# GURU NANAK's FREE KITCHEN SOCIETY

## FINANCIAL STATEMENTS

**DECEMBER 31, 2025**

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CPA CHARTERED PROFESSIONAL ACCOUNTANTS

T Bhatia & Co. Inc.
Chartered Professional Accountants

# COMPILATION ENGAGEMENT REPORT

To Board of Directors of GURU NANAK's FREE KITCHEN SOCIETY

On the basis of information provided by the management, we have compiled the statement of financial position of GURU NANAK's FREE KITCHEN SOCIETY (the Society) as at DECEMBER 31, 2025, and the statement of operations and statement of net assets for the year then ended, and Notes, which describes the basis of accounting applied in the preparation of the compiled financial information.

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

August 14, 2026
Burnaby, BC

T Bhatia & Co. Inc.
Chartered Professional Accountants

# GURU NANAK's FREE KITCHEN SOCIETY
## STATEMENT OF OPERATIONS
## FOR THE YEAR ENDED DECEMBER 31, 2025

| | 2025 | 2024 |
|---|---|---|
| **Revenue** | | |
| Fundraising | $ 161,373 | $ 304,087 |
| Donations | 456,358 | 204,472 |
| Donations in kind | 11,402 | 80,934 |
| Interest | 26,110 | 57,159 |
| Other income | 817 | - |
| Donated volunteer time | 209,722 | - |
| Less: capital contributions included in donations in kind and fundraising | (127,991) | (143,427) |
| | **737,791** | **503,225** |
| **Expenses** | | |
| Program expenses | - | 90,147 |
| Fundraising expenses | 40,959 | 48,463 |
| Program supplies | 3,025 | 3,110 |
| Automobile expenses | 6,980 | 4,673 |
| Credit card fee and bank service charges | 11,170 | 11,116 |
| Professional fees | 3,500 | 3,552 |
| Insurance | 3,501 | 4,590 |
| Property taxes | 11,496 | 6,763 |
| Repair & maintenance | - | 3,601 |
| Utilities | 701 | 496 |
| Security | - | 2,556 |
| Printing and office | 696 | 2,370 |
| Subcontractors | 37,604 | - |
| Donation | 59,444 | - |
| Advertising and promotion | 2,160 | - |
| Donated volunteer time | 209,722 | - |
| | **390,958** | **181,437** |
| **Excess of revenue over expenses from operations** | **346,833** | **321,788** |
| Amortization of deferred contributions for property and equipment | 24,744 | 11,166 |
| Amortization of property and equipment | (29,390) | (19,166) |
| **Excess of revenue over expenses** | **$ 342,187** | **$ 313,788** |

# GURU NANAK's FREE KITCHEN SOCIETY
## STATEMENT OF CHANGES IN NET ASSETS
## FOR THE YEAR ENDED DECEMBER 31, 2025

| | Internally Restricted | Unrestricted | 2025 | 2024 |
|---|---|---|---|---|
| Balance, beginning of year | 600,000 | 79,485 | 679,485 | 365,697 |
| Excess of revenue over expenses | | 342,187 | 342,187 | 313,788 |
| Internal restrictions | 375,000 | (375,000) | - | - |
| **Balance, end of year** | **$ 975,000** | **$ 46,672** | **$ 1,021,672** | **$ 679,485** |

# GURU NANAK's FREE KITCHEN SOCIETY
## STATEMENT OF FINANCIAL POSITION
## AS AT DECEMBER 31, 2025

| | 2025 | 2024 |
|---|---|---|
| **ASSETS** | | |
| Current assets | | |
| Cash | $ 721,813 | $ 1,401,802 |
| Investments | 1,800,000 | 1,010,656 |
| Prepaid | 1,841 | 3,141 |
| Accrued interest | 15,356 | 11,200 |
| GST rebate receivable | 25,747 | 7,358 |
| | **2,564,757** | **2,434,157** |
| Property & equipment (note 2) | 2,141,180 | 1,836,319 |
| | **4,705,937** | **4,270,476** |
| **LIABILITIES** | | |
| Current liabilities | | |
| Accounts payable | $ (2,738) | $ 7,235 |
| Mortgage loan (note 4) | 1,500,000 | - |
| | **1,497,262** | **7,235** |
| Mortgage loan (note 4) | - | 1,500,000 |
| Deferred contributions for property and equipment (note 3) | 2,187,003 | 2,083,756 |
| **NET ASSETS** | **3,684,265** | **3,590,991** |
| Internally restricted (Note 5) | **975,000** | 600,000 |
| Unrestricted | **46,672** | 79,485 |
| | **1,021,672** | **679,485** |
| | **$ 4,705,937** | **$ 4,270,476** |

Approved on behalf of the board

[redacted]

_____ Director

_____ Director



Signed via Verifyle: 6a7e750d919bc143

# GURU NANAK's FREE KITCHEN SOCIETY
## NOTES TO FINANCIAL STATEMENTS
## DECEMBER 31, 2025

The Guru Nanak's Free Kitchen Society (the "Society") is a registered charity (807569728RR0001) incorporated under the Societies Act of British Columbia (S0064564). The objective of the Society is to provide food security to those in need.

### 1. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the financial information of Guru Nanak's Free Kitchen Society as at December 31, 2025, is on historical cost basis, reflecting cash transactions with additions of:

- Accounts payable and accrued liabilities;
- Property, plant and equipment recorded at historical cost and amortized on a straight- line basis;
- Accounts receivable;
- Prepaid amount;
- Donations in kind and donated volunteer time;
- Deferral method of accounting for contributions. Under this method:
  a. 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.
  b. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized.
  c. Contributions restricted for the purchase of property and equipment are deferred and amortized into revenue at the amortization rate of the related property and equipment.

### 2. PROPERTY AND EQUIPMENT

Property & equipment are recorded at cost less accumulated amortization. Amortization is recorded over the estimated useful life of the assets on a straight-line basis.

| | |
|---|---|
| Furniture & Equipment | 5 years |
| Vehicle | 5 years |
| Building | 20 years |

| | Cost | Accumulated Amortization | Net Book Value 2025 | Net Book Value 2024 |
|---|---|---|---|---|
| Land | $ 1,518,700 | $ - | $ 1,518,700 | $ 1,518,700 |
| Building | 662,006 | 41,464 | 620,542 | 311,035 |
| Vehicle | 50,338 | 50,338 | - | 3,354 |
| Furniture & equipment | 18,205 | 16,267 | 1,938 | 3,230 |
| | $ 2,249,249 | $ 108,069 | $ 2,141,180 | $ 1,836,319 |

## 3. DEFERRED CONTRIBUTIONS RELATED TO PROPERTY AND EQUIPMENT

The amount represents grants, contributions and donations received for acquiring and development of property and equipment.

| | 2025 | 2024 |
|---|---|---|
| Balance, beginning of year | $ 2,083,756 | $ 1,951,495 |
| Add: contributions received during the year | 127,991 | 143,427 |
| Less: amortized to revenue during the year | (24,744) | (11,166) |
| Balance, end of year | $ 2,187,003 | $ 2,083,756 |

## 4. MORTGAGE LOAN

In 2021, the Society obtained a loan of $1,500,000 from Mark Anthony Group Inc. to finance the purchase of land and building located at 245 East Hastings Street, Vancouver, BC. The loan does not carry any interest and needs to be repaid by November 2026. The loan is secured against the said property of the Society.

## 5. INTERNALLY RESTRICTED NET ASSETS

On December 29, 2025, the Society's Board of Directors has internally restricted net assets of $975,000 (2024: $600,000) to be used for capital costs for Society's food rescue program including and not limited to purchase of a warehouse facility. These internally restricted amounts are not available for other uses or programs without approval of the Board of Directors.