

THE SHOEBOX PROJECT FOR WOMEN

FINANCIAL STATEMENTS

For the year ended March 31, 2026

THE SHOEBOX PROJECT FOR WOMEN

For the year ended March 31, 2026

INDEX

	Page
INDEPENDENT AUDITORS' REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Revenue and Expenses	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 9

INDEPENDENT AUDITORS' REPORT

To the Directors of
The Shoebox Project for Women

Qualified Opinion

We have audited the financial statements of The Shoebox Project for Women (the 'Organization'), which comprise the statement of financial position as at March 31, 2026, and the statements of operations, changes in net assets, revenue and expenses, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization 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 Qualified Opinion

In common with many not for profit organizations, the Organization derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2026, current assets as at March 31, 2026, and net assets as at April 1 and March 31 for the 2026 year end.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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.

Other Matter - Previous Year Ended

The financial statements for the year ended March 31, 2025 were audited by another auditor who expressed an qualified opinion on those financial statements on September 22, 2025.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

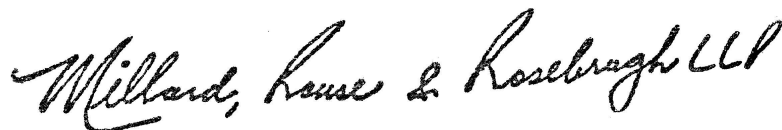
Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



August 26, 2026
Hagersville, Ontario

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

THE SHOEBOX PROJECT FOR WOMEN

STATEMENT OF FINANCIAL POSITION

As at March 31	2026	2025
ASSETS		
Current Assets		
Cash and bank	398,133	372,769
Short term investments - GICs (Note 4)	40,000	40,000
Interest receivable	986	1,547
Prepaid expenses	14,708	15,191
	453,827	429,507
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	26,695	31,650
Deferred revenue (Note 5)	213,821	163,616
	240,516	195,266
NET ASSETS	213,311	234,241
	453,827	429,507

Approved on behalf of the Board of Directors


James Albrecht (Sep 22, 2026 18:57:09 EDT)

..... Director

James Albrecht



..... Director

Raly Chakarova

THE SHOEBOX PROJECT FOR WOMEN

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31	2026	2025
Balance - Beginning of Year	234,241	220,477
Surplus (deficiency) of revenues over expenses for the year	(20,930)	13,764
Balance - End of Year	213,311	234,241

THE SHOEBOX PROJECT FOR WOMEN

STATEMENT OF REVENUE AND EXPENSES

For the year ended March 31	2026	2025
Revenues		
Donations	640,197	808,471
Fundraising and events	23,547	26,311
Interest income	6,674	10,625
	670,418	845,407
Expenditures		
Fundraising and events	330	-
Insurance	4,166	4,994
Office and general	14,238	10,229
Printing expenses	173	3,533
Professional fees	10,865	14,142
Programming expenses (Note 3)	346,968	430,345
Rent	30,490	31,425
Salaries and wages	260,151	317,920
System expenses	23,967	18,593
Travel	-	462
	691,348	831,643
Surplus (Deficiency) of Revenues over Expenses for the Year	(20,930)	13,764

THE SHOEBOX PROJECT FOR WOMEN

STATEMENT OF CASH FLOWS

For the year ended March 31	2026	2025
Cash Flows From Operating Activities		
Surplus (deficiency) of revenues over expenses for the year	(20,930)	13,764
	(20,930)	13,764
Net change in non-cash working capital balances related to operations		
Decrease (increase) in accounts receivable	-	6,250
Decrease (increase) in prepaid expenditures	483	(502)
Increase (decrease) in accounts payable and accrued liabilities	(4,955)	3,929
Increase (decrease) in deferred revenue amounts	50,205	(49,730)
	24,803	(26,289)
Cash Flows From Investing Activities		
Decrease (increase) in interest receivable	561	(383)
Net Increase in Cash and Bank	25,364	(26,672)
Opening Cash and Bank	372,769	399,441
Closing Cash and Bank	398,133	372,769

THE SHOEBOX PROJECT FOR WOMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2026

1. PURPOSE AND STATUS

The Shoebox Project for Women (the Organization) is a registered charitable organization incorporated under the Canada Not-for-Profit Corporations Act (CNCA). The Organization is exempt from income taxes under the Income Tax Act of Canada. The Shoebox Project for Women's mission is to uplift and empower women who are homeless or at-risk of homelessness in communities across Canada and the U.S through collecting and distributing gifts and essentials, and building awareness.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Canadian accounting standards for not-for-profit organizations (ASNFP) and include the following significant accounting policies:

(a) Use of Estimates

Financial statements are based on representations that may require estimates to be made in anticipation of future transactions and events and include measurement that may, by their nature, be approximations.

(b) Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonable and assured.

Fundraising and event income is recognized as revenue upon completion of the corresponding event.

Investment income is recorded when earned.

(c) Contributed Materials and Services

Contributions of materials and services are recognized both as contributions and expenses in the statement of revenues and expenses when fair value can be reasonably estimated and when the materials and services are used in the normal course of the Organization's operations and would otherwise have been purchased.

In fiscal 2026, an approximate \$2,013,716 in shoeboxes and individual items were donated to the Organization (2025 - \$1,796,323) and subsequently dispersed to women who are homeless or at-risk of homelessness. Moving, storage, marketing, and photography services were also donated to the Organization. These contributions are not recognized in the financial statements as they would not have otherwise been purchased by the Organization. There were no other contributions of services recognized in the financial statements.

The Organization benefits from services in the form of volunteer time to fulfill its mission. Since these invaluable services are not purchased by the Organization and a reasonable estimate of their value cannot be made, they are not recorded in the financial statements.

THE SHOEBOX PROJECT FOR WOMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2026

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES [Cont'd]

(d) Financial Instruments

The Organization initially measures its financial assets and liabilities at fair value. All financial assets and liabilities are subsequently measured at cost or amortized cost with the exception of investments, which are measured at fair value. The Organization's financial instruments that are measured at amortized cost consist of cash, interest receivable, short term guaranteed investment certificates [GICs], accounts payable and accrued liabilities and deferred revenue.

3. PROGRAMMING EXPENSES

The Organization offers virtual shoeboxes which results in cash donations and gift cards purchased to fill the shoeboxes. During the year, the Organization purchased \$30,613 (2025 - \$120,439) of gift cards as part of the virtual shoebox program. This amount is included in programming expenses.

4. SHORT TERM INVESTMENT

The guaranteed investment certificate bears a yield to maturity of 2.55% (2025 - 4.0%) with a maturity date of April 12, 2026 (2025- April 12, 2025).

5. DEFERRED REVENUE	2026	2025
Balance, beginning of the year	163,616	213,346
Less: Amount recognized as revenue	(345,761)	(426,156)
Add: Amount received related to the following year	395,966	376,426
Balance, end of year	213,821	163,616

The Organization receives donations which are restricted as to the location or program where the funds will be used. The Organization records restricted donations as deferred revenue until they are expended for the designated purpose.

6. COMMITMENTS

The Organization is committed under a net lease for the premises until August 2026. Lease payments for the next five years are approximately as follows:

2027	-	\$15,302
2028	-	\$ nil
2029	-	\$ nil
2030	-	\$ nil
2031	-	\$ nil

THE SHOEBOX PROJECT FOR WOMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2026

7. FINANCIAL INSTRUMENTS

The significant risks arising from financial instruments to which the corporation is exposed as at March 31, 2026 are described below.

Liquidity Risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization manages its liquidity risk by monitoring and managing cash requirements to ensure the Organization has sufficient funds to meet its operational requirements.

8. COMPARATIVE FIGURES

Certain of the prior year's figures, provided for purposes of comparison, have been reclassified to conform with the current year's presentation.

Shoebox Project - 2026 FS Final

Final Audit Report

2026-09-22

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