Docusign Envelope ID: 98ECFD2B-DE0E-8A5E-814D-10D580849130

SeedChange Foundation

Financial Statements

And Independent Auditor's Report thereon

April 30, 2026

Docusign Envelope ID: 98ECFD2B-DE0E-8A5E-814D-10D580849130

SeedChange Foundation

Statement of Financial Position

As at April 30, 2026

	2026 $	2025 $
		(Restated - note 3)
Assets		
Current assets		
Cash and cash equivalents	317,551	500,209
Investments (note 4)	6,197,653	4,929,044
Due from SeedChange (note 5)	–	30,320
Prepaid expenses	–	5,008
	6,515,204	5,464,581
Current liabilities		
Accounts payable and accrued liabilities	18,452	15,590
Due to SeedChange (note 5)	84,470	–
Net Assets (note 3)		
Internally restricted - Lotta Hitschmanova Legacy	5,377,188	4,424,106
Externally restricted - Endowments	1,035,094	1,024,885
	6,412,282	5,448,991
	6,515,204	5,464,581

Approved on behalf of the Board:

Signed by: 4D3C4CF51F83470... Director

Signed by: A01B4E94C0574D1... Director

The accompanying notes are an integral part of these financial statements.

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SeedChange Foundation

Statement of Changes in Net Assets

For the year ended April 30, 2026

	Balance – Beginning of year $	Excess of revenue over expenses for the year $	Endowment contributions $	Balance – End of year $
	(Restated - note 3)			
Internally restricted – Lotta Hitschmanova Legacy	4,424,106	953,082	–	5,377,188
Externally restricted - Endowments	1,024,885	–	10,209	1,035,094
	5,448,991	953,082	10,209	6,412,282

The accompanying notes are an integral part of these financial statements.

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SeedChange Foundation

Statement of Operations

For the year ended April 30, 2026

	2026 $	2025 $
		(Restated - note 3)
Revenue		
Bequests	296,549	220,963
Investment income	591,207	494,382
Contributions and other (note 6)	1,000,000	96
	1,887,756	715,441
Expenses		
Administration	76,767	34,316
Investment counsel fees	36,365	32,420
Fundraising	31,542	27,512
	144,674	94,248
Excess of revenue over expenses before contribution to SeedChange	1,743,082	621,193
Contribution to SeedChange	790,000	725,000
Excess of revenue over expenses (expenses over revenue) for the year	953,082	(103,807)

The accompanying notes are an integral part of these financial statements.

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SeedChange Foundation

Statement of Cash Flows

For the year ended April 30, 2026

	2026 $	2025 $
		(Restated - note 3)
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses (expenses over revenue for the year)	953,082	(103,807)
Items not affecting cash		
Change in fair value of investments	7,413	(109,144)
Realized gain on investments	(26,064)	(39,817)
Reinvested dividends	(556,970)	(322,977)
Changes in non-cash working capital items		
Prepaid expenses	5,008	(266)
Due to SeedChange	84,470	57,817
Due from SeedChange	30,320	–
Accounts payable and accrued liabilities	2,862	3,870
	500,121	(514,324)
Investing activities		
Purchase of investments	(1,155,700)	(57,800)
Proceeds on sale of investments	462,712	350,000
	(692,988)	292,200
Financing activities		
Endowment contributions	10,209	255,617
Change in cash and cash equivalents during the year	**(182,658)**	**33,493**
Cash and cash equivalents – Beginning of year	**500,209**	**466,716**
Cash and cash equivalents – End of year	**317,551**	**500,209**

The accompanying notes are an integral part of these financial statements.

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The accompanying notes are an integral part of these financial statements.

1 Purpose of the organization

SeedChange Foundation (the Foundation) has been established to accept donations, gifts, legacies and bequests for the long-term support and security of SeedChange programs. The Foundation is incorporated, without share capital, under the provisions of the Canada Not-for-Profit Corporations Act. The Foundation is a public foundation under Section 149.1 of the Income Tax Act (Canada) and is exempt from income taxes.

2 Summary of significant accounting policies

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting periods. Actual results could differ from these estimates.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held with banks and other short-term highly liquid investments with original maturities of three months or less.

Investments

Investments are measured at fair value using quoted market prices. Dividends, interest and changes in fair value are recognized in the statement of operations as investment income.

Revenue recognition

The Foundation follows the deferral method of accounting for contributions. Under the deferral method, endowment contributions are recorded as a direct increase in net assets.

Unrestricted contributions are recorded as revenue in the period received. Externally restricted contributions are deferred and recognized as revenue in the period that the related expenses are incurred.

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3 Net assets

Amounts for the Lotta Hitschmanova Legacy are internally restricted by the Board of Directors for capital or other purposes. These internally restricted net assets can be transferred to unrestricted net assets by approval of the Board of Directors.

Endowment funds have been restricted in perpetuity by the donors. Investment income earned on these resources has been reported as part of general operations unless otherwise restricted by the contributor of the funds for endowment. During the year, all investment income earned on endowment resources was recognized in operations. No investment income was deferred or recognized directly in net assets.

Endowment funds	Balance – Beginning of year $	Endowment Contributions $	Balance – End of year $
Stewart Moore Endowment	381,809	10,000	391,809
Kurt and Evelyn (Russell) Hass Endowment	123,514	–	123,514
Manson and Mary Toynbee Endowment	491,749	–	491,749
Rick McTaggart Memorial Fund	27,813	209	28,022
	1,024,885	10,209	1,035,094

Correction of prior period error

During the year, management determined that contributions totaling $290,424, received through a donor's estate in fiscal 2024 ($50,000) and fiscal 2025 ($240,424) and previously recognized as bequest revenue and included in internally restricted net assets, were contributions to a permanent endowment fund governed by its founding agreement, under which the principal is to be maintained in perpetuity. Under the Foundation's accounting policies, endowment contributions are recorded as direct increases in net assets and are not recognized as revenue.

The effects of the correction on the financial statements as at and for the year ended April 30, 2025 are as follows:

- Decrease in bequest revenue and excess of revenue over expenses for the year ended April 30, 2025: $240,424;
- Decrease in internally restricted net assets as at April 30, 2025: $290,424;
- Increase in externally restricted endowment net assets as at April 30, 2025: $290,424; and
- The correction had no effect on total assets, liabilities, net assets, cash balances, or total change in cash.

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SeedChange Foundation

Notes to Financial Statements

For the year ended April 30, 2026

Statement of Financial Position	As previously reported April 30, 2025 $	Restatement $	Restated April 30, 2025 $
Internally restricted net assets	4,714,530	(290,424)	4,424,106
Externally restricted endowment net assets	734,461	290,424	1,024,885

Statement of Operations	As previously reported April 30, 2025 $	Restatement $	Restated April 30, 2025 $
Bequests	461,387	(240,424)	220,963
Total revenue	955,865	(240,424)	715,441
Excess of revenue over expenses	136,617	(240,424)	(103,807)

Statement of Changes in Net Assets	As previously reported April 30, 2025 $	Restatement $	Restated April 30, 2025 $
Internally restricted net assets, end of year	4,714,530	(290,424)	4,424,106
Externally restricted endowment net assets, end of year	734,461	290,424	1,024,885

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4. Investments

	2026 $	2025 $
Canadian impact investments	84,473	131,485
Canadian equities	6,113,180	4,797,436
US and foreign equities	–	123
	6,197,653	4,929,044

As at April 30, 2026, 100% of the Foundation's portfolio (2025 - 100%) was issued in Canada, the United States and the United Kingdom.

Canadian impact investments comprise an investment in InvestEco's Sustainable Food Fund III. The Foundation has made a commitment to invest up to $150,000 in this fund, which will be drawn by InvestEco as needed to fund the portfolio. As at April 30, 2026, Canadian impact investments consist of an investment in the InvestEco Sustainable Food Fund III, L.P. who called $4,700 (2025 - $7,800) of the Foundation's $150,000 total commitment. The estimated equity value at April 30, 2026 was $84,473 (2025 - $176,606). Business ethics plays a key role in the way the Foundation strives to improve food sovereignty through working with partners globally and within the wider Canadian Community. Environmental, Social and Governance (ESG) is aligned with the objectives of the Foundation which is why the Foundation has an investment portfolio with InvestEco who manages the investments, that are solely focused on investing and preserving capital in a sustainable and compliant way that supports the way the Foundation is governed.

Investment income (loss) comprises:

	2026 $	2025 $
Interest	4,349	4,939
Dividends	568,087	340,482
Change in fair value of investments	(7,413)	109,144
Gain on sale of investments	26,064	39,817
Foreign exchange gain	120	–
	591,207	494,382

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5 Related party balances and transactions

SeedChange controls the Foundation as the members of the Board of Directors of SeedChange are the members of the Foundation.

For the year ended April 30, 2026, fundraising and administration expenses include $84,470 (2025 - $46,017) charged by SeedChange, representing an allocation of employee salaries and SeedChange administration expenses based on time spent working for each entity. These transactions are recorded at the exchange amount, which is the amount established and agreed to by the related parties involved.

Amounts due to or from SeedChange are without defined terms of repayment and are non-interest bearing.

6 Contributions and other

During the year, the Foundation received a significant contribution of $1,000,000 which has been recognized in revenue in accordance with the Foundation's accounting policy for contributions. The contribution was unrestricted and is included in Contributions and other revenue.

7 Financial instruments

The Foundation is subject to the following risks from its financial instruments.

(a) Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation is exposed to credit-related losses in the event of non-performance by counterparties to financial instruments. Credit exposure is minimized by dealing mostly with creditworthy counterparties. The Foundation assesses, on a continuous basis, its investments and amounts receivable and provides for any amounts that are not collectible in an allowance for doubtful accounts. At year end, no allowance for doubtful accounts was recorded.

(b) Liquidity risk:

Liquidity risk is the risk that the Foundation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Foundation expects to meet its obligations as they come due. The Foundation believes that it is not exposed to significant liquidity risk arising from its financial instruments.

(c) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

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(i) Currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation is exposed to currency risk as the value of its financial instruments will fluctuate due to changes in the exchange rate. The Foundation has investments denominated in foreign currencies as disclosed in note 4.

(ii) 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 Foundation believes that it is not exposed to significant interest rate risk arising from its financial instruments as it does not hold significant fixed income investments or debt.

(iii) Other price risk:

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is exposed to other price risk with respect to its equity investments as disclosed in note 4.

(d) Concentration of risk:

Concentration of risk exists when a significant portion of financial instruments is held in securities with similar characteristics or subject to similar economic, political or other conditions. The Foundation believes that it is not exposed to significant concentration of risk from its financial instruments.

These risks have increased in 2026 due to market fluctuations in interest rates and market prices. The Foundation believes that its financial risks are appropriately mitigated and do not pose significant risk to the Foundation's operations. In the year, there have been no significant changes in the policies, procedures and methods used to manage these risks.