SEVA CANADA SOCIETY

FINANCIAL STATEMENTS
June 30, 2026

SEVA CANADA SOCIETY

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June 30, 2026

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SEVA CANADA SOCIETY

Qualified Opinion
We have audited the financial statements of Seva Canada Society, which comprise the statement of financial position as at June 30, 2026, and the statement of operations and changes in 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 matters described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at June 30, 2026, and its financial performance 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
Seva Canada Society is responsible for funding programs and projects in developing countries. Due to their nature outside of Canada in developing countries, these activities are not susceptible to satisfactory audit verification. Accordingly, we were unable to satisfy ourselves to the existence, accuracy or completeness of Program Payments ($2,805,494) and we were not able to determine whether any adjustments might be necessary to Program Payments, excess of revenue over expenses and cash flows for the year ended June 30, 2026, and current liabilities and net assets as at June 30, 2026. Our audit opinion on the financial statements for the year ended June 30, 2025 was modified accordingly because of the possible effects of this limitation in scope.

In common with many not-for-profit organizations, the Society derives revenue from fundraising and donations of goods and services, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of Seva Canada Society and we were not able to determine whether any adjustments might be necessary to donations revenue, excess of revenue over expenses and cash flows for the year ended June 30, 2026, current assets and net assets as at June 30, 2026. Our audit opinion on the financial statements for the year ended June 30, 2025 was modified accordingly because of the possible effects of this limitation in scope.

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 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.

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

INDEPENDENT AUDITOR'S REPORT, CONTINUED

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 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 British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Reid Hurst Nagy Inc.

REID HURST NAGY INC.
CHARTERED PROFESSIONAL ACCOUNTANTS

VANCOUVER, B.C.
SEPTEMBER 9, 2026

SEVA CANADA SOCIETY

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
For the year ended June 30, 2026

	2026	2025
	$	$
REVENUE		
Donations and awards	**3,015,231**	3,744,537
Donations - in kind	**-**	2,850
Foreign exchange gain (loss)	**47,779**	(65,854)
Interest and other income	**193,195**	337,611
Project grants and contracts	**760,055**	791,685
Special events, presentations and net merchandise sales	**3,601**	1,644
Unrealized gain (loss) on investments	**42,688**	180,458
	4,062,549	4,992,931
EXPENSES		
Program payments (Schedule 1)	**2,805,494**	2,742,439
Program administration (Schedule 1)	**498,466**	527,767
Fundraising (Schedule 2)	**458,960**	457,950
General administration (Schedule 2)	**329,490**	341,261
	4,092,410	4,069,417
EXCESS OF REVENUE OVER EXPENSES	**(29,861)**	923,514
NET ASSETS, BEGINNING OF YEAR	**2,706,670**	1,783,156
NET ASSETS, END OF YEAR	**2,676,809**	2,706,670

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

SEVA CANADA SOCIETY

STATEMENT OF FINANCIAL POSITION
As at June 30, 2026

	2026	2025
	$	$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	**1,082,206**	497,408
Internally restricted cash and term deposit (Note 4)	**18,715**	22,196
Accounts receivable	**12,911**	-
Investments (Note 5)	**1,753,134**	2,235,951
GST/HST receivable	**10,039**	10,741
Prepaid expenses	**37,244**	33,250
Inventory	**-**	6,854
Investment - Vancouver Foundation (Note 6)	**3,516,965**	-
	6,431,214	2,806,400
INVESTMENT - VANCOUVER FOUNDATION (Note 6)	**-**	3,699,294
LONG-TERM INVESTMENTS (Note 7)	**647,253**	1,455,442
TANGIBLE CAPITAL ASSETS (Note 8)	**9,570**	13,085
	7,088,037	7,974,221
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	**37,774**	23,336
Due to government agencies	**491**	504
Salaries payable	**17,089**	24,936
Deferred revenue (Note 9)	**3,755,877**	1,018,790
	3,811,231	1,067,566
DEFERRED REVENUE (Note 9)	**600,000**	4,199,985
	4,411,231	5,267,551
NET ASSETS		
Unrestricted	**2,676,806**	2,706,670
	2,676,806	2,706,670
	7,088,037	7,974,221

Approved on behalf of the Society:

Director

Director

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

SEVA CANADA SOCIETY

STATEMENT OF CASH FLOWS
For the year ended June 30, 2026

	2026	2025
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenue over expenses	**(29,861)**	923,514
Items not requiring the outlay of cash:		
Depreciation	**3,515**	3,491
	(26,346)	927,005
Change in non-cash working capital items:		
Accounts receivable	**(12,911)**	-
Prepaid expenses	**(3,994)**	(23,003)
Inventory	**6,854**	2,800
Accounts payable and accrued liabilities	**14,435**	8,019
GST/HST receivable	**702**	(2,047)
Due to government agencies	**(13)**	75
Deferred revenue	**(862,898)**	(847,267)
Salaries payable	**(7,847)**	1,256
	(892,018)	66,838
CASH FLOWS FROM INVESTING ACTIVITIES		
Redemption of investments	**482,816**	1,780,147
Long-term investments	**808,189**	(1,455,442)
Purchase of tangible capital assets	**-**	(5,705)
Redemption (purchase) investment - Vancouver Foundation	**182,329**	(310,321)
INCREASE IN CASH AND CASH EQUIVALENTS	**581,316**	75,517
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**519,604**	444,087
CASH AND CASH EQUIVALENTS, END OF YEAR	**1,100,920**	519,604
Cash and cash equivalents consist of:		
Cash	**1,082,206**	497,408
Internally restricted cash and term deposit	**18,714**	22,196
	1,100,920	519,604

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

1. NATURE OF OPERATIONS

Seva Canada Society's (the "Society") mission is to restore sight and prevent blindness to low and middle-income countries. The Society is incorporated under the Societies Act of British Columbia as a not-for-profit organization and is a registered charity and is exempt from tax under the Income Tax Act .

The Society is guided by:

(a) the belief in equal access to eye care for all.
(b) the belief that with adequate resources, all people can meet their own needs.
(c) the commitment to working with international partners to build local, self-sustaining eye care programs.
(d) the respect for cultural, ethnic, spiritual and other forms of diversity.
(e) the commitment to inform and inspire Canadians to join us in achieving our mission.

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 Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions and donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Investment income is recognized as it is earned in accordance with the terms of the instrument.

(b) **Cash and Cash Equivalents**

Cash and cash equivalents are defined as cash and highly liquid investments, consisting primarily of term deposits, with terms to maturity of three months or less at the date of purchase.

(c) **Investments**

Investments are initially recorded at cost and adjusted to market value at year end.

(d) **Inventory**

Inventory is recorded at lower of cost and net realizable value or current replacement cost in the case of donations in kind. Cost is determined using the first-in, first-out method.

(e) **Tangible Capital Assets**

Tangible capital assets are recorded at cost. The Society provides for depreciation using the following methods at rates designed to depreciate the cost of the tangible capital assets over their estimated useful lives. The annual depreciation rates and methods are as follows:

Computer equipment	Declining balance	30%
Furniture and fixtures	Declining balance	20%
Office equipment	Declining balance	20%

Tangible capital assets are tested for impairment whenever events or changes in circumstances indicate that its 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 resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

2. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

(f) Allocation of General Expenses

The Society's policy is to allocate a percentage of administrative expenses to programs and project expenses unless the expenses are directly attributable to an expense category and then the allocation reflects the direct attribution.

(g) Foreign Currency Translation

Amounts recorded in foreign currency are translated into Canadian dollars as follows:

(i) Monetary assets and liabilities, at the rate of exchange in effect at the statement of financial position date;

(ii) Non-monetary assets and liabilities, at the rate of exchange prevailing at the time of the acquisition of the assets or assumption of the liabilities; and

(iii) Revenues and expenses (excluding amortization, which is translated at the same rate as the related asset), at the rate of exchange prevailing at the time of the transaction.

Gains and losses arising from the translation of foreign currency are included in excess (deficiency) of revenues over expenses for the year.

(h) Financial instruments

(i) Measurement of financial instruments

The Society initially measures its financial assets and liabilities at fair value.

The Society subsequently measures all its financial assets and financial liabilities at cost or 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 are recognized in excess or deficiency of revenue over expenses in the period incurred.

Financial assets measured at amortized cost on a straight line basis include cash and cash equivalents and investments.

Financial liabilities measured at amortized cost on a straight line basis include the accounts payable and accrued liabilities and salaries payable.

Financial assets measured at fair value include quoted shares.

(ii) Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in net income over the life of the instrument using the straight line method.

(i) Volunteers and Donated Goods

In addition to the donations-in-kind recorded in the financial statements, the Society benefits from goods and services which are not recorded in the financial records of the Society.

2. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

(j) **Use of Estimates**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Items requiring the use of significant estimates include the determination of the useful lives of tangible capital assets for depreciation, and the amounts recorded as accrued liabilities. Actual results could differ from those estimates.

3. REMUNERATION

As required by the Societies Act of British Columbia, four employees received wages and benefits over $75,000 for a total of $475,864. Also, one contractor received compensation over $75,000 in the amount of $134,881. No compensation was paid to directors.

4. INTERNALLY RESTRICTED CASH AND INVESTMENT

Since 1998, donations received in memory of Trish Turner, a long time supporter of the Society and the spouse of a Board Member, have been segregated, invested and used only for certain activities designated by the Board. Until the year ended June 30, 2006, the activity consisted of support for overseas travel to program sites for volunteers who could not otherwise afford to go. In 2007, the application of the income from the investments has been expanded to include two additional alternatives.

i) To support education, training, and development of individuals with partner organizations who have the potential to take on important medical or administrative roles within their organizations, and

ii) To fund existing people within partner organizations to spend time in less developed partner organizations and help them move along the path to self sufficiency.

This group of donations has been characterized as internally restricted assets. These internally restricted amounts are not available for any other purposes without the approval of the Board of Directors. Income from the investments not used for the above purposes is added to the internally restricted assets.

Distribution of the revenue earned from this investment is determined each year by the Board of Directors of the Society.

During the year, the Board approved withdrawal in the amount of $10,000 to be used in supporting the training of ophthalmologists in Nepal, in accordance with the established allowable usage. The amount withdrawn was $4,852

5. INVESTMENTS

	2026	2025
	$	$
Term deposits (a)	**549,720**	726,859
Guaranteed investment certificates (b)	**468,477**	937,355
High interest savings account (c)	**734,937**	571,737
	1,753,134	2,235,951

(a) Various Vancity term deposits with maturity dates from August 2026 to February 2027 (2025: July 2025 to February 2026), and interest rates ranging from 2.25% to 3.20% (2025: 1.95% to 3.25%)
(b) Various guaranteed investment certificates maintained with Aviso Wealth, all maturing on September 2026 (2025: all maturing on September 2025), and interest rates ranging from 5.36% to 5.45% (2025: 5.16% to 5.60%)
(c) High interest savings account maintained with Aviso Wealth

6. INVESTMENT - VANCOUVER FOUNDATION

	2026	2025
	$	$
Endowment Fund with Vancouver Foundation *	**3,516,965**	3,699,294

* The Endowment Fund established with the Vancouver Foundation for long term investment purposes will benefit the Society financially. Contributions made to the Fund are not locked in but are subject to notice provisions for withdrawal. The Fund is not reserved or intended for any specific purpose. Per the Board approved policy, 25% of all non-designated bequests to the Society are to be deposited to the fund. Details of the fund are as follows:

	2026	2025
	$	$
Balance, beginning of year	**3,699,294**	3,388,972
Deposits	**-**	107,330
Withdrawals	**(301,162)**	(138,520)
Interest earned	**76,145**	161,054
Unrealized gain (loss)	**42,688**	180,458
	3,516,965	3,699,294

As the terms of the endowment have been met at June 30, 2026, the remaining funds are available for current use and have been presented as current assets at June 30, 2026.

7. LONG-TERM INVESTMENTS

	2026	2025
	$	$
Vancity term deposit with interest rate of 3.20%, maturing on February 2027	-	339,712
Various guaranteed investment certificates maintained with Aviso Wealth with interest rates ranging from 3.65% to 3.70% (2025: 3.65% to 5.45%), maturing from October 2027 to October 2028 (2025: maturing from September 2026 to October 2028)	**647,253**	1,115,730
	647,253	1,455,442

8. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	Net 2026	Net 2025
	$	$	$	$
Computer equipment	74,032	67,747	**6,285**	8,979
Furniture and fixtures	16,328	13,929	**2,399**	2,998
Office equipment	8,618	7,732	**886**	1,108
	98,978	89,408	**9,570**	13,085

9. DEFERRED REVENUE

	Opening Balance	Funding Received	Funding Recognized	Closing Balance
	$	$	$	$
Grant from Foundation 1	43,858	222,656	(266,514)	-
Donation from Donor 1	20,454	20,000	(7,805)	**32,650**
Donation from Donor 2	88,243	-	(40,000)	**48,243**
Donation from Donor 3	5,049,985	-	(850,000)	**4,199,985**
Donation from Donor 4	16,235	-	(16,235)	-
Donation from Donor 5	-	65,000	(40,000)	**25,000**
Donation from Donor 6	-	50,000	-	**50,000**
	5,218,775	357,656	(1,220,554)	**4,355,878**

* In 2024, an extraordinary gift was received from an anonymous donor to support the long-term growth and sustainability of the organization. The gift has been allocated and planned for use as follows:

(a) $500,000 program expansion over the two years of 2025 and 2026
(b) $3,000,000 contribution to ensure future program stability and to be used as needed to sustain and increase programs and operations in future years
(c) $3,000,000 to be utilized for 5 years from 2024 to 2028 on the following activities:
- Fundraising capacity building
- Quality improvement
- Advancement and promotion of Development with Dignity
- Community Ophthalmology
- Program self-sustainability
- Program operational effectiveness

$600,000 of this donation is restricted for use beyond fiscal 2027 and has been presented as a long-term liability ($1,018,790 - 2025).

10. GOVERNMENT FUNDING

No government funding was received during the current fiscal year.

11. RELATED PARTY TRANSACTIONS

Transactions with Board Members and staff, their family foundations, their businesses and shareholders, their immediate families or businesses related to them are summarized below:

	2026	2025
	$	$
Revenue - Donations and other funds received	**119,928**	110,210

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

12. LEASE COMMITMENT

The Society has a lease commitment for the rental of its office premises up to August 31, 2027, with a monthly rent of $2,652 plus GST.

The estimated commitment excluding GST for the upcoming year is as follows:

	$
2027	31,824
2028	5,304

13. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Fair value
The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates. The fair value of long-term financial liabilities approximates their carrying value based on the presumption that the Society is a going concern and thus expects to fully repay the outstanding amounts.

(b) Liquidity risk
The Society does have a liquidity risk in the accounts payable of $37,008 (2025: $23,338). Liquidity risk is the risk that the Society cannot repay its obligations when they become due to its creditors. The Society reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due and it maintains an adequate cash flow to repay creditors as they become due. In the opinion of management, the liquidity risk exposure to the Society is low and is not material.

(c) Currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. As at June 30, 2026, the Society holds US cash and term deposits of $1,114,092 (2025: $1,093,712) at its Canadian dollar equivalent. In the opinion of management, the currency risk exposure to the Society is low and is not material.

13. FINANCIAL INSTRUMENTS, CONTINUED

(d) Foreign exchange risk
The Society is exposed to foreign exchange risk in United States dollars. Foreign exchange risk is the risk that the exchange rate that was in effect on the date that an obligation in a foreign currency was made to the Society by a customer, or that an obligation in a foreign currency was made to the Society to a supplier, is different at the time of settlement than it was at a time that the obligation was determined. The Society reduces its exposure to foreign exchange risk by carefully monitoring exchange rates on obligations that are made to the Society and engaging in hedges when there is a significant risk of exchange rate movement. The Society did not have any hedges at the time that the financial statements were issued. The Society does not utilize financial instruments to manage its foreign exchange risk. In the opinion of management the foreign exchange risk exposure to the Society is low and is not material.

14. COMPARATIVE FIGURES

Some prior year figures on the financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

SEVA CANADA SOCIETY

SCHEDULE 1 - PROGRAM EXPENSES
For the year ended June 30, 2026

	2026	2025
	$	$
PROGRAM PAYMENTS - INTERNATIONAL		
Sight projects	**2,805,494**	2,742,439
PROGRAM ADMINISTRATION		
Events	**21,590**	16,908
Office and miscellaneous	**155,728**	171,597
Professional fees	**59,317**	68,739
Rent	**12,016**	10,846
Supplies	**6,854**	13,973
Telecommunications	**2,652**	2,869
Travel	**17,891**	16,371
Wages, benefits and subcontracts	222,418	226,464
	498,466	527,767

SEVA CANADA SOCIETY

SCHEDULE 2 - OTHER EXPENSES
For the year ended June 30, 2026

	2026	2025
	$	$
FUNDRAISING		
Events	**10,300**	8,454
Other fundraising expenses	**106,655**	126,786
Professional fees	**59,195**	68,393
Publication postage and production	**12,642**	16,305
Rent	**11,662**	10,527
Telecommunications	**1,651**	1,435
Travel	**547**	926
Wages, benefits and subcontracts	**256,308**	225,124
	458,960	457,950
GENERAL ADMINISTRATION		
Depreciation	**3,515**	3,491
Equipment leases and maintenance	**1,272**	1,583
Insurance, licenses and fees	**20,787**	15,692
Office and miscellaneous	**111,995**	132,018
Professional fees	**57,569**	66,849
Rent	**11,662**	10,527
Telecommunications	**2,300**	1,434
Travel	**546**	925
Wages, benefits and subcontracts	**119,844**	108,742
	329,490	341,261