

The Elizabeth Fry Society of Greater Vancouver
Financial Statements
For the year ended March 31, 2026

The Elizabeth Fry Society of Greater Vancouver

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For the year ended March 31, 2026

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To the Board of The Elizabeth Fry Society of Greater Vancouver:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Elizabeth Fry Society of Greater Vancouver (the "EFry"), 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 accompanying financial statements present fairly, in all material respects, the financial position of the EFry as at March 31, 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 EFry 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.

Other Matter

The financial statement for the year ended March 31, 2025 were audited by another auditor who expressed an unmodified opinion on those statements on July 30, 2025.

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

Those charged with governance are responsible for overseeing the EFry'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 EFry'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 EFry'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 EFry 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 of Canadian Accounting Standards for Not-For-Profit Organizations have been applied on a basis consistent with that of the preceding year.

Surrey, British Columbia

July 21, 2026

MNP LLP

Chartered Professional Accountants

MNP

The Elizabeth Fry Society of Greater Vancouver

Statement of Financial Position

As at March 31, 2026

	2026	2025
Assets		
Current		
Cash	4,316,569	5,532,822
Restricted cash (Note 4)	519,255	657,573
Short term investments at amortized cost (Note 5)	1,648,044	1,230,605
Accounts receivable	1,560,073	1,538,306
Prepaid expenses and deposit	207,733	56,900
Prepaid rent (Note 6)	12,429	12,429
	8,264,103	9,028,635
Restricted cash (Note 4)	668,959	261,171
Investments at fair value (Note 5)	522,721	348,303
Surplus in equity-accounted organization (Note 11)	-	35,366
Prepaid rent (Note 6)	249,627	262,056
Capital assets (Note 6)	35,429,259	35,484,026
	45,134,669	45,419,557

Continued on next page

The Elizabeth Fry Society of Greater Vancouver

Statement of Financial Position

As at March 31, 2026

	2026	2025
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 7)	2,950,919	1,727,255
Deferred contributions (Note 8)	4,067,832	5,273,677
Current portion of long-term debt (Note 10)	135,331	130,977
	7,154,082	7,131,909
Replacement reserve (Note 4)	69,818	69,818
Deferred contributions (Note 8)	741,246	354,342
Lease inducement	-	4,000
Deferred contributions related to capital assets (Note 9)	29,178,411	29,929,595
Long-term debt (Note 10)	3,047,518	3,181,957
Deficit in equity-accounted organization (Note 11)	29,045	-
	33,066,038	33,539,712
	40,220,120	40,671,621
Credit facilities (Note 3)		
Net Assets		
Unrestricted	1,187,530	1,526,108
Invested in capital assets (Note 12)	3,067,999	2,562,808
Internally restricted (Note 13)	659,020	659,020
	4,914,549	4,747,936
	45,134,669	45,419,557
Approved on behalf of the Board		
e-Signed by Genesa Greening 2026-07-20 16:41:14:14 PDT	e-Signed by Taheer Mohamed 2026-07-20 16:54:17:17 PDT	

The accompanying notes are an integral part of these financial statements

The Elizabeth Fry Society of Greater Vancouver

Statement of Operations

For the year ended March 31, 2026

	2026	2025
Revenue		
Provincial government contracted programs	18,082,574	17,057,768
Federal government contracted programs	3,125,244	3,449,627
Rental income	1,424,335	1,861,888
Grants	1,310,192	1,052,667
Amortization of deferred capital contribution (Note 9)	977,911	947,490
Interest and investment Income	372,491	271,788
Other income	291,120	351,884
Donations and membership fees	273,397	407,527
Donated volunteer services (Note 14)	212,087	209,714
	26,069,351	25,610,353
Expenses		
Bad debts	70,564	-
Communications	219,677	193,846
Contracted services	696,508	581,422
Donated volunteer services	212,087	209,714
Food	723,565	620,267
Furniture appliances and equipment	161,800	132,698
Insurance and property taxes	365,613	340,315
Office	65,258	108,385
Professional services	892,724	1,449,375
Program supplies and client expenses	962,903	1,210,022
Promotion, recruiting, dues and publications	131,991	248,347
Rent expense	1,094,074	1,085,320
Repairs and maintenance	351,666	397,553
Salaries and employee benefits	17,822,417	17,272,697
Training, meetings and accreditation	119,880	139,793
Travel and vehicle	190,471	188,499
Utilities, services and bank fees	472,073	494,530
	24,553,271	24,672,783
	1,516,080	937,570
Other items		
Amortization of capital assets	(1,141,333)	(920,087)
Income (loss) on equity-accounted organization (Note 11)	(64,412)	17,070
Interest on long-term debt	(143,722)	(147,490)
Excess (deficiency) of revenue over expenses	166,613	(112,937)

The accompanying notes are an integral part of these financial statements

The Elizabeth Fry Society of Greater Vancouver

Statement of Changes in Net Assets

For the year ended March 31, 2026

	<i>Unrestricted</i>	<i>Invested in capital assets (Note 12)</i>	<i>Internally restricted (Note 13)</i>	<i>2026</i>	<i>2025</i>
Net assets, beginning of year	1,526,108	2,562,808	659,020	4,747,936	4,860,873
Excess (deficiency) of revenue over expenses	330,035	(163,422)	-	166,613	(112,937)
Purchase of capital assets	(1,086,565)	1,086,565	-	-	-
Deferred capital contribution received (Note 9)	226,727	(226,727)	-	-	-
Repayment of long-term debt	(104,666)	104,666	-	-	-
Reallocation of funds	295,891	(295,891)	-	-	-
Net assets, end of year	1,187,530	3,067,999	659,020	4,914,549	4,747,936

The accompanying notes are an integral part of these financial statements

The Elizabeth Fry Society of Greater Vancouver
Statement of Cash Flows
For the year ended March 31, 2026

	2026	2025
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	166,613	(112,937)
Fair value adjustment on investments	(174,418)	(8,277)
Amortization of deferred capital contributions	(977,911)	(947,490)
Amortization of capital assets	1,141,333	920,087
Amortization of prepaid rent	12,429	12,429
	168,046	(136,188)
Changes in working capital accounts		
Accounts receivable	(21,767)	122,346
Prepaid expenses and deposits	(150,833)	(6,780)
Accounts payable and accruals	1,223,662	(179,520)
Replacement reserve	-	16,608
Deferred contributions	(818,941)	1,026,734
Lease inducement	(4,000)	(4,000)
	396,167	839,200
Financing		
Repayment of long-term debt	(130,085)	(125,115)
Deferred capital contributions received	226,727	276,897
	96,642	151,782
Investing		
Purchase of capital assets	(1,086,565)	(221,128)
Purchase of short-term investments	(1,648,044)	(1,230,605)
Proceeds on disposal of short-term investments	1,230,605	-
Decrease (increase) in investment in equity-accounted organization	64,412	(17,070)
	(1,439,592)	(1,468,803)
Decrease in cash resources	(946,783)	(477,821)
Cash resources, beginning of year	6,451,566	6,929,387
Cash resources, end of year	5,504,783	6,451,566
Cash resources are composed of:		
Cash	4,316,569	5,532,822
Restricted cash	1,188,214	918,744
	5,504,783	6,451,566

The accompanying notes are an integral part of these financial statements

The Elizabeth Fry Society of Greater Vancouver

Notes to the Financial Statements

For the year ended March 31, 2026

1. Incorporation and nature of the organization

The Elizabeth Fry Society of Greater Vancouver ("EFry") is incorporated under the laws of British Columbia, registered under the Societies Act (British Columbia), and carries out its work in the Lower Mainland and Greater Victoria. EFry is a registered charitable organization for income tax purposes and is exempt from the requirement to pay income taxes.

EFry's charitable purpose is to support criminalized and marginalized women, girls and children in achieving their potential. EFry develops strategic direction and provides leadership regarding humane criminal and social justice. Through the provision of a range of programs and services within the community, prisons, housing and public education, EFry works to improve population health factors which place women and youth at risk of involvement of poor outcomes.

The EFry seeks to reduce the number of women, children and youth involved in the criminal justice system.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Revenue recognition

EFry follows the deferral method of accounting for contributions. Government contract revenues are recognized as revenue in the period in which the service is provided.

Donations and grants are recorded as revenue when received or receivable except when the donor has specified that they are intended for a specific purpose or use in a future period, in which case they are initially deferred and recognized as revenue when the expenses are incurred, or the restrictions are met. Unrestricted pledged funds are recorded as revenue as they are received.

Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Contributions received specifically for the acquisition of capital assets are recorded as deferred capital contributions and are amortized to revenue on the same basis as the related capital assets are amortized, except where they relate to land, in which case they are recorded as direct increases in net assets.

Donated volunteer services are measured at the fair value of the services at the date of contribution and are recognized as both revenue and expenses in the financial statements. Due to the difficulty of determining the fair value of governance and non-program related donated services, such donated services are not recognized in the financial statements. Rental income is recognized as revenue when the premises are occupied, which is typically at the beginning of each month.

Investment in a profit-oriented subsidiary

EFry's investment in its wholly-owned subsidiary, A-GRL Business Corporation, is accounted for using the equity method. Accordingly, the investment is recorded at acquisition cost and is increased for the proportionate share of post-acquisition earnings and decreased by post-acquisition losses and distributions received.

All transactions with the subsidiary are disclosed as related party transactions.

Prepaid rent

Prepaid rent represents financed rent payments and is amortized over the term of the lease.

The Elizabeth Fry Society of Greater Vancouver

Notes to the Financial Statements

For the year ended March 31, 2026

2. Significant accounting policies (Continued from previous page)

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Leases, which transfer substantially all of the benefits and risks incidental to ownership of property, are accounted for as leased capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

Buildings under capital leases are amortized over the lesser of the lease term and its estimated useful life.

The carrying amount of capital assets is reviewed for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to EFry's ability to provide services, or that the value of future economic benefits or service potential associated with the asset is less than its carrying amount. If such conditions exist, an impairment loss is measured and recorded in the statement of operations at the amount by which the carrying amount of the net asset exceeds its fair value or replacement cost.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Buildings	25 years
Buildings under capital leases	40 years
Building improvements	15 years
Furniture and equipment	3-5 years
Leasehold improvements	25 years
Vehicle	3 years

Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

EFry writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to EFry's ability to provide goods and services. The asset are also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When EFry determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

Leases inducement

Deferred lease inducements consist of incentive funds received from landlords. These inducements are amortized over the term of the lease, as a reduction of rent expense.

Financial instruments

EFry recognizes financial instruments when EFry becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, EFry may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. EFry has not made such an election during the year.

EFry subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of EFry's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

The Elizabeth Fry Society of Greater Vancouver

Notes to the Financial Statements

For the year ended March 31, 2026

2. Significant accounting policies (Continued from previous page)

Financial instruments (Continued from previous page)

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Related party financial instruments

EFry measures financial instruments at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

At initial recognition, EFry may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value.

EFry has not made such an election during the year, thus all such related party debt instruments are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess of revenues over expenses.

Financial asset impairment

EFry assesses impairment of all its financial assets measured at cost or amortized cost. EFry groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant, etc. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments; etc. in determining whether objective evidence of impairment exists. When there is an indication of impairment, EFry determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, EFry reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party debt instruments initially measured at cost, EFry reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party equity instruments initially measured at cost, EFry reduces the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

EFry reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenses in the year the reversal occurs.

The Elizabeth Fry Society of Greater Vancouver

Notes to the Financial Statements

For the year ended March 31, 2026

2. Significant accounting policies (Continued from previous page)

Measurement uncertainty (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 date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

Customer's accounting for cloud computing arrangement

EFry has applied the simplification approach to account for expenditures in a cloud computing arrangement. Under the simplification approach, EFry recognizes expenditures related to the elements in the cloud computing arrangement as an expense as incurred. In the current year, expenses of \$213,344 (2025 - \$253,618) have been recognized as part of professional services, communications, office, and training, meetings and accreditation.

3. Credit facilities

EFry has an available revolving demand operating line of credit with Royal Bank of Canada ("RBC") of \$300,000 (2025 - \$300,000 - VanCity), available by way of RBP-based loans, letters of credit and/or letters of guarantee. Drawings bear interest at the bank's prime rate plus 0.25% per annum. No amount was drawn on this facility at March 31, 2026 and 2025.

EFry also has an RBC business credit card facility with a maximum limit of \$75,000 (2025 - \$75,000 - VanCity), available in Canadian and US currency. The outstanding balance at March 31, 2026 was \$57,926 (2025 - \$29,549 - VanCity) and is included in accounts payable and accrued liabilities.

The facilities are secured by a general security agreement constituting a second ranking security interest in all personal property of EFry, and a cash collateral agreement assigning term deposits and/or guaranteed investment certificates in the amount of \$375,000 (note 5).

The Elizabeth Fry Society of Greater Vancouver
Notes to the Financial Statements
For the year ended March 31, 2026

4. Restricted cash

Restricted cash and term deposit are held for specific purposes and may be spent only in accordance with the requirements of the designated agency. Restricted amounts are comprised of the following:

	2026	2025
137th Street capital building funds (notes 8 and 17)	519,255	519,255
BC Gaming Policy and Enforcement Branch grant (note 8)	-	138,318
BC Housing Management Commission rent supplement	108,938	106,650
Sherbrooke Street capital building funds (note 8)	490,204	84,704
CMHC replacement reserve (a)	39,846	39,846
CMHC replacement reserve - Rosewood apartments (b)	29,971	29,971
	1,188,214	918,744
Less current portion	(519,255)	(657,573)
Long-term portion	668,959	261,171

(a) Funds were required to be set aside under a mortgage agreement with the Canada Mortgage and Housing Corporation ("CMHC").

(b) Funds were required to be set aside under the contribution agreement with CMHC for the 137th first floor capital contribution (note 17).

5. Investments

Short term investments are one-year cashable and non-redeemable guaranteed investment certificates with maturity dates between September 2026 to February 2027 bearing interest rates ranging 2.20% to 2.88% per annum (2025 - 4.05% to 4.65% per annum).

EFry's investments held at fair value consist of North Growth pooled equity funds. An unrealized gain of \$174,418 (2025 - \$8,277) in fair valuing the investments has been included in investment income in the statement of operations.

The Elizabeth Fry Society of Greater Vancouver

Notes to the Financial Statements

For the year ended March 31, 2026

6. Capital assets

	Cost	Accumulated amortization	2026 Net book value	2025 Net book value
Land (a)	3,816,264	-	3,816,264	3,816,264
Building Improvements	761,896	278,667	483,229	210,366
Vehicles	595,667	528,657	67,010	128,507
Furniture and equipment	1,186,365	647,096	539,269	329,139
Leasehold improvements	312,765	147,344	165,421	177,965
Building: Abbotsford Property	994,193	596,625	397,568	437,445
Building: Surrey Property - Ellendale (a)	428,186	256,959	171,227	188,402
Building: Surrey Property - Duplex	415,307	315,679	99,628	116,286
Building: Burnaby Property	62,519	60,025	2,494	5,002
Building: New Westminster Property - 402 East Columbia	3,798,889	3,695,357	103,532	108,477
Building: Burnaby Newcombe Building (e)	16,880,329	1,078,722	15,801,607	16,224,771
Building: Sherbrooke	412,886	-	412,886	-
	29,665,266	7,605,131	22,060,135	21,742,624
Buildings under capital leases:				
Chilliwack (b)	458,928	217,205	241,723	253,370
137th Street Building Apartments (c)	11,499,511	1,005,787	10,493,724	10,781,999
137th Street First Floor (d)	2,886,330	252,653	2,633,677	2,706,033
	14,844,769	1,475,645	13,369,124	13,741,402
	44,510,035	9,080,776	35,429,259	35,484,026

(a) During fiscal 2013, EFry received contributions toward the purchase of the Sherbrooke and Ellendale properties.

Donation contributions of \$450,000 towards the Sherbrooke property were recognized as direct increases in net assets invested in capital assets as the capitalized cost of the property was attributable to land. Of the total contributions, \$100,000 represented a reduction in the fair value consideration paid by EFry to the vendor of the property.

Contributions of \$679,347 by British Columbia Housing Management Commission ("BC Housing") in the form of forgivable loan towards the Ellendale property were allocated according to the fair values attributable to building and land on acquisition (note 9(b)). \$206,397 was attributable to building, and \$472,950 was attributable to land and was recognized as a direct increase in net assets invested in capital assets.

(b) In fiscal year 2008, EFry entered into a 40-year prepaid lease agreement for land and building in Chilliwack. This lease agreement was financed by a mortgage for \$456,100 and a forgivable loan for \$500,000 (note 8). The land portion of this lease is an operating lease and the building portion is a capital lease. Prepaid rent represents rent payments paid in advance for the lease of this land and the current portion being the amortization of the prepayment in the next fiscal year.

(c) In fiscal year 2023, EFry entered into a 60-year capital lease agreement for the 34 apartment units at the 137th Street building. Capital contributions were received from various federal and provincial funders (note 17).

(d) In fiscal year 2023, EFry entered into a 60-year capital lease agreement for the first floor programming space at the 137th Street building. Capital contributions were received from federal funders and private donors (note 17).

(e) EFry received contributions from the City of Burnaby for the construction of the building (note 18).

The Elizabeth Fry Society of Greater Vancouver

Notes to the Financial Statements

For the year ended March 31, 2026

7. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$217,204 (2025 - \$179,145), which include amounts payable to Municipal Pension Plan and WorkSafe BC.

8. Deferred contributions

						2026	2025
	<i>BC Gaming Policy</i>	<i>Deferred program income and funds</i>	<i>BC Housing forgivable loan (a)</i>	<i>Sherbrooke Street capital building funds (note 4)</i>	<i>137th Street capital building funds (notes 4 and 17)</i>		
Balance, beginning of year	138,318	4,609,700	276,042	84,704	519,255	5,628,019	4,601,285
Amount received during the year	-	4,682,930	-	405,500	-	5,088,430	3,254,041
Less: Amount recognized during the year	(138,318)	(5,756,553)	(12,500)	-	-	(5,907,371)	(2,227,307)
	-	3,536,077	263,542	490,204	519,255	4,809,078	5,628,019
Less: Current portion	-	(3,536,077)	(12,500)	-	(519,255)	(4,067,832)	(5,273,677)
Long-term portion	-	-	251,042	490,204	-	741,246	354,342

(a) In fiscal 2008, EFry entered into a forgivable loan agreement for \$500,000 relating to the lease of the Chilliwack land and building. This loan is forgivable starting on the 11th year at a rate of \$20,000 per year through to the end of the 35-year term. Under this agreement, EFry must meet certain conditions for the duration of the 35-year term. Management has determined that it is likely that these conditions will be met for the duration of the 35-year term and hence has recorded the entire loan amount as deferred contribution. As this loan is related to the Chilliwack lease, it is being amortized into revenue over the lease term of 40-years. As at March 31, 2026, \$160,000 (2025 - \$140,000) of the loans have been forgiven with \$340,000 (2025 - \$360,000) outstanding subject to repayment plus interest if the conditions are not met for the remaining term of the loan.

The Elizabeth Fry Society of Greater Vancouver

Notes to the Financial Statements

For the year ended March 31, 2026

9. Deferred capital contributions

EFry receives grants and contributions towards certain housing projects and other capital assets. These amounts, once spent for which the funds are provided for, are deferred and amortized over the estimated useful lives of the related capital assets.

	137th Street Apartments (note 17)	137th Street First Floor (note 17)	Burnaby Newcombe Building (note 18)	Other	2026	2025
Balance, beginning of the year	9,902,721	2,706,033	16,224,771	1,096,070	\$ 29,929,595	\$ 30,600,188
Amounts received	-	-	-	226,727	226,727	276,897
Amounts amortized to revenue	(252,599)	(72,356)	(423,164)	(229,792)	(977,911)	(947,490)
Balance, end of year	9,650,122	2,633,677	15,801,607	1,093,005	\$ 29,178,411	\$ 29,929,595

(a) During fiscal 2013, EFry entered into a forgivable loan agreement for \$679,347 relating to the purchase of 1187 Ellendale Drive, Surrey (the "Ellendale property"). This loan is forgivable over 30-years commencing in the 11th year. Under this Agreement, EFry must continue its development of a minimum of 10-housing units for women at risk of homelessness. If the condition is not met, EFry would be liable to pay the \$679,347 loan plus interest at prime plus 2% per annum. EFry expects to meet this condition and has therefore included \$206,397, the amount allocated as contribution towards the purchase of the building in deferred capital contributions and is being amortized over 25-years, which approximates the useful life of the building. The remaining portion of the forgivable loan of \$472,950, allocated as contribution towards the purchase of the land, was recognized as a direct increase in net assets (note 6(a)). As at March 31, 2026, \$121,716 of the loan has been forgiven with \$557,631 outstanding subject to repayment plus interest if the conditions are not met for the remaining term of the loan.

(b) During fiscal year 2024, EFry entered into a forgivable loan agreement for \$4,357,571 relating to the capital lease of the 137th Street Apartments. This loan is forgivable over 25-years commencing in the 11th year. Under this Agreement, EFry must continue to use the property for the specific purpose during the term of the loan. If the condition is not met, EFry would be liable to pay the loan balance plus interest at prime plus 2% per annum until the loan is fully paid. EFry expects to meet this condition and has therefore included the amount in deferred capital contributions and is being amortized over 40-years, which approximates the useful life of the building.

The Elizabeth Fry Society of Greater Vancouver
Notes to the Financial Statements
For the year ended March 31, 2026

10. Long-term debt

	2026	2025
Surrey Property - Duplex: 6.84% mortgage with VanCity, repayable in monthly installments of \$1,953, including principal and interest, maturing on April 25, 2028	43,844	63,590
Ellendale Property: 4.19% mortgage with Scotiabank repayable in monthly installments of \$2,021, including principal and interest, maturing on October 1, 2032	290,245	302,161
Rosedale Property: 4.78% mortgage with Canada Life, repayable in monthly installments of \$2,226, including principal and interest, maturing on April 1, 2027	300,136	312,319
Firth Property: 5.14% mortgage with Scotiabank (previously Peoples Trust), repayable in monthly installment of \$9,661 including principal and interest, maturing on November 1, 2033	1,349,623	1,395,642
137th Street Apartment Property: 3.57% mortgage with Scotiabank, repayable in monthly installments of \$3,924 including principal and interest, maturing on May 1, 2033 (note 17)	903,110	917,912
New Westminster Property: 2.85% mortgage with VanCity, repayable in monthly installments of \$2,932 including principal and interest, maturing on October 1, 2035	295,891	321,310
	3,182,849	3,312,934
Less: Current portion	135,331	130,977
	3,047,518	3,181,957

Security for the mortgages payable is by way of a charge against EFry's land and buildings with carrying values as disclosed in note 6.

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed are estimated as follows:

2027	135,331
2028	137,152
2029	143,499
2030	126,396
2031	131,621

The Elizabeth Fry Society of Greater Vancouver
Notes to the Financial Statements
For the year ended March 31, 2026

11. Equity in equity-accounted organization

In 2011, EFry incorporated a wholly-owned subsidiary, A-GRL Business Corporation ("AGRL"). AGRL is a for-profit organization providing human services, and green services (reducing the environmental impact of other businesses). It provides work for women. It was founded to particularly support under employed, and criminalized women enabling them to advance their lives.

The following is a summary of the financial position, results of operations and cash flow activities of AGRL as at and for the year ended March 31, 2026:

	2026	2025
Assets	5,621	50,855
Liabilities	34,656	15,489
Shareholders' equity	(29,045)	35,366
Results from operations:		
Revenue	13,840	99,793
Expenses	78,252	82,723
Net Income (loss)	(64,412)	17,070
Cash from operating activities	(64,412)	17,070
Cash from financing activities	-	-
Cash from investing activities	-	-

As at March 31, 2026, included in accounts receivable is \$18,001 (2025 - \$6,800) relating to expenses paid on behalf of and advances made to AGRL and \$Nil (2025 - \$15,011) in accounts payable owed to AGRL.

The Elizabeth Fry Society of Greater Vancouver
Notes to the Financial Statements
For the year ended March 31, 2026

12. Net assets invested in capital assets

Net assets invested in capital assets are comprised of the following:

	2026	2025
Capital Assets	35,429,259	35,484,026
Amounts financed by long-term debt	(3,182,849)	(2,991,623)
Amounts financed by deferred capital contributions	(29,178,411)	(29,929,595)
	3,067,999	2,562,808

Change in net assets invested in capital assets is comprised of the following:

	2026	2025
Deficiency of revenue over expenses		
Amortization of deferred capital contributions	977,911	947,490
Amortization of capital assets	(1,141,333)	(920,087)
	(163,422)	27,403
Net change in invested in capital assets		
Purchase of capital assets	1,086,565	221,128
Amount funded by deferred capital contributions (note 9)	(226,727)	(276,897)
Decrease of long-term debt	104,666	99,418
Reallocation of funds	(295,891)	-
	668,613	43,649

13. Internally restricted net assets

In fiscal 2009, the Board of Directors (the "Board") of EFry passed a motion to establish an internally restricted contingency fund to be used for any future unexpected or unbudgeted operating or capital expenditures of EFry's programs. No transfers were made into the fund during fiscals 2026 or 2025.

14. Donated volunteer services

Donated program related services are recognized as revenue at the fair value of volunteer services provided, determined based on similar services that would otherwise have been purchased. Details of volunteer services recognized during the year are as follows:

	2026	2025
Total number of registered volunteers	183	177
Total hours contributed to program services	9,805	9,858
Total value of donated program services	\$ 212,087	\$ 209,714

Included in the hours above are 11 hours (2025 - 163 hours) of governance and non-program donated services received; however, due to the difficulty of determining the fair value of these services, no amounts are recorded in the financial statements.

The Elizabeth Fry Society of Greater Vancouver

Notes to the Financial Statements

For the year ended March 31, 2026

15. Vancouver Foundation endowment fund

EFry has contributed to a permanent endowment fund with the Vancouver Foundation known as The Elizabeth Fry Society of Greater Vancouver Endowment Fund. The fund is owned and administered by the Vancouver Foundation and, accordingly, as the capital of the fund is not available for use by EFry, the fund balance is not included in the EFry's statement of financial position. All income from the fund, which has been disbursed at least annually, is for the benefit of EFry.

During the fiscal year March 31, 2026, EFry recapitalized \$13,534 (2025 - \$17,290) of interest paid back into the endowment fund. EFry has made total contributions of \$104,284 in prior years which has been matched by contributions from the Vancouver Foundation of \$75,000 in addition to other capital gifts for a total cost capital balance of \$253,899 (2025 - \$240,365) and fair value of \$413,301 (2025 - \$383,020) as at March 31, 2026.

16. Employee Pension Plan

EFry and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including the investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. The Plan has approximately 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Plan as at December 31, 2024, indicated a \$2,675 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as of December 31, 2027.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

EFry paid \$909,516 (2025 - \$743,286) for employer contributions to the plan in fiscal 2026.

The Elizabeth Fry Society of Greater Vancouver

Notes to the Financial Statements

For the year ended March 31, 2026

17. 137th Street Project

EFry was involved in the development of a mixed-use property on 137th Street in Surrey, British Columbia (the "Project"). EFry acted as the Project Manager under a Project Management Agreement ("PMA") with Provincial Rental Housing Corporation ("PRHC"), a provincial Crown Corporation under the auspice of BC Housing. Under the PMA, EFry was responsible for the design, budget administration, construction, and contracting of third-party services required for the Project development and construction. The Project was built on land owned by the City of Surrey, and leased to PRHC for 60-years.

The overall funding for the Project is through a combination of Municipal, Provincial, Federal funds, private donations, and commercial mortgage (note 10). In fiscal 2023, the Project was completed, and EFry contracted with PRHC to operate and manage the building for 10-years. EFry also entered into capital lease agreements for 34 housing units and the first floor of the building. The housing units are rented out to tenants while the first floor is used as programming space.

The capital lease agreements substantially transfer all of the economic benefit expected to be derived from the use of the leased property over its life span, hence the cost of the 34 housing units and the first-floor programming space meet the definition of an asset and have been capitalized (note 6).

The apartments and the first-floor programming space were funded by capital contributions from various sources, including forgivable mortgage from CMHC, and have been included in deferred capital contributions. These contributions are amortized at the same rate as the related assets. See notes 6(c) and 6(d).

Included in deferred contributions and restricted cash is \$519,255 (2025 - \$519,255) related to unused private donor contributions.

18. Burnaby Newcombe Building

The Burnaby building is a 49-unit housing project ("Project") that commenced in fiscal year 2021. The Project is built on land owned by the City of Burnaby and upon completion of the construction, EFry will own and manage the building and its operations. The Project was completed in September 2023. The total cost of the Project was approximately \$16.9 million (note 6) and it was funded through the City of Burnaby.

The asset and corresponding deferred capital contributions received towards the Project (note 9) are amortized at a similar rate.

19. Commitments

The EFry has entered into various lease agreements with estimated minimum annual payments as follows:

2027	416,556
2028	290,878
2029	132,224
2030	111,633
2031	84,366
	1,035,657

EFry is required to meet certain conditions under forgivable loan agreements (note 8 and note 9).

20. Government funding and economic dependence

EFry's ongoing operations is economically dependent on the renewal of annual funding agreements with various government agencies. Provincial and federal government funding represent approximately 85% (2025 - 83%) of total revenues.

21. Employee, contractor and director remuneration

Under the Societies Act of British Columbia, the following additional financial statement disclosures are required.

Remuneration paid to directors

Board directors receive no remuneration for being a director of EFry.

Remuneration paid to highest paid employees and contractors

During the year ended March 31, 2026, EFry paid total annual remuneration of \$3,660,316 to 36 employees and contractors whose individual annual remuneration exceeded \$75,000 (2025 - \$3,544,721 to 35 employees and contractors).

22. Financial instruments

EFry, as part of its operations, carries a number of financial instruments. It is management's opinion that EFry is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit risk

Credit risk is the risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument. EFry is not exposed to significant credit risk as the amounts receivable are primarily from government, and not subject to any significant concentration of credit risk. Assessment for uncollectible accounts are performed by management and provided for. Cash, term deposit and investment assets are held with large reputable financial institutions where credit risk is considered low.

Liquidity risk

Liquidity risk is the risk that an entity will not be able to meet its obligations associated with financial liabilities. EFry is exposed to this risk mainly in respect of its long-term debt. EFry manages liquidity risk by maintaining adequate cash, highly liquid investments, and available credit facilities with its banking provider.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. EFry has investments in pooled funds which are subject to risks arising to changes in market conditions.

Interest rate risk

Fixed interest rate instruments are subject to fair value risk while floating rate instruments are subject to cashflow risk. EFry's long-term debt (note 10) bearing fixed interest rates are subject to fair value risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. EFry enters into transactions to purchase equity funds comprised of foreign denominated investments for which the market value is subject to exchange rate fluctuations. As of March 31, 2026, EFry's exposure to foreign denominated investments totaled \$375,066 (2025 - \$245,818).

The Elizabeth Fry Society of Greater Vancouver

Schedule 1 - Schedule of Revenues and Expenditures of Reaching Home Canada's Homelessness Strategy

Year ended March 31, 2026

	RH - Delta	RH - New West Her Key	RH - Surrey Collab	2026	2025
Revenue					
Federal	330,000	406,010	1,013,000	1,749,010	2,072,246
Provincial	0	0	2,304	2,304	0
Grants and Donations	1,000	10,000	15,000	26,000	1,150
	<u>331,000</u>	<u>416,010</u>	<u>1,030,304</u>	<u>1,777,314</u>	<u>2,073,396</u>
Expenses					
Salaries and benefits	117,305	217,590	193,114	528,009	555,733
External Services	80,732	4,324	519,492	604,548	706,599
Facilities	24,421	3,572	7,270	35,263	101,283
Operating expenses	5,016	5,303	11,106	21,425	46,256
Staff Supports	1,852	3,703	8,825	14,380	8,603
Client Supports	75,785	116,496	159,721	352,002	474,911
Prorated Administration	45,480	65,395	134,462	245,337	206,216
	<u>350,591</u>	<u>416,383</u>	<u>1,033,990</u>	<u>1,800,964</u>	<u>2,099,601</u>
Deficiency of revenue over expenditures	<u><u>(19,591)</u></u>	<u><u>(373)</u></u>	<u><u>(3,686)</u></u>	<u><u>(23,650)</u></u>	<u><u>(26,205)</u></u>

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Schedule 2 - Schedule of Expenses by Program

For the year ended March 31, 2026

	2026	2025
Women at risk	10,520,738	11,025,289
Families at risk	7,500,066	6,820,746
Youth at risk	1,941,592	1,073,559
Community justice	3,463,793	4,250,433
Management and policy	1,127,082	1,502,756
	24,553,271	24,672,783