

**FRIENDS OF THE ORPHANS, CANADA**  
**FINANCIAL INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

**FRIENDS OF THE ORPHANS, CANADA**  
**INDEX TO THE FINANCIAL INFORMATION**  
**YEAR ENDED DECEMBER 31, 2025**

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Chartered  
Professional  
Accountants

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## COMPILATION ENGAGEMENT REPORT

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To the Board of Directors of: Friends of the Orphans, Canada

On the basis of information provided by management, we have compiled the statement of financial position of Friends of the Orphans, Canada as at December 31, 2025 and the statements of operations and restricted funds - special projects for the year then ended, and the notes to the financial statements, which describe the basis of accounting applied in the preparation of the compiled financial information (and, if applicable, other explanatory information) ("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.

A handwritten signature in black ink that reads 'RLB LLP'.

Guelph, Ontario  
March 19, 2026

Chartered Professional Accountants  
Licensed Public Accountants

**FRIENDS OF THE ORPHANS, CANADA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 279,956	\$ 209,688
Short term investments	50,000	70,000
Prepaid expenses	<u>24,767</u>	<u>28,895</u>
	354,723	308,583
<b>CAPITAL ASSETS</b> (note 3)	<u>2,663</u>	<u>2,670</u>
	<u>\$ 357,386</u>	<u>\$ 311,253</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 67,737	\$ 19,415
Unremitted funds - general	<u>77,681</u>	<u>52,639</u>
	<u>145,418</u>	<u>72,054</u>
<b>NET ASSETS</b>		
<b>RESTRICTED - SPECIAL PROJECTS</b>	111,372	48,474
<b>UNRESTRICTED</b>	<u>100,596</u>	<u>190,725</u>
	<u>211,968</u>	<u>239,199</u>
	<u>\$ 357,386</u>	<u>\$ 311,253</u>

**FRIENDS OF THE ORPHANS, CANADA**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>REVENUE</b>		
Specified donations	\$ 194,305	\$ 193,497
Unspecified donations	48,612	180,228
In memoriams	6,934	4,873
Interest and other	<u>6,581</u>	<u>7,467</u>
	<u>256,432</u>	<u>386,065</u>
<b>EXPENSES</b>		
Funds transferred to aid children	194,305	193,497
General and office	83,027	98,077
Promotion	63,999	42,949
Professional fees	3,503	3,459
Travel	1,008	608
Amortization	719	806
Education	<u>0</u>	<u>7,431</u>
	<u>346,561</u>	<u>346,827</u>
<b>(EXPENDITURES OVER REVENUE) REVENUE OVER EXPENDITURES for the year</b>	(90,129)	39,238
<b>NET ASSETS, beginning of year</b>	<u>190,725</u>	<u>151,487</u>
<b>NET ASSETS, end of year</b>	<u>\$ 100,596</u>	<u>\$ 190,725</u>

**FRIENDS OF THE ORPHANS, CANADA**  
**STATEMENT OF RESTRICTED FUNDS - SPECIAL PROJECTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>REVENUE</b>		
Donations	\$ <u>312,745</u>	\$ <u>131,681</u>
<b>EXPENDITURES</b>		
Humanitarian aid	216,289	51,726
Travel and accommodation	<u>33,558</u>	<u>32,318</u>
	<u>249,847</u>	<u>84,044</u>
<b>REVENUE OVER EXPENDITURES</b>	62,898	47,637
<b>NET ASSETS, beginning of year</b>	<u>48,474</u>	<u>837</u>
<b>NET ASSETS, end of year</b>	<u>\$ 111,372</u>	<u>\$ 48,474</u>

**FRIENDS OF THE ORPHANS, CANADA**  
**NOTES TO THE FINANCIAL INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

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**1. NATURE OF OPERATIONS**

Friends of the Orphans, Canada is a registered charitable organization and was incorporated by Letters Patent without share capital under the Canada Corporations Act and continued under the Canada Not-for-Profit Corporations Act. The corporation's mandate is to solicit donations from the general public in order to provide financial aid to orphanages in Mexico and Central and South America.

The organization is a registered charity and is exempt from income taxes.

**2. BASIS OF ACCOUNTING**

The basis of accounting applied in the preparation of the statement of financial position of Friends of the Orphans, Canada as at December 31, 2025, and the statement of operation for the year then ended, is the historical cost basis and reflects cash transactions with the addition of:

- a) Investments are recorded at cost
- b) Prepaid expenses pertain to future periods
- c) Capital assets are amortized on the basis of their estimated useful life using the following methods and rates:

Office equipment	- 20 % declining balance basis
Computer	- 30 % declining balance basis
Leasehold improvements	- 5 years straight line basis

Amortization is recorded at 50% of the above rates in the year of addition.

- d) Accounts payable and accrued liabilities
- e) The organization follows the restricted fund method of accounting for contributions. Unrestricted contributions related to general operations are recognized as revenue of the Unrestricted Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate Restricted Fund.
- f) Pledges are not recorded as revenue until collected
- g) Donations in kind are recorded at their fair market value

**3. CAPITAL ASSETS**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net 2025</b>	<b>Net 2024</b>
Office equipment	\$ 14,649	\$ 13,134	\$ 1,515	\$ 1,894
Computer	6,019	4,871	1,148	776
Leasehold improvements	<u>60,902</u>	<u>60,902</u>	<u>0</u>	<u>0</u>
	<u>\$ 81,570</u>	<u>\$ 78,907</u>	<u>\$ 2,663</u>	<u>\$ 2,670</u>

**4. RESTRICTED FUNDS - SPECIAL PROJECTS**

The Special Projects division of the organization is responsible for handling the receipt and expenditure of donations received which are designated for specific building programs in Mexico and Central and South America.