Veterans Transition Network
Financial Statements
December 31, 2025

To the Directors of Veterans Transition Network:

Opinion

We have audited the financial statements of Veterans Transition Network (the "Organization"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the 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 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 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 opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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.

MNP LLP

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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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Vancouver, British Columbia

MNP LLP

April 20, 2026

Chartered Professional Accountants

Veterans Transition Network
Statement of Financial Position
As at December 31, 2025

	2025	2024
Assets		
Current		
Cash	**320,589**	1,367,721
Accounts receivable	**130,085**	550,766
Prepaid expenses and deposits	**17,919**	29,304
	468,593	1,947,791
Intangible asset	**1,446**	1,446
	470,039	1,949,237
Liabilities		
Current		
Accounts payable and accrued liabilities	**60,407**	338,522
Deferred contributions *(Note 3)*	**295,415**	1,388,646
	355,822	1,727,168
Commitments *(Note 4)*		
Net Assets		
Unrestricted net asset	**114,217**	222,069
	470,039	1,949,237

Approved on behalf of the Board

Director **Director**

The accompanying notes are an integral part of these financial statements

Veterans Transition Network
Statement of Operations and Changes in Net Assets
For the year ended December 31, 2025

	2025	*2024*
Revenue		
Grants *(Note 3)*	**1,718,357**	1,651,486
Veterans homelessness program *(Note 3)*	**1,070,280**	208,053
Donations	**620,729**	643,581
Afghan support program revenue *(Note 3)*	**554,234**	43,737
Program revenue	**202,500**	150,000
IRCC safe passage contribution project	**-**	3,296,664
Gain (Loss) on sale of marketable securities and other income	**(615)**	530
	4,165,485	5,994,051
Expenses		
Program delivery *(Note 6)*	**2,888,527**	2,227,976
Afghan support program delivery	**554,234**	43,737
Salaries and wages	**374,030**	360,580
Fundraising *(Note 6)*	**162,512**	112,820
Marketing *(Note 6)*	**159,896**	121,744
Office	**78,336**	103,963
IRCC safe passage contribution project delivery	**-**	2,875,320
Accounting and audit	**36,277**	33,902
Insurance	**13,609**	13,214
Professional services	**3,958**	23,611
Travel	**1,907**	4,466
Bank charges and interest	**51**	58
	4,273,337	5,921,391
Excess (deficiency) of revenue over expenses	**(107,852)**	72,660
Unrestricted net assets beginning of year	**222,069**	149,409
Unrestricted net assets end of year	**114,217**	222,069

The accompanying notes are an integral part of these financial statements

Veterans Transition Network
Statement of Cash Flows
For the year ended December 31, 2025

	2025	*2024*
Cash provided by (used for) the following activities		
Operating activities		
Excess (deficiency) of revenue over expenses	**(107,852)**	72,660
Adjustments to reconcile net cash:		
Donations of marketable securities	**(7,187)**	(41,666)
Loss (gain) on sale of marketable securities	**1,140**	(7)
Net changes in non-cash working capital accounts		
Accounts receivable	**420,681**	(288,079)
Prepaid expenses and deposits	**11,385**	(6,738)
Accounts payable and accrued liabilities	**(278,115)**	84,557
Deferred contributions	**(1,093,231)**	347,961
	(1,053,179)	168,688
Investing		
Proceeds on disposal of marketable securities	**6,047**	41,673
Increase (decrease) in cash	**(1,047,132)**	210,361
Cash, beginning of the year	**1,367,721**	1,157,360
Cash, end of year	**320,589**	1,367,721

The accompanying notes are an integral part of these financial statements

1. Purpose of the Organization

Veterans Transition Network (the “Organization”) was established in May 2012 as a registered charity, incorporated under the Canada Not-for-profit Corporations Act. The purpose of the Organization is to provide timely, effective and comprehensive group services to assist soldiers and to help soldiers transition to civilian life serving to launch them into their best possible future.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (“ASNPO”) and, reflect the following significant accounting policies.

Cash

Cash include cash on hand and balances with banks.

Deferred revenue

Deferred revenue consists principally of operating grants, donations and contributions that have been received but for which not all of the related services have been provided.

Revenue recognition

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

Other income is recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed materials

Contributed materials and services are recognized in the financial statements when their fair value can be reasonably estimated and when the Organization would have otherwise purchased them. There were no contributed materials and services recognized in the current fiscal year.

Contribution of time by volunteers is not recorded as an expense as the dollar amount is not reasonably determinable.

Financial instruments

The Organizations financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities.

Financial assets and financial liabilities are initially measured at fair value when the Organization becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of these financial instruments are recognized in the statement of operations as income or expense.

With respect to financial assets measured at cost or amortized cost, the Organization recognizes in the statement of operations an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases, and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in the statement of operations in the period the reversal occurs.

Intangible asset

The intangible asset is a trademark that has an indefinite life. Intangible assets with an indefinite life are accounted for at cost and are tested for impairment whenever events or changes in circumstances indicate that they might be impaired. When the carrying amount of an item exceeds its fair value, an impairment loss is recognized in the statement of operations in an amount equal to the excess.

Use of estimates

Financial statements prepared in conformity with ASNPO require management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from these estimates. Assumptions are used in estimating the collectability of accounts receivable. Management reviews its estimates annually based on current available information.

Allocation of expenses

The Organization engages in the following functions, program delivery, marketing and fundraising. The costs of each function include the costs of personnel, premises and other expenses that are directly related to the function. Any costs not allocated to a function are classified by object.

The Organization allocates the costs of personnel, premises and other expenses by identifying the appropriate basis of allocating each component expense, and applies that basis consistently each year. Salaries and wages and office are allocated on the following bases:

Salaries and wages	Proportionately based on the function the employee works in as outlined in their employment contract.
Office	Proportionately based on the function the employee works in as outlined in their employment contract on an annual hours worked basis.

3. Deferred contributions

Deferred contributions related to operations comprise grant funding received in the current period for future periods.

	Balance beginning of year $	Contributions received and receivable $	Recognized as revenue $	2025 Balance end of year $
The Royal Canadian Legion BC/Yukon Command	-	185,000	185,000	-
The Royal Canadian Legion Ontario Command	108,000	-	108,000	-
Peterson Foundation	60,000	-	60,000	-
Boeing Foundation	25,289	55,804	69,289	11,804
London Drugs	15,000	15,000	30,000	-
Generation Capital	201,339	217,000	418,339	-
Command Legion of QC	500	12,500	6,000	7,000
Command Legion of MB	33,865	27,015	49,929	10,950
Command Legion of ON	36,700	29,950	43,150	23,500
Echo Foundation	-	35,000	35,000	-
Sexual Misconduct Support & Resouce Centre	-	37,500	37,500	-
Medaive Foundation	-	150,000	150,000	-
True Patriot Love	-	180,650	179,650	1,000
Hewitt Foundation	-	100,000	100,000	-
KTLX Charitable Foundation	-	60,000	-	60,000
Weston Family Foundation	-	25,000	-	25,000
Commissionnaire Du Quebec	-	7,500	7,500	-
General Dynamics	-	1,000	1,000	-
Aqueduct Foundation	-	60,000	60,000	-
PGF Family Corporation	-	33,000	33,000	-
La Fondation Emmanuelle Gattuso	-	100,000	100,000	-
Kucharski Bold Foundation	-	5,000	5,000	-
Fondation Québécoise des Vétérans	-	40,000	40,000	-
	480,693	1,376,919	1,718,357	139,254

3. Deferred contributions *(continued)*

2024

	Balance beginning of year $	Contributions received and receivable $	Recognized as revenue $	Balance end of year $
True Patriot Love	-	253,314	253,314	-
Calgary Foundation	-	5,000	5,000	-
Command Legion of QC	4,000	2,500	6,000	500
Command Legion of ON	6,000	41,700	11,000	36,700
Command Legion of MB	13,565	21,300	1,000	33,865
Aqueduct Foundation	60,000	-	60,000	-
Veteran & Family Well-Being Fund	79,969	225,000	304,969	-
Fondation Québécoise des Vétérans	-	60,000	60,000	-
Hewitt Foundation	-	100,000	100,000	-
Boeing Vancouver	-	55,289	30,000	25,289
Generation Capital	146,305	250,000	194,966	201,339
The Royal Canadian Legion/BC/Yukon Command	-	216,000	216,000	-
The Royal Canadian Legion Ontario Command	-	144,500	36,500	108,000
The Peterson Foundation	60,000	60,000	60,000	60,000
KTLX Charitable Foundation	75,000	-	75,000	-
Colinco Holding	17,000	19,737	36,737	-
La Fondation Emmanuelle Gatusso	-	50,000	50,000	-
Medavie Foundation	-	150,000	150,000	-
London Drugs	-	15,000	-	15,000
North Wall Riders Association	-	1,000	1,000	-
	461,839	1,670,340	1,651,486	480,693

During the year, the Organization recognized $534,144 (2024 - $1,343,737) of the donation received as revenue related to the Afghan Interpreters campaign resulting in a deferred income balance of $17,608 (2024 - $551,752) for the fiscal year ended December 31, 2025.

In 2024, the Organization entered into a new funding agreement with the Minister of Housing, Infrastructure and Communities (Canada). The Organization received $852,634 (2024 - $564,253) in funding and recognized $1,070,280 (2024 - $208,053) of the donation received as revenue resulting in a deferred income balance of $138,554 (2024 - $356,200) for the fiscal year ended December 31, 2025.

4. Commitments

The Organization is obligated under a lease agreement in respect of office space under a premise lease for minimum annual rentals as follows:

2026	47,266
2027	47,950
2028	48,291
2029	32,650
Total	176,157

5. Financial instruments

The Organization is exposed to various financial risks through its financial instruments.

Credit risk

The Organization is exposed to credit risk with respect to its cash and accounts receivable from its funding partners for contributions receivable. Cash is held with a reputable financial institution. The Organization assesses its accounts receivable on a continuous basis.

Liquidity risk

Liquidity risk is the risk of being unable to meet cash requirements or to fund obligations as they become due. Accounts payable and accrued liabilities are generally settled within 30 days.

6. Allocation of expenses

Salaries of $702,791 (2024 - $593,585), rent of $26,882 (2024 - $23,624) and office expenses of $12,717 (2024 - $7,233) have been allocated as follows:

	2025	*2024*
Program delivery	**524,335**	461,732
Marketing	**82,585**	73,230
Fundraising	**135,470**	89,481
	742,390	624,443