

**PILLAR NONPROFIT NETWORK**  
**SUMMARY CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**





Chartered Professional Accountants

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of:  
Pillar Nonprofit Network

### Opinion

The summary consolidated financial statements, which comprise of the summary statements of consolidated financial position as at December 31, 2025 and the summary consolidated statements of operations for the year then ended are derived from the audited consolidated financial statements of Pillar Nonprofit Network as at December 31, 2025. We expressed an opinion on those consolidated financial statements in our report dated April 16, 2026.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements, on the basis described in Note 2. However, the summary consolidated financial statements could be misstated to the equivalent extent as the audited consolidated statements of Pillar Nonprofit Network for the year then ended December 31, 2025.

### Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by the Canadian accounting standards for not-for-profit organizations. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

### The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated April 16, 2026. That report also includes:

- A *Material Uncertainty Related to Going Concern* section that draws attention to Note 16 in the audited consolidated financial statements. The deficit of revenues over expenditures in the current period, and the balance of the unrestricted fund at the year end, in addition to the other conditions set forth in Note 16, indicate the existence of a material uncertainty that may cast significant doubt on the organization's ability to continue as a going concern. These matters are addressed in Note 3 of the summary consolidated financial statements.

### Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation and fair summarization of the audited consolidated financial statements on the basis described in Note 2.

### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are a fair summary of the audited consolidated financial statements based on our procedures, which we conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.

London, Ontario  
April 16, 2026

**PILLAR NONPROFIT NETWORK**  
**Consolidated Financial Highlights**  
**As at December 31, 2025 years then ended.**

	2025	2024
	\$	\$
<b>Summarized Statement of Financial Position</b>		
Current assets	458,535	737,898
Intangible and capital assets	4,163,081	4,143,379
Long-term assets	1,040,167	1,137,968
	<u>5,661,783</u>	<u>6,019,245</u>
Current liabilities	2,505,468	1,395,819
Deferred contributions	1,781,753	1,856,753
Deferred capital contributions	1,525,404	1,496,262
Long-term debt	445,535	485,782
Community bonds	-	1,000,000
	<u>6,258,160</u>	<u>6,234,616</u>
Unrestricted Fund	(789,563)	(411,007)
Innovations Works Building Reserve Fund	200,000	200,000
Working Capital Contingency Fund	-	-
	<u>(589,563)</u>	<u>(211,007)</u>
Non-controlling interest	(6,814)	(4,364)
	<u>(596,377)</u>	<u>(215,371)</u>
	<u>5,661,783</u>	<u>6,019,245</u>



**PILLAR NONPROFIT NETWORK**  
**Consolidated Financial Highlights**  
**As at December 31, 2025 years then ended.**

	<b>2025</b>	<b>2024</b>
	\$	\$
<b>Summarized Statement of Operations</b>		
<b>Revenues</b>		
Grant revenue	114,404	213,116
Organization and program revenue	231,723	253,289
Donations	140,734	67,182
Lease revenue	675,844	684,585
Amortization of deferred capital contributions	69,179	66,661
Other income	41,441	61,678
	<u>1,273,325</u>	<u>1,346,511</u>
<b>Expenditures</b>		
Amortization of intangible and capital assets	160,063	163,804
Operational costs	129,059	123,536
Program expenses	41,677	57,818
Innovation Works building expenses	260,014	247,736
Interest on long-term debt	116,824	103,003
Salaries and benefits	946,694	1,065,027
	<u>1,654,331</u>	<u>1,760,924</u>
Deficit of Revenues over Expenditures from Operations	(381,006)	(414,413)
<b>Other (Expenditures) Income</b>		
Loan forgiveness	-	10,000
Amortization of deferred contributions	150,000	33,042
Write down on investments	(150,000)	(33,042)
	<u>-</u>	<u>10,000</u>
Deficit of Revenues over Expenditures	<u>(381,006)</u>	<u>(404,413)</u>
Deficit of Revenues over Expenditures is allocated as follows:		
Parent	(378,556)	(403,469)
Non-controlling interest	(2,450)	(944)
	<u>(381,006)</u>	<u>(404,413)</u>



# **PILLAR NONPROFIT NETWORK**

## **Notes to the Summary Consolidated Financial Statements**

**For the year ended December 31, 2025**

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### **1) Nature of Operations**

Pillar Nonprofit Network (“the Organization”) was incorporated by letters of patent, under the Ontario Corporation Act, without share capital, on July 21, 2003. On December 9, 2003, the Organization received Federal charitable status.

### **2) Summary Consolidated Financial Statements**

The summary consolidated financial statements are derived from the audited consolidated financial statements, prepared in accordance with Canadian accounting standards for not-for-profit organizations, as at and for the year ended December 31, 2025.

The preparation of these summary consolidated financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited consolidated financial statements.

Management prepared these summary consolidated financial statements using the following criteria:

- information in the summary consolidated financial statements agrees with the related information in the audited consolidated financial statements;
- major subtotals, totals and comparative information from the audited consolidated financial statements are included; and
- the summary consolidated financial statements contain the information from the audited consolidated financial statements dealing with matters having a pervasive or otherwise significant effect on the summary consolidated financial statements.

Management determined that the statement of cash flows does not provide additional useful information and as such has not included them as part of the summary consolidated financial statements.

The complete audited consolidated financial statements of the Pillar Nonprofit Network are available upon request by contacting the Organization.

### **3) Going Concern**

The consolidated financial statements have been prepared in accordance with the generally accepted accounting principles that are applicable to a going concern, meaning that the organization will be able to realize its assets and discharge its liabilities in the normal course of operations. However, the organization has incurred a deficit of revenue over expenditures in the current and prior periods indicating the existence of a material uncertainty that may cast significant doubt on the organization’s ability to continue as a going concern.

The organization’s ability to realize an excess of revenues over expenditures and discharge its liabilities depends on careful monitoring of the cash flow, continued support of the debt holders and securing additional grant funding or financing. In the future, management believes the entity will be able to obtain funding and reduce, if not eliminate, the deficit of revenues over expenditures.

### **4) Subsequent Event**

Subsequent to year end, the organization entered into a \$275,000 term loan, with interest at prime plus 2.50% for a 12 month term, to finance improvements to the building.



Subsequent to year end, the organization entered into a new loan agreement for \$2,500,000, with security including a first-ranking mortgage. The loan is interest bearing at 6% per annum, with 3% calculated annually, but payable monthly and an additional 3% per annum accruing for the term of the loan, but payable upon repayment of the loan or sale of the property. The loan has an initial term of one year and may be extended by written agreement by the parties, provided that the total term shall not exceed five years. The loan is repayable in interest-only payments of \$6,250 per month for the initial term.

The loan was used to repay the balance on the first mortgage outlined in note 10 in the audited consolidated financial statements in full, community bonds totaling \$1,000,000 outlined in note 11 in the audited consolidated financial statements, and the \$275,000 term loan referred to above. The security relating to the first and fourth mortgages outlined in note 12 in the audited consolidated financial statements were discharged, in accordance with the terms of the new loan agreement.

Subsequent to the year end, the second mortgage and third mortgage outlined in note 10 and note 12 in the audited consolidated financial statements were discharged.

