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MEN'S SHEDS CANADA

FINANCIAL STATEMENTS

March 31, 2026

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MEN'S SHEDS CANADA

FINANCIAL STATEMENTS

March 31, 2026

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INDEPENDENT AUDITOR'S REPORT

To the Members of Men's Sheds Canada

Opinion
We have audited the accompanying financial statements of Men's Sheds Canada, which comprise the statement of financial position as at March 31, 2026, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Men's Sheds Canada as at March 31, 2026, and the results of its activities 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 Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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
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 judgement and maintain professional skepticism throughout the audit. We 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 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 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 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 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.

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.

Bergeron & Co.

Bergeron & Co. Chartered Professional Accountants

August 20, 2026
Edmonton, AB

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MEN'S SHEDS CANADA
STATEMENT OF OPERATIONS
For the year ended March 31, 2026

	2026	2025
REVENUE		
Waltons Trust (Note 7)	$ 989,891	$ 644,965
Donations	10,758	-
Interest earned	6,777	5,705
Other income	220	4,254
Service agreement revenue	-	100,000
	1,007,646	754,924
EXPENSES		
Grants	340,650	237,085
Wages and benefits	246,263	131,140
Honorariums and contractual services (Note 8)	176,288	208,160
Travel expense and networking	106,934	93,239
Marketing, promotion and representation	77,433	54,375
Professional fees	19,057	10,977
Administration and operational expenses	18,852	15,994
Training	1,566	-
Bank charges	1,308	417
Insurance	1,233	889
Amortization of tangible assets	579	153
	990,163	752,429
EXCESS OF REVENUE OVER EXPENSES	**$ 17,483**	**$ 2,495**

See accompanying Notes to Financial Statements

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MEN'S SHEDS CANADA
STATEMENT OF CHANGES IN NET ASSETS
For the year ended March 31, 2026

NET ASSETS	Invested in capital assets	Restricted	Unrestricted	Total 2026	Total 2025
Balance, beginning of year	$ 1,377	$ -	$ 1,170	$ 2,547	$ 52
Excess of revenues over expenses	(579)	-	18,062	17,483	2,495
Investment in capital assets	2,724	-	(2,724)	-	-
Balance, end of year	**$ 3,522**	**$ -**	**$ 16,508**	**$ 20,030**	**$ 2,547**

See accompanying Notes to Financial Statements

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MEN'S SHEDS CANADA
STATEMENT OF FINANCIAL POSITION
March 31, 2026

	2026	2025
ASSETS		
CURRENT		
Cash (Note 3)	$ 273,188	$ 484,071
Due from employees	1,157	-
Prepaid expenses	23,573	298
Goods and Services Tax recoverable	15,811	8,501
TOTAL CURRENT ASSETS	313,729	492,870
TANGIBLE CAPITAL ASSETS (Note 4)	3,525	1,377
TOTAL ASSETS	**$ 317,254**	**$ 494,247**
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	$ 20,878	$ 29,828
Payroll liabilities (Note 6)	6,254	11,871
Deferred revenues (Note 7)	270,092	450,001
TOTAL LIABILITIES	297,224	491,700
NET ASSETS		
Net assets invested in capital assets	3,522	1,377
Unrestricted net assets	16,508	1,170
TOTAL NET ASSETS	20,030	2,547
TOTAL LIABILITIES & NET ASSETS	**$ 317,254**	**$ 494,247**

Approved on behalf of the Board:

Signed by: Robert Goluch 0E617D7A103147E...

_____, Director

Robert Goluch

Signed by: 7A0B51562760445...

_____, Director

Dwayne Semple

See accompanying Notes to Financial Statements

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MEN'S SHEDS CANADA
CASH FLOW STATEMENT
For the year ended March 31, 2026

	2026	2025
OPERATING ACTIVITIES		
Excess of revenue over expenses	$ 17,483	$ 2,495
Add (deduct):		
Charges to income not involving cash		
Amortization of tangible assets	579	153
	18,062	2,648
Net change in non-cash working capital balances related to operations		
Due from employees	(1,157)	-
Prepaid expenses	(23,275)	(298)
Accounts payable and accrued liabilities	(8,953)	29,828
Payroll liabilities	(5,617)	11,871
Goods and services tax payable (receivable)	(7,310)	(8,501)
Deferred revenues	(179,909)	450,001
	(208,159)	485,549
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(2,724)	(1,530)
(DECREASE) INCREASE IN CASH	(210,883)	484,019
CASH, beginning of year	484,071	52
CASH, end of year	**$ 273,188**	**$ 484,071**

See accompanying Notes to Financial Statements

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MEN'S SHEDS CANADA
NOTES TO FINANCIAL STATEMENTS
March 31, 2026

1. PURPOSE OF THE NOT-FOR-PROFIT ORGANIZATION AND ECONOMIC DEPENDENCY

Men's Shed Canada (the "Organization") is a registered charity incorporated under the Canada Not-for-profit Corporations Act, as such, it is exempt from income taxes under the IncomeTax Act (Canada).

The purposes of the organization is to grow and strengthen the Men's Shed movement in Canada by supporting the creation of new Sheds, connecting existing Sheds for peer learning and mentoring, providing education programs and communications opportunities, working with provincial Men's Shed associations, and engaging in research and other partnerships.

The Organization receives 98% (85% - 2025) of its revenues from operating grants.

2. ACCOUNTING POLICIES

These financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations and include the following significant accounting policies:

Financial instruments

a) Financial assets and liabilities are measured initially at fair value, except for certain non-arm's length transactions, which are measured at the exchange amount or carrying value as appropriate. Subsequent measurement is at amortized cost. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost consist of cash and accounts receivable.

Financial liabilities measured at amortized cost consist of accounts payable and accrued liabilities and payroll liabilities.

Financial instruments impairment

b) Financial assets measured at cost or amortized cost are tested for impairment if there are indications of possible impairment. The amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, either directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment loss not been recognized previously. The amount of the reversal is recognized in net income.

Management's use of estimates

c) The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Significant financial statements items that require the use of estimates are as follows: useful life and amortization of tangible capital assets, net realizable value of accounts receivable, accrued liabilities and deferred contributions. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations in the year they become known.

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Revenue recognition

d) The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures 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.

Service agreement and other income are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Cash and cash equivalents

e) Cash and cash equivalents include amounts on deposit with financial institutions, bank overdrafts that fluctuate frequently from being positive to overdrawn, and term deposits, if any, that mature within three months from the date of acquisition. Cash and cash equivalents exclude term deposits that are unavailable for current use because they are pledged as security.

Tangible capital assets

f) Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution. Amortization is recorded at the following rates, which have been established by estimates of useful lives. Additions during the current year are amortized at one-half their normal rates, and no amortization is taken in the year of disposition. Amortization expense is reported in the Statement of Operations.

Computer hardware	20% straight line

When a tangible capital asset no longer has any long-term service potential for the Council, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

Contributed materials and services

g) Volunteers contribute many hours per year to assist the organization in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements. Contributed materials are recognized at their fair value.

3. RESTRICTED CASH

	2026	2025
Externally restricted cash - Deferred contributions	$ 270,092	$ 450,001
Unrestricted cash	3,096	34,070
	$ 273,188	$ 484,071

4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2026	Net Book Value 2025
Computer hardware	$ 4,257	$ 732	$ 3,525	$ 1,377

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5. CREDIT FACILITY

The Organization has a credit card with an authorized limit of $10,000 bearing interest of 19.99%.

6. GOVERNMENT REMITTANCES

The amount owing for government remittances other than those accounts that are separately reported in the balance sheet is $6,254 (2025 - $8,217). This amount is included in accounts payable and accrued liabilities.

7. DEFERRED CONTRIBUTIONS

	Opening	Received	Used	Ending
Waltons Trust	$ 450,001	$ 809,982	$ 989,891	$ 270,092

8. RELATED PARTIES

The Association paid $29,269 to the executive director of the Association for a Partnership and Fund Development position and associated activities.

These transactions were conducted in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

9. COMPARATIVE INFORMATION

Certain comparative amounts have been reclassified to conform with the current year presentation.