

Veterans Transition Network
Financial Statements
December 31, 2024

To the Directors of Veterans Transition Network:

Opinion

We have audited the financial statements of Veterans Transition Network (the "Organization"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations and 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, 2024, 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 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 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 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.

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.

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Vancouver, British Columbia

May 16, 2025

MNP LLP

Chartered Professional Accountants

Veterans Transition Network

Statement of Financial Position

As at December 31, 2024

	2024	2023
Assets		
Current		
Cash	1,367,721	1,157,360
Accounts receivable	550,766	262,687
Prepaid expenses and deposits	29,304	22,566
	1,947,791	1,442,613
Intangible asset	1,446	1,446
	1,949,237	1,444,059
Liabilities		
Current		
Accounts payable and accrued liabilities	338,522	253,965
Deferred contributions (Note 3)	1,388,646	1,040,685
	1,727,168	1,294,650
Commitments (Note 4)		
Net Assets		
Unrestricted net asset	222,069	149,409
	1,949,237	1,444,059

Approved on behalf of the Board


Director


Director

The accompanying notes are an integral part of these financial statements

Veterans Transition Network

Statement of Operations and Changes in Net Assets

For the year ended December 31, 2024

	2024	2023
Revenue		
IRCC safe passage contribution project	3,296,664	2,000,542
Grants (Note 3)	1,651,486	1,710,891
Donations	643,581	662,484
Program revenue	150,000	172,500
Afghan support program revenue (Note 3)	43,737	104,126
Veterans homelessness program (Note 3)	208,053	-
Gain on sale of marketable securities and other income	530	189
	5,994,051	4,650,732
Expenses		
IRCC safe passage contribution project delivery	2,875,320	1,746,046
Program delivery (Note 6)	2,227,976	1,950,492
Salaries and wages	360,580	256,449
Marketing (Note 6)	121,744	123,488
Fundraising (Note 6)	112,820	162,225
Office	103,963	110,667
Afghan support program delivery	43,737	104,126
Accounting and audit	33,902	35,665
Professional services	23,611	21,750
Insurance	13,214	11,648
Travel	4,466	8,835
Bank charges and interest	58	26
	5,921,391	4,531,417
Excess of revenue over expenses	72,660	119,315
Unrestricted net assets beginning of year	149,409	30,094
Unrestricted net assets end of year	222,069	149,409

The accompanying notes are an integral part of these financial statements

Veterans Transition Network

Statement of Cash Flows

For the year ended December 31, 2024

	2024	2023
Cash provided by (used for) the following activities		
Operating activities		
Excess of revenue over expenses	72,660	119,315
Adjustments to reconcile net cash		
Donations of marketable securities	(41,666)	(17,664)
Gain on sale of marketable securities	(7)	(189)
Net changes in non-cash working capital accounts		
Accounts receivable	(288,079)	(183,098)
Prepaid expenses and deposits	(6,738)	(7,704)
Accounts payable and accrued liabilities	84,557	(104,192)
Deferred contributions	347,961	236,665
	168,688	43,133
Investing		
Proceeds on disposal of marketable securities	41,673	17,853
Increase in cash	210,361	60,986
Cash, beginning of the year	1,157,360	1,096,374
Cash, end of year	1,367,721	1,157,360

The accompanying notes are an integral part of these financial statements

Veterans Transition Network

Notes to the Financial Statements

For the year ended December 31, 2024

1. Purpose of the Organization

Veterans Transition Network (the "Organization") was established in May 2012 as a registered charity, incorporated under the Canada Not-for-profit Corporations Act. The purpose of the Organization is to provide timely, effective and comprehensive group services to assist soldiers and to help soldiers transition to civilian life serving to launch them into their best possible future.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and, reflect the following significant accounting policies.

Cash

Cash include cash on hand and balances with banks.

Deferred revenue

Deferred revenue consists principally of operating grants, donations and contributions that have been received but for which not all of the related services have been provided.

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the period in which the related expenses are incurred. 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.

Other income is recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed materials

Contributed materials and services are recognized in the financial statements when their fair value can be reasonably estimated and when the Organization would have otherwise purchased them. There were no contributed materials and services recognized in the current fiscal year.

Contribution of time by volunteers is not recorded as an expense as the dollar amount is not reasonably determinable.

Financial instruments

The Organizations financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities.

Financial assets and financial liabilities are initially measured at fair value when the Organization becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured 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 of these financial instruments are recognized in the statement of operations as income or expense.

With respect to financial assets measured at cost or amortized cost, the Organization recognizes in the statement of operations an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases, and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in the statement of operations in the period the reversal occurs.

Intangible asset

The intangible asset is a trademark that has an indefinite life. Intangible assets with an indefinite life are accounted for at cost and are tested for impairment whenever events or changes in circumstances indicate that they might be impaired. When the carrying amount of an item exceeds its fair value, an impairment loss is recognized in the statement of operations in an amount equal to the excess.

Veterans Transition Network

Notes to the Financial Statements

For the year ended December 31, 2024

Use of estimates

Financial statements prepared in conformity with ASNPO require management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from these estimates. Assumptions are used in estimating the collectability of accounts receivable. Management reviews its estimates annually based on current available information.

Allocation of expenses

The Organization engages in the following functions, program delivery, marketing and fundraising. The costs of each function include the costs of personnel, premises and other expenses that are directly related to the function. Any costs not allocated to a function are classified by object.

The Organization allocates the costs of personnel, premises and other expenses by identifying the appropriate basis of allocating each component expense, and applies that basis consistently each year. Salaries and wages and office are allocated on the following bases:

Salaries and wages	Proportionately based on the function the employee works in as outlined in their employment contract.
Office	Proportionately based on the function the employee works in as outlined in their employment contract on an annual hours worked basis.

3. Deferred contributions

Deferred contributions related to operations comprise grant funding received in the current period for future periods.

	Balance beginning of year \$	Contributions received and receivable \$	Recognized as revenue \$	2024 Balance end of year \$
True Patriot Love	-	253,314	253,314	-
Calgary Foundation	-	5,000	5,000	-
Command Legion of QC	4,000	2,500	6,000	500
Command Legion of ON	6,000	41,700	11,000	36,700
Command Legion of MB	13,565	21,300	1,000	33,865
Aqueduct Foundation	60,000	-	60,000	-
Veteran & Family Well-Being Fund	79,969	225,000	304,969	-
Fondation Québécoise des Vétérans	-	60,000	60,000	-
Hewitt Foundation	-	100,000	100,000	-
Boeing Vancouver	-	55,289	30,000	25,289
Generation Capital	146,305	250,000	194,966	201,339
The Royal Canadian Legion/BC/Yukon Command	-	216,000	216,000	-
The Royal Canadian Legion Ontario Command	-	144,500	36,500	108,000
The Peterson Foundation	60,000	60,000	60,000	60,000
KTLX Charitable Foundation	75,000	-	75,000	-
Colinco Holding	17,000	19,737	36,737	-
La Fondation Emmanuelle Gatusso	-	50,000	50,000	-
Medavie Foundation	-	150,000	150,000	-
London Drugs	-	15,000	-	15,000
North Wall Riders Association	-	1,000	1,000	-
	461,839	1,670,340	1,651,486	480,693

Veterans Transition Network Notes to the Financial Statements

For the year ended December 31, 2024

3. Deferred contributions (continued)

2023

	Balance beginning of year \$	Contributions received and receivable \$	Recognized as revenue \$	Balance end of year \$
True Patriot Love	33,334	333,000	366,334	-
Command Legion of QC	-	6,050	2,050	4,000
Command Legion of ON	2,000	128,250	124,250	6,000
Command Legion of MB	17,358	26,850	30,643	13,565
Legion National Foundation	-	75,000	75,000	-
Aqueduct Foundation	60,000	60,000	60,000	60,000
Nickle Family Foundation	-	5,000	5,000	-
Veteran & Family Well-Being Fund	27,552	350,000	297,583	79,969
Fondation Québécoise des Vétérans	-	58,000	58,000	-
Hewitt Foundation	-	100,000	100,000	-
Boeing Vancouver	-	55,080	55,080	-
Generation Capital	-	250,000	103,695	146,305
New Horison Seniors Program	-	25,000	25,000	-
The Royal Canadian Legion/BC/Yukon Command	-	245,000	245,000	-
Sexual Misconduct support and Resource Centre (SMSRC)	-	50,000	50,000	-
The Peterson Foundation	-	60,000	-	60,000
KTLX Charitable Foundation	-	75,000	-	75,000
Calgary Foundation	-	5,000	5,000	-
Colinco Holding	-	17,000	-	17,000
La Fondation Emmanuelle Gatusso	-	100,000	100,000	-
The Christina Mary Hendrie Trust	-	8,256	8,256	-
	140,244	2,032,486	1,710,891	461,839

During the year, the Organization recognized \$43,737 (2023 - \$104,126) of the donation received as revenue related to the Afghan Interpreters campaign resulting in a deferred income balance of \$551,752 (2023 - \$578,846) for the fiscal year ended December 31, 2024.

During the year, the Organization entered into a new funding agreement with the Minister of Housing, Infrastructure and Communities (Canada). Under this agreement, Canada provided direct funding of \$564,253. The Organization recognized \$208,053 of the funding received as revenue resulting in a deferred income balance of \$356,200 for the fiscal year ended December 31, 2024.

4. Commitments

The Organization is obligated under a lease agreement in respect of office space under a premise lease for minimum annual rentals as follows:

2025	46,925
2026	47,266
2027	47,950
2028	48,291
2029	32,650
Total	223,082

5. Financial instruments

The Organization is exposed to various financial risks through its financial instruments.

Credit risk

The Organization is exposed to credit risk with respect to its cash and accounts receivable from its funding partners for contributions receivable. Cash and cash equivalents is held with a reputable financial institution. The Organization assesses its accounts receivable on a continuous basis.

Liquidity risk

Liquidity risk is the risk of being unable to meet cash requirements or to fund obligations as they become due. Accounts payable and accrued liabilities are generally settled within 30 days.

6. Allocation of expenses

Salaries and wages of \$593,585 (2023 - \$633,252) and office expenses of \$30,858 (2023 - \$48,303) have been allocated as follows:

	2024	2023
Program delivery	461,732	445,443
Marketing	73,230	89,022
Fundraising	89,481	147,090
	624,443	681,555
