

FINANCIAL STATEMENTS

For

JACK.ORG

For year ended

JUNE 30, 2026

INDEPENDENT AUDITOR'S REPORT

To the directors of

JACK.ORG

Opinion

We have audited the financial statements of Jack.org (the "Organization"), which comprise the statement of financial position as at June 30, 2026, the statements of changes in net assets, operations, 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 June 30, 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 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.

Welch LLP

Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
October 5, 2026.

JACK.ORG
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2026

	<u>2026</u>	<u>2025</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 911,464	\$ 265,039
Accounts and other receivables	315,645	241,848
HST receivable	46,610	86,137
Prepaid expenses	<u>127,892</u>	<u>45,730</u>
	1,401,611	638,754
INVESTMENTS (note 3)	1,748,494	2,583,051
TANGIBLE CAPITAL ASSETS (note 4)	21,431	68,527
INTANGIBLE ASSETS (note 4)	<u>295,454</u>	<u>408,985</u>
	<u>\$ 3,466,990</u>	<u>\$ 3,699,317</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 173,472	\$ 455,335
Deferred contributions (note 5)	<u>308,566</u>	<u>190,291</u>
	482,038	645,626
NET ASSETS		
Unrestricted	2,049,403	1,957,515
Internally restricted - Tangible capital and intangible assets	316,885	477,512
- Legacy fund (note 6)	<u>618,664</u>	<u>618,664</u>
	<u>2,984,952</u>	<u>3,053,691</u>
	<u>\$ 3,466,990</u>	<u>\$ 3,699,317</u>

Commitments (note 7)

Approved by the Board:

Zachary Pendley
..... Director

Adrienne Ny
..... Director

(See accompanying notes)

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2026

	Balance, beginning <u>of year</u>	Net revenue (expenses) <u>for the year</u>	<u>Transfers</u>	Balance, end <u>of year</u>
Unrestricted	\$ 1,957,515	\$ 94,644	\$ (2,756)	\$ 2,049,403
Internally restricted -				
Tangible capital and intangible assets	477,512	(163,383)	2,756	316,885
Legacy fund (note 6)	<u>618,664</u>	<u>-</u>	<u>-</u>	<u>618,664</u>
	<u>\$ 3,053,691</u>	<u>\$ (68,739)</u>	<u>\$ -</u>	<u>\$ 2,984,952</u>

(See accompanying notes)

JACK.ORG
STATEMENT OF OPERATIONS
YEAR ENDED JUNE 30, 2026

	<u>2026</u>	<u>2025</u>
Revenues		
Corporate	\$ 2,857,468	\$ 2,912,264
Foundations	1,272,985	1,715,747
Events	1,100,186	1,106,719
Investment income (note 3)	197,823	350,382
Major gifts	389,430	269,836
Annual giving	336,871	158,701
Government	299,023	69,814
Other	<u>21,693</u>	<u>5,527</u>
	<u>6,475,479</u>	<u>6,588,990</u>
Expenses		
Staff costs	4,154,640	5,769,062
Professional fees	510,427	708,928
Technology	481,359	527,109
Promotion expenses	360,183	422,727
Engagement and volunteer costs	236,888	217,863
Rent and maintenance	174,142	238,228
Event expenditures	139,796	181,998
Processing fees	91,023	102,453
Content creation	75,751	155,502
Travel	69,951	114,682
General office	69,575	103,757
Staff training and development	<u>17,100</u>	<u>32,554</u>
	<u>6,380,835</u>	<u>8,574,863</u>
Net revenues (expenses) before items below	<u>94,644</u>	<u>(1,985,873)</u>
Other expenses		
Branding (note 4)	-	286,455
Amortization	<u>163,383</u>	<u>154,188</u>
	<u>163,383</u>	<u>440,643</u>
Net expenses for the year	<u>\$ (68,739)</u>	<u>\$ (2,426,516)</u>

(See accompanying notes)

JACK.ORG
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2026

	<u>2026</u>	<u>2025</u>
CASH PROVIDED BY (USED IN)		
Operating activities		
Net expenses for the year	\$ (68,739)	\$ (2,426,516)
Items not affecting cash:		
Changes in fair value of investments	(166,451)	(262,946)
Amortization of tangible capital assets	49,852	60,670
Amortization of intangible assets	113,531	96,252
Loss on disposal of tangible capital assets	<u>2,044</u>	<u>-</u>
	(69,763)	(2,532,540)
Changes in non-cash working capital items:		
Accounts and other receivables	(73,797)	(35,493)
HST receivable	39,527	(8,954)
Prepaid expenses	(82,162)	(9,665)
Accounts payable and accrued liabilities	(281,863)	(142,542)
Deferred contributions	118,275	(363,521)
Accrued interest on guaranteed investment certificates	<u>-</u>	<u>126,595</u>
	<u>(349,783)</u>	<u>(2,966,120)</u>
Investing activities		
Purchase of tangible capital assets	(4,800)	(142,069)
Proceeds from sale of guaranteed investment certificates	-	2,440,023
Purchase of investments	(1,349,182)	-
Proceeds from sale of investments	<u>2,350,190</u>	<u>250,000</u>
	<u>996,208</u>	<u>2,547,954</u>
INCREASE (DECREASE) IN CASH	646,425	(418,166)
CASH - BEGINNING OF YEAR	<u>265,039</u>	<u>683,205</u>
CASH - END OF YEAR	<u>\$ 911,464</u>	<u>\$ 265,039</u>

(See accompanying notes)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2026

1. DESCRIPTION OF ORGANIZATION

Jack.org (the Organization) was created in memory of Jack Windeler, a student at Queen's University who tragically and unexpectedly died by suicide. Co-founded by Jack's parents, Eric Windeler and Sandra Hanington, the Organization trains and empowers young leaders who are working to revolutionize mental health for their generation and beyond. To Jack.org, revolution means a Canada where every young person is comfortable talking about their mental health, and those that need it get the help they deserve.

The Organization puts youth at the centre of all its programs, which include, but are not limited to:

- Jack Talks - Informed by youth and delivered by professionally trained young speakers, Jack Talks initiate conversations on mental health in schools and communities across Canada;
- Jack Chapters - Trained youth-led groups in every province and territory, working year-round to identify and break down barriers to positive mental health in their communities; and
- Digital Programming Platforms (Be There/EdHub) - Educational resources to help youth, and those who support them, learn how to support someone who may be struggling (www.BeThere.org).

The Organization is a charitable organization registered without shares under the Canada Not-for-profit Corporations Act and, as such, is exempt from income taxes and able to issue donation receipts for income tax purposes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-profit Organizations.

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 disclosures of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the year. Management makes accounting estimates when determining its allowance for doubtful accounts receivable, the useful lives of tangible capital and intangible assets, and in determining certain accrued liabilities. Actual results could differ from these estimates.

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JUNE 30, 2026

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

Financial instruments

- Measurement of financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value, except for certain instruments originated or acquired in related party transactions. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for cash and investment in pooled funds, which is designated at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include accounts and other receivables and investment in a private corporation. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

- Impairment

At the end of each reporting period, the Organization assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. If there are indicators of impairment, and the Organization determines there has been a significant adverse change in the expected amount or timing of future cash flows, the carrying amount of the asset is reduced to the higher of the expected cash flows expected to be generated by holding the asset, discounted using a current market rate of interest, and the amount that could be realized by selling the asset at the statement of financial position date.

Tangible capital assets and intangible assets

Tangible capital assets and intangible assets are initially recorded at cost. Amortization of tangible capital assets and intangible assets with finite useful lives are recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Computers	3 years
Furniture	5 years
Leasehold improvements	Remaining life of lease
Website	5 years
Systems	5 years

The Organization's domain name is not amortized until its life is determined to be no longer indefinite.

Impairment of long-lived assets

Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposal. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value. Impairments of long-lived assets are not reversed.

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JUNE 30, 2026

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Under this method, contributions restricted for future period expenses are deferred and 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 recorded when earned.

Contributed materials, shares and services

The Organization recognizes contributed materials and services greater than \$5,000 to the extent that fair value can be reasonably estimated, and the materials and services are used in the normal course of the Organization's operations and would have otherwise been purchased. Contributed materials and services of \$nil (2025 - \$527) are recognized as donation revenue and expense in the statement of operations.

Contributed shares of certain listed companies amounting to \$55,035 (2025 - \$48,450) are recorded as general donation revenue. The Organization's policy is to dispose of such shares immediately and convert them into cash. Proceeds received from disposal are presented in the statement of cash flows.

Volunteers make a substantial contribution of time each year to assist the Organization in carrying out its activities. Due to the difficulty in determining the fair value of such services, they are not recognized in these financial statements.

3. INVESTMENTS

	<u>2026</u>	<u>2025</u>
Investment in pooled funds (i)	\$ 1,690,062	\$ 2,524,619
Investment in a private corporation	<u>58,432</u>	<u>58,432</u>
	<u>\$ 1,748,494</u>	<u>\$ 2,583,051</u>

(i) Investment in pooled funds

	<u>2026</u>		<u>2025</u>	
	<u>Fair value</u>	<u>Cost</u>	<u>Fair value</u>	<u>Cost</u>
Pooled funds	\$ 1,690,062	\$ 1,692,129	\$ 2,524,619	\$ 2,627,615

The Organization's investment in pooled funds is as follows:

	<u>2026</u>	<u>2025</u>
Fixed income	\$ 660,876	\$ 962,680
Equities	1,004,786	1,497,319
Other	<u>24,400</u>	<u>64,620</u>
	<u>\$ 1,690,062</u>	<u>\$ 2,524,619</u>

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JUNE 30, 2026

4. TANGIBLE CAPITAL ASSETS AND INTANGIBLE ASSETS

	2026			2025
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net</u>	<u>Net</u>
Tangible capital assets				
Computers	\$ 193,398	\$ 181,226	\$ 12,172	\$ 19,485
Furniture	-	-	-	2,750
Leasehold improvements	<u>121,692</u>	<u>112,433</u>	<u>9,259</u>	<u>46,292</u>
	<u>315,090</u>	<u>293,659</u>	<u>21,431</u>	<u>68,527</u>
Intangible assets				
Domain	16,272	-	16,272	16,272
Website	751,422	485,801	265,621	370,111
Systems	<u>45,204</u>	<u>31,643</u>	<u>13,561</u>	<u>22,602</u>
	<u>812,898</u>	<u>517,444</u>	<u>295,454</u>	<u>408,985</u>
	<u>\$ 1,127,988</u>	<u>\$ 811,103</u>	<u>\$ 316,885</u>	<u>\$ 477,512</u>

During the year, the Organization spent \$nil (2025 - \$286,455) to refresh the Jack.org brand. These costs have been expensed in the statement of operations.

5. DEFERRED CONTRIBUTIONS

	<u>Balance - beginning of year</u>	<u>Unspent restricted donations</u>	<u>Amounts recognized as revenue</u>	<u>Balance - end of year</u>
Corporate	\$ 100,000	\$ 100,000	\$ (100,000)	\$ 100,000
Foundations	90,291	250,000	(151,725)	188,566
Major gifts	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
	<u>\$ 190,291</u>	<u>\$ 370,000</u>	<u>\$ 251,725</u>	<u>\$ 308,566</u>

6. INTERNALLY RESTRICTED NET ASSETS

Legacy fund

The Organization internally restricts net assets to support the expansion of the Organization's work in the area of community, parent and caregiver engagement in youth mental health.

7. COMMITMENTS

The Organization has rental agreements for office premises. Future payments under the agreements for the next two fiscal years are as follows:

2027	\$ 150,278
2028	37,570

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JUNE 30, 2026

8. RELATED PARTY BALANCES AND TRANSACTIONS

Donation revenue includes \$13,689 (2025 - \$11,427) from management and board members.

9. CHARITABLE ACTIVITIES

The Organization files an annual T3010 Registered Charity Information Return with the Canada Revenue Agency. The T3010 requires expenditures to be reported by function, including charitable programs, management and administration, fundraising, and other categories prescribed by the Canada Revenue Agency.

The statement of operations presents expenses by object. The classifications used for T3010 reporting are based on management's best estimate of time spent on each program or support category.

	2026		
		Other program expenses	Total
Charitable	<u>Personnel</u>		
School and community outreach (Jack Talks)	\$ 756,620	\$ 411,100	\$ 1,167,720
Campus-based activities (Jack Chapters)	850,356	472,907	1,323,263
Digital Programming Platforms (Be There/EdHub)	<u>780,435</u>	<u>518,556</u>	<u>1,298,991</u>
	<u>2,387,411</u>	<u>1,402,563</u>	<u>3,789,974</u>
Fundraising	<u>1,199,425</u>	<u>679,470</u>	<u>1,878,895</u>
Administration			
General administration	567,804	144,162	711,966
Amortization	<u>-</u>	<u>163,383</u>	<u>163,383</u>
	<u>567,804</u>	<u>307,545</u>	<u>875,349</u>
	<u>\$ 4,154,640</u>	<u>\$ 2,389,578</u>	<u>\$ 6,544,218</u>
	2025		
		Other program expenses	Total
Charitable	<u>Personnel</u>		
School and community outreach (Jack Talks)	\$ 1,276,289	\$ 702,880	\$ 1,979,169
Campus-based activities (Jack Chapters)	1,263,784	516,177	1,779,961
Digital Programming Platforms (Be There/EdHub)	<u>1,136,708</u>	<u>689,564</u>	<u>1,826,272</u>
	<u>3,676,781</u>	<u>1,908,621</u>	<u>5,585,402</u>
Fundraising	<u>1,390,943</u>	<u>826,447</u>	<u>2,217,390</u>
Administration			
General administration	701,338	70,733	772,071
Amortization	-	154,188	154,188
Branding	<u>-</u>	<u>286,455</u>	<u>286,455</u>
	<u>701,338</u>	<u>511,376</u>	<u>1,212,714</u>
	<u>\$ 5,769,062</u>	<u>\$ 3,246,444</u>	<u>\$ 9,015,506</u>

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED JUNE 30, 2026

10. FINANCIAL INSTRUMENTS

Financial risk management

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure and concentrations.

Liquidity risk

The Organization's objective is to have sufficient liquidity to meet its liabilities when they come due.

The Organization manages liquidity risk by monitoring, on a regular basis, that sufficient funds are generated from donations and investments to meet the Organization's future commitments. The significant financial liabilities at year-end are accounts payable and accrued liabilities.

Credit risk

The Organization's credit risk arises on cash, investments, accounts and other receivables. The Organization does not have significant concentration risk. The Organization's cash is maintained at major financial institutions; therefore, the Organization considers the risk of non-performance of these instruments to be remote. Accounts and other receivables are closely monitored for recovery. Allowance for doubtful accounts is recognized for receivables that are not expected to be recovered. As at June 30, 2026, allowance for doubtful accounts amounted to \$nil (2025 - \$nil).

Market risk

Market risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. The Organization is exposed to all three types of market risk.

i) Interest rate risk

Interest rate risk is the risk arising from fluctuations in interest rates and their degree of volatility. The Organization's exposure to interest rate risk arises from cash and pooled funds that hold fixed income securities (note 3).

ii) Currency risk

Currency risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises when financial assets or financial liabilities are denominated in a currency other than Canadian dollars. The Organization is primarily exposed to currency risk on equity investments held in US dollars and on cash denominated in US dollars.

As at June 30, 2026, the Organization held cash of \$3,762 (2025 - \$3,489) denominated in US dollars and 30% (2025 - 35%) of investments in equity holdings are denominated in US dollars.

iii) Other price risk

Other price risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Organization's exposure to this risk arises from its investment in pooled funds (note 3).

Changes in risk

There have been no significant changes in the Organization's risk exposures from the prior year.

11. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform to the presentation adopted in the current year.