THE OLD SCHOOL COMMUNITY GATHERING PLACE CO-OPERATIVE LIMITED

Financial Statements

Year Ended March 31, 2026

Belliveau Veinotte Inc.
CHARTERED PROFESSIONAL ACCOUNTANTS
Member of The AC Group of Independent Accounting Firms

THE OLD SCHOOL COMMUNITY GATHERING PLACE CO-OPERATIVE LIMITED
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Year Ended March 31, 2026

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INDEPENDENT AUDITOR'S REPORT

To the Members of The Old School Community Gathering Place Co-operative Limited

Qualified Opinion

We have audited the financial statements of The Old School Community Gathering Place Co-operative Limited (the "Co-operative"), which comprise the statement of financial position as at March 31, 2026, 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 possible 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 the Co-operative as at March 31, 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.

Basis for Qualified Opinion

In common with many charitable organizations, the Co-operative derives revenue from donations and fundraising, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Co-operative and we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenue over expenditures, and cash flows from operations for the year ended March 31, 2026, and current assets and net assets as at March 31, 2026.

Furthermore, as the comparative balances for year ended March 31, 2025 were compiled by another practitioner and were not audited, we were unable to obtain sufficient appropriate audit evidence regarding the opening balances of assets, liabilities, and net assets as at April 1, 2025. Consequently, we were unable to determine whether any adjustments might be necessary to revenue, expendtiures, excess of revenue over expenditures, net assets and cash flows for the year eneded March 31, 2026.

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 Co-operative 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 qualified audit 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 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.

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In preparing the financial statements, management is responsible for assessing the Co-operative'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 Co-operative or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Co-operative'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 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 Co-operative'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 Co-operative'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 Co-operative 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.

Belliveau Veinotte Inc.

CHARTERED PROFESSIONAL ACCOUNTANTS

Halifax, Nova Scotia
August 13, 2026

Belliveau Veinotte Inc.
CHARTERED PROFESSIONAL ACCOUNTANTS

THE OLD SCHOOL COMMUNITY GATHERING PLACE CO-OPERATIVE LIMITED

Statement of Financial Position

March 31, 2026

	2026	2025
ASSETS		
Current		
Cash	**$ 434,977**	$ 704,613
Term deposit	**1,000**	1,000
Accounts receivable	**1,465**	1,581
HST recoverable	**2,724**	5,368
Prepaid expenses	**979**	-
	441,145	712,562
Capital assets *(Note 4)*	**162,483**	164,238
	$ 603,628	$ 876,800
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**$ 29,631**	$ 28,162
Employee deductions payable	**15,607**	11,976
Deferred revenue *(Note 8)*	**323,636**	610,435
	368,874	650,573
NET ASSETS		
Unrestricted	**72,271**	61,989
Investment in capital assets	**162,483**	164,238
	234,754	226,227
	$ 603,628	$ 876,800

ON BEHALF OF THE BOARD

Darlene Ghadylum _Director_

_____________ _Director_

See accompanying notes to financial statements

THE OLD SCHOOL COMMUNITY GATHERING PLACE CO-OPERATIVE LIMITED

Statement of Operations

Year Ended March 31, 2026

	2026	2025
REVENUE		
Grants	$ 1,118,863	$ 941,196
Donations and fundraising	53,125	31,373
Space rental	16,040	13,340
Special events	6,818	8,892
Other income	5,576	3,650
Memberships	2,010	1,605
	1,202,432	1,000,056
EXPENDITURES		
Advertising and promotion	90	520
Amortization of capital assets	1,755	1,878
Dues and fees	2,521	1,289
Insurance and security	20,376	18,351
Interest and bank charges	1,266	2,074
Meals and entertainment	1,056	1,049
Office and miscellaneous expenses	11,762	31,351
Program services and supplies	453,845	309,765
Professional fees	18,142	2,929
Property taxes	514	507
Rental	38,161	36,198
Repairs and maintenance	12,770	104,724
Salaries, wages and benefits	535,901	313,749
Sub-contracts	55,593	137,061
Telephone	6,009	4,492
Travel	29,126	28,806
Utilities	5,018	18,765
	1,193,905	1,013,508
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	$ 8,527	$ (13,452)

THE OLD SCHOOL COMMUNITY GATHERING PLACE CO-OPERATIVE LIMITED

Statement of Changes in Net Assets

Year Ended March 31, 2026

	Unrestricted	Investment in capital assets	**2026**	2025
Net assets - beginning of year	$ 61,989	$ 164,238	**$ 226,227**	$ 239,679
Excess (deficiency) of revenue over expenditures	10,282	(1,755)	**8,527**	(13,452)
NET ASSETS - END OF YEAR	$ 72,271	$ 162,483	**$ 234,754**	$ 226,227

Statement of Cash Flows

Year Ended March 31, 2026

	2026	2025
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures	**$ 8,527**	$ (13,452)
Item not affecting cash:		
Amortization of capital assets	**1,755**	1,878
	10,282	(11,574)
Changes in non-cash working capital:		
Accounts receivable	**116**	56,344
Prepaid expenses	**(979)**	-
Accounts payable and accrued liabilities	**1,469**	(9,143)
Employee deductions payable	**3,631**	9,190
HST recoverable	**2,644**	3,573
Deferred revenue	**(286,799)**	400,704
	(279,918)	460,668
INCREASE (DECREASE) IN CASH FLOW	**(269,636)**	449,094
Cash - beginning of year	**704,613**	255,519
CASH - END OF YEAR	**$ 434,977**	$ 704,613

1. PURPOSE OF THE CO-OPERATIVE

The Old School Community Gathering Place Co-operative Limited (the "Co-operative") is a co-operative not-for-profit organization, incorporated under the Societies Act of Nova Scotia. Under the Income Tax Act of Canada, the Co-operative qualifies as a registered charity and is thus exempt from income tax.

The Co-operative provides a range of programs to residents in the Eastern Shore area, including arts and culture, physical and mental health, and employment skills. The Co-operative's venue is also available for individuals and organizations to be rented for their own programming.

2. BASIS OF PRESENTATION

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The Co-operative follows the deferral method of accounting for contributions.

Restricted grants, donations or fundraising are recognized as revenue in the year in which the related expenses are incurred. Contributions related to capital assets are reported as direct increases in net assets. Unrestricted grants, donations or fundraising are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership fees are recognized proportionately over the period to which the membership relates.

Rental revenue is recognized over the period to which the rent relates.

Cash

Cash consist of cash on hand and balances with financial institutions, net of outstanding transactions.

Harmonized sales tax recoverable

As a qualifying not-for-profit organization, the Co-operative receives a rebate of 50% of HST paid on expenditures. The unrecoverable portion is recorded as an expense and the rebate is treated as a receivable based on when the expense was incurred.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Building	40 years	straight-line method
Sign	20%	declining balance method

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

Impairment of capital assets

The Co-operative tests for impairment when the assets no longer have long term service potential to the Co-operative. The impairment loss is measured as the amount by which the carrying value of the capital asset exceeds its residual value. Impairment losses are recognized as an expenditure in the statement of operations and are not subsequently reversed.

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

Contributed services

The operations of the Co-operative depend on the contribution of time by volunteers. While their services benefit the Co-operative considerably, a reasonable estimate of the fair value of donated services cannot be determined and are therefore not recognized in these financial statements.

Accounting 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 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.

Items subject to significant management estimates include allowance for doubtful accounts and useful lives of capital assets.

Financial instruments

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.

For financial assets measured at cost or amortized cost, the Co-operative determines whether there are indications of possible impairment. Where there is an indication of impairment, and the Co-operative determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

4. CAPITAL ASSETS

	Cost	Accumulated amortization	**2026 Net book value**	2025 Net book value
Land	$ 120,000	$ -	**$ 120,000**	$ 120,000
Building	50,590	10,068	**40,522**	41,787
Sign	5,321	3,360	**1,961**	2,451
	$ 175,911	$ 13,428	**$ 162,483**	$ 164,238

5. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

6. ECONOMIC DEPENDENCE

The Co-operative derives the majority of its revenues from government grants with the Province of Nova Scotia, the Government of Canada, and related agencies. Its ability to continue viable operations is dependant upon maintaining this funding. Any significant change to the frequency or amounts of funding from these sources could have an impact on the Co-operative's future level of operations.

7. FINANCIAL INSTRUMENTS

The Co-operative is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Co-operative's risk exposure and concentration as of March 31, 2026.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Co-operative is exposed to this risk mainly in respect of its respect of its accounts payable and accrued liabilities. The Co-operative's ability to meet its obligations depends on the receipt of funding from their funders whether in the form of revenue or advances.

Unless otherwise noted, it is management’s opinion that the Co-operative is not exposed to significant other price risks arising from these financial instruments.

8. DEFERRED REVENUE

	Balance, beginning of year	Add: funding received during the year	Less: revenue recognized during the year	Reallocation between projects	**Balance, end of year**
Program					
After hours - MHF	$ 12,196	$ 195	$ (12,391)	$ -	**$ -**
Aquifer	3,709	4,171	(3,156)	-	**4,724**
Canada Summer Jobs	-	9,795	(9,795)	-	**-**
Collaborative Food Network (OSD)	173,940	182,065	(130,749)	(28,388)	**196,868**
Collaborative Leadership Team	-	9,675	(9,000)	-	**675**
Community Fridge	-	144	-	-	**144**
Community Garden	511	430	(783)	-	**158**
Creative & Wellness	2,525	-	(2,525)	-	**-**
Diversion Funding (OSD)	24,727	154	(23,929)	-	**952**
Emergency Housing (OSD)	6,376	55,277	(60,076)	-	**1,577**
Emergency Housing (UW)	-	38,794	(31,666)	-	**7,128**
Enhance Through Dance	2,323	1,312	(1,743)	-	**1,892**
Food Pantry	1,691	9,675	(1,890)	-	**9,476**
Life as Medicine	172,870	349	(173,219)	-	**-**
Lions Housing Support	253	-	(253)	-	**-**
Mental Health Supports	4,621	1,020	(4,298)	-	**1,343**
Musqui Café	17,858	26,737	(49,505)	28,388	**23,478**
Musqui Comfort Center (OSD)	136,841	172,097	(247,609)	-	**61,329**
New Horizons	16,253	-	(16,127)	-	**126**
Seaside Christmas	-	720	(720)	-	**-**
Strategic Investment Fund (OSD)	13,001	4,183	(17,184)	-	**-**
Wellness Fund	-	1,750	(16)	-	**1,734**
YESS - Surplus	15,637	-	(11,024)	-	**4,613**
YESS	5,103	299,520	(297,204)	-	**7,419**
Program total	$ 610,435	$ 818,063	$ (1,104,862)	$ -	**$ 323,636**