JEWISH FAMILY SERVICES

Financial Statements

For the Year Ended June 30, 2025

Donnelly & Co. LLP
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Jewish Family Services

Qualified Opinion

We have audited the financial statements of Jewish Family Services (the Society), which comprise the statement of financial position as at June 30, 2025, 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, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at June 30, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Society derives revenue from donations the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses, and cash flows from operations for the year ended June 30, 2025, current assets and net assets as at June 30, 2025. Our audit opinion on the financial statements for the year ended June 30, 2024 was modified accordingly because of the possible effects of this limitation of scope.

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 Society in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit 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 ASNPO, 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

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Independent Auditor's Report to the To the Members of Jewish Family Services *(continued)*

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 Society'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 Society'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 Society 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.

Donnelly & Co. LLP

Chartered Professional Accountants

Edmonton, Alberta
October 22, 2025

JEWISH FAMILY SERVICES
Statement of Financial Position
As at June 30, 2025

	2025	2024
Assets		
Current		
Cash and cash equivalents *(Note 4)*	$ **777,370**	$ 155,232
Investments *(Note 5)*	**463,537**	1,250,000
Accounts receivable	**75,194**	94,066
Goods and services tax recoverable	**7,503**	7,684
Interest receivable	**17,678**	12,431
Prepaid expenses	**33,548**	21,470
	1,374,830	1,540,883
Fixed assets *(Note 6)*	**70,779**	91,494
	$ **1,445,609**	$ 1,632,377
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	$ **314,641**	$ 266,605
Employee deductions payable	**8,300**	7,038
Deferred revenue *(Note 7)*	**350,050**	493,270
	672,991	766,913
Lease inducements *(Note 8)*	**142,600**	159,396
	815,591	926,309
Commitments *(Note 9)*		
Net Assets		
Internally restricted reserve *(Note 10)*	**243,078**	318,187
Contingency reserve	**386,940**	387,881
	630,018	706,068
	$ **1,445,609**	$ 1,632,377

On behalf of the Board

_______________ *Director*

_______________ *Director*

JEWISH FAMILY SERVICES
Statement of Operations
For the Year Ended June 30, 2025

	2025	2024
Revenue *(Schedule 1)*		
Azerieli and other foundations *(Note 11)*	$ **181,396**	$ 136,266
Casino	**41,339**	71,113
Claims Conference *(Note 11)*	**3,004,470**	2,521,811
Donations *(Note 12)*	**92,100**	61,168
Family and community support services	**421,411**	378,658
Fees for service	**884,470**	729,286
Fundraising	**39,425**	3,613
Grant income	**690,773**	688,200
Interest and other income	**46,717**	28,487
	5,402,101	4,618,602
Expenses *(Schedule 1)*		
Administrative expenses	**116,304**	75,277
Facility occupancy	**91,594**	89,987
Governance	**23,921**	40,328
Office	**63,574**	53,976
Programs and services	**442,948**	434,882
Salaries, wages and benefits	**3,974,264**	3,245,756
Subcontractors	**765,546**	708,219
	5,478,151	4,648,425
Deficiency of revenue over expenses before extraordinary income	**(76,050)**	(29,823)
Extraordinary income		
Estates income *(Note 10)*	**-**	338,687
Excess (deficiency) of revenue over expenses	$ **(76,050)**	$ 308,864

JEWISH FAMILY SERVICES

Statement of Changes in Net Assets

For the Year Ended June 30, 2025

	Unrestricted Net Assets	Internally Restricted Reserve (Note 10)	Contingency Reserve	**2025**	2024
Net assets - beginning of year	$ -	$ 318,187	$ 387,881	**$ 706,068**	$ 397,204
Excess (deficiency) of revenue over expenses	(76,050)	-	-	**(76,050)**	308,864
Interfund transfer	76,050	(75,109)	(941)	**-**	-
Net assets - end of year	$ -	$ 243,078	$ 386,940	**$ 630,018**	$ 706,068

JEWISH FAMILY SERVICES
Statement of Cash Flows
Year Ended June 30, 2025

	2025	2024
Operating activities		
Cash receipts from funders and customers	$ 5,240,481	$ 5,547,257
Cash paid to suppliers and employees	(5,436,832)	(4,602,610)
Interest received	32,026	15,105
	(164,325)	959,752
Investing activities		
Purchase of investments	(13,537)	(1,250,000)
Proceeds from investments	800,000	-
	786,463	(1,250,000)
Increase (decrease) in cash and cash equivalents	622,138	(290,248)
Cash and cash equivalents - beginning of year	155,232	445,480
Cash and cash equivalents - end of year *(Note 4)*	$ 777,370	$ 155,232

1. Description of operations

Jewish Family Services ("JFS" or the "Society") is based in Edmonton, Alberta operating for the benefit of the general community of Edmonton and surrounding areas. For some programs, its efforts are directed towards the Jewish community. Some of the services provided by the Society are therapeutic and bereavement counselling, employment support, senior advocacy services, newcomer services, volunteer support, community development, short term emergency financial support and provision of local cultural resource information.

The Society is a non-profit organization incorporated under the Societies Act of Alberta and is exempt from income tax pursuant to the Income Tax Act of Canada. It is registered as a charity with Canada Revenue Agency and is able to issue charitable donation receipts for income tax purposes.

2. Summary of significant accounting policies

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Cash and cash equivalents

Cash and cash equivalents are comprised of cash and short term investments with original maturities of three months or less. Cash and cash equivalents subject to restrictions that prevent its current use is included in restricted cash and cash equivalents.

Investments

Investments, which consist of fixed income securities, are carried at amortized cost.

Fixed assets

Property and equipment are stated at cost and amortized over their useful lives. Purchases with a per item cost of less than $20,000 are expensed in the year they are purchased.

Leasehold improvements	straight-line method over the term of the lease

Donations

Cash donations are recognized as revenue when received. Donations in kind of goods that are used in the normal course of operations are recorded at fair market value when their fair market value can be reasonably estimated.

Contributed services

Contributed services are not recorded in these financial statements. Volunteers contribute hours in carrying out governance and other activities of the Society. Due to the difficulty in determining their fair value, contributed volunteer services are not recognized in the financial statements.

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2. Summary of significant accounting policies *(continued)*

Designated Reserves

Contingency Reserve

The Contingency Reserve is to cover unbudgeted liabilities or general expenses in the event that regular funding sources are inadequate. Board approval is required for any expenses covered by the Contingency Reserve. The balance in the Contingency Reserve is not to exceed 25% of prior year non-project operational expenses.

Internally Restricted Reserve

The Internally Restricted Reserve accounts for the unspent portion of the extraordinary estate donation (see Note 12).

Revenue recognition

Jewish Family Services 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 received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Investment income is recognized as revenue when earned.

Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expense on a straight-line basis over the lease term. Lease incentives under operating leases are recognized as a liability and amortized on a straight-line basis over the life of the lease term.

Allocation of administrative expenses

Administration expenses are allocated to programs based on a review and assessment made by management. The allocation of these costs is performed according to the underlying resources used by each program.

3. Financial instruments

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Society's risk exposure and concentration as of June 30, 2025.

Credit risk

The Society's exposure to credit risk related to accounts receivable arises from the possibility that a customer does not fulfil its obligations. This is minimized through a program of credit evaluation of new customers and limits on the amount of credit extended as deemed necessary. The Society performs continuous evaluation of its accounts receivable.

Liquidity risk

The Society's exposure to liquidity risk is dependent on the collection of accounts receivable, the ability to raise funds to sustain operations and fulfilling customer purchasing commitments and obligations. The Society control liquidity risk by management of working capital, cash flows and the availability of borrowing facilities.

4. Cash and cash equivalents

	2025	2024
Cash and cash equivalents - unrestricted	$ 745,686	$ 101,223
Cash and cash equivalents - restricted	31,684	54,009
	$ 777,370	$ 155,232

Expenses from restricted cash and cash equivalents require approval from the Alberta Gaming, Liquor and Cannabis Commission.

5. Investments

	2025	2024
Redeemable Guaranteed Investment Certificates with interest at 6% due November 10, 2025	$ 463,537	$ 450,000
Redeemable Guaranteed Investment Certificates with interest at 3% due May 3, 2025	-	800,000
	$ 463,537	$ 1,250,000

6. Fixed assets

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Leasehold improvements	$ 119,115	$ 48,336	$ 70,779	$ 91,494

During the year, the Society recorded amortization expense of $20,716, netted against amortization of lease inducements of $20,716.

7. Deferred revenue

The deferred revenue represent the unspent portion of grants received from the funders or donors for specific programs and purposes. Deferred revenue is recognized as revenue when the related expenses are made. Changes in the deferred revenue balance are as follows:

	Balance, beginning of year	Received (repayment) during the year	Recognized as revenue in the year	Balance, end of year
Alberta Gaming, Liquor and Cannibas Commission (AGLC)	$ 54,009	$ 19,013	$ (41,338)	$ 31,684
Claims Conference	189,631	2,817,196	(3,004,470)	2,357
Edmonton Community Foundation	-	32,500	(11,372)	21,128
Emergency Response	34,814	(7,692)	(27,122)	-
Enabling Accessibility	91,020	-	-	91,020
FCSS regular funding	37,516	393,913	(398,603)	32,826
Jewish Federation	-	3,000	-	3,000
Lewar Fund	-	23,227	(6,308)	16,919
New Horizons	16,089	20,000	(16,089)	20,000
Other programs	7,827	11,951	(12,949)	6,829
Social Prescribing	50,697	544,303	(470,713)	124,287
United Way	11,667	98,333	(110,000)	-
	$ 493,270	$ 3,955,744	$ (4,098,964)	$ 350,050

8. Lease inducements

The Society's landlord provided $0.25 per square foot for space planning and $45 per square foot for leasehold improvements upon execution of the lease. Any unused allowance is credited towards the basic rent. In addition, the landlord also provided the Society with a free rent period from March to November.

	2025	2024
Provision for free rent	**$ 71,821**	$ 67,902
Provision for leashold improvements	**70,779**	91,494
	$ 142,600	$ 159,396

9. Commitments

The Society has a long term lease with respect to its office space which expires on November 30, 2028. Future minimum lease payments are as follows:

2026	$ 93,639
2027	95,435
2028	96,183
2029	39,610

10. Internally restricted reserve and estates income

In 2024, the Society received an unanticipated and extraordinary estate donation of $338,687, with an additional amount to be received in the future upon the full distribution of the estate. The donor did not specify any restrictions on the use of the funds. Accordingly, the Board of Directors has designated the donation as internally restricted. Expenses or transfers from this internally restricted reserve require Board approval.

11. Claims Conference

The City of Edmonton has been recognized as having a relatively high number of low income survivors of Nazi atrocities. The conference on Jewish Material Claims Against Germany (the "Claims Conference") continues to negotiate ongoing funding to support holocaust survivors and funding is secured well in advance of JFS contract negotiations.

The Society has continued servicing additional clients as the Jewish community becomes more aware of the support services being provided under the Claim Conference funding model. During the year, revenue recognized from the Claims Conference was $3,004,470 (2024 - $2,521,811).

The Society also received additional funding from the Azrieli Foundation which is to be used to supplement the funding received from the Claims Conference to provide services to low income survivors of Nazi atrocities. During the year, revenue recognized from the Azrieli Foundation was $131,805 (2024 - $115,250).

12. Donations

The Society has adopted Imagine Canada's Ethical Fundraising and Financial Accountability Code. During the year, the total donations for which receipts were issued for income tax purposes totaled $84,589 (2024 - $369,130).

13. Economic dependence

The Society is economically dependent on the Claims Conference for its funding. All of the funding is used in the Society's Home Support program.

JEWISH FAMILY SERVICES
Schedule of Operations by Program
For the Year Ended June 30, 2025

(Schedule 1)

	Home Support	Edmonton Healing Centre	Older Adult Services	Outreach	Administration	Total
Revenue						
Claims Conference	$ 3,004,470	$ -	$ -	$ -	$ -	3,004,470
Fees for Service	402,312	76,265	403,893	2,000	-	884,470
United Way	-	130,000	-	-	1,806	131,806
United Jewish Appeal	-	5,754	-	66,222		71,976
Other grants	3,307	(11,440)	476,353	17,269	1,502	486,991
Family and Community Support Services	-	111,208	310,203	-	-	421,411
Foundation revenue	131,805	-	-	31,136	18,455	181,396
Interest and other income	1,870	-	-	792	44,055	46,717
Donations	700	2,182	1,214	11,930	76,074	92,100
Fundraising	-	-	151	-	39,274	39,425
Casino	-	23,109	-	18,230	-	41,339
	3,544,464	337,078	1,191,814	147,579	181,166	5,402,101
Expenses						
Salaries, wages and benefits	2,538,115	203,833	846,535	174,674	211,107	3,974,264
Programs and services	396,585	3,501	17,695	21,637	3,530	442,948
Subcontractors	411,751	80,136	133,982	(70)	139,747	765,546
Facility occupancy	15,783	31,535	8,299	17,427	18,550	91,594
Administrative	749	37,166	7,856	53	70,480	116,304
Office	19,131	2,237	12,730	507	28,969	63,574
Governance	4,068	-	-	-	19,853	23,921
Administrative allocation	159,608	48,498	84,258	25,999	(318,363)	-
	3,545,790	406,906	1,111,355	240,227	173,873	5,478,151
Excess (deficiency) of revenue over expenses	$ (1,326)	$ (69,828)	$ 80,459	$ (92,648)	$ 7,293	$ (76,050)