

SAKEENAH CANADA

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Directors of
Sakeenah Canada

Qualified Opinion

We have audited the financial statements of Sakeenah Canada (the "Organization"), which comprise the as at December 31, 2025, and the statement of operations, statement of net assets and statement of 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

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

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.

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 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 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.



INDEPENDENT AUDITOR'S REPORT, continued

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 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.

Woodbridge, Ontario
June 29, 2026

AGT Partners LLP

AGT Partners LLP
Licensed Public Accountants

SAKEENAH CANADA

Balance Sheet

As at December 31, 2025

	2025	2024
ASSETS		
Current		
Cash (Note 3)	\$ 1,182,029	\$ 1,625,697
Donations receivable	62,595	45,557
Government remittances	38,158	42,506
Prepaid expenses	82,107	83,647
	1,364,889	1,797,407
Furniture and equipment (Note 4)	56,426	79,512
	\$ 1,421,315	\$ 1,876,919
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 46,045	\$ 196,665
General Fund	424,342	507,511
Restricted Fund	950,928	1,172,743
	1,375,270	1,680,254
	\$ 1,421,315	\$ 1,876,919

ON BEHALF OF THE BOARD

[Sarah Malik \(Jun 29, 2026 13:46:59 EDT\)](#) Director

[Hena Awan \(Jun 29, 2026 14:32:59 EDT\)](#) Director

(The accompanying notes are an integral part of these financial statements)

SAKEENAH CANADA

Statement of Operations
Year ended December 31, 2025

	General Funds	Restricted Funds	December 31	December 31
	2025	2025	2025	2024
Revenues				
Donations	\$ 989,998	\$ 1,479,520	\$ 2,469,518	\$ 1,743,392
Donations and private grants from other charities	191,175	956,561	1,147,736	600,394
Government grants	2,000	242,650	244,650	152,500
Sponsorships	5,394	1,620	7,014	48,825
Other income	36,208	-	36,208	62,266
	1,224,775	2,680,351	3,905,126	2,607,377
Expenses				
Program expenses				
Direct program related costs	875,249	2,026,731	2,901,980	2,779,348
Program Support				
Fundraising	1,013,044	24,531	1,037,575	728,532
Administration	261,704	8,851	270,555	294,126
	2,149,997	2,060,113	4,210,110	3,802,006
Excess revenues (expenses) for the year	\$ (925,222)	\$ 620,238	\$ (304,984)	\$ (1,194,629)

(The accompanying notes are an integral part of these financial statements)

SAKEENAH CANADA

Statement of Net Assets

For the year ended December 31, 2025

	General Funds	Restricted	December 31	December 31
	2025	Funds 2025	2025	2024
Net assets, beginning of year	\$ 507,511	\$ 1,172,743	\$ 1,680,254	\$ 2,874,883
Excess revenues for the year	(925,222)	620,238	(304,984)	(1,194,629)
Interfund transfer	842,053	(842,053)	-	-
Net assets, ending of year	\$ 424,342	\$ 950,928	\$ 1,375,270	\$ 1,680,254

(The accompanying notes are an integral part of these financial statements)

SAKEENAH CANADA

Statement of Cash Flows

For the year ended December 31, 2025

	2025	2024
Operating activities		
Net Income	\$ (304,984)	\$ (1,194,629)
Adjustments for Amortization	23,086	22,959
Change in non-cash working capital items		
Accounts receivable	(17,038)	5,075
Prepaid expenses	1,540	1,438
Accounts payable and accrued liabilities	(150,620)	70,968
Government remittances	4,348	(6,205)
	(443,668)	(1,100,394)
Investing activities		
Furniture and equipment	-	(47,672)
	-	(47,672)
	-	-
Increase (decrease) in cash	(443,668)	(1,148,066)
Cash, beginning of year	1,625,697	2,773,763
Cash, end of year	\$ 1,182,029	\$ 1,625,697

(The accompanying notes are an integral part of these financial statements)

Sakeenah Canada

Notes to the Financial Statements

December 31, 2025

1. Nature of operations

Sakeenah Canada was incorporated under the Business Corporations Act of Canada without share capital on January 9, 2018. The Organization's purpose is to assist those affected by spousal abuse through counselling and treatment programs. It also provides affordable and secure housing for women who have been emotionally, and physically abused and their children.

Sakeenah Canada is a registered Canadian Charitable Organization under the Income Tax Act and exempt from income taxes. Sakeenah Canada obtained its charitable status on January 1, 2019.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Revenue recognition

The Organization follows the restricted fund method of accounting for contributions. Unrestricted contributions are recognized as revenue of the unrestricted fund when the contributions are received or become receivable, if collection of the amount to be received is reasonably assured. Externally restricted contributions are recognized as revenue of the restricted fund when the contributions are received or become receivable, if collection of the amount to be received is reasonably assured. Transfers between these funds are made to ensure the appropriate allocation of assets and liabilities to the respective funds. These inter-fund transfers are recorded as a component of changes in fund balances.

Fundraising revenue is recognized when the events are complete and cash is received.

For financial reporting purposes, the accounts have been classified into the following funds:

Unrestricted Fund

The unrestricted fund consists of undesignated donations and fundraising revenue less expenses in the operating fund. This fund primarily reflects the activities associated with the operations of the Organization's administrative activities.

Restricted Fund

The externally restricted fund accumulates contributions which must be used for the purpose specified by the donors. The restricted fund is segregated into programs as determined by the Organization's Board of Directors. Donations, fundraising and expenses relating to specific programs are allocated accordingly.

(b) Contributed services

Directors and volunteers contribute a significant amount of time each year in carrying out the Organization's activities, however, the value of volunteer time is not recognized in these financial statements as fair market value cannot be reasonably determined.

Sakeenah Canada

Notes to the Financial Statements

December 31, 2025

2. Significant accounting policies, continued

(c) Furniture and equipment

Furniture and equipment are recorded at cost. The Organization provides for amortization using the straight-line method at rates designed to amortize the cost of the furniture and equipment over their estimated useful lives. The annual amortization rates are as follows:

Furniture and fixtures	4 years
Leasehold improvements	2 years
Website development cost	4 years

Website development cost is not amortized during the fiscal year

(d) Financial instruments

The Organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Organization subsequently measures its financial assets and financial liabilities at amortized cost, except for securities quoted in an active market, which are subsequently measured at fair value.

Financial assets measured at amortized cost include cash and donations receivable. Financial liabilities measured at amortized cost includes accounts payable and accrued liabilities.

(e) Financial asset impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in net income. The write-down reflects the difference between the carrying amount and the higher of:

- i) The present value of the future cash flows expected to be generated by the asset or group of assets, discounted using a current market rate of interest;
- ii) The amount that could be realized by selling the asset or group of assets;
- iii) The net realizable value of any collateral held to secure repayment of the asset or group of assets.

When events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the amount of the previously recognized impairment.

Sakeenah Canada

Notes to the Financial Statements
December 31, 2025

2. Significant accounting policies, continued

(f) Accounting estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically and are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

(g) Leases

Leases are classified as either capital or operating leases. Leases that transfer substantially all of the benefits and inherent risks of ownership of property to the Organization are accounted for as capital leases. At the time a capital lease is entered into, an asset is recorded together with its related long-term obligation to reflect the acquisition and financing. Equipment recorded under capital leases is amortized on the same basis as described above. Payments under operating leases are expensed as incurred.

3. Cash

Cash consists of unspent restricted and unrestricted funds. The funds applicable to the restricted fund, although not segregated, are not use for general operations.

Certain defined expenses incurred are allocated to the restricted fund on the basis of usage and/or applicability. The amounts charged to the restricted fund are approved by the Board of Directors.

4. Furniture and equipment

	Cost	Accumulated Amortization	2025 Net Book Value	2024 Net Book Value
Furniture and fixtures	\$ 91,804	\$ 62,662	\$ 29,142	\$ 48,330
Leasehold improvements	15,083	15,083	-	-
Website development cost	31,182	3,898	27,284	31,182
	<u>\$ 138,069</u>	<u>\$ 81,643</u>	<u>\$ 56,426</u>	<u>\$ 79,512</u>

In 2024, the website was under development. It became fully functional during the current year.

Sakeenah Canada

Notes to the Financial Statements
December 31, 2025

5. Lease commitments

The Organization's total commitments, under various lease agreements for rental properties are as follows:

2026	\$	150,396
2027		24,250
		\$ 174,646
