AFRICAN CANADIAN CONTINUING EDUCATION SOCIETY
FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Contents

INDEPENDENT AUDITOR'S REPORT

To the Directors of **African Canadian Continuing Education Society**:

Qualified Opinion

We have audited the financial statements of **African Canadian Continuing Education Society** ("the Society"), which comprise the statement of financial position as at **December 31, 2025**, and the statements of operations and 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, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of **African Canadian Continuing Education Society** 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 ("Canadian ASNPO").

Basis for Qualified Opinion

In common with many charitable organizations, the Society derives revenues from fundraising and donations which totaled $317,204 for the year ended **December 31, 2025**, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, the verification of these revenues was limited to the amounts recorded by the Society. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising and donations revenues, excess of revenues over expenses, and cash flows from operations for the years ended **December 31, 2025** and **December 31, 2024**, current assets as at **December 31, 2025** and **December 31, 2024**, and net assets as at **December 31, 2025** and **December 31, 2024**.

We conducted our audit in accordance with Canadian Generally Accepted Auditing Standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Matter

The financial statements for the year ended December 31, 2024 were audited by another auditor who expressed a qualified opinion on their financial statements on May 30, 2025 because their verification of revenue from fundraising and donations was limited to the amounts recorded in the records of the Society. Accordingly, they have not determined whether any adjustments might be necessary to fundraising and donation revenue, excess of revenue over expenses, and cash flows from operations for the year ended December 31, 2024, current assets as at December 31, 2024 and net assets as at January 1, 2024 and December 31, 2024.

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 ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Canadian GAAS 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 GAAS, 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 Society's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going-concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements:

As required by the Societies Act of the Province of British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian ASNPO have been applied on a basis consistent with that of the preceding year.

June 11, 2026
Vancouver, British Columbia

CHARTERED PROFESSIONAL ACCOUNTANTS

AFRICAN CANADIAN CONTINUING EDUCATION SOCIETY
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025

		2025		2024
ASSETS				
CURRENT				
Cash and Cash Equivalents	**$**	**30,235**	$	49,885
Accounts Receivable *(Note 3)*		**40,900**		12,858
Prepaid Travel Expenses		**-**		23,732
		71,135		86,475
PROPERTY AND EQUIPMENT *(Note 4)*		**4,205**		5,256
	$	**75,340**	$	91,731
LIABILITIES				
CURRENT				
Accounts Payable and Accrued Liabilities	**$**	**17,968**	$	6,347
NET ASSETS		**57,372**		85,384
	$	**75,340**	$	91,731

The accompanying notes are an integral part of these financial statements.

Approved by the Board of Directors

____________________________ Sharon Cohen, President

____________________________ Director

AFRICAN CANADIAN CONTINUING EDUCATION SOCIETY
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025

		2025		2024
RECEIPTS				
Donations and Fundraising *(Note 5)*	**$**	**317,204**	$	277,299
Interest and Other Income		**300**		251
		317,504		277,550
EXPENSES				
Funds to Kenya *(Note 5)*		**217,223**		189,526
Operating Expenses *(Schedule 1)*		**128,293**		91,799
		345,516		281,325
DEFICIENCY OF RECEIPTS OVER EXPENSES		**(28,012)**		(3,775)
NET ASSETS, BEGINNING OF YEAR		**85,384**		89,159
NET ASSETS, END OF YEAR	**$**	**57,372**	$	85,384

The accompanying notes are an integral part of these financial statements.

AFRICAN CANADIAN CONTINUING EDUCATION SOCIETY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

		2025		2024
CASH PROVIDED BY (APPLIED TO):				
OPERATING ACTIVITIES				
Deficiency of Receipts over Expenses	**$**	**(28,012)**	$	(3,775)
Items Not Requiring Cash				
Amortization		**1,051**		1,221
Receipt of Securities		**66,761**		86,318
		39,800		83,764
Changes in Non-cash Working Capital				
Accounts Receivable		**(28,042)**		(6,699)
Prepaid Expenses		**23,732**		(23,732)
Accounts Payable		**11,621**		(347)
Due to Director		**-**		(51,890)
Disposal of Securities		**(66,761)**		(86,318)
		(19,650)		(85,222)
INVESTING ACTIVITIES				
Acquisition of Tangible Capital Assets		**-**		(744)
Receivable from ACCES Foundation		**-**		30,000
		-		29,256
FINANCING ACTIVITY				
Repayment of CEBA Loan		**-**		(40,000)
DECREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR		**(19,650)**		(95,966)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		**49,885**		145,851
CASH AND CASH EQUIVALENTS, END OF YEAR	**$**	**30,235**	$	49,885

Cash and Cash Equivalents is composed of:				
CASH	**$**	**20,235**	$	39,885
CASHABLE TERM DEPOSIT		**10,000**		10,000
	$	**30,235**	$	49,885

The accompanying notes are an integral part of these financial statements.

AFRICAN CANADIAN CONTINUING EDUCATION SOCIETY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

1. OPERATIONS

African Canadian Continuing Education Society (the "Society") was incorporated in British Columbia on October 5, 1993, and has transitioned to the Societies Act (British Columbia) that came into force on November 28, 2016. The Society is a registered charity under the Income Tax Act.

The Society's primary activity is to provide funding for the continuing education of children and youth in the Kakamega District of Kenya.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations effective as at December 31, 2025. These financial statements have been prepared on the historical cost basis, except for certain financial instruments which may be measured at fair value, as explained in the accounting policies set out below.

Use of Estimates

The preparation of these financial statements requires management to make estimates and judgments and to form assumptions that affect the reported amounts and other disclosures in these financial statements. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of these assumptions form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Significant estimates include the recoverability of accounts receivable and the useful lives of capital assets for the purpose of calculating amortization. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

Cash and Cash Equivalents

Cash and cash equivalents include cash on deposit with financial institutions and term deposits which have a term to maturity of three months or less at the date of acquisition or that are readily convertible into known amounts of cash.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial Instruments

The Society's financial instruments are cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities.

Financial instruments are measured at fair value on initial recognition and subsequently at amortized cost, except for derivatives, equity investments quoted in an active market, or if they are designated at fair value through profit and loss. The Society's financial instruments are all measured subsequently at amortized cost.

Transaction costs and financing fees directly attributable to the acquisition or issue of a financial asset or financial liability that will be measured subsequently at amortized cost are added to the carrying amount of the financial asset or financial liability.

At each reporting date, financial assets are reviewed for indications that they may be impaired. If a significant adverse change has occurred in the expected timing or amount of future cash flows from the financial asset, the carrying value of the financial asset is reduced to the highest of the present value of future cash flows from the financial asset and the amount that could be realized from selling the asset or exercising rights to any collateral. The amount of write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Property and Equipment

Property and equipment are recorded at cost and are amortized over their estimated useful lives using the following annual rates and methods:

Furniture and Equipment	20% declining balance method
Computer Software	20% straight-line method

Recognition of Receipts

Donations and fundraising receipts are recorded when received or pledged, the amount is determinable and receipt is reasonably assured. Amounts received which are restricted to specific programs or to fund future period expenditures are recorded as deferred receipts until expended.

Government assistance related to non-capital items is recognized as income on an accrual basis in the year in which the assistance is received, unless the assistance is related to expenses of future periods in which case it is deferred and amortized to income as the related expenses are incurred.

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Recognition of Receipts (continued)

Interest income is recognized as revenue in accordance with the terms of the underlying investment, which is generally with the passage of time.

Contributions in Kind

Contributions in kind that are used in the normal course of the Society's operations and that otherwise would have been purchased, are recorded at their fair value at the date of contribution, if the fair value can be reasonably estimated.

Income Taxes

The Society is a non-profit organization and a registered charity and is not subject to federal or provincial income taxes.

3. ACCOUNT RECEIVABLE

		2025		2024
Donations Receivable	**$**	**36,416**	$	8,084
GST Rebate Receivable		**4,484**		4,774
	$	**40,900**	$	12,858

4. PROPERTY AND EQUIPMENT

2025		Cost		Accumulated Amortization		**Net Book Value**
Furniture and Equipment	$	16,809	$	12,604	**$**	**4,205**
Computer Software		8,528		8,528		**-**
	$	25,337	$	21,132	**$**	**4,205**

2024		Cost		Accumulated Amortization		Net Book Value
Furniture and Equipment	$	16,809	$	11,553	$	5,256
Computer Software		8,528		8,528		-
	$	25,337	$	20,081	$	5,256

5. RELATED NOT-FOR-PROFIT ORGANIZATIONS

<u>ACCES Foundation</u>

African Canadian Continuing Education Society Foundation (1997) ("ACCES Foundation") is incorporated under the Societies Act, British Columbia, and is a registered charity under the Income Tax Act.

ACCES Foundation was established by members of the Society and all donations made to ACCES Foundation are used to advance the objectives of the Society. ACCES Foundation and the Society also share staff and have two directors in common. Accordingly, the Society has determined that it has the ability to influence ACCES Foundation's policies and activities.

During the year ended December 31, 2025, the Society received \$50,000 (2024 - \$43,500) from ACCES Foundation, which included \$1,000 (2024 - \$20,000) as a recovery of staff expenses and the remainder as a general donation.

As at December 31, 2025, ACCES Foundation had net assets of \$626,585 (2024 - \$551,067).

<u>ACCES Kenya</u>

African Canadian Continuing Education Society in Kenya ("ACCES Kenya") was established on November 2, 2000, in Kenya by directors of the Society under the Kenya Non-Governmental Organizations Co-Ordination Act ("NGO Act").

ACCES Kenya's objective is to improve the delivery of education to children and youth in Kenya. ACCES Kenya is funded by contributions from the Society and the directors of ACCES Kenya are also directors of the Society. Accordingly, the Society has determined that it controls ACCES Kenya since it has the ability to direct ACCES Kenya's policies and objectives.

During the year ended December 31, 2025, the Society contributed \$217,223 (2024 - \$189,526) to ACCES Kenya.

ACCES Kenya prepares its financial statements in accordance with International Financial Reporting Standards.

5. RELATED NOT-FOR-PROFIT ORGANIZATIONS *(continued)*

ACCES Kenya *(continued)*

The following is summary financial information for ACCES Kenya as at December 31, 2025 and for the year then ended:

		2025		2024
Total Assets	**$**	**11,890**	$	3,096
Total Liabilities	**$**	**1,669**	$	1,745
Net Assets	**$**	**10,221**	$	1,351
Revenues	**$**	**212,341**	$	184,532
Expenses	**$**	**210,481**	$	184,873
Cash Flows from Operating Activities	**$**	**4,423**	$	1,063
Cash Flows from Investing Activities	**$**	**(5,471)**	$	(2,439)
Cash Flows from Financial Activities	**$**	**-**	$	-

6. RELATED PARTY TRANSACTIONS

Related party transactions are recorded at the exchange amount agreed to by the parties to the transaction.

During the year ended December 31, 2025, the Society received donations from its co-founder of $64,155 (2024 - $86,318) and donations from other directors of $5,092 (2024 - $17,712). The donation from the co-founder is a gift of shares.

7. FINANCIAL RISK MANAGEMENT

The Society's activities expose it to a variety of financial risks, which include credit risk, foreign exchange risk, interest rate risk and liquidity risk. The Society's risk management program focuses on the unpredictability of financial markets and seeks to maximize the Society's ability to meet its mandate.

Credit Risk

Credit risk is the risk of financial loss to the Society if a counterparty to a financial instrument fails to meet its contractual obligations. This risk arises from its cash and cash equivalents and accounts receivable. The Society considers this risk to be limited as cash and cash equivalents are on deposit at an insured financial institution and accounts receivable are due from donors that are collected shortly after year end.

7. FINANCIAL RISK MANAGEMENT *(continued)*

Foreign Exchange Risk

Foreign exchange risk is the risk that changes in foreign exchange rates will affect the future cash flows from the Society to its African partners, reducing amounts available for the delivery of programs in Africa. The Society manages this risk through timing of the conversion of currency with the best exchange rates available.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will affect the fair value or future cash flows of the Society's financial instruments. The Society's interest rate risk exposure is minimal.

Liquidity Risk

Liquidity risk is the risk that the Society will not be able to meet its financial obligations as they come due. Accounts payable and accrued liabilities are due within the next operating period. The Society's overall exposure to liquidity risk is minimal as the Society has sufficient assets to meet outstanding obligations.

8. REMUNERATION OF DIRECTOR, EMPLOYEES & CONTRACTORS

During the year, the amounts paid to the Directors of the Society for acting in their noted capacity was $ nil (2024 - $ nil). No employee and contractor received remuneration in excess of $75,000. This disclosure is provided in accordance with the requirements of the Societies Act of British Columbia.

9. COMPARATIVE FIGURES

The comparative figures for the year ended December 31, 2024 have been reclassified where necessary to conform with the presentation used in the current year.

AFRICAN CANADIAN CONTINUING EDUCATION SOCIETY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025

Schedule 1

Operating Expenses

		2025		2024
Project Kenya				
Monitoring and Evaluation	**$**	**27,988**	$	16,736
Executive Services		**18,507**		18,792
		46,495		35,528
Project ACCES				
Administration		**10,641**		11,503
Amortization		**1,051**		1,221
Contractors		**2,700**		1,899
Fundraising		**-**		352
Professional Fees		**15,554**		9,875
Administrative and Executive Services		**51,852**		31,421
		81,798		56,271
Total Operating Expenses	**$**	**128,293**	$	91,799