
AKOMA FAMILY CENTRE INCORPORATED

FINANCIAL STATEMENTS
MARCH 31, 2026

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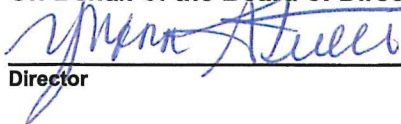
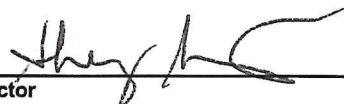
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AKOMA FAMILY CENTRE INCORPORATED**STATEMENT OF FINANCIAL POSITION
MARCH 31, 2026**

ASSETS		2026	2025
Current			
Cash		\$ 1,878,630	\$ 1,023,630
Short term investments		-	612,288
Receivables		47,332	34,889
HST Public services rebate receivable		8,833	8,955
Prepaid expenses		31,097	31,445
Due from Akoma Holdings Incorporated (note 3)		<u>61,462</u>	<u>21,276</u>
		2,027,354	1,732,483
Capital assets (note 4)		<u>108,618</u>	<u>185,675</u>
		\$ 2,135,972	\$ 1,918,158

LIABILITIES			
Current			
Payables and accruals, trade (note 5)		\$ 395,830	\$ 362,235
Deferred contributions related to capital assets (note 6)		<u>8,284</u>	<u>17,551</u>
		404,114	379,786
Deferred contributions related to capital assets (note 6)		<u>29,140</u>	<u>88,394</u>
		<u>433,254</u>	<u>468,180</u>
Contingent liabilities (note 9)			

NET ASSETS			
Investment in capital assets		66,215	79,730
Unrestricted net assets		<u>1,636,503</u>	<u>1,370,248</u>
		<u>1,702,718</u>	<u>1,449,978</u>
		\$ 2,135,972	\$ 1,918,158

On Behalf of the Board of Directors
Director
Director

AKOMA FAMILY CENTRE INCORPORATED**STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2026**

	<u>2026</u>	<u>2025</u>
Revenue		
Grants - Department of Opportunities and Social Development (note 8)	\$ 2,437,365	\$ 2,385,757
Cost recoveries	23,418	45,738
Grants - other	20,835	99,898
Donations	<u>127,509</u>	<u>27,562</u>
	<u>2,609,127</u>	<u>2,558,955</u>
Expenditures		
Advertising and promotion	813	2,146
Amortization	29,152	40,015
Dues and fees	3,418	4,191
Food	55,087	42,219
Heat	8,975	2,589
Household	23,647	7,106
Housekeeping	5,934	3,837
Insurance	31,792	31,706
Interest and bank charges	2,790	2,853
Office	20,681	21,208
Professional fees (note 7)	13,505	22,230
Programs	9,518	56,580
Recoverable expenses	24,738	26,351
Recreation	5,895	6,418
Rent (note 3)	39,501	39,501
Repairs and maintenance	29,038	33,424
Staff training	12,754	7,408
Telephone	12,229	11,258
Travel	19,402	12,546
Utilities	9,901	13,127
Wages and benefits	<u>2,016,514</u>	<u>1,913,580</u>
	<u>2,375,284</u>	<u>2,300,293</u>
Excess of revenue over expenditures before other income	233,843	258,662
Other income		
Contingent recovery (note 9)	-	50,000
Interest income	<u>18,897</u>	<u>26,096</u>
Excess of revenue over expenditures	\$ <u>252,740</u>	\$ <u>334,758</u>

AKOMA FAMILY CENTRE INCORPORATED

STATEMENT OF CHANGES IN NET ASSETS YEAR ENDED MARCH 31, 2026

	<u>Unrestricted Net Assets</u>	<u>Investment in Capital Assets</u>	<u>Total 2026</u>	<u>Total 2025</u>
Balance, beginning of year	\$1,370,248	\$ 79,730	\$1,449,978	\$1,115,220
Excess (deficiency) of revenue over expenditures	283,564	(30,824)	252,740	334,758
Purchase of capital assets	<u>(17,309)</u>	<u>17,309</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 1,636,503</u>	<u>\$ 66,215</u>	<u>\$ 1,702,718</u>	<u>\$1,449,978</u>

AKOMA FAMILY CENTRE INCORPORATED**STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2026**

	<u>2026</u>	<u>2025</u>
Operating activities		
Excess of revenues over expenditures	\$ 252,740	\$ 334,758
Non-cash items:		
Amortization	<u>29,152</u>	<u>40,015</u>
	281,892	374,773
Net change in non-cash working capital balances related to operations		
Receivables	(12,443)	(22,779)
HST Public services rebate receivable	122	(3,214)
Prepaid expenses	348	3,995
Payables and accruals, trade	33,593	(51,293)
Deferred revenue	-	(15,800)
Deferred contributions	<u>(3,305)</u>	<u>(17,551)</u>
	<u>300,207</u>	<u>268,131</u>
Financing activities		
Advances (to) from Akoma Holdings Incorporated	<u>(40,186)</u>	<u>233,539</u>
Investing activities		
Purchase of		
Computer equipment	(7,569)	(5,766)
Equipment	(9,740)	(19,874)
Proceeds from redemption of short term investments	<u>612,288</u>	<u>6,004</u>
	<u>594,979</u>	<u>(19,636)</u>
Increase in cash during year	855,000	482,034
Cash, beginning of year	<u>1,023,630</u>	<u>541,596</u>
Cash, end of year	<u>\$ 1,878,630</u>	<u>\$ 1,023,630</u>

AKOMA FAMILY CENTRE INCORPORATED

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2026

1. Purpose of the organization

Akoma Family Centre Incorporated (the "Organization") was incorporated without share capital on August 13, 2013 under the laws of Nova Scotia and commenced operations on April 1, 2015. The Organization is a registered charity which operates a residence in Dartmouth, Nova Scotia for children in care of the Department of Opportunities and Social Development. The Organization is exempt from income tax under the provision of paragraph 149(1)(f) of the Income Tax Act.

2. Significant accounting policies

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

(a) Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions, which includes grants, 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 reasonably assured.

Donations are recognized when received. Interest income is recognized as earned.

(b) Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and balances with financial institutions.

(c) Financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value, adjusted by the amount of transaction costs directly attributable to the instrument. The Organization subsequently measures all of its financial assets and financial liabilities at amortized cost. Transaction costs are amortized on the straight line basis over the term of the instrument.

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. Where there is an indication of impairment, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be 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 statement of operations.

AKOMA FAMILY CENTRE INCORPORATED

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2026

2. Significant accounting policies (continued)

(d) Capital assets

Capital assets are recorded at cost and amortized using the declining balance method, except for the heat pumps which are being amortized using the straight-line method, at rates based on the estimated useful life of the assets, as indicated in note 4. Amortization is calculated at one-half the annual rate in the year of acquisition. No amortization is recorded in the year of disposal.

(e) Impairment of long-lived assets

Capital assets are tested for impairment when the asset no longer has long term service potential to the Organization. The impairment loss is measured as the amount by which the carrying value of the asset exceeds its residual value. Impairment losses are recognized as an expenditure in the statement of operations and are not subsequently reversed.

(f) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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 could differ from those estimates.

(g) Contributed services

Contributed services to the Organization to assist in carrying out its operating activities are not recognized in these financial statements due to the difficulty in determining their value.

3. Related party transactions

The advances to Akoma Holdings Incorporated ("AHI") are non-interest bearing and the balance is due on demand. The parties are affiliated by virtue of common management and board membership.

During the year, the Organization paid rent of \$39,501 (2025 - \$39,501) to AHI and also transferred the net book value of the Hydroponics garden of \$65,216 and related deferred capital contributions to AHI.

All transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established by the related parties.

AKOMA FAMILY CENTRE INCORPORATED

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2026

4. Capital assets

			<u>2026</u>		<u>2025</u>
	<u>Rate</u>	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Heat pumps	10 yrs	\$ 55,325	\$ 27,662	\$ 27,663	\$ 33,195
Hydroponics garden	10 yrs	-	-	-	65,216
Furniture and equipment	20%	180,238	108,770	71,468	78,376
Computer equipment	55%	<u>83,837</u>	<u>74,350</u>	<u>9,487</u>	<u>8,888</u>
		<u>\$ 319,400</u>	<u>\$ 210,782</u>	<u>\$ 108,618</u>	<u>\$ 185,675</u>

5. Payables and accruals, trade

Included in payables and accruals as at March 31, 2026 are government remittances of \$29,980 (2025 - \$22,242).

6. Deferred contributions related to capital assets

Deferred contributions related to capital assets represents contributions received as funding for capital assets which will be recognized as revenue on the same basis as the amortization expense related to the capital assets. Changes in the deferred contributions balance are as follows:

	<u>2026</u>	<u>2025</u>
Balance, beginning of year	\$ 105,945	\$ 123,496
Less: amounts recognized as revenue in the current year	(3,305)	(17,551)
Less: transfer of Hydroponics garden contributions	<u>(65,216)</u>	<u>-</u>
Balance, end of year	<u>\$ 37,424</u>	<u>\$ 105,945</u>
Represented by:		
Deferred contributions - current	\$ 8,284	\$ 17,551
Deferred contributions - long term	<u>29,140</u>	<u>88,394</u>
	<u>\$ 37,424</u>	<u>\$ 105,945</u>

AKOMA FAMILY CENTRE INCORPORATED

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2026

7. Professional fees

Professional fees expense consists of the following:

	<u>2026</u>	<u>2025</u>
Audit	\$ 9,255	\$ 9,919
Professional consultant	3,300	3,592
Legal	<u>950</u>	<u>8,719</u>
	<u>\$ 13,505</u>	<u>\$ 22,230</u>

8. Economic dependence

The Organization receives funding from the Nova Scotia Department of Opportunities and Social Development ("DOSD") in the form of grants. During the year, DOSD grants comprised 94% (2025 - 95%) of the Organization's funding. Accordingly, the Organization is economically dependent on DOSD for funding to continue operations.

9. Contingent liabilities

The Organization has been jointly named with AHI in four unrelated litigation claims. The total amount of two of these claims has been estimated by external legal counsel to be \$500,000. The remaining two claims were reported in 2025 and external legal counsel has indicated that the potential claim amounts are not known at this time.

The Organization and AHI will fund 50% each of any claim payments. The Organization has accrued \$250,000 as a contingent loss less claim payments made to date of \$22,100.

The Organization has a joint insurance policy with AHI that, upon approval, can reduce the per claim liability to a deductible of \$50,000 when the claim is settled. During the previous year, a claim that had been estimated to be up to \$150,000 was settled so that the Organization and AFCI have each reversed the related excess contingent liability of \$100,000, resulting in an adjustment of \$50,000 on the statement of operations.

10. Financial instruments

The following is a significant risk that the Organization is exposed to through its financial instruments:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risks relate to its accounts receivable. Management considers the risk of non-collection of amounts receivable to be low.
