

MAYBELL DEVELOPMENTS INC.
Financial Statements
Year Ended December 31, 2025

MAYBELL DEVELOPMENTS INC.
Index to Financial Statements
Year Ended December 31, 2025

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Revenues and Expenses	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 11

DUDLEY & COMPANY LLP

Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of MayBell Developments Inc.

Opinion

We have audited the financial statements of MayBell Developments Inc. (the organization), which comprise the statement of financial position as at December 31, 2025, and the statements of revenues and expenses, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2025, 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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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.

Regina, Saskatchewan
February 28, 2026

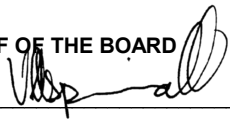


Dudley & Company LLP
Chartered Professional Accountants

MAYBELL DEVELOPMENTS INC.
Statement of Financial Position
December 31, 2025

	General Fund 2025	AGA Fund 2025	Lilium Village Childcare 2025	Lilium Village Duplexes 2025	Total 2025	Total 2024
ASSETS						
CURRENT						
Cash (Note 3)	\$ 239,871	\$ 10,927	\$ 242,265	\$ -	\$ 493,063	\$ 317,723
Accounts receivable	106,402	-	870	-	107,272	1,318
Prepaid expenses	-	-	969	-	969	898
	<u>346,273</u>	<u>10,927</u>	<u>244,104</u>	<u>-</u>	<u>601,304</u>	<u>319,939</u>
CAPITAL ASSETS (Net of accumulated amortization) (Note 4)	5,322	-	665,327	2,754,778	3,425,427	716,711
SECURITY DEPOSIT	5,000	-	-	10,000	15,000	22,500
CMHC FORGIVEABLE LOAN RECEIVABLE (Note 5)	-	-	-	480,000	480,000	-
	<u>\$ 356,595</u>	<u>\$ 10,927</u>	<u>\$ 909,431</u>	<u>\$ 3,244,778</u>	<u>\$ 4,521,731</u>	<u>\$ 1,059,150</u>
LIABILITIES AND NET ASSETS						
CURRENT						
Accounts payable	\$ 1,978	\$ -	\$ 9,564	\$ 227,581	\$ 239,123	\$ 8,700
Wages payable	5,969	-	42,558	-	48,527	27,475
Deferred revenue	-	-	13,197	-	13,197	10,270
	<u>7,947</u>	<u>-</u>	<u>65,319</u>	<u>227,581</u>	<u>300,847</u>	<u>46,445</u>
LONG TERM DEBT (Note 6)	-	-	-	2,352,091	2,352,091	-
	<u>7,947</u>	<u>-</u>	<u>65,319</u>	<u>2,579,672</u>	<u>2,652,938</u>	<u>46,445</u>
NET ASSETS	<u>348,648</u>	<u>10,927</u>	<u>844,112</u>	<u>665,106</u>	<u>1,868,793</u>	<u>1,012,705</u>
	<u>\$ 356,595</u>	<u>\$ 10,927</u>	<u>\$ 909,431</u>	<u>\$ 3,244,778</u>	<u>\$ 4,521,731</u>	<u>\$ 1,059,150</u>

ON BEHALF OF THE BOARD



Director

Director

MAYBELL DEVELOPMENTS INC.
Statement of Revenues and Expenses
Year Ended December 31, 2025

	General Fund 2025	AGA Fund 2025	Lilium Village Childcare 2025	Lilium Village Duplexes 2025	Total 2025	Total 2024
REVENUES						
Childcare parent fees	\$ -	\$ -	\$ 128,766	\$ -	\$ 128,766	\$ 130,028
Donations	113,121	123,673	-	45,992	282,786	180,767
Fundraising	1,753	-	-	-	1,753	3,288
Government grants	-	-	977,458	-	977,458	988,845
Other grants	27,750	-	-	11,250	39,000	33,856
Capital grants	-	-	-	807,240	807,240	-
Other income	600	-	-	-	600	150
	<u>143,224</u>	<u>123,673</u>	<u>1,106,224</u>	<u>864,482</u>	<u>2,237,603</u>	<u>1,336,934</u>
EXPENSES						
Advertising	11,786	-	-	-	11,786	15,083
Amortization	1,179	-	42,488	-	43,667	41,533
Food and groceries	-	1,338	31,357	-	32,695	38,014
Fundraising expenses	1,582	-	-	-	1,582	2,603
Insurance	2,429	-	5,396	6,731	14,556	7,836
Interest and bank charges	494	22	2,692	24,395	27,603	3,143
Membership and licenses	34	-	302	-	336	344
Office	2,488	-	8,247	-	10,735	9,223
Payroll	85,706	18,692	858,009	-	962,407	865,119
Professional fees	7,225	-	18,577	70	25,872	37,051
Property tax	5,731	-	-	-	5,731	-
Rental	5,958	-	62,622	-	68,580	59,581
Repairs and maintenance	22	-	19,442	-	19,464	10,832
School fees	-	100,627	-	-	100,627	95,496
Special projects	-	-	-	-	-	3,531
Support payment	-	5,394	-	-	5,394	5,800
Supplies	987	1,492	21,020	-	23,499	21,450
Training	2,626	-	5,566	-	8,192	8,817
Travel	-	192	858	-	1,050	1,246
Utilities	-	-	13,842	3,897	17,739	18,586
	<u>128,247</u>	<u>127,757</u>	<u>1,090,418</u>	<u>35,093</u>	<u>1,381,515</u>	<u>1,245,288</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 14,977	\$ (4,084)	\$ 15,806	\$ 829,389	\$ 856,088	\$ 91,646

MAYBELL DEVELOPMENTS INC.
Statement of Changes in Net Assets
Year Ended December 31, 2025

	General Fund 2025	AGA Fund 2025	Lilium Village Childcare 2025	Lilium Village Duplexes 2025	Total 2025	Total 2024
NET ASSETS - BEGINNING OF YEAR	\$ 100,616	\$ 15,011	\$ 828,306	\$ 68,772	\$ 1,012,705	\$ 921,059
Excess of revenues over expenses	14,977	(4,084)	15,806	829,389	856,088	91,646
Transfers of excess surplus between funds	233,055	-	-	(233,055)	-	-
NET ASSETS - END OF YEAR	\$ 348,648	\$ 10,927	\$ 844,112	\$ 665,106	\$ 1,868,793	\$ 1,012,705

MAYBELL DEVELOPMENTS INC.
Statement of Cash Flows
Year Ended December 31, 2025

	General Fund 2025	AGA Fund 2025	Lilium Village Childcare 2025	Lilium Village Duplexes 2025	Total 2025	2024 2024
CASH FLOWS FROM (FOR) OPERATING ACTIVITIES						
Cash receipts from customers, grantors, and others	\$ 143,224	\$ 123,673	\$ 1,108,281	\$ 864,482	\$ 2,239,660	\$ 1,287,518
Cash paid to suppliers and employees	(212,310)	(127,757)	(1,026,448)	(39,349)	(1,405,864)	(1,197,902)
Cash Flows From (For) Operating Activities	(69,086)	(4,084)	81,833	825,133	833,796	89,616
CASH FLOWS FROM (FOR) INVESTING ACTIVITIES						
Purchase of capital assets	(1,086)	-	(65,292)	(2,464,169)	(2,530,547)	(66,317)
CASH FLOWS FROM (FOR) FINANCING ACTIVITY						
Proceeds from long term financing	-	-	-	1,872,091	1,872,091	-
OTHER CASH FLOW ITEMS						
Inter-fund transfers	233,055	-	-	(233,055)	-	-
INCREASE (DECREASE) IN CASH FLOWS						
	162,883	(4,084)	16,541	-	175,340	23,299
Cash - beginning of year	76,988	15,011	225,724	-	317,723	294,424
CASH - END OF YEAR (Note 3)	\$ 239,871	\$ 10,927	\$ 242,265	\$ -	\$ 493,063	\$ 317,723

MAYBELL DEVELOPMENTS INC.
Notes to Financial Statements
Year Ended December 31, 2025

1. PURPOSE OF THE ORGANIZATION

MayBell Developments Inc. (the "organization") is a not-for-profit organization incorporated provincially under The Non-profit Corporations Act of Saskatchewan. As a registered charity the organization is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The organization's objectives are as follows:

- To relieve poverty by providing residential accommodations at below market rates, support, and incidental facilities to individuals or families who are impoverished;
- To relieve poverty and advance education by providing programs on life skills training and goal setting;
- To advance religion through the provision of Christian faith-based mentorship programs;
- To relieve poverty through the provision of Individual Development Accounts to impoverished individuals, which assist recipients with business start-up costs, transportation expenses, and housing;
- To conduct activities that are ancillary and incidental to the attainment of the above mentioned purposes;
- To advance education by providing scholarships to students from schools located in the city of Phnom Penh, Cambodia, to be used for post-secondary education; and
- To provide affordable childcare services through the Lilium Village Childcare.

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 (ASNPO).

Cash and cash equivalents

Cash includes chequing and savings accounts.

Capital assets

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

Furniture and Equipment	20%	declining balance method
Computer equipment / software	30%	declining balance method
Buildings	40 years	straight-line method
Leasehold improvements	25 years	straight-line method

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MAYBELL DEVELOPMENTS INC.
Notes to Financial Statements
Year Ended December 31, 2025

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

Fund accounting

The organization follows the restricted fund method of accounting for contributions.

The General Fund provides for the organization's program delivery and administrative activities. This fund reports unrestricted resources and any restricted operating contributions.

The AGA Fund provides for the activities related to the organization's Amazing Grace Initiative and contributions specifically for this purpose.

The Lilium Village Childcare fund provides for the activities related to the organization's childcare and contributions specifically for this purpose.

The Lilium Village Duplexes fund provides for the activities related to the organization's low-cost housing and contributions specifically for this purpose.

Revenue recognition

Grants and donations received under the AGA Fund and Lilium Childcare Fund are recorded using the restricted fund method of accounting for contributions. They are recorded as revenue in the year received or receivable.

Grants and donations received for general purposes are recorded using the deferral method of accounting in the General Fund.

In-kind donations of goods and services the organization would otherwise purchase are recorded at the fair value of goods and services provided.

Government grants received under Lilium Childcare Fund are recognized as revenue in the year in which the grants pertain to.

Parent childcare fees are recognized under Lilium Childcare Fund in the year in which the service is provided.

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.

MAYBELL DEVELOPMENTS INC.
Notes to Financial Statements
Year Ended December 31, 2025

3. CASH

	2025	2024
General chequing	\$ 234,871	\$ 71,939
Lilium Village Childcare	242,265	225,724
Savings account - match program	-	49
Term deposit	5,000	5,000
AGA accounts	10,927	15,011
	\$ 493,063	\$ 317,723

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Land	\$ 1	\$ -	\$ 1	\$ 1
Furniture and equipment	144,076	49,746	94,330	69,083
Computer equipment / software	4,285	1,716	2,569	1,519
Leasehold improvements	634,164	60,414	573,750	577,337
Buildings under construction	2,754,777	-	2,754,777	68,771
	\$ 3,537,303	\$ 111,876	\$ 3,425,427	\$ 716,711

5. CMHC FORGIVEABLE LOAN RECEIVABLE

	2025	2024
CMHC forgivable loan receivable	\$ 480,000	\$ -

The forgivable loan receivable represents the amount of forgivable loan received from Canada Mortgage Housing Corp. in relation to the construction of the Lilium Village Duplexes which will provide low cost housing to qualified single parents. The loan has a term of 20 years from the date of occupancy, with a 5% annual forgiveness rate assuming the organization is in compliance with the special covenants. The related building where the loan proceeds was used has an estimated completion of early 2026, with full occupancy of the duplexes expected to occur in 2026. The management believes that the organization will be in compliance with all the special covenants of the forgivable loan; therefore, the amount is recognized as revenue during the year.

MAYBELL DEVELOPMENTS INC.
Notes to Financial Statements
Year Ended December 31, 2025

6. LONG TERM DEBT

	2025	2024
Canada Mortgage Housing Corp. forgivable loan bearing no interest. The loan has a term of 20 years from the date of occupancy, with a 5% annual forgiveness rate assuming the organization is in compliance with the special covenants.	\$ 480,000	\$ -
Canada Mortgage Housing Corp. repayable loan bearing interest at 3.64% per annum, calculated from the first loan advance. Total loan amount is \$2,059,251, with the rest of the advances to be made in 2026. The loan will then be repayable in 10 annual instalments, with payments to be determined once all advances are received and the project completed. The loan is secured by land and building, assignment of rents and leases and a general security agreement.	<u>1,872,091</u>	-
	<u>\$ 2,352,091</u>	<u>\$ -</u>

7. RELATED PARTY TRANSACTIONS

During the year, the organization has entered into related party transactions, including among others, the following:

	2025
CENA Construction <i>(The company is owned and controlled by MayBell's co-founder and former board member. He is also a family member of one of the current board members.)</i>	
Construction of Liliium Village Duplexes and Childcare Leasehold improvements (total including taxes)	\$ 2,751,843
Donation received from CENA Construction	41,200

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

8. FINANCIAL INSTRUMENTS - MEASUREMENT AND IMPAIRMENT

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, if any, in equity instruments that are quoted in an active market, which are measured at fair value. Financial assets measured at amortized cost include cash, term deposits and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and deferred revenue. At the end of each reporting period, the organization assesses whether there are any indications that a financial asset measured at amortized cost may be impaired, and if so, reduces the carrying amount accordingly.

MAYBELL DEVELOPMENTS INC.
Notes to Financial Statements
Year Ended December 31, 2025

9. FINANCIAL INSTRUMENTS

The organization 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 organization's risk exposure and concentration as of December 31, 2025.

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 childcare customers. The organization has a significant number of customers which minimizes concentration of credit risk.

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 customers and other related sources, and accounts payable.

Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is exposed to foreign currency exchange risk on cash held in U.S. dollars. The organization does not use derivative instruments to reduce its exposure to foreign currency risk.

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

10. COMMITMENTS

As at December 31, 2025, the organization has commitments of \$4,965 monthly for the rental of a space within the building of the Trinity Lutheran Church under a 50-year lease agreement, which expires April 30, 2072. The building was sold during the year, with the new landlord, 102081506 Sask Ltd., taking over the agreement with the organization. The said agreement will be amended and a new agreement will take effect in early 2026.