various risks through its financial instruments. The following analysis provides a measure of the Gymnastics Saskatchewan Inc.'s exposure and concentrations at August 31, 2026:

Credit risk

Credit risk arises from the potential that a party may default on their financial obligations, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the Organization could incur a financial loss. The Organization is exposed to credit risk with respect to cash and accounts receivable. The Organization manages its credit risk by placing cash with major financial institutions. Credit risk for accounts receivable is managed by the credit quality and diverse debtor base and creating an allowance for bad debts where applicable.

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8. Financial instruments cont'd

Liquidity risk

Liquidity risk is the risk that the Organization may not be able to meet a demand for cash or fund its obligations as they come due or not being able to liquidate assets in a timely manner at a reasonable price. The Organization is exposed to liquidity risk with respect to its accounts payable and accrued liabilities but manages its liquidity risk by holding assets that can be readily converted into cash.

Interest rate risk

Interest rate risk is a type of market risk that refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The Organization is exposed to interest rate risk with respect to its cash and its effect on interest income. Fluctuations in interest rates do not have a significant effect on cash due to the fact that interest income is not a major percentage of total revenue.

9. Prior period adjustment

During the year, the Organization determined that insurance premiums previously recorded as prepaid expenses should have been recognized as expenses in the periods incurred. The comparative financial statements have been restated. The adjustment resulted in a decrease in opening accumulated surplus as at September 1, 2024 of $103,497 and an increase in insurance expenses for the year ended August 31, 2025 of $8,168. As a result prepaid expenses and accumulated surplus as at August 31, 2025 were each reduced by $111,665. The adjustment had no impact on the Organization's cash balances.

10. Economic dependence

Gymnastics Saskatchewan Inc. receives significant revenue in grants from Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation. As a result, the organization is dependent upon the continuance of these grants to maintain operations at their current level.

11. Contingent liability

GymCan is involved in certain legal matters and litigation including one uncertified class action claim in which Gymnastics Saskatchewan has been named as a defendant. The outcome of these claims is not presently determinable and an estimate of a liability, if any, cannot be reasonably made. No liability has been recorded relating to these claims. GymCan has insurance policies which will provide coverage for these claims should damages be awarded. Any deductible or residual payment above the insured amount required by GymCan from the resolution of these claims will be accounted for in the periods in which the claim are resolved.

12. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

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GYMNASTICS SASKATCHEWAN INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2026
(with comparative figures for 2025)

	2026	2025
Grants		**Schedule 1**
Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation		
Annual Funding	$ 570,800	$ 543,600
Membership Assistance program	163,000	156,700
Safe Sport recovery grant	600	-
High Performance Coach Capacity	45,000	45,000
Hosting	4,000	13,000
Spark IDEAs grant	106,935	3,667
	$ 890,335	$ 761,967
Self Help		**Schedule 2**
Internal		
Athlete fees	$ 140,558	$ 169,458
Clinics and programs and competitions	160,763	106,329
Membership fees	832,070	885,674
External		
Donations and sponsorships	15	1,323
Future Best	7,850	1,500
Interest income	11,907	33,461
Merchandising and sales	8,094	(2,693)
NGIAA Grant	12,739	3,732
Awards banquet	13,575	11,385
Elite Canada Hosting	-	74,995
Canadian Gymnaestrada Hosting	243,532	-
Westerns Hosting	63,967	97,067
	$ 1,495,070	$ 1,382,231

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GYMNASTICS SASKATCHEWAN INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2026
(with comparative figures for 2025)

	2026	2025
Administration		**Schedule 3**
Amortization	$ 11,840	$ 9,010
Audit fees	9,052	6,401
Office operations	79,851	74,889
Salaries and benefits	218,498	224,035
Bad debts	830	1,759
	$ 320,071	$ 316,094
Capacity/Interaction		**Schedule 4**
Communications and promotions	$ 2,351	$ 18,072
Financial and member services	20,680	17,230
Insurance	381,363	315,243
Meetings - board and committee	12,261	6,694
- annual general	17,647	2,893
- national	3,782	3,100
Professional development and planning	3,291	4,924
Recognition programs	41,378	53,522
Website	-	465
	$ 482,753	$ 422,143
Participation		**Schedule 5**
Athlete development		
Competitions and programs	$ 102,340	$ 74,144
Introductory programs	54,903	11,297
Under-represented group programs	20,090	15,634
Coaching development	204,882	221,710
Officials development	8,473	9,516
	$ 390,688	$ 332,301
Excellence		**Schedule 6**
Athlete Assistance grants	$ 17,500	$ 20,789
Athlete Competition and travel	314,360	303,497
Athlete Training	29,952	49,771
Sport Science & Medicine	7,393	8,933
Coaching development	100,954	77,387
HP Coaching grants		
Marian Gymnastics Club	25,500	25,500
Taiso Gymnastics Club	25,500	25,500
Officials development	64,710	72,848
	$ 585,869	$ 584,225

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GYMNASTICS SASKATCHEWAN INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2026
(with comparative figures for 2025)

	2026	2025
Categorical expenses		**Schedule 7**
Future Best	$ 7,850	$ 1,500
Elite Canada Hosting	-	67,917
Gym Canada membership fees	110,072	121,904
NGIAA Grant	14,171	2,300
Club Development grants	-	12,750
Spark IDEAs grant	103,893	3,333
Canadian Gymnaestrada Hosting	231,000	-
Westerns Hosting	66,250	90,409
	$ 533,236	$ 300,113
Membership Assistance Program		**Schedule 8**
Amazing Adventures	19,907	18,931
Asquith Gymnastics Club	1,528	1,476
Assiniboia Gymnastics Club	746	741
Biggar Gymnastics Club	422	362
Bohemka Rhythmic Gymnastics Club	957	736
Calico Gymnastics Club	1,875	1,762
Can-Am Gymnastics Club, Saskatoon	14,543	15,739
Carnduff Gymnastics Club	880	1,106
Carrot River Gym Club	341	-
Channel Performance	1,131	846
Esterhazy Energizers	1,761	1,814
Estevan Gymnastics Club	3,102	3,235
Finding Grace	857	498
FlipSide	2,394	2,205
Gelico Gymnastics Club	2,678	2,958
Gymnastics Adventure Inc.	5,118	1,247
Gymtastiks of Moose Jaw	3,474	3,192
Leaps and Bounds Gym Club	1,456	1,361
Marian Gymnastics Club	4,835	1,870
Maximum Gymnastics	7,637	7,002
Meadow Lake Gymnastics Club	1,549	1,233
Moose Mountain Jumpers	1,399	1,373
Subtotal	78,590	69,687

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GYMNASTICS SASKATCHEWAN INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2026
(with comparative figures for 2025)

	2026	2025
Subtotal - previous page	78,590	69,687
Nipawin Tumblers Gymnastics Club	1,305	1,913
Outlook Gymnastics Club	685	-
PA Gymnastics Club	4,889	5,680
Paradise Hill Gym Club	-	625
Queen City Gymnastics Club	38,374	40,673
Regina Rhythmic Gymnastics	2,544	2,468
Ritmo Gymnastics	2,741	4,312
Rosetown Gym Club	1,019	1,082
Ross Gym and Fit	1,006	893
Sesawewin Gymnastics Collective	-	193
T&T Adventure Club Inc.	-	702
Taiso Gymnastics Club	11,585	11,883
Tisdale Twisters Gymnastics Club	2,062	1,363
Unity Gymnastics Club	487	598
Valley Gymnastics Centre	5,313	1,871
Wapella Gym Club	418	242
Wascana Rhythmic Club	9,195	8,751
Weyburn Gymnastics Club	2,272	2,533
Whitewood Gymnastics Club	-	300
Wolseley Gymnastics Club	-	472
Zero Gravity Gym Club	515	459
	$ 163,000	$ 156,700