

MADA COMMUNITY CENTRE INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2025

MADA COMMUNITY CENTRE INC.

DECEMBER 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Directors of
Mada Community Centre Inc.

Qualified Opinion

We have audited the accompanying financial statements of Mada Community Centre Inc. (the Organization), which comprise the statement of financial position as at December 31, 2025 and the statements of changes in net assets, revenues and expenditures 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 December 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.

Basis for Qualified Opinion

In common with many charitable organizations, the Organization derives revenue from donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our audit of these revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary for recorded donations, the excess of revenues over expenditures, and cash flows from operating activities for the year ended December 31, 2025, current assets as at December 31, 2025, and net assets as at December 30, 2024 and December 31, 2025. Our opinion on the financial statements for the year ended December 31, 2024 was modified accordingly because of the possible effects of this scope limitation.

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

Emphasis of Matter - Going concern uncertainty

We draw attention to Note 2 to the financial statements, which indicates that while the Organization incurred a net profit from operations of \$58,938 during the year ended December 31, 2025, as at that date, the Organization's current liabilities exceeded its current assets by \$2,208,375. As stated in Note 2, these conditions, along with other matters as set forth in Note 2, indicate that a significant uncertainty exists that may cast significant doubt on the Organization's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Other Matter - Comparative Information

The financial statements of the Organization for the year ended December 31, 2024 were audited by another auditor who expressed a qualified opinion on those financial statements on June 30, 2025 for reasons described in the *Basis for Qualified Opinion* section.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Services UpCounting s.e.n.c.¹

Chartered Professional Accountants

Montreal, Quebec

June 5, 2026

¹By CPA auditor, public accountancy permit no. A108573

MADA COMMUNITY CENTRE INC.

Statement Of Financial Position

As at December 31, 2025

	2025	2024
	\$	\$
Assets		
Current		
Cash	268,802	302,796
Accounts receivable	64,503	16,472
Sales taxes refundable	16,307	22,055
Prepaid	12,536	13,817
	362,148	355,140
Investments (Note 4)	-	581,673
Capital assets (Note 5)	5,544,874	5,732,877
Total assets	5,907,022	6,669,690
Liabilities		
Current		
Bank indebtedness (Note 6)	79,322	80,176
Accounts payable and accrued liabilities (Note 7)	474,988	600,137
Demand debt (Note 8)	1,896,514	1,940,046
Loans from related parties (Note 9)	72,414	94,414
Current portion of deferred contributions	32,169	70,375
Current portion of long-term debt	-	13,206
Current portion of capital lease obligation	15,116	-
	2,570,523	2,798,354
Long-term		
Deferred contributions (Note 10)	163,263	204,337
Deferred donor advised contributions (Note 11)	-	581,673
Capital lease obligation (Note 12)	28,972	-
	192,235	786,010
Net assets		
Unrestricted	(294,399)	(456,024)
Invested in capital assets	3,438,663	3,541,350
Net assets	3,144,264	3,085,326
Total liabilities and net assets	5,907,022	6,669,690

On Behalf Of The Board:

Director

Director

See accompanying notes

MADA COMMUNITY CENTRE INC.

Statement Of Changes In Net Assets

For the year ended December 31, 2025

	Unrestricted \$	Invested in capital assets \$	2025 \$	2024 \$
Balance - beginning of year	(456,024)	3,541,350	3,085,326	3,420,578
Excess of revenues over expenses expenses over revenues	355,536	(296,598)	58,938	(335,252)
Purchase of capital assets	(102,995)	102,995	-	-
Donated capital assets	(5,600)	5,600	-	-
Repayment of demand loan and long-term debt	(42,475)	42,475	-	-
Change in unamortized deferred capital contributions	(42,841)	42,841	-	-
Balance - end of year	(294,399)	3,438,663	3,144,264	3,085,326

See accompanying notes

MADA COMMUNITY CENTRE INC.

Statement Of Revenues And Expenditures

For the year ended December 31, 2025

	2025	2024
	\$	\$
Revenues		
Monetary donations	4,601,178	4,366,113
Donation of goods	524,192	806,595
Subsidies, government grants and contributions	497,956	409,313
Resale of donated goods	19,285	24,762
Interest income	2,101	-
Gain (loss) on disposal of investments	74	(746)
	5,644,786	5,606,037
Direct expenditures		
Food and kitchen supplies	834,089	883,687
Distribution of donated goods	505,169	683,112
Activities and special programs	89,034	212,327
Fundraising	234,263	296,193
	1,662,555	2,075,319
	3,982,231	3,530,718
Expenses		
Salaries and wages	2,209,303	2,126,155
Amortization of capital assets	296,598	302,496
Rent	232,719	233,979
Repairs and maintenance	221,085	194,315
Professional fees	103,827	149,831
Transport, freight and automotive	212,792	198,645
Advertising and promotion	100,117	126,775
Utilities	104,501	93,706
Insurance	77,333	80,273
Administrative	45,906	64,135
Telephone and information technology	57,722	38,418
Life insurance	61,847	36,397
Taxes and licenses	7,730	31,802
Postage and courier	42,377	27,423
Interest on the demand and long-term debt	115,601	137,895
Bank charges	20,428	26,155
Foreign exchange (gain) loss	13,407	(2,430)
	3,923,293	3,865,970
Excess of revenues over expenses (expenses over revenues)	58,938	(335,252)

See accompanying notes

MADA COMMUNITY CENTRE INC.

Statement Of Cash Flows

For the year ended December 31, 2025

	2025	2024
	\$	\$
Cash flows from operating activities		
Excess of revenues over expenses (expenses over revenues)	58,938	(335,252)
Item not affecting cash:		
Amortization of capital assets	296,598	302,496
Amortization of deferred contributions and government grants	(278,312)	(211,249)
Loss (gain) on disposal of investments	(74)	746
Donation of goods	(524,192)	(806,595)
Distribution of donated goods	505,169	683,112
Net change in non-cash working capital items (Note 13)	46,378	384,902
Net cash provided by operating activities	104,505	18,160
Cash flows for investing activities		
Acquisition of tangible capital assets	(48,830)	(133,175)
Net cash used in investing activities	(48,830)	(133,175)
Cash flows from financing activities		
Increase (decrease) in bank indebtedness	(854)	63,918
Increase (decrease) in due to related parties	(22,000)	94,414
Repayment of long-term debt	(13,206)	(12,556)
Repayment of capital lease obligation	(10,077)	-
Repayment of the demand debt	(43,532)	(68,372)
Net cash used in financing activities	(89,669)	77,404
Net decrease in cash	(33,994)	(37,611)
Cash - beginning of year	302,796	340,407
Cash - end of year	268,802	302,796

See accompanying notes

MADA COMMUNITY CENTRE INC.

Notes To Financial Statements

As at December 31, 2025

1. Legal status and nature of operations

The Organization was incorporated on June 9, 2009 under the laws of Canada and was continued under section 211 of the Canada Not-for-Profit Corporations Act. It operates to serve the needs of the community by providing food, clothing and other essential services. It also maintains a food bank, used clothing and home-goods distributions. The Organization is a registered charity and classified as a not-for-profit organization under the Canadian Income Tax Act and Quebec Tax Act. Accordingly it is therefore not subject to income taxes. The Organization derives revenues from donations, fundraising and government grants.

2. Going concern

The financial statements were prepared on the going concern basis, which presumes that the Organization will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. For the year ended December 31, 2025 the net income (loss) was \$58,938 (2024 - \$(335,252)) and as at that date the current liabilities exceed current assets by \$2,208,375 (2024 - \$2,443,214).

The ability of the Organization to continue as a going concern is dependent upon the continued support from its donors and lenders and on its ability to restore and maintain operations resulting in excess of revenues over expenses in the future. Some of these elements depend on a number of factors that are not all under the control of the Organization, and these conditions indicate the existence of a material uncertainty that could cast significant doubt about the Organization's ability to continue as a going concern.

In the longer term, the Organization cannot be certain that cash generated from its operations will be sufficient to satisfy its liquidity requirements and it may need to raise funding by disposing of capital assets and/or by obtaining additional credit facilities. No assurance can be given that any such additional funding will be available or that, if available, it can be obtained on terms favourable to the Organization. These financial statements do not reflect adjustments that would be necessary if the going concern assumptions were not appropriate. If the going concern basis was not appropriate for these financial statements, then adjustments may be necessary to the carrying amount of the assets, the reported revenues and expenses, and statement of financial position classifications.

3. Significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations, hereafter referred to as "ASNPO", and include the following significant accounting policies:

(a) Measurement uncertainty

Certain items recognized in the financial statements are subject to measurement uncertainty. The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amount 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. Actual results may vary from the current estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the periods in which they become known. The financial statements have, in management's opinion, been prepared within reasonable limits of materiality and within the framework of the accounting policies summarized.

MADA COMMUNITY CENTRE INC.

Notes To Financial Statements

As at December 31, 2025

3. Significant accounting policies - Cont'd

(b) Financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial assets and financial liabilities are subsequently recorded at cost or at amortized cost.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial impairment charge

(c) Revenue recognition

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

Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant relates to a future period, it is deferred and recognized in that subsequent period. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized

Revenues from fundraising events are recognized when the event takes place and the funds are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate of the related capital assets..

Contributions restricted by donor advised funds are deferred and recognized as revenue upon request of the initial donor.

(d) Investments and deferred donor advised contributions

The Organization manages investments on behalf of a donor advised fund. Income (loss) earned on investments is recognized as a direct increase (decrease) in the deferred donor advised contributions. Additions to (withdrawals from) investments are recognized as direct increases (decreases) in deferred donor advised contributions.

MADA COMMUNITY CENTRE INC.

Notes To Financial Statements

As at December 31, 2025

3. Significant accounting policies - Cont'd

(e) Contributed goods and services

Volunteers make a significant contribution in assisting the Organization in carrying out its service delivery activities. Because of the difficulty in determining their fair value, contributed services are not reflected in these financial statements.

The fair value of donated materials is recorded in the financial statements when it can be reasonably estimated and if it would have had otherwise acquired these goods for its normal operations.

(f) Government assistance

Government assistance related to current expenses and revenues is included in the determination of excess of expenses over revenues for the period. Government assistance related to capital expenditures is deferred and amortized to income on the same basis as the related item of capital assets is depreciated.

(g) Related party transactions

Monetary related party transactions and non-monetary related party transactions that have commercial substance are measured at the exchange amount when they are in the normal course of operations, except when the transaction is an exchange of a property held for sale in the normal course of operations. Where the transaction is not in the normal course of operations, it is measured at the exchange amount when there is a substantive change in the ownership of the item transferred and there is independent evidence of the exchange amount. All other related party transactions are measured at the carrying amount.

(h) Presentation of the controlled organization

As further described in Note 15, the Organization exercises significant influence over Mada Chabad Community by virtue of common officers in both entities. The Organization has elected not to consolidate Mada Chabad Community's financial statements.

(i) Cash

It is the Organization's policy to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and highly liquid investments with a maturity period of three months or less from the date of acquisition. Highly liquid investments which the Organization cannot use for current operations because they are restricted are excluded from cash and cash equivalents.

(j) Capital assets

Capital assets are recorded at cost less accumulated amortization. Amortization is provided on the various classes of assets principally at rates designed to write-off the cost of the assets over their estimated useful lives using the declining balance method at the following rates:

Building	4%
Furniture and fixtures	20%
Automobile	30%
Computer equipment	30%
Computer software	30%

MADA COMMUNITY CENTRE INC.

Notes To Financial Statements

As at December 31, 2025

3. Significant accounting policies - Cont'd

(k) Impairment of long-lived assets

Long-lived assets, which comprise tangible and intangible capital assets with a definite life, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows expected from its use and eventual disposition. If there is an impairment, the impairment loss is measured as the amount by which the carrying amount of the asset exceeds its fair value. An impairment loss is not reversed if the fair value of the related asset subsequently increases.

4. Long-term investments

Long-term Investments comprise are restricted and relate to the donor advised deferred revenues described in Note 11 and consist of the following:

	2025	2024
	\$	\$
Cash	\$ -	\$ 27,966
Shares of publicly traded corporations	-	553,707
	\$ -	\$ 581,673

5. Capital assets

	Cost	Amortization	Net Carrying Amount	Net 2024
	\$	\$	\$	\$
Land	662,160	-	662,160	662,160
Building	6,727,560	2,214,958	4,512,602	4,687,835
Furniture and fixtures	421,162	246,396	174,766	193,159
Automobile	719,760	570,297	149,463	140,946
Computer equipment	34,277	25,214	9,063	4,702
Computer software	75,139	38,319	36,820	44,075
	8,640,058	3,095,184	5,544,874	5,732,877

During the year ended December 31, 2025, a vehicle with a fair value of \$5,600 (2024 - \$18,800) was donated to the Organization. In addition, the Organization acquired a delivery vehicle for \$54,165 under a capital lease.

6. Bank indebtedness

Bank indebtedness consists of a revolving line of credit facility up to a maximum of \$100,000, bearing interest at the bank's prime rate (4.45% as at December 31, 2025). As at December 31, 2025, the Organization is utilizing \$79,322 (2024 - \$80,176) of its revolving line of credit.

The bank indebtedness is secured together with the demand debt as described in note 8.

MADA COMMUNITY CENTRE INC.

Notes To Financial Statements

As at December 31, 2025

7. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities include government remittances payable of \$14,250 (2024 - \$54,104).

8. Demand debt

The 5.97% demand instalment loan is secured by a movable hypothec of \$3,000,000 on the following: Movable property of the borrower, all present and future claims, equipment, intellectual property and securities, as well as by an immovable hypothec of \$2,500,000 on the land and building. As at December 31, 2025, the net carrying amount of the assets pledged as collateral totaled \$5,625,685.

In addition to the demand instalment loan, the Organization has an available authorized nonrevolving credit facility up to a maximum of \$400,000, bearing interest at the bank's prime rate (4.45% as at December 31, 2025). The non-revolving credit facility is not utilized as at December 31, 2025.

The Organization is required to maintain a financial ratio. As at December 31, 2025, the Organization was in compliance with the financial ratio.

9 Loan from related parties

	2025 \$	2024 \$
Unsecured, non-interest bearing advance from Mada Chabad Community, another charitable organization further described in Note 15.	72,414	72,414
Unsecured, non-interest bearing loan from the spouse of the executive director	-	22,000
	72,414	94,414

10. Deferred contributions

Deferred contributions related to expenses of future periods represent unspent externally restricted government grants and donations for specific programs and consist of the following:

	2025 \$	2024 \$
Balance - beginning of year	36,439	-
Government grants received during the year	199,032	198,814
	235,471	198,814
Less amount recognized as revenue in the year	(235,471)	(162,375)
	-	36,439

MADA COMMUNITY CENTRE INC.

Notes To Financial Statements

As at December 31, 2025

10. Deferred contributions - Cont'd

Deferred capital contributions related to capital assets represent the unamortized amount and unspent amount of donations and government grants received for the purchase of capital assets. The amortization of capital contributions is recorded as subsidies, government grants and contributions in the statement of operations and consist of the following:

	2025 \$	2024 \$
Balance - beginning of year	238,273	245,510
Contributions received during the year	-	18,800
Government grants received during the year	-	22,837
	238,273	287,147
<u>Less amortization of deferred capital contributions</u>	<u>(42,841)</u>	<u>(48,874)</u>
	195,432	238,273

The balance of unamortized deferred contributions and deferred government grants consist of the following:

	2025 \$	2024 \$
Unamortized capital contributions used to purchase assets	195,432	238,273
Unspent contributions related to expenses of future periods	-	36,439
	195,432	274,712
<u>Less current portion of deferred contributions and deferred government grants</u>	<u>(32,169)</u>	<u>(70,375)</u>
	163,263	204,337

11. Deferred donor advised contributions

Deferred donor advised contributions represent externally restricted donations to be allocated by the initial donor to specific registered charities aligned with the Organization's mission and consist of the following:

	2025 \$	2024 \$
Balance - beginning of year	581,673	510,646
Change in unrealized gain on fair value of investments	-	58,558
Change in fair value of investments	51,978	12,469
Disbursed to other qualified donees per donor instructions	(295,595)	-
Recognized as contribution revenue during the year	(338,056)	-
	-	581,673

MADA COMMUNITY CENTRE INC.

Notes To Financial Statements

As at December 31, 2025

12. Capital lease obligation

During the year, the Organization assumed the balance of a capital lease on acquisition of a new vehicle. As at December 31, 2025, the remaining obligation of \$44,088. The obligation is secured by a vehicle having a carrying value of \$46,040.

Future minimum lease payments including principal and interest for subsequent years are as follows:

	\$
2026	15,116
2027	15,116
2028	13,856
	<u>44,088</u>

13. Statement of cash flows

Net change in non-cash working capital items:

	2025	2024
	\$	\$
Accounts receivable	(48,031)	29,183
Sales taxes refundable	5,748	(13,414)
Prepaid expenses	1,281	3,384
Accounts payable and accrued liabilities	(125,149)	21,361
Contributions and government grants received	199,032	221,651
Sale of marketable securities	13,497	122,737
	<u>46,378</u>	<u>384,902</u>

14. Contractual obligations

Total future minimum lease payments under an operating lease for premises, exclusive of escalation and certain operating costs for which the Company is responsible, are approximately as follows:

	\$
2026	156,557
2027	115,017
2028	64,356
2029	38,535
2030	34,795
	<u>409,260</u>

15. Related party transactions

- (a) Monetary donation revenue include a total of \$14,000 (2024 - \$134,550) received from Mada Chabad Community, a not-for-profit, charitable Organization incorporated under the Religious corporations Act.
- (b) Salaries include a total of \$268,900 (2024 - \$361,100) for services rendered by Mada Chabad Community.

These transactions are measured at the exchange amount, which is the amount of consideration determined and agreed to by the related parties.

MADA COMMUNITY CENTRE INC.

Notes To Financial Statements

As at December 31, 2025

15. Related party transactions - Cont'd

Mada Chabad Community is a not-for-profit, charitable Organization incorporated under the Religious corporations Act. Both of these Organizations have several common board members and the officers of both Organizations are similar.

Mada Chabad community was established to serve the needs of the community by organizing a synagogue, conducting classes and meetings, publishing, disseminating and distributing related information and carrying our youth-oriented projects. While this objectives are not identical to this entity, there are some common or complementary objectives,

A financial summary for Mada Chabad Community as at March 31, 2025 and for the year then ended (unaudited) is as follows:

Financial position:

	2025	2024
	\$	\$
Assets		
Cash	214,404	192,918
Loan receivable	81,462	59,789
Loan receivable - Mada Community Centre	50,185	50,185
	346,051	302,892
Liabilities		
Loan payable	21,538	20,325
Net assets		
Unrestricted net assets	324,513	282,567
	346,051	302,892

Statement of operations:

	2025	2024
	\$	\$
Revenues		
Donations	105,304	97,640
Salary recharge - Mada Community Centre Inc.	358,800	155,700
	464,104	253,340
Expenses		
Payroll expenses	349,271	155,114
Donations	79,761	116,640
Interest and bank charges	485	320
Foreign exchange gain	(7,360)	(29)
	(422,157)	(272,045)
Excess of revenues over expenses (expenses over revenues)	41,947	(18,705)

MADA COMMUNITY CENTRE INC.

Notes To Financial Statements

As at December 31, 2025

16. Financial instruments

The Organization's financial instruments consist of cash, accounts receivable, sales taxes refundable, bank indebtedness, accounts payable and accrued liabilities, demand debt, loan from related party and capital lease obligation. The following analysis provides a measure of the Organization's risk exposure as at December 31, 2025.

Fair Value

Cash, accounts receivable, sales taxes refundable, bank indebtedness, accounts payable and accrued liabilities and demand debt is approximately equal to their carrying values given their short-term maturity date.

Liquidity risk

The liquidity risk is the risk that the Organization will encounter difficulties in meeting obligations associated with financial liabilities. The Organization manages its liquidity risk by constantly monitoring forecasted and annual cash flow and financial liability maturities, and by increasing fundraising activities. The Organization is exposed to this risk mainly in respect to its demand and long-term debt and accounts payable and accrued liabilities. There has been no significant change to risk exposures from 2024.

Interest rate risk

The Organization has a lines of credit bearing variable interest rates as well as demand debt and capital lease obligation. Consequently, the Organization's interest risk exposure is a function of the changes in interest rates, on its fixed and floating interest rate financial instruments. There has been no significant change to risk exposures from 2024.

17. Comparative figures

Certain figures in the 2024 financial statements have been reclassified to conform with the basis of presentation used in 2025.