SHELTERBOX CANADA

Financial Statements

Year Ended June 30, 2026

MACNEILL EDMUNDSON
PROFESSIONAL CORPORATION

SHELTERBOX CANADA
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Year Ended June 30, 2026

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MACNEILL EDMUNDSON
PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of ShelterBox Canada

Opinion

We have audited the financial statements of ShelterBox Canada (the organization), which comprise the statement of financial position as at June 30, 2026, and the statements of changes in fund balances, operations 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 June 30, 2026, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 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 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.

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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.

MacNeill Edmundson

London, Ontario
September 23, 2026

PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS
Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

SHELTERBOX CANADA
Statement of Financial Position
June 30, 2026

	2026	2025
ASSETS		
CURRENT		
Cash	**$ 225,911**	$ 132,390
Term deposits *(Note 3)*	**240,000**	240,000
Accounts receivable	**1,841**	3,713
Prepaid expenses	**4,978**	4,666
	472,730	380,769
CAPITAL ASSETS *(Note 4)*	**221**	443
	$ 472,951	$ 381,212
LIABILITIES AND FUND BALANCES		
CURRENT		
Accounts payable and accrued liabilities	**$ 121,549**	$ 12,781
FUND BALANCES		
Invested in capital assets	**221**	443
Unrestricted	**89,697**	97,847
Internally restricted - ShelterBox Aid	**130,659**	139,316
Internally restricted - Operating reserve	**130,825**	130,825
	351,402	368,431
	$ 472,951	$ 381,212

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

SHELTERBOX CANADA
Statement of Changes in Fund Balances
Year Ended June 30, 2026

	2025 Balance	Deficiency of revenues over expenses	Transfers	**2026 Balance**
Invested in capital assets	$ 443	$ (222)	$ -	**$ 221**
Unrestricted	97,847	(8,150)	-	**89,697**
Internally restricted - ShelterBox Aid	139,316	(8,657)	-	**130,659**
Internally restricted - Operating reserve	130,825	-	-	**130,825**
	$ 368,431	$ (17,029)	$ -	**$ 351,402**

	2024 Balance	Deficiency of revenues over expenses	Transfers	2025 Balance
Invested in capital assets	$ -	$ -	$ 443	$ 443
Unrestricted	98,512	18,426	(19,091)	97,847
Internally restricted - ShelterBox Aid	68,579	52,089	18,648	139,316
Internally restricted - Operating reserve	130,825	-	-	130,825
	$ 297,916	$ 70,515	$ -	$ 368,431

SHELTERBOX CANADA
Statement of Operations
Year Ended June 30, 2026

	Operations	*ShelterBox Aid*	**2026**	2025
REVENUES				
Donations *(Note 5)*	$ 349,476	$ 822,979	**$ 1,172,455**	$ 813,611
Interest	6,474	-	**6,474**	5,740
	355,950	822,979	**1,178,929**	819,351
EXPENSES				
Purchase of ShelterBox Aid *(Note 5)*	-	831,636	**831,636**	406,452
Salaries and wages	301,322	-	**301,322**	289,038
Fundraising and marketing	40,343	-	**40,343**	26,082
Professional fees	8,574	-	**8,574**	7,200
Occupancy	5,748	-	**5,748**	5,868
Office and administration	5,617	-	**5,617**	4,668
Travel and meetings	2,496	-	**2,496**	9,306
Amortization	222	-	**222**	222
	364,322	831,636	**1,195,958**	748,836
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$ (8,372)	$ (8,657)	**$ (17,029)**	$ 70,515

SHELTERBOX CANADA
Statement of Cash Flows
Year Ended June 30, 2026

	2026	2025
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	**$ (17,029)**	$ 70,515
Item not affecting cash:		
Amortization of capital assets	**222**	222
	(16,807)	70,737
Changes in non-cash working capital:		
Accounts receivable	**1,872**	(3,486)
Accounts payable and accrued liabilities	**108,768**	(7,556)
Prepaid expenses	**(312)**	(1,009)
	110,328	(12,051)
Cash flow from operating activities	**93,521**	58,686
INVESTING ACTIVITIES		
Purchase of capital assets	**-**	(665)
Term deposits	**-**	(100,000)
Cash flow from (used by) investing activities	**-**	(100,665)
INCREASE (DECREASE) IN CASH FLOW	**93,521**	(41,979)
Cash - beginning of year	**132,390**	174,369
CASH - END OF YEAR	**$ 225,911**	$ 132,390

1. PURPOSE OF THE ORGANIZATION

ShelterBox Canada (the "organization") is a not-for-profit organization incorporated under the laws of the Province of Ontario on September 17, 2010 and subsequently incorporated under the Canada Not-for-profit Corporations Act on February 4, 2016. The organization is a registered charitable organization and is exempt from the payment of income taxes under the Income Tax Act.

The organization operates to provide shelter, essential items and technical assistance to help some of the world's most vulnerable people recover and rebuild their homes after disaster. Aid packages, training and support are adapted to meet the specific needs of each community to ensure people have exactly what they need to recover.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Revenue recognition

ShelterBox Canada follows the deferral method of accounting for contributions.

Externally restricted contributions are recognized as revenue in the year 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. Endowment contributions are recognized as direct increases in net assets.

Interest income is recognized as revenue when earned.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Fund accounting

In order to ensure observance of limitations and restrictions placed on the use of the resources available to ShelterBox Canada, the accounts are maintained in accordance with the principles of fund accounting. Accordingly, resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. Separate internal accounts are maintained for each fund. Transfers between funds are made when it is considered appropriate and authorized by the Board of Directors.

The operations are organized into the following funds:

The Invested in Capital Asset accounts for the purchase of capital assets of the organization.

The Unrestricted fund balance accounts for donations received to purchase ShelterBox aid and contribute to ShelterBox program activities, as well as cover the organization's administrative and fundraising expenses.

The Internally Restricted ShelterBox Aid fund contains all donations the Board restricts for the implementation of ShelterBox's aid programs, less the amount spent on programs within the year.

The Operating Reserve fund is intended to provide an internal source of funds to sustain essential operations during protracted periods between major disaster activity that result in an unanticipated loss of funding. The reserve may also be used for one-time, non-recurring expenses that will build long-term capacity. The reserve is not intended to to replace a permanent loss in funding or eliminate an ongoing budget gap. The reserve is to be maintained at a minimum of three months of operating expenses and within an accepted range that is considered reasonable in the charity sector. The reserve cannot be used without Executive Committee and Board of Directors approval. It is the intention of ShelterBox Canada for operating reserves to be used and replenished within a reasonably short period of time.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a straight-line basis at the following rates and methods:

Computer equipment	3 years

The organization regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital assets cost.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Donated services

The organization receives assistance in the form of donated services. No value of donated services is recorded in these financial statements due to the difficulty in determining the fair value of these services.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

3. TERM DEPOSITS

Term deposits consist of a cashable Guaranteed Investment Certificate (GIC), bearing interest at prime less 2.45% (2.00% as at June 30, 2026, 2025 - 2.50%) that matures on June 24, 2027.

4. CAPITAL ASSETS

	Cost	Accumulated amortization	**2026 Net book value**	2025 Net book value
Computer equipment	$ 6,400	$ 6,179	**$ 221**	$ 443

5. DONATION REVENUE

ShelterBox Canada received $1,172,455 (2025 - $813,611) in donations during the fiscal year ended June 30, 2026. Of these donations, $822,979 (2025 - $458,541) were internally restricted by the Board for the purchase and distribution of ShelterBox aid.

For the fiscal year ended June 30, 2026, ShelterBox Canada paid $831,636 (2025 - $406,452) for the purchase and distribution of ShelterBox aid. At June 30, 2026, the organization held $130,659 (2025 - $139,316) of internally restricted funds that will be paid upon invoice from the suppliers.

6. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework in place to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration. There have been no significant changes to the nature or concentration of these risks from the prior year, unless otherwise noted.

In the opinion of management, the company is not exposed to significant credit, liquidity, currency, interest rate, or other price risks arising from its financial instruments.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from accounts receivable.

An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. Included in accounts receivable is an allowance for doubtful accounts of $nil (2025 - $nil).

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its donors and other related sources, and accounts payable.

The organization mitigates this risk through projecting its cash flow needs on a short term and long term basis.