

AUNT LEAH'S INDEPENDENT LIFESKILLS SOCIETY

A Not-for-profit Organization

FINANCIAL STATEMENTS

March 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the members of Aunt Leah's Independent Lifeskills Society

Opinion

We have audited the financial statements of Aunt Leah's Independent Lifeskills Society, which comprise the statement of financial position as at March 31, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 Society 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 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.

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.

INDEPENDENT AUDITOR'S REPORT — continued

- ◆ 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis with that of the preceding year.

Galloway Battelle & Company

Chartered Professional Accountants
Vancouver, BC
Date to be determined

AUNT LEAH'S INDEPENDENT LIFESKILLS SOCIETY

STATEMENT OF OPERATIONS

For the year ended March 31, 2025

	2025	%	2024	%
Revenue				
Government funding (note 4)	\$ 2,759,864	44.2	\$ 2,953,338	48.7
Individuals	1,482,642	23.7	1,033,567	17.0
Foundations and charities	1,013,760	16.2	1,076,121	17.7
Social enterprise and others	847,519	13.6	875,287	14.4
Community, businesses and corporations	145,889	2.3	127,091	2.1
	6,249,674	100.0	6,065,404	100.0
Expenditures				
Programming (note 5)	4,184,551	67.0	5,056,608	83.4
Social enterprise (note 6)	803,388	12.9	961,712	15.9
Fundraising (note 7)	588,229	9.4	690,473	11.4
General and administration	267,379	4.3	460,559	7.6
	5,843,547	93.5	7,169,352	118.2
Excess (deficiency) of revenue over expenditures	\$ 406,127	6.5	\$ (1,103,948)	(18.2)

See accompanying notes

AUNT LEAH'S INDEPENDENT LIFESKILLS SOCIETY

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2025

	Unrestricted Operating	Internally Restricted	Capital Assets	Restricted for endowment purposes	Total 2025	Total 2024
Balance, beginning of year						
As previously stated	\$ (24,281)	\$ 319,366	\$ 134,313	\$ 50,000	\$ 479,398	\$ 1,493,874
Prior period adjustments (note 2)	(89,472)	-	-	-	(89,472)	-
As restated	(113,753)	319,366	134,313	50,000	389,926	1,493,874
Excess (deficiency) of revenue over expenditures	456,315	-	(50,188)	-	406,127	(1,103,948)
Transfers	(164,685)	164,685	-	-	-	-
Balance, end of year	\$ 177,877	\$ 484,051	\$ 84,125	\$ 50,000	\$ 796,053	\$ 389,926

See accompanying notes

AUNT LEAH'S INDEPENDENT LIFESKILLS SOCIETY

STATEMENT OF FINANCIAL POSITION

As at March 31, 2025


	2025	2024
ASSETS		
Current		
Cash (note 8)	\$ 481,838	\$ 77,438
Accounts receivable	235,410	244,666
Prepaid expenses	107,570	30,025
	824,818	352,129
Term deposits (note 9)	288,632	369,366
Capital assets (note 10)	84,125	134,314
	\$ 1,197,575	\$ 855,809
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 199,289	\$ 262,464
Deferred contributions (note 12)	158,807	150,845
Deferred lease inducement	40,625	50,000
Deposits	2,801	2,574
	401,522	465,883
Commitments (note 15)		
Unrestricted Operating	177,877	(113,753)
Internally Restricted	484,051	319,366
Capital Assets	84,125	134,313
Restricted for endowment purposes	50,000	50,000
	796,053	389,926
	\$ 1,197,575	\$ 855,809

See accompanying notes

Approved on behalf of the board:

DocuSigned by:

 _____ Director
 Megan Halprin

Signed by:

 _____ Director
 Rick Schneider

AUNT LEAH'S INDEPENDENT LIFESKILLS SOCIETY

STATEMENT OF CASH FLOWS

For the year ended March 31, 2025

	2025	2024
Cash used for:		
Operating activities		
Excess (deficiency) of revenue over expenditures	\$ 406,127	\$ (1,103,948)
Adjustment for non-cash item:		
Amortization	50,188	54,729
	456,315	(1,049,219)
Net change in non-cash working capital items:		
Accounts receivable	9,256	(87,235)
Prepaid expenses	(77,545)	4,222
Accounts payable and accrued liabilities	(63,173)	122,764
Deferred contributions	7,962	(208,343)
Deferred lease inducement	(9,375)	(9,375)
Deposits	227	28,730
Cash flows from operating activities	323,667	(1,198,456)
Financing activity		
Redemption of term deposit	91,862	223,014
Investing activities		
Purchase of term deposit	(11,129)	(395,439)
Purchase of capital assets	-	(52,467)
Cash flows from investing activities	(11,129)	(447,906)
Change in cash position	404,400	(1,423,348)
Cash, beginning of year	77,438	1,500,786
Cash, end of year	\$ 481,838	\$ 77,438

See accompanying notes

AUNT LEAH'S INDEPENDENT LIFESKILLS SOCIETY

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

1. Operations

Aunt Leah's Independent Lifeskills Society ("the Society") was initially formed under the Society Act of British Columbia on July 18th, 1988. The Society's main purpose is to assist youth and families in learning the necessary lifeskills for successful independent living.

The Society is a registered Canadian charity and, as such, is exempt from income taxes under paragraph 149(1)(f) of the Income Tax Act (Canada).

2. Restatement of prior year figures

During the year, the Society determined that in the fiscal year ended March 31, 2024, the Society received and recognized excess government funding that should have been repayable and recorded as a liability. The Society also determined that during the same period, it had recorded damage deposits from program participants as income.

As a result, government funding was overstated while accounts receivable, accounts payable and deposits were understated.

The comparative figures have been restated to reflect the above adjustments required. The effect of the adjustments is noted below.

	As previously stated	As restated	Adjustment
Government funding	\$ 3,016,664	\$ 2,967,444	\$ (63,326)
Social enterprise and others (revenue)	901,432	875,287	(26,145)
Accounts receivable	230,225	244,666	14,441
Deposits	23,572	(2,574)	(26,146)
Accounts payable and accrued liabilities	184,697	248,358	77,767
Unrestricted operating net assets	(24,281)	(99,647)	(89,472)

AUNT LEAH'S INDEPENDENT LIFESKILLS SOCIETY

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

3. Summary of significant accounting policies

The Society applies the Canadian accounting standards for not-for-profit organizations.

Revenue recognition

The Society follows the deferral method of accounting for contributions for not-for-profit organizations.

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. For contributions subject to legislative or contractual stipulation or restriction as to their use, revenue is deferred and recognized as revenue in the year related expenses are incurred.

Social enterprises revenue from the sale of goods or services are recognized when the goods are delivered or services rendered.

General fundraising and donations revenues are recognized when received. Externally restricted donations used to purchase depreciable capital assets are deferred and amortized over the life of the related capital asset.

Donated material and services

The Society benefits from donated material and donated services in the form of volunteer work for various activities. The value of donated material and services is not recognized in the financial statements.

Cash and cash equivalents

Cash and cash equivalents represent externally restricted, internally restricted and unrestricted cash and equivalents and mature within three months and those that can be readily converted to cash.

Externally restricted cash and cash equivalents are restricted for specified purposes and are not available for the Society's general operations.

Internally restricted cash represents money set aside to fund specified activities identified by management and approved by the Board of Directors. The funds are not available for the Society's general operations.

Unrestricted cash represents funds available for the Society's general operations.

AUNT LEAH'S INDEPENDENT LIFESKILLS SOCIETY

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

3. Summary of significant accounting policies — continued

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided for using the following annual rates and methods:

Computer equipment	55% declining balance
Computer software	30% declining balance
Equipment	20% declining balance
Furniture and fixtures	20% declining balance
Leasehold improvements	5-10 years straight-line

Artwork is recorded at cost and reviewed for impairment.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that could affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of useful lives for amortization of capital assets and provisions for contingencies. Actual results may differ from these estimates.

Financial instruments

The Society's financial instruments consist of cash and cash equivalents, accounts receivable, term deposits, accounts payable and accrued liabilities. The Society initially measures all of its financial instruments at fair value and subsequently at amortized cost using the effective interest rate method, except for investments which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Allocation of expenses

The Society incurs general administrative expenses, and the Society allocates these expenses directly to its programs based on cost driver such as number of employees, salary expenses, and time spent on programs.

General administrative expenses allocated to programs are \$803,438 (2024 - \$907,606).

AUNT LEAH'S INDEPENDENT LIFESKILLS SOCIETY

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

4. Government funding

The breakdown of government funding is as follows:

	2025	2024
Ministry of Children and Family Development	\$ 1,094,470	\$ 957,124
BC Housing	836,856	502,526
Reaching Home: Canada's Homelessness Strategy	430,807	489,696
Skills Training for Employment program (STE)	227,096	206,545
Municipal funding	78,200	76,500
BC Gaming income	70,135	65,500
Vancouver Coastal Health Authority	22,300	-
Employment and Social Development Canada (YESS)	-	396,145
Minister for the Department for Women and Gender Equality	-	249,247
Employment and Social Development Canada (CanadaSummer Jobs)	-	10,055
	\$ 2,759,864	\$ 2,953,338

5. Programming

The breakdown of program expenses is as follows:

	2025	2024
Wages and benefits	\$ 1,604,148	\$ 1,893,124
BC Housing	861,294	488,024
Operating expenses	718,333	1,413,856
Administration and overhead	569,788	771,871
Reaching Home: Canada's Homelessness Strategy	430,988	489,733
	\$ 4,184,551	\$ 5,056,608

6. Social enterprise

The breakdown of social enterprise expenses is as follows:

	2025	2024
Operating expenses	\$ 521,822	\$ 487,650
Wages and benefits	203,382	351,946
Administration and overhead	78,184	122,116
	\$ 803,388	\$ 961,712

AUNT LEAH'S INDEPENDENT LIFESKILLS SOCIETY

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

7. Fundraising

The breakdown of fundraising expenses is as follows:

	2025	2024
Wages and benefits	\$ 393,033	\$ 474,883
Administration and overhead	170,713	135,122
Operating expenses	24,483	80,468
	\$ 588,229	\$ 690,473

8. Cash

Included in cash is \$195,419 (2024 - \$nil) which has been internally restricted for the purpose of a contingency fund to be used for emergencies and significant non-recurring expenses.

9. Term deposits

Term deposits totaling \$238,632 (2024 - \$319,366) are internally restricted for the purpose of a contingency fund to be used for emergencies and significant non-recurring expenses. \$50,000 (2024 - \$50,000) of the total term deposits are externally restricted for endowment purposes.

10. Capital assets

	2025		2024	
	Cost	Accumulated amortization	Net book value	Net book value
Art	\$ 14,224	\$ -	\$ 14,224	\$ 14,224
Computer equipment	129,941	116,694	13,247	29,374
Computer software	69,614	48,736	20,878	29,826
Equipment	23,090	20,209	2,881	3,601
Furniture and fixtures	79,964	66,265	13,699	17,124
Leasehold improvements	454,878	435,682	19,196	40,165
	\$ 771,711	\$ 687,586	\$ 84,125	\$ 134,314

11. Bank indebtedness and credit facility

The Society has an operating line of credit with Vancouver City Savings Credit Union (VanCity) for the support of its operational activities in the amount of \$480,000. The loan is repayable on demand and bears an interest of prime plus 2%.

AUNT LEAH'S INDEPENDENT LIFESKILLS SOCIETY

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

12. Deferred contributions

Deferred contributions represent externally restricted funding for operating expenses to be incurred in future periods and for capital asset purchases. Changes in deferred contributions are as follows:

	Balance, beginning of year	Received	Recognized	Balance, end of year
Aqueduct Foundation	\$ 100,000	\$ -	\$ (100,000)	\$ -
Ministry of Children and Family Development	50,845	1,051,767	(1,094,470)	8,142
Chantler-Langer Foundation	-	15,000	-	15,000
Macdougall Consultants	-	30,000	(5,891)	24,109
FYFE Foundation	-	100,000	(48,444)	51,556
City of Vancouver	-	60,000	-	60,000
	\$ 150,845	\$ 1,256,767	\$ (1,248,805)	\$ 158,807

13. Remuneration of directors and employees

During the year, the Society paid remuneration to 8 employees (2024 - 8 employees) who earned equal to or in excess of \$75,000 for an aggregate total of \$713,656 (2024 - \$707,524).

No remuneration was paid to any members of the Board of Directors.

The Society paid a total severance pay of \$90,316 to 2 employees (2024 - \$67,433 to 8 employees) upon termination during the year.

14. Net assets

The Society defines its capital as its net assets. Its objectives in managing capital are:

- (a) to ensure that sufficient financial resources are in place to Board of Directors during its annual strategic plan review;
- (b) to manage grants and donations with external restrictions in order to comply with the conditions for using these financial statements.

The Society monitors its net assets by reviewing various financial metrics, including cash flows and variances to forecast and budgets.

AUNT LEAH'S INDEPENDENT LIFESKILLS SOCIETY

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

15. Internally restricted funds

The Society restricts the use of portions of its unrestricted net assets for future emergency needs or significant non-recurring expenses. When incurred, related expenses are charged to operations and the balance of internally restricted net assets is reduced accordingly.

16. Commitments

The Society has entered into various operating leases for its premises. The minimum annual lease payments for the next 5 fiscal years are as follow:

2026	\$ 372,493
2027	360,082
2028	226,618
2029	148,604
2030	91,151
Subsequent years	1,326,000
	<hr/>
	\$ 2,524,948

17. Financial instrument risk and management

Liquidity risk

The Society has a liquidity risk in the accounts payable and accrued liabilities of \$199,289 (2024 - \$262,464). Liquidity risk is the risk that the Society cannot repay its obligations when they become due to its creditors. The Society reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due and maintains an adequate line of credit to repay vendors. In the opinion of management the liquidity risk exposure to the Society is low.

Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The Society is exposed to this risk mainly in respect to its cash and accounts receivable. In the opinion of management the credit risk exposure to the Society is low.

AUNT LEAH'S FOUNDATION

FINANCIAL STATEMENTS

March 31, 2025



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INDEPENDENT AUDITOR'S REPORT

To the Members of Aunt Leah's Foundation

Qualified Opinion

We have audited the accompanying financial statements of Aunt Leah's Foundation ("the Foundation"), which comprise the statement of financial position as at March 31, 2025, and the statement of operations and changes in fund balances and statement of 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 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 Foundation as at March 31, 2025, 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 (ASNPO).

Basis for qualified opinion

As discussed in Note 2, the Foundation amortizes its property included in the Housing Fund at a rate equal to the annual principal reduction of the related mortgages under agreements with the British Columbia Housing Management Commission which constitutes a departure from ASNPO. Based on a straight-line method over the terms of the underlying land leases, amortization should be increased and excess of revenues over expenditures should be decreased for the current year by \$157,863 (2024 - \$157,983), and capital asset fund balance should be decreased by \$157,863 (2024 - \$157,983).

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 Foundation 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 qualified 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation'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 Foundation'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 Foundation'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 Foundation 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.

Report on Other Legal and Regulatory Requirements

As required by the Society Act of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Galloway Battelle & Company

Chartered Professional Accountants
Vancouver, BC
June 24, 2025

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AUNT LEAH'S FOUNDATION

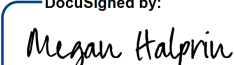
STATEMENT OF FINANCIAL POSITION


As at March 31, 2025

	General Fund	Housing Fund	Capital Asset Fund	Replacement Reserve	2025	2024
ASSETS						
Current						
Cash	\$ 9,209	\$ -	\$ 393,107	\$ 36,104	\$ 438,419	\$ 229,281
Term deposits	-	-	248,361	-	248,361	70,000
Accounts receivable	39,648	-	162,677	-	202,324	169,200
Prepaid expenses	132,841	15,403	41,251	-	189,495	190,317
Deposits	-	-	25,000	-	25,000	-
	181,698	15,403	870,396	36,104	1,103,599	658,798
Tangible capital assets (Note 4)	-	-	28,079,997	-	28,079,997	20,172,018
	\$ 181,698	\$ 15,403	\$ 28,950,393	\$ 36,104	\$ 29,183,596	\$ 20,830,816
LIABILITIES						
Current						
Accounts payable and accrued liabilities	\$ 74,843	\$ 1,314	\$ 59,163	\$ -	\$ 135,318	\$ 68,220
Deposits	19,714	6,178	-	-	25,892	24,562
BC Housing demand loan (Note 5)	-	-	7,749,988	-	7,749,988	-
Current portion of long-term debt (Note 6)	-	-	4,951,774	-	4,951,774	33,995
	94,557	7,492	12,760,925	-	12,862,972	126,777
Long-term debt (Note 6)	-	-	823,582	-	823,582	5,345,013
BC Housing forgivable loans (Note 7)	-	-	5,125,151	-	5,125,151	5,125,151
	94,557	7,492	18,709,658	-	18,811,705	10,596,941
FUND BALANCES						
Balance	87,141	7,911	10,240,735	36,104	10,371,891	10,233,875
	\$ 181,698	\$ 15,403	\$ 28,950,393	\$ 36,104	\$ 29,183,596	\$ 20,830,816

See accompanying notes to the financial statements

Approved on behalf of the board:

DocuSigned by:

 Megan Halprin Director
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DocuSigned by:

 Nancy Hill Director
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AUNT LEAH'S FOUNDATION

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

For the year ended March 31, 2025

	General Fund	Housing Fund	Capital Asset Fund	Replacement Reserve	2025	2024
Revenue						
Donations and bequests	\$ 62,859	\$ -	\$ 197,656	\$ -	\$ 260,515	\$ 81,890
Grants and other (Note 8)	-	-	112,421	-	112,421	8,011,300
Interest income	-	-	13,038	1,303	14,345	7,250
Rental	622,160	175,593	-	-	797,752	265,094
	685,019	175,593	323,115	1,303	1,185,033	8,365,534
Expenses						
Accounting	23,548	-	-	-	23,548	10,696
Amortization	-	-	189,833	-	189,833	53,294
Insurance	42,036	20,661	-	-	62,697	33,280
Management fees	257	10,631	-	-	10,888	8,314
Mortgage interest	231,596	-	-	-	231,596	24,566
Office	47,826	-	-	-	47,826	36,750
Professional services	26,532	-	-	-	26,532	38,650
Property taxes	47,666	5,555	-	-	53,220	17,565
Rent	15,864	-	-	-	15,864	15,864
Repairs and maintenance	192,756	66,672	-	4,353	263,781	57,578
Wages and benefits	121,232	-	-	-	121,232	107,562
	749,313	103,519	189,833	4,353	1,047,017	404,119
Excess (deficiency) of revenues over expenditures						
	(64,294)	72,074	133,286	(3,050)	138,016	7,961,415
Balance, beginning of year	74,311	13,476	10,043,460	102,628	10,233,875	2,272,460
Interfund transfers	77,124	(77,639)	63,989	(63,474)	-	-
Balance, end of year	\$ 87,141	\$ 7,911	\$ 10,240,735	\$ 36,104	\$ 10,371,891	\$ 10,233,875

See accompanying notes to the financial statements

AUNT LEAH'S FOUNDATION

STATEMENT OF CASH FLOWS

For the year ended March 31, 2025

	2025	2024
Operating activities		
Excess of revenues over expenditures	\$ 138,016	\$ 7,961,415
Adjustments for		
Amortization	189,833	53,294
	189,833	53,294
	327,849	8,014,709
Change in non-cash working capital items		
Accounts receivable	(33,126)	(141,084)
Deposits	1,330	19,714
Prepaid expenses	(24,188)	(145,585)
Accounts payable and accrued liabilities	67,099	15,056
	338,964	7,762,810
Investing activities		
Acquisition of capital assets	(8,097,812)	(12,287,412)
Term deposits purchase	(178,351)	(70,000)
Financing activities		
Loan repayments	(34,036)	(33,002)
Loan advance	8,180,373	4,500,000
	8,146,337	4,466,998
Increase (decrease) in cash	209,138	(127,604)
Cash, beginning of year	229,281	356,885
Cash, end of year	\$ 438,419	\$ 229,281

See accompanying notes to the financial statements

AUNT LEAH'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

1. Nature of operations

Aunt Leah's Foundation (the "Foundation") is a not-for-profit organization dedicated to preventing children in foster care from becoming homeless and mothers in need from losing custody of their children. The Foundation solicits funds, gifts and property for the purpose of providing low-cost housing for those in need and supporting other registered charities and qualified donees with similar principles.

The Foundation was incorporated under the Society Act of British Columbia on October 2, 2013 and is a registered Canadian charity. As such, the Foundation is exempt from income taxes under paragraph 149(1)(f) of the Income Tax Act (Canada).

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

Fund accounting

In order to ensure observance of the limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of fund accounting following the restricted fund method of accounting. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the donors or in accordance with directives issued by the Board of Directors (the "Board").

Transfers between the funds are made when it is considered appropriate and authorized by the Board. To meet these objectives of financial reporting and stewardship over assets, certain interfund transfers are necessary to ensure the appropriate allocation of assets and liabilities to the respective funds. These interfund transfers are recorded in the statement of changes in net assets.

(i) General Fund

The General Fund is unrestricted and accounts for the Foundation's general fundraising, rental and administrative activities. The General Fund reports unrestricted resources available for immediate purposes.

(ii) Housing Fund

The Housing Fund reports restricted operating grants, revenue and expenses related to the Foundation's housing activities under agreement with British Columbia Housing Management Commission.

(iii) Capital Asset Fund

The Capital Asset Fund reports the assets, liabilities, revenue and expenses related to the Foundation's capital assets.

(iv) Replacement Reserve Fund

The Replacement Reserve Fund reports the assets, liabilities, revenues and expenses related to capital asset replacements. Reserves are funded at least annually. The reserve and accumulated interest are held in a separate bank account. Inter-fund transfers are made for periodic allocation to the Replacement Reserve Fund.

AUNT LEAH'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

2. Significant accounting policies — continued

Revenue recognition

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

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Contributions received from BC Housing for the replacement reserve fund are reported as interfund transfers from the Housing Fund to the Replacement Reserve Fund.

Contributions received from BC Housing for the acquisition of capital assets are recognized as revenue in the Capital Fund.

Donations and gifts are recognized upon receipt.

Interest income is recognized as revenue when earned.

Rental revenue is recognized on a monthly basis in accordance with the rental agreements.

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 disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with maturities of three months or less from their date of acquisition, which are readily convertible into a known amount of cash, and are subject to an insignificant risk to changes in their fair value.

Tangible capital assets

Tangible capital assets are recorded at cost. The Foundation provides for amortization of capital assets not mortgaged by British Columbia Housing Management Commission using the straight-line method at rates designed to amortize the cost of the tangible capital assets over their estimated useful lives. The annual amortization rate is as follows:

Buildings	25 to 30 years straight-line
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The Foundation provides for amortization of capital assets mortgaged by British Columbia Housing Management Commission corresponding to the principal portion of mortgage payments. The Foundation also capitalizes interest costs during the development of buildings.

AUNT LEAH'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

2. Significant accounting policies — continued

Tangible capital assets — continued

Capital assets other than those mortgaged by British Columbia Housing Management Commission are reviewed for impairment whenever events or changes in the circumstances indicate that the carrying value may not be recoverable. If the total of the estimated undiscounted future cash flows is less than the carrying value of the asset, an impairment loss is recognized for the excess of the carrying value over the fair value of the asset during the year the impairment occurs.

Contributed services

Certain directors and committee members volunteer their time to assist in the Foundation's activities. While these services benefit the Foundation considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

Financial instruments

The Foundation's financial instruments consist of cash and cash equivalent, term deposits, accounts receivable, accounts payable and accrued liabilities and long-term debt. The Foundation initially measures all of its financial instruments at fair value and subsequently at amortized cost using the effective interest rate method. Changes in fair value are recognized in the statement of operations.

3. Cash and bank indebtedness

The Foundation has an operating line of credit to a maximum of \$200,000 through Vancouver City Savings Credit Union at the bank's prime lending rate plus 0.60% per annum and secured by a first charge over the Boyne St. property and assignment of rents.

AUNT LEAH'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

4. Tangible capital assets

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Boundary Road				
Land	\$ 1,112,460	\$ -	\$ 1,112,460	\$ 1,112,460
Building	990,700	(89,163)	901,537	941,165
Laneway building	481,887	(1,606)	480,280	312,423
	2,585,047	(90,769)	2,494,277	2,366,048
Boyne Street				
Land	487,575	-	487,575	487,575
Building	326,940	(117,088)	209,852	223,517
Building under development	68,820	-	68,820	-
	883,335	(117,088)	766,247	711,092
Royal Ave				
Land	536,902	-	536,902	536,902
Building	2,393,140	-	2,393,140	2,393,140
	2,930,042	-	2,930,042	2,930,042
8th Ave				
Land	993,817	-	993,817	993,817
Building	1,196,016	-	1,196,016	1,196,016
	2,189,833	-	2,189,833	2,189,833
Pender Street				
Land	7,932,586	-	7,932,586	7,913,014
Building	4,047,995	(134,933)	3,913,062	4,036,986
	11,980,581	(134,933)	11,845,648	11,950,000
Marine Way				
Property under development	7,853,950	-	7,853,950	25,003
	\$ 28,422,788	\$ (342,790)	\$ 28,079,997	\$ 20,172,018

Total interest capitalized in the Marine Way development project is \$161,384 in 2025 (2024 - \$nil).

AUNT LEAH'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

5. BC Housing demand loan

	2025	2024
Loan advanced	\$ 7,593,989	\$ -
Accrued interest	155,999	-
	\$ 7,749,988	\$ -

In 2025, the Foundation entered into an agreement with British Columbia Housing Management Commission ("BCHMC") where BCHMC agreed to lend a maximum demand non-revolving loan of \$9,460,404 for the acquisition and pre-development costs of the Marine Way housing project in New Westminister. Interest is payable on the monthly balance of outstanding loan principal at the variable rate set by BCHMC.

The loan is secured by a first charge over the Marine Way property (carrying amount - \$7,853,950).

AUNT LEAH'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

6. Long-term debt

	2025	2024
The Vancouver City Savings Credit Union Mortgage repayable in monthly instalments of \$2,142 including interest at 2.10% per annum over term of 5 years due January 14, 2026, secured by a first charge over the Boundary Road property (carrying amount - \$2,494,277) and assignment of rents.	\$ 433,619	\$ 450,090
The Vancouver City Savings Credit Union Mortgage repayable in monthly instalments of \$2,660 including interest at 3.44% per annum over term of 5 years due March 10, 2027, secured by a first charge over the Boyne St. property (carrying amount - \$766,247) and assignment of rents.	411,352	428,918
Sacha Enterprises Loan Interest payable monthly at 5% per annum calculated semi annually over 2 years term due March 18, 2026, secured by a first charge over the Pender Street property (carrying amount - \$11,845,648) and assignment of rents.	4,500,000	4,500,000
Vancity Community Foundation Interest payable at 2% per annum calculated annually over 3 year term for the \$175,000 and \$250,000 loans due June 18, 2027 and July 10, 2027.	430,385	-
	5,775,356	5,379,008
Less: current portion	4,951,774	33,995
	\$ 823,582	\$ 5,345,013

Minimum principal repayments over the next five years are as follows:

2026	\$ 4,951,774
2027	392,972
2028	430,610
	\$ 5,775,356

AUNT LEAH'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

7. BC Housing forgivable loans

In April 2017, the Foundation entered into an agreement with British Columbia Housing Management Commission ("BCHMC") where the BCHMC agreed to contribute a maximum funding of \$2,944,943, of which \$2,928,411 was advanced as of March 31, 2022, for the purchase and renovation of a property on Royal Avenue, New Westminster, BC. The loan is forgivable over a period of 25 years, commencing in the 11th year, provided that the Foundation meets certain conditions specified in the agreement.

In June 2017, the Foundation entered into an agreement with BCHMC where BCHMC agreed to contribute a maximum funding of \$2,320,186, of which \$2,196,740 was advanced as of March 31, 2022, for the purchase and renovation of a property located on 8th Avenue in New Westminster, BC. The loan is forgivable over a period of 10 years, commencing in the 11th year, provided that the Foundation meets certain conditions specified in the agreement.

8. Grants and other

The Foundation received \$112,421 grant contribution in 2025 (2024 - \$nil) for redevelopment of the Boyne Street property (Note 4) from Lu'ma Native BCH Housing Society. The Foundation received \$nil grant contribution in 2025 (2024 - \$272,900) for the construction of the laneway house at the Boundary Road property (Note 4) from Lu'ma Native BCH Housing Society.

These contributions are subject to terms and conditions set out in the agreement.

9. Financial risk management

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

Liquidity risk

The Foundation does have a liquidity risk in the accounts payable, accrued liabilities and long term debts and loans of \$18,785,808 (2024 - \$10,572,371). Liquidity risk is the risk that the Foundation cannot repay its obligations when they become due to its creditors. The Foundation reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due; maintains an adequate line of credit to repay trade creditors and repays long term debt interest and principal as they become due. In the opinion of management the liquidity risk exposure to the Foundation is low and is not material.

Interest rate risk

The Foundation is exposed to interest rate risk. Interest rate risk is the risk that the Foundation has interest rate exposure on its bank indebtedness, which are variable based on the bank's prime rates. This exposure may have an effect on its earnings in future periods. The Foundation reduces its exposure to interest rate risk by regularly monitoring published bank prime interest rates which have been relatively stable over the period presented. There are some loans payable that are at fixed term rates, or zero interest rates and do not affect interest rate risk. The Foundation does not use derivative instruments to reduce its exposure to interest rate risk. In the opinion of management the interest rate risk exposure to the Foundation is low and is not material.

AUNT LEAH'S FOUNDATION

NOTES TO FINANCIAL STATEMENTS

March 31, 2025

9. Financial risk management — continued

Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates. The fair value of long-term financial liabilities approximates their carrying value based on the presumption that the Foundation is a going concern and thus expects to fully repay the outstanding amounts.

10. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

AUNT LEAH'S FOUNDATION

SCHEDULE 1

March 31, 2025

	Boundary Rd (General)	Boyne St (General)	Royal Ave (Housing)	8th Ave (Housing)	Pender (General)	Total 2025
Rental	\$ 50,000	\$ 44,100	\$ 107,808	\$ 61,632	\$ 528,060	\$ 791,600
Expenses						
Insurance	4,025	3,930	13,238	7,422	31,995	60,610
Interest	9,200	14,332	-	-	208,064	231,596
Management fees	-	-	10,631	-	-	10,631
Property taxes	8,966	5,348	5,555	-	33,351	53,220
Repair and maintenance	3,908	10,147	32,890	13,376	118,809	179,130
Utilities	2,786	2,725	15,673	4,733	49,024	74,941
	28,885	36,482	77,987	25,531	441,243	610,128
Excess of revenues over expenditures	\$ 21,115	\$ 7,618	\$ 29,821	\$ 36,101	\$ 86,817	\$ 181,472

See accompanying notes to the financial statements