

Financial Statements of

**BRUCE GREY CHILD
AND FAMILY SERVICES**

March 31, 2026

Bruce Grey Child and Family Services
Table of Contents
March 31, 2026

	Page
Independent Auditor's Report	1
Statement of Financial Position	3
Statement of Operations and Changes in Fund Balances	4
Statement of Cash Flow	5
Notes to the Financial Statements	6
Auditor's Comments on Supplementary Information	13
Schedules of Revenue and Expenses	14

INDEPENDENT AUDITOR'S REPORT

To the Directors of **Bruce Grey Child and Family Services**:

Opinion

We have audited the financial statements of **Bruce Grey Child and Family Services** (the Organization), which comprise the statement of financial position as at March 31, 2026 and the statement of operations and changes in fund balances and cash flow 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 results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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 public sector accounting standards, 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.

INDEPENDENT AUDITOR'S REPORT CONTINUED

Auditor's Responsibilities for the Audit of the Financial Statements Continued

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.



Baker Tilly SGB LLP
Licensed Public Accountants
Walkerton, Ontario
June 10, 2026

AUDIT • TAX • ADVISORY

Baker Tilly SGB LLP trading as Baker Tilly is a member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. All members of Baker Tilly Canada Cooperative and Baker Tilly International Limited are separate and independent legal entities.

Bruce Grey Child and Family Services
Statement of Financial Position
as at March 31, 2026

	General Fund \$	Capital Asset Fund \$	Trust Fund \$	Children's Fund \$	Total 2026 \$	Total 2025 \$
Assets						
Current:						
Cash	2,537,367	-	-	-	2,537,367	1,625,267
Restricted Cash (Note 5)	1,453,225	-	123,539	-	1,576,764	1,590,807
Accounts Receivable	23,666	-	-	-	23,666	55,435
HST Recoverable	109,918	-	-	-	109,918	211,273
Due from Province	(20,316)	-	-	-	(20,316)	28,590
Prepaid Expenses	235,237	-	-	-	235,237	252,861
Due to/from Other Funds	(1,821,610)	578,109	548,569	694,932	-	-
	2,517,487	578,109	672,108	694,932	4,462,636	3,764,233
Tangible Capital Assets (Note 2)	-	2,603,685	-	-	2,603,685	2,889,537
	2,517,487	3,181,794	672,108	694,932	7,066,321	6,653,770
Liabilities						
Current:						
Accounts Payable	1,848,029	-	-	-	1,848,029	1,174,901
Government Remittances Payable	251,417	-	-	-	251,417	120,151
Accrued Vacation Pay	821,578	-	-	-	821,578	789,088
Deferred Revenue (Note 4)	-	-	-	35,510	35,510	-
Due to RESP Beneficiaries (Note 5)	-	-	533,239	-	533,239	573,848
Due to OCBE Beneficiaries (Note 5)	-	-	110,570	-	110,570	136,266
Employee Future Benefits (Note 6)	340,307	-	-	-	340,307	296,385
Due to other Beneficiaries (Note 5)	-	-	28,299	-	28,299	35,462
Current Portion of Long Term (Note 7)	-	73,596	-	-	73,596	1,886,725
	3,261,331	73,596	672,108	35,510	4,042,545	5,012,826
Long Term Debt (Note 7)	-	1,744,964	-	-	1,744,964	-
Fund Balances						
Capital Assets Fund	-	1,363,234	-	-	1,363,234	1,566,907
Externally Restricted (Note 1 (b))	-	-	-	659,422	659,422	664,549
Unrestricted (Note 8)	(743,844)	-	-	-	(743,844)	(590,512)
	(743,844)	1,363,234	-	659,422	1,278,812	1,640,944
Economic Dependence (Note 10)						
Commitments (Note 11)						
Contingencies (Note 12)						
	2,517,487	3,181,794	672,108	694,932	7,066,321	6,653,770

ON BEHALF OF THE BOARD

Sehryn J. Hicks

Chair

See Accompanying Notes to the Financial Statements

Bruce Grey Child and Family Services
Statement of Operations and Changes in Fund Balances
For the Year Ended March 31, 2026

	General Fund \$	Capital Asset Fund \$	Children's Fund \$	Total 2026 \$	Total 2025 \$
Revenue:					
Provincial Grants (Note 10)	22,344,554	-	-	22,344,554	22,486,786
Donations	-	-	38,403	38,403	116,299
Other Revenue (Note 14)	835,610	-	-	835,610	779,010
Interest	65,042	14,014	15,966	95,022	121,930
	23,245,206	14,014	54,369	23,313,589	23,504,025
Expenses:					
Salaries	11,383,969	-	-	11,383,969	11,663,613
Benefits	3,472,393	-	-	3,472,393	3,662,555
Travel	790,037	-	-	790,037	945,854
Training	84,196	-	-	84,196	104,230
Occupancy Costs	-	489,229	-	489,229	462,349
Purchased services - Non Client	438,632	-	-	438,632	458,603
Program	28,847	-	-	28,847	49,185
Boarding Home Payments	3,845,825	-	-	3,845,825	3,125,801
Purchased Services - Client	42,797	-	-	42,797	144,809
Client Personal Needs	445,548	-	-	445,548	487,439
Health and Medical	108,085	-	-	108,085	112,905
Financial Assistance	175,498	-	-	175,498	128,879
Interest on Long Term Debt	-	76,474	-	76,474	95,257
Adoption Subsidy	66,700	-	-	66,700	86,703
Targeted Adoption Subsidy	732,840	-	-	732,840	761,975
Promotion and Publicity	27,526	-	-	27,526	37,066
Office	101,477	-	-	101,477	111,063
Children's Needs	-	-	59,496	59,496	113,733
Miscellaneous	392,114	-	-	392,114	381,659
Technology	473,783	-	-	473,783	410,461
Gain on Disposal of Property	-	-	-	-	(45,475)
Amortization of Capital Assets	-	285,852	-	285,852	320,469
	22,610,267	851,555	59,496	23,521,318	23,619,133
Excess (Deficiency) of Revenues Over Expenses	634,939	(837,541)	(5,127)	(207,729)	(115,108)
Prior Year Ministry Adjustments	(154,403)	-	-	(154,403)	-
Interfund Transfers (Note 13)	(633,868)	633,868	-	-	-
	(153,332)	(203,673)	(5,127)	(362,132)	(115,108)
Fund Balance, at the Beginning of the Year	(590,512)	1,566,907	664,549	1,640,944	1,756,052
Fund Balance, at the End of the Year	(743,844)	1,363,234	659,422	1,278,812	1,640,944

See Accompanying Notes to the Financial Statements

Bruce Grey Child and Family Services
Statement of Cash Flow
For the Year Ended March 31, 2026

	2026 \$	2025 \$
OPERATING		
Deficiency of Revenues over Expenses	(207,729)	(115,108)
Prior Year Ministry Adjustments	(154,403)	-
Amortization of Property and Equipment	285,852	320,469
Gain on Disposal of Property	-	(45,475)
	(76,280)	159,886
Changes in non-cash working capital items		
Accounts Receivable	31,769	50,233
HST Recoverable	101,355	67,298
Due from Province	48,906	295,156
Prepaid Expenses	17,624	8,595
Accounts Payable	673,128	5,093
Government Remittance Payable	131,266	42,526
Accrued Vacation Pay	32,490	(2,107)
Due to RESP Beneficiaries	(40,610)	(7,212)
Due to OCBF Beneficiaries	(25,696)	30,870
Due to Other Beneficiaries	(7,162)	8,414
Deferred Revenue	35,510	(30,000)
Employee Future Benefits	43,922	24,527
	966,222	653,279
FINANCING		
Repayment of Long Term Debt	(68,165)	(59,582)
INVESTING		
Proceeds on Disposal of Property	-	437,000
NET CHANGE IN CASH	898,057	1,030,697
CASH, BEGINNING OF YEAR	3,216,074	2,185,377
CASH, END OF YEAR	4,114,131	3,216,074
CASH AND CASH EQUIVALENTS		
Cash	2,537,367	1,625,267
Restricted Cash	1,576,764	1,590,807
	4,114,131	3,216,074

See Accompanying Notes to the Financial Statements

Bruce Grey Child and Family Services

Notes to the Financial Statements

as at March 31, 2026

Purpose of the Organization

The Bruce Grey Child and Family Services is an organization which works under the mandate of the Ontario Child, Youth and Family Services Act to provide protection for children from abuse, neglect and other forms of maltreatment in the Counties of Bruce and Grey. The Organization is a non-profit organization incorporated without share capital under the laws of Ontario. The Organization is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

1. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian public sector accounting standards including the 4200 standards for government not-for-profit organizations. A statement of re-measurement gains and losses has not been included as there are no matters to report therein. The significant accounting policies applied in accordance with these standards are as follows:

(a) Financial Instruments

The Organization measures its financial assets and financial liabilities initially at fair value and subsequently at amortized cost. All financial assets are assessed for impairment on an annual basis.

Financial assets measured at amortized cost include: cash, restricted cash, accounts receivable, and amounts due from Province.

Financial liabilities measured at amortized cost include: accounts payable, accrued vacation pay, due to RESP beneficiaries, due to OCBE beneficiaries, due to other beneficiaries and long-term debt.

When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations and any realized gain is adjusted through the statement of remeasurement gains and losses.

When an asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations.

There are no items to be reported on the statement of remeasurement gains and losses and as a result, this statement has not been presented.

(b) Fund Accounting

The General Fund accounts for the Organization's day to day operations. The fund reports unrestricted resources and restricted operating grants.

The Capital Asset Fund reports the assets, liabilities, revenues and expenses related to the Organization's tangible capital assets.

The Trust Fund is used to hold trust assets of the Organization. It holds the Universal Child Care Benefit payments received and the Registered Education Saving Plans which are funded from those payments for eligible children in care. Any interest earned or grants received in the RESP's are reflected on the statement of financial position.

The Children's Fund reports only restricted resources that are to be used for the benefit of children.

(c) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and bank balances in Canadian financial institutions.

Bruce Grey Child and Family Services

Notes to the Financial Statements

as at March 31, 2026

1. Significant Accounting Policies (continued)

(d) Tangible Capital Assets

Purchased capital assets are recorded in the Capital Asset Fund at cost. Contributed capital assets are recorded in the Capital Asset Fund at fair market value at the date of the contribution. Amortization is provided on a straight-line basis over the assets' estimated useful lives, which are as follows:

Buildings	20 years
Equipment and Furnishings	5 years
Computers	3 - 5 years
Parking Lot	10 years

(e) Volunteer Contributed Services

Volunteers contribute a number of hours per year to assist the Organization in carrying out its service delivery activities. Because of the difficulty of determining either the amount of contributed time or its fair value, volunteer contributed services are not recognized in the financial statements.

(f) Revenue Recognition

The Organization uses the deferral method of accounting for restricted contributions of the general fund and the restricted fund method for other contributions in all other funds.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred.

All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted donations, interest earned on investments, and other revenues are recognized as revenue of the appropriate fund, when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Contributed materials and services are recognized in the appropriate fund, when received and at fair value at the date of the contribution, if fair value can be reasonably estimated.

Ministry Revenue is calculated using the Ministry's current funding model, plus any additional amendments by the Ministry. The Organization reports its revenue based on its approved entitlement for the year. Funding or repayment of fiscal deficit or surplus will be recorded in the year received or paid on the statement of operations and changes in fund balances as prior year Ministry adjustments.

(g) Use of Estimates

The preparation of financial statements 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 revenues and expenses during the reporting period. The Organization's implementation of the Public Sector Handbook PS 3150 has required management to make estimates of historical cost, useful lives and amortization of tangible capital assets. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results could differ from those estimates.

(h) Allocation of Expenses

The Organization reports costs for its operations by program. Costs that can be identified to a specific program are allocated directly to that program. Shared program costs are allocated to programs based on management's estimate of the time, usage, or space that best reflects actual utilization of the cost.

Bruce Grey Child and Family Services
Notes to the Financial Statements
as at March 31, 2026

1. Significant Accounting Policies (continued)

(i) Employee future benefits

The Organization provides sick leave benefits to its employees which are paid when the sick leave occurs. The amount is determined by their sick leave policy based on the employees period of time in service. Sick leave benefits do not vest. The Organization accrues this obligation to the extent of the sick leave benefit estimated to be used. The estimate is based on the three year historical actual sick leave which is expected to approximate to future liability.

The Organization offers a pension plan for its permanent employees through the Ontario Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer, contributory, public sector pension fund established for employees of certain public sector organizations. Participating employers and employees are required to make plan contributions based on participating employees' contributory earnings. The Organization accounts for its participation in OMERS as a defined contribution plan and recognizes the expense related to this plan as contributions are made, even though OMERS is itself a defined benefit plan.

2. Tangible Capital Assets

	2026		2025	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Land	735,274	-	735,274	735,274
Buildings	5,628,130	3,776,651	1,851,479	2,120,399
Equipment and Furnishings	1,006,478	1,006,478	-	-
Computers	1,513,893	1,496,961	16,932	33,864
Parking Lot	49,823	49,823	-	-
	<u>8,933,598</u>	<u>6,329,913</u>	<u>2,603,685</u>	<u>2,889,537</u>

3. Bank Loan

The Organization has an authorized operating line of credit with the Toronto Dominion Bank at prime less .25%, due on demand, with a maximum borrowing of \$1,750,000. Security held on all Toronto Dominion credit facilities include a general security agreement, collateral mortgages on property, and assignment of fire and liability insurance. Further terms and conditions are documented in the credit agreement dated April 27, 2024.

4. Deferred Revenue

Deferred Revenue represents restricted resources that are to be used for the benefit of children that were not spent at year end.

Bruce Grey Child and Family Services
Notes to the Financial Statements
as at March 31, 2026

5. Restricted Cash and Due to RESP and OCBE Beneficiaries

	2026	2025
	\$	\$
Restricted Cash - RESP Beneficiaries	533,239	573,848
Restricted Cash - OCBE Beneficiaries	110,570	136,266
Restricted Cash - OCBE Activities Surplus	209,724	180,682
Restricted Cash - Other Beneficiaries	28,299	35,462
Restricted Cash - Children's Fund	694,932	664,549
	<u>1,576,764</u>	<u>1,590,807</u>

Pursuant to Ministry Policy Directive, the Organization sets aside a portion for Children's special allowance funds, equivalent to the former federal UCCB payment, to establish Registered Education Savings Plans (RESPs) for eligible children in care. Restricted cash related to RESPs held in trust represent such funding not yet contributed to an RESP. At March 31, 2026, \$533,239 of funds are held in trust as the recipients of these funds are not eligible to set up an RESP account.

The trust fund administered by the Organization that has been placed into RESPs for eligible children in care amounts to \$951,803 (2025 - \$793,144). This has not been included in the statement of financial position nor have the operations been included in the statement of operations.

Similarly, a portion of the Ontario Child Benefit Equivalent (OCBE) relating to children aged 15-17 is being held as savings per a 2008 Ministry of Children and Youth Services directive. The Ministry updated the directive in 2014. Not all OCBE funds are required to be held in trust for the children and can be spent on children in the Organization's care as long as they are younger than 18 years of age.

6. Employee Future Benefits

The employee future benefit liability is the estimated obligation for compensated sick leave benefits. Under the sick leave policy, employees are provided with a percentage of their wage while on sick leave. The rate of benefit is based on their length of time in service and is paid to a maximum of 15 weeks. Employees are eligible after 3 months of service and after five years of continuous service, the rate is 100% of their wage. Employees are not entitled to a cash payment on termination or retirement. The accrual is calculated based on historic usage of this benefit.

7. Long Term Debt

	2026	2025
	\$	\$
TD Mortgage, 3.67%, payable in monthly blended payments of \$11,602, due December 19, 2027. Secured by property with a net book value of \$2,385,374	1,818,560	1,886,725
Less - Current Portion Due	<u>(73,596)</u>	<u>(1,886,725)</u>
	<u>1,744,964</u>	<u>-</u>

Principal payments due within the next year are as follows:

2027	\$ 73,596
2028	1,744,964

Bruce Grey Child and Family Services
Notes to the Financial Statements
as at March 31, 2026

8. Unrestricted Fund Balances

	2026	2025
	\$	\$
Child Welfare	(973,603)	(896,186)
Adult Protective Services	(5,399)	17,637
Mental Health Funding	(325)	(325)
Education Liaison Funding	1,547	19,455
Non-Child Welfare - Community Capacity	24,211	87,853
Transition Aged Youth	-	372
OCBE	209,725	180,682
	<u>(743,844)</u>	<u>(590,512)</u>

9. Capital Disclosures

The Organization defines capital as fund balances. The Organization's overall objective with its capital is to fund ongoing operations, capital assets, ongoing projects and future projects. The Organization has capital with external restrictions. The overall strategy with respect to capital remains unchanged from prior years.

10. Economic Dependence

The Organization's primary function is child welfare which is funded by the Province of Ontario. The ability to deliver the child welfare program at an acceptable level is fully dependent on annual funding from the Province of Ontario.

11. Commitments

The Organization has leases for office and computer equipment. The minimum annual payments under these leases are as follows:

	\$
2027	52,613
2028	52,613
2029	52,613
2030	47,307
2031	31,500

12. Contingencies

In the ordinary course of operations, various claims and lawsuits are brought against the Organization. It is the opinion of management that the settlement of these actions will not result in any material liabilities beyond any amounts already accrued.

13. Interfund Transfers

The General Fund transferred \$633,868 (2025 - \$595,107) to the Capital Fund to cover building occupancy and information technology expenditures related to Child Welfare. The Capital Fund transferred \$Nil (2025 - \$300,000) back to the Children's Fund upon the sale of real estate.

Bruce Grey Child and Family Services
Notes to the Financial Statements
as at March 31, 2026

14. Other Revenue

	2026	2025
	\$	\$
Children Special Allowances	542,759	521,735
Maintenance for Wards of Other Societies	94,122	98,856
Other Recoveries	198,729	139,819
Other Recoveries - Capital Fund	-	18,600
	<u>835,610</u>	<u>779,010</u>

15. Pension Agreement

The employees of Bruce Grey Child and Family Services participate in the Ontario Municipal Employees Retirement System ("OMERS"). Although the plan has a defined retirement benefit for employees, the related obligation of the Organization cannot be identified. The Organization has applied defined contribution plan accounting as it has insufficient information to apply defined benefit plan accounting.

The amount contributed to OMERS for the current year was \$1,120,287 (2025 - \$1,183,706) and is included as an expense on the statement of operations.

OMERS is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Organization does not recognize any share of the OMERS pension surplus or deficit. The most recent actuarial valuation of the Plan was conducted at December 31, 2025. The results of this valuation disclosed total actuarial liabilities of \$151.36 (2024 - \$140.80) billion in respect of benefits accrued for service with actuarial assets at that date of \$150.0 (2024 - \$139.6) billion, indicating a going concern actuarial deficit of \$1.3 (2024 - \$2.9) billion.

16. Financial Instruments

The Organization's exposure to risks from financial instruments is described as follows:

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 is exposed to credit risk in connection with the collection of its accounts receivable. The Organization mitigates this risk by maintaining credit approval and payment policies and does not anticipate significant loss for non-collection. A significant portion of the Organization's receivables are due from governments which are believed to be at low risk of default. Allowance for doubtful accounts at March 31, 2026 is \$nil.

Interest Rate Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is exposed to interest rate risk on their mortgage payable. Changes in prime lending rates can cause fluctuations in interest expense and payment obligations. The Organization manages this risk by monitoring floating interest rates and locking in rates for a term of up to five years.

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its long-term debt and accounts payable. The Organization expects to meet these obligations as they come due by cash flow from government grants.

Bruce Grey Child and Family Services
Notes to the Financial Statements
as at March 31, 2026

17. Balanced Budget Fund

In fiscal 2014, the Ministry announced the creation of the Balanced Budget Fund to support Children's Aid Societies in meeting the newly announced balanced budget requirements that were outline in the Ministry's Regulation 70. The Balanced Budget Fund process has been individually developed for each Children's Aid Society and will reflect the accumulated surplus that was returned to the Ministry each year.

Changes to the Balanced Budget Fund were made effective in Fiscal Year 2021 and now limits the Societies to contribute 50% of the Child Welfare Surpluses. To be eligible to access these funds, the Organization must meet two conditions as follows:

- (1) The Organization must have generated a prior year surplus recovered in or after fiscal 2014; and
- (2) The Organization must require additional funding in a future year for Child Welfare operations in order that they will not incur a deficit. The required amount cannot exceed the total accumulated Balanced Budget Fund surplus.

During the year, the Balanced Budget Fund was used to cover a deficit of \$Nil (2025 - \$Nil).

The accumulated Child Welfare surplus in the Balanced Budget Fund is as follows:

2025 Surplus	24,272
2026 Surplus	<u>23,771</u>
Available Surplus	<u><u>48,043</u></u>

18. Comparative Amounts

Certain comparative amounts have been reclassified to confirm with the current year's financial statement presentation.

AUDITOR'S COMMENTS ON SUPPLEMENTARY INFORMATION

To the Directors of Bruce Grey Child and Family Services:

We have audited the accompanying financial statements of Bruce Grey Child and Family Services, which comprise the statement of financial position as at March 31, 2026 and the statements of operation and changes in fund balances and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial information presented hereinafter was derived from the accounting records tested by us as part of the auditing procedures followed in our examination of the financial statements. The information is presented for the purposes of additional analysis and is not a required part of the financial statements.

Management is responsible for the preparation and presentation of the supplementary information in accordance with the basis of accounting required by the Ministry of Children, Community and Social Services.

Restriction on Distribution and Use

The supplementary information is prepared to assist the Board of Directors to meet the requirements of the Ministry of Children, Community and Social Services. As a result, the supplementary information may not be suitable for another purpose. Our report is intended solely for the Board of Directors and Ministries and should not be distributed to or used by parties other than the Board of Directors or the Ministry of Children, Community and Social Services.



Baker Tilly SGB, LLP
Licensed Public Accountants
Walkerton, Ontario
June 10, 2026

Bruce Grey Child and Family Services
Schedule of Revenue and Expenses
For the Year Ended March 31, 2026

Child Welfare		
	2026	2025
	\$	\$
Revenue:		
Province of Ontario Subsidy		
- Ministry of Children, Community and Social Services	22,039,848	21,785,439
Other Revenue	900,651	840,126
	22,940,499	22,625,565
Expenses:		
Salaries	11,282,771	11,341,995
Benefits	3,405,966	3,526,120
Travel	787,240	914,398
Training	84,196	104,149
Occupancy Costs	633,868	595,107
Purchased services - Non Client	372,864	405,508
Program	2,347	10,989
Boarding Home Payments	3,838,825	3,113,801
Purchased Services - Client	42,797	143,323
Client Personal Needs	360,988	408,883
Health and Medical	108,085	112,905
Financial Assistance	175,498	128,879
Adoption Subsidy	66,700	86,703
Targeted Adoption Subsidy	732,840	761,975
Promotion and Publicity	27,526	37,066
Office	104,550	112,247
Miscellaneous	392,114	362,518
Technology	473,783	410,461
	22,892,958	22,577,027
Excess of Revenue over Expenses for Government Reporting Purposes	47,541	48,538

See Accompanying Notes to the Financial Statements

Bruce Grey Child and Family Services
Schedule of Revenue and Expenses
For the Year Ended March 31, 2026

Adult Protective Services		
	2026	2025
	\$	\$
Revenue:		
Provincial Grant		
- Ministry of Children, Community and Social Services	-	407,156
Expenses:		
Salaries	-	258,365
Benefits	-	89,412
Travel	-	26,281
Training	-	81
Occupancy	-	11,448
Office	-	1,824
Miscellaneous	-	19,076
	-	406,487
Excess/(Deficiency) of Revenue over Expenses for Government Reporting Purposes	-	669

Bruce Grey Child and Family Services
Schedule of Revenue and Expenses
For the Year Ended March 31, 2026

Education Liaison Funding		
	2026	2025
	\$	\$
Revenue:		
Provincial Grant		
- Ministry of Children, Community and Social Services	94,008	94,008
Expenses:		
Salaries	68,707	65,360
Benefits	22,504	22,496
Travel	2,797	5,175
	94,008	93,031
Excess of Revenue over Expenses for Government Reporting Purposes	-	977

See Accompanying Notes to the Financial Statements

Bruce Grey Child and Family Services
Schedule of Revenue and Expenses
For the Year Ended March 31, 2026

Transition Aged Youth			
		2026	2025
		\$	\$
Revenue:			
Provincial Grant			
- Ministry of Children, Community and Social Services		7,000	12,000
Expenses:			
Program		7,000	12,000
Excess of Revenue over Expenses for Government Reporting Purposes		-	-

See Accompanying Notes to the Financial Statements

Bruce Grey Child and Family Services
Schedule of Revenue and Expenses
For the Year Ended March 31, 2026

Non-Child Welfare - Community Capacity		
	2026	2025
	\$	\$
Revenue:		
Provincial Grant		
- Ministry of Children, Community and Social Services	90,096	90,096
Expenses:		
Program Expenses	26,500	38,196
Purchased Services	62,695	50,152
	89,195	88,348
Excess of Revenue over Expenses for Government Reporting Purposes	901	1,748

See Accompanying Notes to the Financial Statements

Bruce Grey Child and Family Services
Schedule of Revenue and Expenses
For the Year Ended March 31, 2026

	OCBE	
	2026	2025
	\$	\$
Revenue:		
Provincial Grant		
- Ministry of Children, Community and Social Services	113,603	98,087
Expenses:		
Program	84,561	78,557
Excess of Revenue over Expenses for Government Reporting Purposes	29,042	19,530