HUMANITY FIRST

(a charitable organization)

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2025

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INDEPENDENT AUDITORS' REPORT

To the members of **Humanity First**

Qualified Opinion

We have audited the accompanying financial statements of Humanity First, which comprise the statement of financial position as at December 31, 2025, and the statements of operations, changes in net assets and 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* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Humanity First as at December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable organizations, Humanity First derives revenue from donations 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 Humanity First. Therefore, we were not able to determine whether any adjustments might be necessary to recorded donations, excess of revenues over expenses, cash flows from operations for the years ended December 31, 2025 and December 31, 2024, current assets as at December 31, 2025 and December 31, 2024, and net assets as at January 1 and December 31 for both the 2025 and 2024 years. Our audit opinion on the financial statements for the year ended December 31, 2024 was modified accordingly because of the possible effects of this scope limitation.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Humanity First 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 opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 Humanity First'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 Humanity First or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Humanity First's financial reporting process.

Auditors' 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 auditors' 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 Humanity First'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 Humanity First's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause Humanity First 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.

Berman, Tobelick & Co LLP

Markham, Ontario
June 29, 2026

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

HUMANITY FIRST

(a charitable organization)

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2025

	2025	2024
ASSETS		
Current		
Cash	$ 1,604,637	$ 1,672,019
Temporary investments (note 3)	4,839,578	8,129,675
Prepaid expenses and other assets (note 4)	92,630	92,661
	6,536,845	9,894,355
Capital - at cost less accumulated amortization (note 5)	4,968,111	5,000,367
Total assets	$11,504,956	$14,894,722
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 13,326	$ 28,539
Loans payable (note 7)	-	3,386,666
	13,326	3,415,205
Deferred capital contributions (note 8)	62,475	-
Total liabilities	75,801	3,415,205
NET ASSETS		
Internally restricted net assets (note 9)	6,390,100	6,390,100
Unrestricted net assets	5,039,055	5,089,417
	11,429,155	11,479,517
	$11,504,956	$14,894,722

Approved on behalf of the Board:

_____ _____Director

_____Director

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

HUMANITY FIRST

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STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2025

	Internally Restricted	Unrestricted	2025	2024
BALANCE - Beginning of year	$ 6,390,100	$ 5,089,417	$11,479,517	$12,002,176
Add - Deficiency of revenues over expenses	-	(50,362)	(50,362)	(522,659)
BALANCE - End of year	$ 6,390,100	$ 5,039,055	$11,429,155	$11,479,517

HUMANITY FIRST

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STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2025

	2025	2024
REVENUES		
Donations	$ 3,513,813	$ 3,707,851
Interest	80,096	238,309
Government funding	19,497	-
Amortization of deferred capital contributions (note 8)	11,025	-
	3,624,431	3,946,160
EXPENSES		
Charitable program expenses (per attached schedule)	3,251,688	4,151,397
Credit card and bank charges	95,484	100,903
Wages and benefits	75,013	65,500
Loan interest	43,568	11,945
Professional fees	14,873	14,500
Marketing and advertising	13,098	17,831
Insurance	11,821	-
Office and general	4,398	4,883
Amortization	164,850	101,860
	3,674,793	4,468,819
DEFICIENCY OF REVENUES OVER EXPENSES	$ (50,362)	$ (522,659)

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

HUMANITY FIRST

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SCHEDULE OF CHARITABLE PROGRAM EXPENSES

YEAR ENDED DECEMBER 31, 2025

	2025	2024
Canadian Programs		
Refugee / immigration resettlement	$ 1,531,000	$ 1,950,439
Food security	368,970	366,599
Community care	87,199	10,690
Fundraising events	69,245	20,338
Seniors first	20,225	3,937
Disaster relief	10,269	17,774
Global Health	1,200	-
Knowledge for life	-	6,536
	2,088,108	2,376,313
International Programs		
Food security	430,901	428,347
Global Health	317,900	708,387
Water for life	155,255	187,739
Orphan care	83,705	66,757
Gift to sight	75,160	49,460
Knowledge for life	50,875	112,153
Community care	27,484	147,626
Disaster relief	22,300	74,615
	1,163,580	1,775,084
	$ 3,251,688	$ 4,151,397
Program expenses by Country		
Canada	$ 2,088,108	$ 2,376,313
Bangladesh	46,674	30,375
Belize	7,000	60,000
Brazil	9,275	7,500
Burkina Faso	10,000	68,615
Burundi	17,153	32,220
Cameroon	285,975	268,650
Chad	89,175	109,800
Congo Brazzaville	40,950	37,550
Ecuador	-	1,600
Equatorial Guinea	2,500	4,500
Gabon	8,500	8,500
Ghana	-	44,179
Guatemala	-	1,763

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SCHEDULE OF CHARITABLE PROGRAM EXPENSES

YEAR ENDED DECEMBER 31, 2025

	2025	2024
Continued.....		
Guinea	-	13,545
Haiti	12,025	-
Indonesia	16,997	-
Ivory Coast Hospital	-	467,862
Jamaica	-	5,000
Malaysia	57,500	67,410
Mali	10,000	15,000
Niger	-	30,841
Nigeria	134,743	122,446
Pakistan	10,000	12,250
Philippines	10,000	12,000
Senegal	325,900	259,150
Somalia	5,000	5,000
Tanzania	23,500	10,400
Thailand	30,230	19,600
United Kingdom	10,483	59,328
	$ 3,251,688	$ 4,151,397

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STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2025

	2025	2024
Cash and cash equivalents provided by (used in):		
Operating activities:		
Deficiency of revenue over expenses	$ (50,362)	$ (522,659)
Adjustments for:		
Amortization of capital assets	164,850	101,860
Amortization of deferred capital contributions	(11,025)	-
	153,825	101,860
Changes in non-cash working capital:		
Decrease in temporary investments	3,290,097	709,405
Decrease in prepaid expenses and other assets	31	8,547
Decrease in accounts payable and accrued liabilities	(15,213)	(2,293)
	3,274,915	715,659
Cash flow from operating activities:	3,378,378	294,860
Cash flow used in investing activities:		
Purchase of capital assets	(132,594)	(3,496,502)
Cash flow from (used in) financing activities:		
Loans advanced	-	3,400,000
Deferred capital contributions received	73,500	-
Repayment of loans	(3,386,666)	(13,334)
Cash flow from (used in) financing activities:	(3,313,166)	3,386,666
Net increase (decrease) in cash and cash equivalents	(67,382)	185,024
CASH AND CASH EQUIVALENTS - Beginning of year	1,672,019	1,486,995
CASH AND CASH EQUIVALENTS - End of year	$ 1,604,637	$ 1,672,019

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

HUMANITY FIRST

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NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025

1. NATURE AND PURPOSE OF THE ORGANIZATION

Humanity First ("the Organization") was incorporated under the Canada Corporations Act as a not-for-profit charitable organization and is a registered charity under the Income Tax Act, registration number 87254 1040 RR0001. The Organization is exempt from income taxes under Section 149 of the Income Tax Act.

The mission of the Organization is to carry out humanitarian relief work wherever required in the world, to and for victims of natural and man-made disasters including floods, famines, earthquakes, war, aggression, illness or any other misfortune of life that may befall. To provide goods and services to the victims as required. To help relieve poverty and deprivation that may exist anywhere in the world, particularly among the vulnerable segment of the community including the elderly, children, widows/widowers, orphan, prisoners of conscience, victims of human right violations, refugees and others. This assistance can take various shapes e.g. providing for housing at low cost and its maintenance, temporary accommodation, food, means of education for children, providing for training to bring about self-sufficiency and self-reliance and general welfare of an appropriate kind. To help promote health and education particularly in Africa where the need is acutely felt in those areas.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-for-Profit organizations in Part III of the CPA Canada Handbook - Accounting and include the following significant accounting policies:

(a) REVENUE RECOGNITION

The Organization 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 are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest income is recognized on a time proportion basis.

(b) AGENT RELATIONS

The Organization carries out some of its charitable activities through intermediaries such as an agent or a contractor. A formal written agency agreement is in place with these intermediaries in other countries. The Organization maintains fund transfer records, invoices and expenses for the charitable activities as per agreement and controls projects at its discretion.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

(c) VOLUNTEERS

The Organization heavily relies on volunteer participation. Countless hours are spent by volunteers performing various charitable activities, however, the volunteer hours i.e. time spent by volunteers are not included in the financial statements. Due to difficulty in accurately calculating the time spent by volunteers and difficulty in exact conversion into dollar figures, these amounts are excluded from the financial statements.

(d) CAPITAL ASSETS

Capital assets are recorded at cost and amortized over their estimated lives using the declining balance method at the following annual rates. When the Organization observes conditions that indicate that a tangible capital asset is impaired, the net carrying amount of the tangible capital asset is written down to the asset's fair value or replacement cost. The write-downs of tangible capital assets are accounted for as expenses in the statement of operations.

Building	- 2.5% of unamortized cost
Buildings acquired after 2022	- 4% of unamortized cost
Automobiles	- 30% of unamortized cost
Furniture and fixtures	- 20% of unamortized cost
Equipment	- 20% of unamortized cost
Computers	- 20% of unamortized cost

(e) USE OF ESTIMATES

The preparation of financial statements in conformity with accounting standards for not-for-profit organizations requires the Organization's management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Actual results may differ in respect to the estimates and assumptions used by management in the preparation of its financial results.

(f) TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS AND ITEMS

The Organization uses the temporal method to translate its foreign currency transactions. Monetary assets and liabilities are translated at the exchange rate in effect at the statement of financial position date. Other assets and liabilities are translated at the exchange rate in effect at the transaction date. Revenues and expenses are translated at the exchange rate in effect at the transaction date. Exchange gains and losses are included in the statement of operations.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

(g) FINANCIAL INSTRUMENTS

The Organization initially measures its financial assets and financial liabilities at fair value. The Organization subsequently measures all its financial assets and financial liabilities at 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 the statement of operations.

Financial assets measured at amortized cost include cash and temporary investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and loans payable.

3. TEMPORARY INVESTMENTS

This amount represents cashable term deposits held for various projects including refugee resettlement projects and other charitable programs. Funds held for refugee resettlement projects are restricted by Government of Canada IRCC for sponsored refugees and cannot be used for any other projects.

4. PREPAID EXPENSES AND OTHER ASSETS

Included in prepaid expenses and other assets are government remittances recoverable of $ 20,141 (2024 - $13,046).

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	2025 Net	2024 Net
Buildings	$ 3,764,541	$ 423,037	$ 3,341,504	$ 3,480,732
Land	1,497,103	-	1,497,103	1,497,103
Automobiles	263,437	142,154	121,283	12,255
Furniture and fixtures	19,171	12,541	6,630	8,288
Equipment	11,513	10,352	1,161	1,451
Computers	6,479	6,049	430	538
	$ 5,562,244	$ 594,133	$ 4,968,111	$ 5,000,367

6. CREDIT FACILITIES

The Organization has two authorized lines of credit: a $1,000,000 line of credit with Royal Bank of Canada, bearing interest at the Royal Bank of Canada prime rate plus 0.5% (2024 – $100,000, bearing interest at the Royal Bank of Canada prime rate plus 0.3%), and a $100,000 line of credit with Bank of Montreal, bearing interest at the Bank of Montreal prime rate plus 0.3% (2024 – $100,000, bearing interest at the Bank of Montreal prime rate plus 0.3%). No amounts were drawn under the lines of credit as at December 31, 2025 (2024 – $Nil).

7. LOANS PAYABLE

During the year ended December 31, 2024, the Organization entered into a non-interest bearing loan agreement and a secured term loan to finance the acquisition of a building used in its charitable programs. During the year ended December 31, 2025, both loans were repaid in full. Accordingly, no amounts related to these financing arrangements were outstanding as at December 31, 2025.

8. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of contributions received for the purchase of capital assets. The changes in deferred capital contributions are as follows:

	2025	2024
Balance - Beginning of year	$ -	$ -
Contributions received during the year	73,500	-
Amortization	(11,025)	-
	$ 62,475	$ -

9. INTERNAL RESTRICTIONS

The Board of directors of the Organization resolved to restrict $6,390,100 for various projects including refugee resettlement projects and other charitable programs. The Organization may not use these internally restricted amounts without the approval of the board of directors. Funds held for refugee resettlement projects are restricted by Government of Canada IRCC for sponsored refugees and cannot be used for any other projects. Also, amounts directed by donors for an identified project are restricted for that specific purpose only.

10. FINANCIAL INSTRUMENTS

The Organization believes that it is not exposed to significant interest, currency, credit, market or other price risks arising from holding financial instruments.