

Lookout Housing and Health Society

Financial Statements

For the Year Ended 31 March 2026

Tel: 604 688 5421
Fax: 604 688 5132
vancouver@bdo.ca
www.bdo.ca

BDO Canada LLP
Unit 1100 – Royal Centre
1055 West Georgia Street
Vancouver BC V6E 3P3 Canada

Independent Auditor's Report

To the Board of Directors of Lookout Housing and Health Society

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Lookout Housing and Health Society (the "Society"), which comprise the Statement of Financial Position as at March 31, 2026, and the Statements of Operations, Changes in Net Assets, and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2026, and its results of operations, changes in net assets, and 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 Society 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 Society'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 Society, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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 Society'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 Society'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 Society 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting principles in Canadian Accounting standards for not-for-profit organizations have been applied on a basis consistent with that one of the preceding year.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
July 17, 2026

Lookout Housing + Health Society

Statement of Financial Position

As at 31 March	Note	2026	2025
ASSETS			
Current Assets			
Cash and equivalents		**$ 41,503,658**	$ 39,927,819
Accounts receivable	(8.a)	**4,338,095**	5,278,038
Goods and services tax receivable	(8.b)	**337,486**	395,763
Prepaid amounts and deposits	(5)	**568,675**	518,004
Due from Lookout Foundation	(10)	**4,815**	-
		46,752,729	46,119,624
Investments	(4)	**6,169,969**	6,320,827
Capital Assets	(6)	**154,933,129**	132,919,824
		$ 207,855,827	$ 185,360,275
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities	(7)	**$ 17,979,190**	$ 20,749,384
Due to Lookout Foundation	(10)	**-**	153,939
Security deposits		**539,303**	420,106
Deferred contributions	(9)	**28,576,799**	26,350,602
Current portion of mortgages payable	(12)	**15,119,721**	1,459,873
		62,215,013	49,133,904
Replacement Reserves	(11)	**2,810,461**	2,557,236
Mortgages and Loan Payable	(12)	**67,972,113**	57,474,738
Forgivable Loans	(13)	**23,659,688**	24,148,427
Deferred Capital Contributions	(14)	**31,220,571**	32,341,267
		$ 187,877,846	$ 165,655,572
NET ASSETS			
Invested in capital assets		**17,168,256**	17,702,738
Internally restricted	(16)	**2,461,403**	2,400,703
Unrestricted		**348,322**	(398,738)
		19,977,981	19,704,703
		$ 207,855,827	$ 185,360,275

Director

Director

The accompanying notes are an integral part of these financial statements

Lookout Housing + Health Society

Statement of Operations

For the year ended 31 March	Note	2026	2025
Revenue			
British Columbia Housing Management Commission		**$ 59,411,893**	$ 49,850,855
Fraser Health Authority		**13,616,307**	12,531,855
Vancouver Coastal Health Authority		**13,333,660**	11,700,084
Rental income		**8,293,623**	7,156,583
Provincial government		**3,591,914**	2,876,505
Amortization of deferred capital contributions		**2,572,746**	1,458,305
Vancouver Island Health Authority		**1,966,076**	1,983,736
Client user fees		**1,360,928**	1,088,852
Not-for-profit grants/subcontracts		**1,126,787**	1,630,389
Investment income		**848,202**	1,043,952
Other revenue		**697,871**	528,127
Municipal governments		**565,169**	840,233
Amortization of forgivable loans		**488,736**	210,149
Federal government		**411,119**	1,254,098
Donations	(17)	**152,389**	283,324
		$ 108,437,420	$ 94,437,047
Expenses			
Salaries and benefits		**$ 74,915,371**	$ 64,678,210
Program delivery		**5,985,735**	5,290,772
Service contracts	(10)	**5,339,775**	5,127,250
Renovations, repairs and maintenance		**4,718,888**	4,313,019
Amortization of capital assets		**4,630,240**	2,890,056
Food		**4,453,534**	3,952,148
Office and general		**2,773,576**	2,333,042
Utilities		**2,369,143**	1,939,814
Interest on mortgages payable		**1,193,426**	1,198,894
Insurance		**636,899**	536,705
Professional fees		**448,255**	359,347
Transportation and travel		**371,783**	347,710
Property taxes		**327,517**	237,880
		108,164,142	93,204,847
Excess of revenues over expenses		**$ 273,278**	$ 1,232,200

The accompanying notes are an integral part of these financial statements

Lookout Housing + Health Society

Statement of Changes in Net Assets

	Invested in capital Assets	Internally restricted	Unrestricted	Total
Balance as of 01 April 2024	$ 11,054,404	$ 1,666,003	$ 1,958,931	$ 14,679,338
Excess (deficiency) of revenues over expenses	(29,086)	-	1,261,286	1,232,200
Amortization of Deferred Capital Contributions	1,458,305	-	(1,458,305)	-
Recognition of Forgivable Loans	210,149	-	(210,149)	-
Amortization of Capital Assets	(2,890,056)	-	2,890,056	-
Contribution of land	3,793,165	-	-	3,793,165
Acquisition of Capital Assets	29,029,616	-	(29,029,616)	-
Receipt of Forgivable Loan	(1,047,475)	-	1,047,475	-
Loan proceeds received	(19,605,359)	-	19,605,359	-
Loan repayments	1,422,338	-	(1,422,338)	-
Receipt of Deferred Capital Contributions	(5,693,263)	-	5,693,263	-
Interfund transfers	-	734,700	(734,700)	-
Balance as of 31 March 2025	$ 17,702,738	$ 2,400,703	$ (398,738)	$ 19,704,703
Balance as of 01 April 2025	**$ 17,702,738**	**$ 2,400,703**	**$ (398,738)**	**$ 19,704,703**
Excess (deficiency) of revenues over expenses	**-**	**-**	**273,278**	**273,278**
Amortization of Deferred Capital Contributions	**2,572,746**	**-**	**(2,572,746)**	**-**
Recognition of Forgivable Loans	**488,736**	**-**	**(488,736)**	**-**
Amortization of Capital Assets	**(4,630,240)**	**-**	**4,630,240**	**-**
Acquisition of Capital Assets	**26,643,545**	**-**	**(26,643,545)**	**-**
Receipt of Mortgages	**(15,971,413)**	**-**	**15,971,413**	**-**
Loan proceeds received	**(9,646,030)**	**-**	**9,646,030**	**-**
Loan repayments	**1,460,224**	**-**	**(1,460,224)**	**-**
Receipt of Deferred Capital Contributions	**(1,452,050)**	**-**	**1,452,050**	**-**
Interfund transfers	**-**	**60,700**	**(60,700)**	**-**
Balance as of 31 March 2026	**$ 17,168,256**	**$ 2,461,403**	**$ 348,322**	**$ 19,977,981**

The accompanying notes are an integral part of these financial statements

Lookout Housing + Health Society

Statement of Cash Flows

For the year ended 31 March	2026	2025
Operating Activities		
Excess of revenue over expense	**$ 273,278**	$ 1,232,200
Adjustments for non-cash items:		
Amortization of deferred capital contributions	**(2,572,746)**	(1,458,305)
Recognition of forgivable loan payable	**(488,736)**	(210,149)
Amortization of capital assets	**4,630,240**	2,890,056
	$ 1,842,036	$ 2,453,802
Changes in non-cash working capital items		
Accounts receivable	**$ 939,943**	$ 1,822,159
Goods and services tax recoverable	**58,277**	49,103
Prepaid expenses and deposits	**(50,671)**	(161,690)
Accounts payable and accrued liabilities	**(2,770,194)**	4,858,196
Deferred contributions	**2,226,197**	8,868,166
Security deposits	**119,197**	61,885
Due from (to) Lookout Foundation	**(158,753)**	1,880,760
	$ 2,206,032	$ 19,832,381
Financing Activities		
Receipts of Mortgage	**$ 15,971,413**	$ 2,292,117
Loan proceeds received	**9,646,030**	17,313,242
Repayment of mortgage payable	**(1,460,224)**	(1,422,338)
Receipt of forgivable loans	**-**	1,047,475
Replacement reserves funding	**411,180**	675,081
Expenditures of replacement reserves	**(157,955)**	(202,572)
Receipt of deferred capital contributions	**1,452,050**	5,693,263
Contribution of land	**-**	3,793,165
	$ 25,862,494	$ 29,189,433
Investing activities		
Acquisitions of investments	**$ 150,858**	$ (297,829)
Acquisition of capital assets	**(26,643,545)**	(32,822,781)
	$ (26,492,687)	$ (33,120,610)
Net increase in cash	**$ 1,575,839**	$ 15,901,204
Cash and cash equivalents, beginning of the year	**39,927,819**	24,026,615
Cash and cash equivalents, end of year	**$ 41,503,658**	$ 39,927,819

The accompanying notes are an integral part of these financial statements

Notes to the Financial Statements for the year ended 31 March 2026

1. Nature of operations

Lookout Housing and Health Society was incorporated on 19 July 1974 under the laws of the Societies Act (BC) as a not-for-profit organization originally under the name of Lookout Emergency Aid Society and is a registered charity under the Income Tax Act. The Society provides housing and a range of support services to adults with low or no income who have few, if any, housing or support options. The Society operates 164 programs located with 90 sites and includes 2,614 housing and shelter units.

2. Summary of Significant Accounting Policies

These financial statements are prepared in accordance with Canadian Accounting Standards for Not for Profit Organizations and reflect the following significant accounting policies:

a) Revenue Recognition

The Society follows the deferral method of accounting for contributions.

Revenue is recognized from various sources as outlined below:

i) Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

ii) Restricted contributions for the purchase of capital assets that will not be amortized, such as land, are recognized as direct increase in net assets.

iii) 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.

iv) Capital contributions received for the acquisition of capital assets are deferred and amortized at the same rate as the amortization of the cost of the related capital asset.

v) Investment income includes dividend and interest income recorded on the accrual basis, as well as realized investment gains and losses and unrealized gains and losses on financial instruments subsequently measured at fair value. Investment income is included in the statement of operations, or deferred depending on the nature of any external restrictions imposed on the investment income. Restricted investment income, including amounts related to replacement reserves, is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

vi) Forgivable loans are recorded as liabilities and are amortized to income evenly over the life of the related acquired asset. The portion of the loan related to land is recorded as a direct contribution to net assets.

b) Cash Equivalents

Cash equivalents include highly liquid financial instruments with a term to maturity of ninety days or less at the date of acquisition. Cash equivalents are recorded at the lower of cost plus accrued interest and fair market value.

Notes to the Financial Statements for the year ended 31 March 2026

c) Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at estimated fair value at the date of contribution.

Capital assets are recorded at cost less accumulated amortization. Amortization of capital assets is calculated using the straight line method over their estimated useful lives. The amortization periods applicable to the various classes of property and equipment are as follows:

Buildings	7-40 years
Leasehold improvements	3-55 years
Furniture and fixtures	5 years
Automotive	3 years
Computer hardware/software	3 years

The leased land is amortized over the lease term of 60 years, and is recorded at historical cost less accumulated amortization. Upon expiration of the lease contract, the property will revert to the lessor.

The leasehold improvements is recorded at cost, and amortized over the lesser of useful life or the lease term.

The prepaid building lease has a term of 60 years, and is recorded at historical cost less accumulated amortization.

Construction in progress is not amortized until completion of the project when the asset is ready for use.

d) Contributed Materials and Services

Contributed materials are recorded, when received, at estimated fair market value, only if they would otherwise be purchased.

The Society benefits greatly from contributed services in the form of volunteer time. Management estimates that 5,917 volunteers (2025 – 5,704 volunteers) contributed approximately 38,473 hours/ $686,743 (2025 – 28,862 hours/ $502,199), to assist the Society in carrying out its services.

e) Employee Future Benefits

The Society and its employees make contributions to the Municipal Pension Plan and the employees accrue benefits under this plan based on years of service. The Society's contributions to the Municipal Pension Plan are expensed when incurred.

f) Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not for profit organizations requires the Society's management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in operations in the period in which they become known.

The areas requiring the greatest degree of estimation are collectability of accounts receivable and the impairment of long-lived assets, the useful lives of capital assets, determining the fair value of contributed assets, allocation of forgivable loans between land and buildings and contingent assets or liabilities related to contract reviews by funders.

g) Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market are reported at fair value, with any unrealized gains or losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed for those items remeasured at fair value and added to the financial instrument's cost for those measured at amortized cost.

Notes to the Financial Statements for the year ended 31 March 2026

3. Financial Instruments Risk

The Society, through its financial assets and liabilities, is exposed to various risks. The following analysis provides a measurement of those risks on 31 March 2026. There have not been any changes in the risks from the prior year.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Society is exposed to interest rate risk from the interest rate differentials between the market rate and the rates earned on investments and payable on mortgages.

In seeking to minimize the risk from interest rate fluctuations, the interest rates on the mortgages and most investments are fixed. Therefore, the Society is not exposed to significant interest rates risk with respect future cash flow.

b) Credit Risk

Credit risk is the risk that the Society will incur a loss due to the failure by its debtors to meet their contractual obligations. The Society is exposed to credit risk arising from its accounts receivable, which is managed by contracting with high quality funding partners, many of whom are government bodies, with defined contracts and by initiating a prompt collection process.

c) Liquidity Risk

Liquidity risk is the risk that the Society will not be able to meet its obligations as they fall due. The Society maintains adequate levels of working capital to ensure all its obligations can be met when they fall due. Management and the Board prepare detailed budgets and cash flow forecasts to monitor the available cash to manage liquidity. Before embarking on significant capital projects, the Society secures the necessary government grants and/or external financing.

d) Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Society's exposure to foreign exchange risk is not material.

4. Investments

As at year ended 31 March	2026	2025
Term deposits maturing between June 2026 to January 2029, at rates varying from 3.00% to 4.85%	**$ 5,574,735**	$ 5,425,569
GAFF Term deposit matured February 2026, at a rate of 5.00%	**-**	353,106
RBC Premium Money Market Fund	**546,494**	513,803
Royal Bank of Canada shares	**33,732**	24,315
Other shares	**15,008**	4,034
	$ 6,169,969	$ 6,320,827

Lookout Housing + Health Society

Notes to the Financial Statements for the year ended 31 March 2026

5. Prepaid amounts and deposits

As at year ended 31 March	2026	2025
Deposits	**$ 155,538**	$ 252,005
Prepayments	**377,529**	230,391
Cash held in trust by B.C. Housing Management Commission: Cedar Valley Residential	**35,608**	35,608
	$ 568,675	$ 518,004

6. Capital Assets

As at year ended 31 March 2026	Cost	Accumulated Amortization	2026 Net Book Value
Land	**$ 29,211,887**	**$ -**	**$ 29,211,887**
Buildings	**146,824,920**	**32,868,083**	**113,956,837**
Leasehold improvements	**2,776,986**	**660,786**	**2,116,200**
Leased land	**3,224,436**	**1,472,108**	**1,752,328**
Prepaid building lease	**6,513,944**	**498,332**	**6,015,612**
Furniture and fixtures	**1,951,130**	**1,798,543**	**152,587**
Automotive	**1,589,361**	**1,392,643**	**196,718**
Computer hardware/software	**1,337,732**	**1,217,910**	**119,822**
Construction in progress	**1,411,138**	**-**	**1,411,138**
	$ 194,841,534	**$ 39,908,405**	**$ 154,933,129**

As at year ended 31 March 2025	Cost	Accumulated Amortization	2025 Net Book Value
Land	$ 29,211,889	$ -	$ 29,211,889
Buildings	81,718,717	29,039,140	52,679,577
Leasehold improvements	2,249,150	320,771	1,928,379
Leased land	3,224,436	1,418,368	1,806,068
Prepaid building lease	3,875,000	433,749	3,441,251
Furniture and fixtures	1,798,441	1,731,706	66,735
Automotive	1,569,265	1,220,971	348,294
Computer hardware/software	1,264,780	1,113,461	151,319
Construction in progress	43,286,312	-	43,286,312
	$ 168,197,990	$ 35,278,166	$ 132,919,824

Lookout Housing + Health Society

Notes to the Financial Statements for the year ended 31 March 2026

7. Accounts payable and accrued liabilities

As at year end 31 March	2026	2025
Accrued payroll and benefits	**$ 13,391,681**	$ 8,623,169
Construction payable	**631,352**	5,437,853
Trade accounts and other payables	**3,153,899**	6,087,924
Government remittances payable	**802,258**	600,438
	$ 17,979,190	$ 20,749,384

8. a) Accounts receivable

As at year end 31 March	2026	2025
BC Housing *	**$ 3,021,900**	**$** 2,104,118
Municipal	**180,269**	1,159,649
Not-for-profits	**109,796**	790,823
Province of BC	**476,708**	404,006
Health Authorities	**245,524**	340,931
Federal government	**-**	273,735
Other	**303,898**	204,776
	$ 4,338,095	$ 5,278,038

* BCH has not completed the annual review of fiscal year 2023, 2024 and 2025.

8. b) Goods and services tax receivable

As at year end 31 March	2026	2025
GST receivable for capital project	**$ 26,018**	$ 270,553
GST receivable for operating	**311,468**	125,210
	$ 337,486	$ 395,763

Notes to the Financial Statements for the year ended 31 March 2026

9. Deferred Contributions

	Operating Grants	Rents	Donations	Total
Balance as of 01 April 2024	$ 17,019,159	$ 413,277	$ 50,000	$ 17,482,436
Amounts received during the year	88,197,901	351,592	-	88,549,493
Amounts recognized into revenue	(79,268,050)	(413,277)	-	(79,681,327)
Balance as of 31 March 2025	$ 25,949,010	$ 351,592	$ 50,000	$ 26,350,602
Balance as of 01 April 2025	**$ 25,949,010**	**$ 351,592**	**$ 50,000**	**$ 26,350,602**
Amounts received during the year	**86,344,673**	**436,049**	**-**	**86,780,722**
Amounts recognized into revenue	**(84,202,933)**	**(351,592)**	**-**	**(84,554,525)**
Balance as of 31 March 2026	**$ 28,090,750**	**$ 436,049**	**$ 50,000**	**$ 28,576,799**

10. Due to/from Lookout Foundation

The Lookout Foundation (the "Foundation") was incorporated in 2011 under the laws of the Societies Act (BC) as a not-for-profit organization and is a registered charity under the Income Tax Act. Its purpose includes soliciting and receiving donations to relieve poverty and advance healthcare for impoverished persons living in British Columbia by (directly or indirectly) supporting the objects and activities of Lookout Housing and Health Society. The Foundation is not a controlled entity of the Society as the organizations have independent boards of directors with no common board members. The amount receivable from or due to the Foundation is non-interest bearing, unsecured and repayable on demand.

During the year, the Society paid the Foundation services contract fees of $5,033,098 (2025 - $4,891,077) for administrative and facilities management, human resources and financial services, public relations and fundraising, as the senior operating team for Lookout Society are employees of Lookout Foundation.

The Society incurred expenses of $60,729 (2025 – $131,806) on behalf of related parties, of which Nil (2025 - $Nil) related to salaries. The transactions are recorded at the exchange amount, being the consideration established and agreed to by the related parties.

The Society transferred donations received for capital and operating contributions of $351,769 (2025 - $491,116) to the Foundation, in which $120,977 (2025 - $228,570) was for unrestricted use and $230,792 (2025 – $262,546) is restricted to future programs.

The Society received contributions from the Foundation of $405,391, which were restricted for operational support (2025-$632,804).

The Society received $- of restricted contributions (2025 – $5,276) for vehicles and equipment and $2,000 of restricted contributions for buildings (2025 - $41,300).

Lookout Housing + Health Society

Notes to the Financial Statements for the year ended 31 March 2026

11. Replacement Reserves

As at year ended Mar 31	2025	Annual Allocation	Expenditures	2026
First Place (BCH)	$ 713,466	$ 92,880	$ (22,772)	**$ 783,574**
Yukon Housing Centre (BCH)	152,539	31,968	(46,586)	**137,921**
Jim Green (BCH)	65,027	34,000	(15,015)	**84,012**
Cliff Block (BCH)	47,497	-	(16,738)	**30,759**
Jeffrey Ross (BCH)	82,668	14,240	(38,209)	**58,699**
Rhoda Kaellis (BCH)	141,315	17,280	-	**158,595**
Belcourt Residence (City of Vancouver)	1,013,015	135,113	-	**1,148,128**
8820 Cartier (HAF)	341,709	37,315	(18,635)	**360,389**
Oasis (BCH)	-	48,384	-	**48,384**
	$ 2,557,236	$ 411,180	$ (157,955)	**$ 2,810,461**

Under the terms of the agreements with BC Housing, Canada Mortgage and Housing Corporation, and the City of Vancouver, the Replacement Reserve liability accounts are to be credited in the amount determined by the approved budget provision per annum plus interest earned. As approved expenditures are made, the funding is drawn from the reserve and recognized as revenue.

The funders will review the expenditures and remaining funding on a periodic basis to ensure alignment with the relevant agreements. If expenditures are denied as eligible for replacement reserve funding adjustments will be recognized. At this time, BC Housing has not completed its reviews for the 2023, 2024 and 2025 fiscal year end. There will be immaterial adjustments recorded in the fiscal 2027 financial statements.

12. Mortgages and Loan Payable

For the years ended 31 March	2026	2025
Cedar Valley Residence; 7251 Cedar Valley Connector, Mission	**$ 10,811,181**	$ 11,048,996
MCAP mortgage, bearing interest at 2.86% per annum, and repayable in monthly payments of $45,896 including principal and interest. The mortgage will mature on 1 December 2029.		
Rhoda Kaellis Residence: 1105 Royal Avenue, New Westminster	**4,657,890**	4,857,743
MCAP mortgage, bearing interest at 1.519% per annum, repayable in monthly payments of $22,669 including principal and interest. The mortgage will mature on 01 January 2031.		
544 Columbia Street, New Westminster	**4,443,619**	4,613,008
Vancity mortgage, bearing interest at 4.75% per annum, repayable in monthly payments of $23,518 including principal and interest. The mortgage matures on March 8, 2046.		
Belcourt; 947 East Hastings Street, Vancouver	**3,390,318**	3,471,474
MCAP mortgage, bearing interest at 2.482% per annum, and repayable in monthly payments of $13,789 including principal and interest. The mortgage will mature on 1 October 2029.		

Notes to the Financial Statements for the year ended 31 March 2026

Jim Green Residence: 415 Alexander Street, Vancouver Peoples Trust Company mortgage, bearing interest at 2.41% per annum, repayable in monthly payments of $25,792 including principal and interest. The repayment terms are due for renewal on 1 May 2026. Secured by a fixed charge on real property.	**1,502,733**	1,772,818
508 Powell Street, Vancouver CMHC Repayable loan with a maximum authorized amount of $31,027,045, bearing interest at 3.44% per annum, repayable in estimated monthly payment of $99,402 including principal and interest. The repayment terms are due for renewal on June 1, 2032. The loan amortization period is 50 years. The Society continued to draw on the loan during the year to fund project costs until the project's completion in fiscal 2026.	**29,779,061**	20,732,686
Yukon Housing Centre: 2088 Yukon Street, Vancouver TD Canada Trust mortgage, bearing interest at 2.63% per annum, repayable in monthly payments of $14,472 including principal and interest. The repayment terms are due for renewal on 1 May 2027. Secured by a fixed charge on real property and as an assignment of rents.	**1,681,008**	1,809,052
13542-13540 91 Avenue, Surrey Vancity mortgage, bearing interest at 5.80% per annum, repayable in monthly payments of $7,771 including principal and interest. The repayment terms are due for renewal on 26 Apr 2028.	**1,166,717**	1,192,287
4300 Thompson Road, Richmond Vancity mortgage, bearing interest at 5.75% per annum, repayable in monthly payments of $6,610 including principal and interest. The repayment terms are due for renewal on 21 February 2029.	**1,108,780**	1,124,592
558 Keefer Street, Vancouver Vancity mortgage, bearing interest at 5.12% per annum, repayable in monthly payments of $5,961 including principal and interest. The repayment terms are due for renewal on 31 Jul 2045.	**880,415**	909,076
13802-13804 Grosvenor Road, Surrey MCAP mortgage, bearing interest at 2.22% per annum, and repayable in monthly payments of $4,211 including principal and interest. The repayment terms are due for renewal on 1 June 2030.	**791,715**	824,359
315 Alderson Ave., Coquitlam BCH bridging loan until July 1, 2026. Subsequent financing from Vancity mortgage, bearing interest at 4.07% per annum, and repayable in monthly payments of $59,877 including principal and interest. The repayment terms are due for renewal on July 1, 2036.	**13,457,401**	-
40 Hastings Street, Vancouver, BC MCAP mortgage, bearing interest at 4.405% per annum, and repayable in monthly payments of $26,979 including principal and interest. The repayment terms are due for renewal on 1 Sep 2035.	**2,514,012**	-

Lookout Housing + Health Society

Notes to the Financial Statements for the year ended 31 March 2026

Jeffrey Ross Residence: 510 Alexander Street, Vancouver Canada Mortgage and Housing Corporation mortgage, bearing interest at 4.18% per annum, repayable in monthly payments of $14,378 including principal and interest. The repayment terms are due for renewal on 1 December 2028. Secured by a fixed charge on real property.	**465,040**	621,455
High Drive Residence; 34860-64 High Drive, Abbotsford Vancity mortgage, bearing interest at 5.04% per annum, repayable in monthly payments of $4,342.40 including principal and interest. The repayment terms are due for renewal on 29 March 2048.	**693,700**	710,717
Center Street Residence; 2386-88 Center Street, Abbotsford Vancity mortgage, bearing interest at 5.04% per annum, repayable in monthly payments of $4,342.40 including principal and interest. The repayment terms are due for renewal on 29 March 2048.	**691,951**	708,925
Chilliwack Residence; 46101 Princess Avenue, Chilliwack Vancity mortgage, bearing interest at 4.97% per annum, repayable in monthly payments of $3,516 including principal and interest. The repayment terms are due for renewal on 7 June 2048.	**570,953**	583,327
Crawford Manor: 10008-10010 128th Street, Surrey Vancity mortgage, bearing interest at 2.85% per annum, repayable in monthly payments of $3,075 including principal and interest. The repayment terms are due for renewal on 8 July 2026.	**462,695**	486,122
Cliff Block Residence: 606 Clarkson Street, New Westminster TD Canada Trust mortgage, bearing interest at 3.21% per annum, repayable in monthly payments of $2,803 including principal and interest. The repayment terms are due for renewal on 1 July 2028.	**342,739**	365,045
Macmillan House: 11184 and 11186 143A Street, Surrey Vancity mortgage, bearing interest at 5.68% per annum, repayable in monthly payments of $2,504 including principal and interest. The repayment terms are due for renewal on 2 December 2039. Secured by a fixed charge on real property.	**286,033**	299,602
North Shore Apartment; 101-719 West 3rd Street North Vancouver Vancity mortgage, bearing interest at 4.97% per annum, and repayable in monthly payments of $1,912 including principal and interest. The repayment terms are due for renewal on 31 May 2043.	**265,792**	274,905
Camelot Court; 8820 Cartier Street, Vancouver Kingsett mortgage, bearing interest at 4.326% per annum, and repayable in monthly payments of $11,748.81 including principal and interest. The repayment terms are due for renewal on 2 September 2035. During the year, the mortgage balance increased as a result of refinancing arrangement, with related mortgage financing fees included in the revised principal amount.	**2,344,567**	2,292,117

Notes to the Financial Statements for the year ended 31 March 2026

545 East Cordova, Vancouver	**241,283**	236,305
Demand loan with a principal balance of $200,000, bearing simple interest at 2% per annum. The maturity date is 5 years following the completion of construction and based on occupancy of the building.		
Pre-development Loan Funding	**542,230**	-
	83,091,833	58,934,611
Less: current portion	**(15,119,721)**	(1,459,873)
	$ 67,972,112	$ 57,474,738

Principal payments due in the next five years and thereafter are as follows:

2027	**$ 15,119,721**
2028	**1,893,715**
2029	**1,911,594**
2030	**1,841,351**
2031	**1,897,623**
Thereafter	**60,427,828**
	$ 83,091,833

13. Forgivable Loans

	2026	2025
Powell Street Getaway: 524-528 Powell Street, Vancouver		
BCHMC forgivable mortgage which is non-interest bearing, the total commitment is $10,275,000, will be forgivable 1/25 each year, until the loan is completely secured. Unforgiven balance is $10,146,562 as of March 31, 2026.	**$ 10,275,000**	10,275,000
Less amounts amortized	**(128,438)**	-
	10,146,562	10,275,000
CMHC Forgivable loan is non-interest bearing, commencing on the date 12 May 2022. Each year, a portion of the principal amount is forgiven on the anniversary of the final advance. Forgiveness occurs on the first day of the month or following month. Unforgiven balance is $7,230,306 as of March 31, 2026.	**$ 7,321,828**	$ 7,321,828
Less amounts amortized	**(91,522)**	-
	$ 7,230,306	**$** 7,321,828

Notes to the Financial Statements for the year ended 31 March 2026

Cedar Valley Residence: 7251 Cedar Valley Connector, Mission		
BCHMC forgivable loan is non-interest bearing and will be forgiven over twenty-five years beginning on the first day of the eleventh year following the commencement date of 19 August 2019. If there is a default under the loan agreement, unearned principal plus interest of 2% per annum in excess of the prime rate computed from the date of default will be repayable. Secured by a fixed charge on real property. Unforgiven balance is $4,119,763 as of March 31, 2026.	**$ 6,800,000**	$ 6,800,000
Less amounts amortized	**(2,680,237)**	(2,557,255)
	$ 4,119,763	$ 4,242,745
Rhoda Kaellis Residence: 1105 Royal Avenue, New Westminster		
BCHMC forgivable loan is non-interest bearing and will be forgiven over twenty-five years at a rate of $21,815 beginning on the first day of the eleventh year following the commencement date of 1 January 2009. If there is a default under the loan agreement, unearned principal plus interest of 2% per annum in excess of the prime rate computed from the date of default will be repayable. Secured by a fixed charge on real property. Unforgiven balance is $766,432 as of March 31, 2026.	**$ 1,650,000**	$ 1,650,000
Less amounts amortized	**(883,568)**	(840,990)
	$ 766,432	$ 809,010
Cliff Block Renovation: 606 Clarkson Street, New Westminster		
BCHMC forgivable loan is non interest bearing and will be forgiven over ten years beginning on the first year of the anniversary of the commencement date of 5 January 2021. If there is a default under the loan agreement, unearned principal plus interest of 2% per annum in excess of the prime rate computed from the date of default will be repayable. Secured by a fixed charge on real property. Unforgiven balance is $527,661 as of March 31, 2026.	**$ 586,290**	$ 586,290
Less amounts amortized	**(58,629)**	-
	$ 527,661	$ 586,290
CMHC forgivable loan bears interest at 8.125% per annum and will be forgiven over fifteen years at the rate of $21,200 annually, beginning on 1 January 2004. If there is a default under the loan or the operating agreement, unearned principal plus interest computed from the date of default will be repayable. Secured by a fixed charge on real property. Unforgiven balance is $118,113 as of March 31, 2026.	**$ 318,000**	$ 318,000
Less amounts amortized	**(199,887)**	(190,802)
	$ 118,113	$ 127,198
Dover Court Residence: 1606 Lynn Valley Road, North Vancouver		
BCHMC forgivable loan is non-interest bearing and will be forgiven over fifteen years beginning on the first day of the eleventh year following the commencement date of 17 February 2017. If there is a default under the loan agreement, unearned principal plus interest of 2% per annum in excess of the prime rate computed from the date of default will be repayable. Secured by a fixed charge on real property. Unforgiven balance is $305,756 as of March 31, 2026.	**$ 1,494,000**	$ 1,494,000
Less amounts amortized	**(1,188,244)**	(1,178,355)
	$ 305,756	$ 315,645

Notes to the Financial Statements for the year ended 31 March 2026

North Shore Transitional Housing: 705 West 2nd Street, North Vancouver				
BCHMC forgivable loan is non-interest bearing and will be forgiven over twenty-five years beginning on the first day of the eleventh year following the commencement date of 1 April 2005. If there is a default under the loan agreement, unearned principal plus interest of 2% per annum in excess of the prime rate computed from the date of default will be repayable. Secured by a fixed charge on real property. Unforgiven balance is $253,549 as of March 31, 2026.	**$**	**545,380**	$	545,380
Less amounts amortized		**(291,831)**		(277,239)
	$	**253,549**	$	268,141
CMHC forgivable loan is non-interest bearing and will be forgiven over fifteen years at a rate of $27,470 annually, beginning on 1 December 2005. If there is a default under the loan agreement, unearned principal computed from the date of default will be repayable. Secured by a fixed charge on real property. Unforgiven balance is $191,546 as of March 31, 2026.	**$**	**412,020**	$	412,020
Less amounts amortized		**(220,474)**		(209,450)
	$	**191,546**	$	202,570
	$	**23,659,688**	$	24,148,427

14. Deferred Capital Contributions

As at year end Mar 31	2025	Additions	Amortization	2026
City of Vancouver	$ 13,753,924	$ -	$ (346,738)	**$ 13,407,186**
BCHMC	5,794,314	1,207,445	(185,757)	**6,816,002**
HRDC (Human Resource Development Council)	3,165,712	-	(541,999)	**2,623,713**
Others	2,886,938	49,374	(143,335)	**2,792,977**
NPO	2,664,191	-	(140,267)	**2,523,924**
VCH & FHA	1,589,377	186,895	(381,628)	**1,394,644**
HAF	1,413,496	8,336	(36,456)	**1,385,376**
Service Canada	1,073,315	-	(796,566)	**276,749**
Total	**$ 32,341,267**	**$ 1,452,050**	**$ (2,572,746)**	**$ 31,220,571**

15. Employee Future Benefits

The Society and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trusteed pension plan. The Plan's board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at 31 December 2024, plan membership is broken down into 262,729 active members.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as of 31 December 2024, indicated a $2,675 million funding surplus for basic pension benefits on a going concern basis. The Society paid $3,199,590 (2025 - $2,810,017) for employer contributions to the Plan in fiscal 2026. The next valuation will be as at 31 December 2027, with results available later in 2028.

Notes to the Financial Statements for the year ended 31 March 2026

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

16. Internally Restricted Net Assets

	Replacement Reserve	Health and Training Reserves	Infrastructure Reserve	Capital Reserve	Total
1 April 2024	$ 802,504	$ 40,072	$ 293,493	$ 529,934	$ 1,666,003
Transfer from unrestricted net assets	34,700	-	-	700,000	734,700
31 March 2025	$ 837,204	$ 40,072	$ 293,493	$ 1,229,934	$ 2,400,703

	Replacement Reserve	Health and Training Reserves	Infrastructure Reserve	Capital Reserve	Total
1 April 2025	**$ 837,204**	**$ 40,072**	**$ 293,493**	**$ 1,229,934**	**$ 2,400,703**
Transfer from unrestricted net assets	**60,700**	**-**	**-**	**-**	**60,700**
31 March 2026	**$ 897,904**	**$ 40,072**	**$ 293,493**	**$ 1,229,934**	**$ 2,461,403**

17. Donations

For the year ended 31 March	2026	2025
Cash donations	**$ 122,370**	$ 228,570
Donations in kind	**30,019**	54,754
	$ 152,389	$ 283,324

18. Commitments

The Society leases office premises and residential buildings under various operating lease arrangements. The required minimum lease payments for base rent until lease maturity are as follows:

2027	**$ 302,018**
2028	**160,428**
2029	**128,014**
2030	**113,667**
2031	**76,781**
	$ 780,908

Notes to the Financial Statements for the year ended 31 March 2026

19. Contingent Liabilities

Under two agreements with BC Housing, BC Housing provided for the funding to the Society to enable the Society to complete building envelope repairs to the Jeffrey Ross Residence and the Jim Green Residence. The funding was comprised partially of repayable subsidies and loans. At the option of BC Housing, the repayable subsidy portion of the funding may be repayable to BC Housing, if any proceeds of litigation are received. There are no litigation proceeds expected and therefore no expectation to repay the subsidies. Accordingly, no liability has been recorded.

20. Subsidy Adjustments

BC Housing conducts an annual review of the financial statements and may adjust for any operating surplus or deficit. Funding adjustments which differ from the amounts estimated by the Society are accrued in the fiscal year they are determined by BC Housing. BC Housing has not completed the annual review of the Society's 2023, 2024 and 2025 fiscal year. There are no expected significant net obligations to BC Housing related to fiscal 2023, 2024 and 2025 that are not currently captured in deferred.

21. Remuneration of Directors, Employees and Contractors

The Societies Act (BC) requires that the Society discloses the total remuneration paid to directors, for either being a director or for acting in another capacity, as well as the total remuneration of the top ten most highly remunerated employees or contractors with annual remuneration equal to or greater than $75,000.

During the years ended 31 March 2025 and 31 March 2026 the amounts paid to the Board of Directors of the Society for acting in their noted capacity was $nil (2025 $nil).

Compensation and/or contractor expenses for the year include ten employees or contractors that each earned over $75,000 for a total of $1,702,283 (2025 - $1,664,525).