Doane Grant Thornton

Financial Statements

Alzheimer Society of BC and Yukon

March 31, 2026

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Doane Grant Thornton

Independent Auditor's Report

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To the Members of
Alzheimer Society of BC and Yukon

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alzheimer Society of BC and Yukon (the "Society"), which comprise the statement of financial position as at March 31, 2026, 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 Alzheimer Society of BC and Yukon as at March 31, 2026, 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 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 these 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 a going concern and using

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the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative 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.

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.

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Report on other legal and regulatory requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, these accounting principles have been applied on a basis consistent with that of the preceding year.

Doane Grant Thornton LLP

Vancouver, Canada
July 6, 2026

Chartered Professional Accountants

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Alzheimer Society of BC and Yukon
Statement of Revenues and Expenses

Year ended March 31, 2026

	2026				2025			
	Operating	**Research**	**Yukon**	**Total**	Operating	Research	Yukon	Total
Revenues								
Bequests	**$ 614,128**	**$ 178,172**	**$ -**	**$ 792,300**	$ 2,326,513	$ 193,196	$ -	$ 2,519,709
Donations	**3,159,835**	**271,582**	**-**	**3,431,417**	2,379,238	390,705	-	2,769,943
Gaming	**266,162**	**-**	**-**	**266,162**	278,908	-	-	278,908
Grant from Alzheimer's Research Foundation of B.C.	**2,344,118**	**-**	**-**	**2,344,118**	407,691	-	-	- 407,691
Government	**3,853,480**	**-**	**165,000**	**4,018,480**	3,840,317	-	165,000	4,005,317
Investment income	**237,789**	**-**	**-**	**237,789**	721,559	-	-	721,559
National revenue	**1,165,835**	**-**	**-**	**1,165,835**	1,082,242	-	-	1,082,242
Rental income	**37,722**	**-**	**-**	**37,722**	-	-	-	-
Special events (Note 10)	**2,242,914**	**47,167**	**-**	**2,290,081**	2,564,166	161,800	-	2,725,966
	13,921,983	**496,921**	**165,000**	**14,583,904**	13,600,634	745,701	165,000	14,511,335
Expenses								
Community engagement (Note 9)	**1,105,505**	**-**	**-**	**1,105,505**	1,308,513	-	-	1,308,513
Community services (Note 9)	**5,550,519**	**-**	**-**	**5,550,519**	5,777,627	-	-	5,777,627
Marketing and communication (Note 9)	**1,123,070**	**-**	**-**	**1,123,070**	1,264,370	-	-	1,264,370
National operation assessment (Note 12)	**283,889**	**-**	**-**	**283,889**	324,498	-	-	324,498
Operations (Note 9)	**920,209**	**-**	**-**	**920,209**	1,018,270	-	-	1,018,270
Provincial operations (Note 9)	**822,664**	**-**	**-**	**822,664**	812,103	-	-	812,103
Research (Note 9)	**-**	**1,330,121**	**-**	**1,330,121**	-	1,051,960	-	1,051,960
Resource development (Note 9)	**2,235,646**	**-**	**-**	**2,235,646**	2,326,080	-	-	2,326,080
Special events (Note 10)	**443,618**	-	-	**443,618**	499,280	-	-	499,280
U-First! education for health-care providers	**2,104,118**	**-**	**-**	**2,104,118**	407,691	-	-	407,691
Yukon services	**-**	**-**	**165,000**	**165,000**	-	-	165,000	165,000
	14,589,238	**1,330,121**	**165,000**	**16,084,359**	13,738,432	1,051,960	165,000	14,955,392
Deficiency of revenues over expenses before amortization, other revenue, and transfers	**(667,255)**	**(833,200)**	**-**	**(1,500,455)**	(137,798)	(306,259)	-	(444,057)
Amortization of deferred capital contributions	**18,945**	**-**	**-**	**18,945**	18,277	-	-	18,277
Amortization of equipment and leasehold improvements	**(102,765)**	**-**	**-**	**(102,765)**	(121,272)	-	-	(121,272)
Contribution to Alzheimer's Research Foundation of B.C.	**(2,788,697)**	**(3,604,471)**	**-**	**(6,393,168)**	-	-	-	-
Deficiency of revenues over expenses	**$ (3,539,772)**	**$ (4,437,671)**	**$ -**	**$ (7,977,443)**	$ (240,793)	$ (306,259)	$ -	$ (547,052)

See accompanying notes to the financial statements.

Alzheimer Society of BC and Yukon
Statement of Financial Position

March 31	2026	2025
Assets		
Current		
Cash	**$ 1,366,079**	$ 1,830,052
Investments (Note 3)	**1,793,752**	7,724,938
Receivables (Note 4, Note 12)	**1,440,773**	1,159,573
Prepaid expenditures	**352,865**	301,930
	4,953,469	11,016,493
Equipment and leasehold improvements (Note 5)	**211,393**	229,427
Investments (Note 3)	**2,280,001**	4,124,202
	$ 7,444,863	$ 15,370,122
Liabilities		
Current		
Payables and accruals (Note 11)	**$ 619,960**	$ 718,004
Deferred revenue (Note 6)	**329,303**	283,693
	949,263	1,001,697
Deferred capital contributions (Note 7)	**55,066**	41,023
	1,004,329	1,042,720
Net assets		
Internally restricted (Note 2)		
Entity reserve	**2,355,241**	2,642,550
Operating and contingency reserve	**1,413,147**	1,585,530
Strategic opportunity reserve	**702,951**	3,750,956
Invested in property and equipment	**156,327**	188,404
Research	**780,481**	5,218,150
Endowment funds (Note 8)	**1,032,387**	941,812
	6,440,534	14,327,402
	$ 7,444,863	$ 15,370,122

Commitments (Note 13)

On behalf of the Board

Director

Director

See accompanying notes to the financial statements.

Alzheimer Society of BC and Yukon
Statement of Changes in Net Assets
Year ended March 31, 2026

	Entity Reserve	Operating and Contingency Reserve	Strategic Opportunity Reserve	Invested in property and equipment	Research	Endowment funds (Note 8)	2026 Total	2025 Total
Balance, beginning of year	$ 2,642,550	$ 1,585,530	$ 3,750,956	$ 188,404	$ 5,218,150	$ 941,812	$ **14,327,402**	$ 14,856,272
Deficiency of revenues over expenses	(287,309)	(172,383)	(207,565)	(83,820)	(833,198)	-	**(1,584,275)**	(547,052)
Contribution to Alzheimer's Research Foundation of B.C.	-	-	(2,788,697)	-	(3,604,471)	-	**(6,393,168)**	-
Transfer	-	-	(51,743)	51,743	-	-	**-**	-
Change in fair value of investments held in endowment funds	-	-	-	-	-	140,326	**140,326**	32,140
Investment income on endowment funds	-	-	-	-	-	25,249	**25,249**	61,042
Endowment distributions	-	-	-	-	-	(75,000)	**(75,000)**	(75,000)
Balance, end of year	**$ 2,355,241**	**$ 1,413,147**	**$ 702,951**	**$ 156,327**	**$ 780,481**	**$ 1,032,387**	**$ 6,440,534**	$ 14,327,402

See accompanying notes to the financial statements.

Alzheimer Society of BC and Yukon
Statement of Cash Flows

Year ended March 31	2026	2025
Cash flows provided by (used in)		
Operating		
Deficiency of revenues over expenses	**$ (7,977,443)**	$ (547,052)
Adjustments to determine cash flows		
Amortization of deferred capital contributions	**(18,945)**	(18,277)
Amortization of equipment and leasehold improvements	**102,765**	121,272
Unrealized (gain) loss on investments	**(111,842)**	28,924
Loss on disposal of leasehold improvement	**29,974**	-
	(7,975,491)	(415,133)
Change in non-cash working capital items		
Receivables	**(281,200)**	(1,019,316)
Prepaid expenditures	**(50,935)**	(34,690)
Payables and accruals	**(98,044)**	266,913
Deferred lease charges	**-**	(8,091)
Deferred revenue	**45,610**	(2,725,415)
	(8,360,060)	(3,935,732)
Financing		
Endowment distributions	**(75,000)**	(75,000)
Deferred capital contribution	**32,988**	23,629
	(42,012)	(51,371)
Investing		
Purchase of equipment and leasehold improvements	**(114,705)**	(111,254)
Decrease in investments	**8,052,804**	4,784,633
	7,938,099	4,673,379
(Decrease) increase in cash	**(463,973)**	686,276
Cash, beginning of year	**1,830,052**	1,143,776
Cash, end of year	**$ 1,366,079**	$ 1,830,052

See accompanying notes to the financial statements.

1. Purpose of the Society

The Alzheimer Society of BC and Yukon (the "Society") exists to ensure people affected by dementia are not alone, by educating and mobilizing a broader community of care around them and supporting valuable research into the disease and people living with it.

The Society is incorporated under the *Societies Act of British Columbia* as a not-for-profit organization and is a registered charity under the *Income Tax Act.*

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund accounting and revenue recognition

The Society follows the deferral method of accounting for contributions. Contributions are recorded as revenue when received or receivable except when the donor has specified that they are intended for a specific use or a future period, in which case they are deferred and recognized in the period the related expenditures are incurred. Deferred capital contributions are amortized to revenue on a basis consistent with the amortization of the capital assets acquired. Contributions are recognized when receivable if the amount can be reasonably estimated and collection is reasonably assured. Endowment contributions and interest are recognized as direct increases in net assets.

All investment income is accrued as it is earned.

The Society maintains its accounts in accordance with the restrictions on the use of resources as designated by donors or the board of directors.

(a) Operating fund

Unrestricted revenues and expenses relating to program delivery, administration and special projects are reported in the operating fund. The Society allocates funds to three internally restricted reserves based upon a percentage of normalized operating costs of the prior year.

(i) Entity reserve

This reserve represents funds that are protected for the sole purpose in the unexpected event of a wind up of the Society.

(ii) Operating and contingency reserve

This reserve will provide an internal source of funds for circumstances such as highly volatile funding streams, in particular: planned giving, sudden increases of unavoidable expenses, one-time unbudgeted/unanticipated expenses, unanticipated loss in funding, uninsured losses, extraordinary unanticipated events, changes in laws or regulations, and potential catastrophic events.

2. Summary of significant accounting policies (continued)

Fund accounting and revenue recognition (continued)

(a) Operating fund (continued)

(iii) Strategic opportunity reserve

This reserve is an internally restricted fund to provide funds to meet special targets, to further strategic goals and ongoing needs in support of the Society's mission.

(b) Research fund

Revenues and expenses relating to research program activities are reported in the research fund. Research expenditures approved by the board of directors on an annual basis for the following year are not to exceed the funds available at the end of the current year.

(c) Yukon fund

Revenues and expenses relating to dementia services provided for the Yukon are reported in the Yukon Fund. Expenses in the Yukon will not exceed the amount contributed by the Government of Yukon.

(d) Endowment fund

Endowments consist of externally restricted amounts where the endowment principal is to be maintained intact.

Contributed services

Volunteers contribute their time each year to assist the Society in carrying out its program and fundraising activities. Due to the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

Non-cash donations

As part of its fund development, the Society receives non-cash donations consisting mainly of items for auctions. The fair value of these donations totals approximately $1,200 (2025 - $Nil). The donations have not been recognized in the statement of revenues and expenses.

Cash and cash equivalents

Cash and cash equivalents consist of unrestricted cash on hand and balances held with banks.

The Society has an unsecured business line of credit of $135,000 (2025 - $135,000) with its banking institution. The Society has drawn down $Nil (2025 - $Nil) as of March 31, 2026.

Deferred lease charges

Deferred lease charges are amortized on a straight-line basis over the lease term.

2. Summary of significant accounting policies (continued)

Equipment and leasehold improvements

Equipment and leasehold improvements are recorded at cost. Amortization is provided on a straight-line basis over the estimated useful lives of the assets as follows:

Computer and office equipment	4 – 10 years
Leasehold improvements	lease period plus one renewal period, if any (5-10 years)

Financial instruments

The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all of its financial assets and financial liabilities at amortized cost, with the exception of investments, excluding the annuity, which are subsequently measured at fair value.

Financial assets measured at amortized cost include cash, receivables and the annuity within investments.

Financial assets measured at fair value include investments, excluding the annuity.

Financial liabilities measured at amortized cost include payables and accruals.

Program costs

The Society engages in support and education, advocacy, awareness, U-First! education for health-care providers, research, and fund development programs. The costs of each program include costs of personnel, rent and utilities, and other expenses that are directly related to providing these programs. The Society also incurs a number of general support expenses in its provincial office that are common to the administration of the organization and each of its programs.

For some general support expenditures, an appropriate basis of allocating each component expense is identified and applied consistently each year. General support expenses such as provincial office rent and utilities, postage and courier and information technology support are allocated proportionately on the basis of number of personnel in each program area. Executive management costs are allocated proportionately on the basis of estimated time spent supporting each program.

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 could affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of fair market value of non-cash donations and the determination of useful lives of property and equipment for calculating amortization. Actual results could differ from those estimates.

3. Investments

	2026		2025	
	Market value	**Cost**	Market value	Cost
Fixed income investments	**$ 2,003,316**	**$ 1,957,295**	$ 8,360,626	$ 8,107,965
Equity funds	**798,487**	**472,836**	695,774	464,561
Money market funds/other	**4,221**	**4,221**	1,457,179	1,457,150
Total investments valued at market value	**$ 2,806,024**	**$ 2,434,352**	$ 10,513,579	$ 10,029,676
	Carrying value	**Cost**	Carrying value	Cost
Annuity valued at amortized cost	**$ 1,267,729**	**$ 1,267,071**	$ 1,335,561	$ 1,335,561
Total investments	**$ 4,073,753**	**$ 3,701,423**	$ 11,849,140	$ 11,365,237
Less: current portion	**1,793,752**	**1,764,348**	7,724,938	7,510,420
Non current portion	**$ 2,280,001**	**$ 1,937,075**	$ 4,124,202	$ 3,854,817

In March 2021, the Society received an unrestricted bequest of $1,623,963 in the form of an annuity. Twenty annual instalments of $102,127 (consisting of interest and principal) will be received. The current carrying value reflects the premiums already received.

4. Receivables

	2026	2025
Alzheimer Research Foundation of B.C.	**$ 925,936**	$ 407,691
Alzheimer Society of Canada	**374,594**	711,514
GST receivable	**103,586**	22,790
Other receivables	**36,657**	17,578
	$ 1,440,773	$ 1,159,573

5. Equipment and leasehold improvements

			2026	2025
	Cost	Accumulated amortization	**Net book value**	Net book value
Computer equipment	$ 374,846	$ 188,445	**$ 186,401**	$ 142,026
Leasehold improvements	543,854	530,126	**13,728**	57,918
Office equipment	347,883	336,619	**11,264**	29,483
	$ 1,266,583	$ 1,055,190	**$ 211,393**	$ 229,427

6. Deferred revenue	2026	2025
Community Gaming Grant	**$ 250,000**	$ 250,000
IG Wealth Management Walk for Alzheimer's	**27,117**	-
Government of Canada Grant	**24,414**	-
Forget Me Not Golf Tournament	**18,000**	23,000
Other	**9,772**	10,693
	329,303	283,693
Less: current portion	**329,303**	283,693
	$ -	$ -

Grant for First Link® - Ministry of Health received and recognized as revenue as follows:

	2026	2025
Balance, beginning of year	**$ -**	$ 2,700,000
Grants received	**3,700,000**	-
Recognized as revenue	**(3,700,000)**	(2,700,000)
Balance, end of year	**$ -**	$ -

The Society and the Ministry of Health act in partnership, each providing funding for First Link® operating costs. The funding is reviewed on a regular basis. Subsequent to year end the Society received a Ministry of Health grant for First Link® in the amount of $3,700,000 which must be used by March 31, 2027.

7. Deferred capital contributions	2026	2025
Balance, beginning of year	**$ 41,023**	$ 35,671
Contributions	**32,988**	23,629
Amortization	**(18,945)**	(18,277)
Balance, end of year	**$ 55,066**	$ 41,023

8. Endowment funds

Endowments consist of donations made to the Society where the principal gift is required to be maintained intact in perpetuity. The investment income generated from the endowments must be used in accordance with purposes established by the donors. Distributions are made from investment income. The purposes of these endowments include:

8. Endowment funds (continued)

- providing scholarships for training in dementia care (David Macaree Memorial);
- supporting the development of materials and resources to carry out early-stage support across B.C. (H. Clark Bentall);
- supporting research focusing on young onset Alzheimer's disease (Nell Brown);
- supporting advocacy and support and education services (Grace Bowden);
- supporting the Society's general support and education services (Steve and Eva Floris);
- supporting the Society in providing programs and services for caregivers (Theodore and Helen Bourque); and
- areas of most need including, when possible, young onset dementia education (John F. Bramble).

Endowments are as follows:

	2026								2025
	David Macaree Memorial	H. Clark Bentall	Nell Brown	Grace Bowden	Steve and Eva Floris	Theodore and Helen Bourque	John F. Bramble	Total	Total
Balance, beginning of year	$ 73,159	$ 58,422	$ 49,543	$ 60,520	$ 205,515	$ 467,342	$ 27,311	$ 941,812	$ 923,630
Realized / unrealized loss	10,900	8,704	7,382	9,017	30,621	69,632	4,070	140,326	32,140
Investment income	1,961	1,566	1,328	1,622	5,510	12,529	732	25,249	61,042
Distributions	(700)	(5,093)	(4,319)	(5,276)	(17,916)	(40,741)	(956)	(75,000)	(75,000)
Balance, end of year	$ 85,321	$ 63,600	$ 53,934	$ 65,884	$ 223,730	$ 508,762	$ 31,157	$ 1,032,387	$ 941,812

9. Allocation of expenses

Resource development expenses reported in the statement of revenues and expenses of $2,235,646 (2025 - $2,326,080) are reported after an allocation of $35,500 (2025 - $45,792) to support, education and regional services representing the cost of developing specific funding proposals which serve to educate key stakeholders on Alzheimer's disease and other dementias.

Executive management, information technology and general support expenses of $1,353,524 (2025 - $1,427,100) have been allocated as follows:

	2026	2025
Community engagement	$ 142,567	$ 156,427
Community services	396,358	421,342
Marketing and communication	134,516	132,064
Operations	107,598	124,698
Provincial operations	76,494	81,502
Research	75,268	132,226
Resource development	223,970	265,004
U-First! Education for health-care providers	196,753	113,837
	$ 1,353,524	$ 1,427,100

10. Special events

During the year, the Society received funds by hosting special fundraising events. Funds raised by the special events are as follows:

	2026			2025		
	Revenues	**Expenses**	**Total**	Revenues	Expenses	Total
IG Wealth Management Walk for Alzheimer's	**$ 919,642**	**$ 189,705**	**$ 729,937**	$ 893,386	$ 170,300	$ 723,086
Forget Me Not Golf Tournament	**463,921**	**130,200**	**333,721**	777,599	142,193	635,406
Breakfast to Remember	**303,987**	**74,239**	**229,748**	293,199	84,230	208,969
Climb for Alzheimer's	**-**	**-**	**-**	162,598	26,010	136,588
Telethon and Gala (Chinese Community)	**268,410**	**42,444**	**225,966**	274,811	69,765	205,046
Other events	**334,121**	**7,030**	**327,091**	324,373	6,782	317,591
	$ 2,290,081	**$ 443,618**	**$ 1,846,464**	$ 2,725,966	$ 499,280	$ 2,226,687

A total of $47,167 (2025 - $161,800) of the funds raised by special events has been designated for research purposes.

11. Payables and accruals

This account includes government remittances totalling $72,984 as at March 31, 2026 (2025 - $64,198).

12. Related party transactions

The Alzheimer Society of BC and Yukon and the Alzheimer Society of Canada ("ASC") are named partners in an unincorporated federation referred to as the Alzheimer Society Federation, a network of partners committed to a common vision and shared brand, while remaining legally independent from one another. Funds received by ASC are distributed to the Alzheimer Society in the province and/or territory from which funds originate. In January 2022, a change was made whereby funds received by ASC that are designated for research will remain with ASC and not be distributed. Instead, each Society's research assessment is reduced by the amount of research-designated funds received from the province and/or territory.

12. Related party transactions (continued)

During the year, the Society received net donations of $1,165,835 (2025 - $1,082,242) from ASC as follows:

	2026	2025
Direct mail	**$ 845,418**	$ 979,894
Bequests	**360,298**	451,745
Major gifts	**191,413**	23,115
General donations	**100,038**	104,287
Memorial donations	**45,347**	28,197
HealthPartners	**12,636**	34,273
	1,555,150	1,621,511
Less: direct mail expenses	**389,315**	539,269
	$ 1,165,835	$ 1,082,242

In addition, the Society received donations from ASC for the IG Wealth Management Walk for Alzheimer's Sponsorship of $93,991 (2025 - $84,345) which is included in special events revenue.

During the year, the Society incurred expenditures of $461,109 (2025 - $324,498) to ASC, including a national operation assessment of $283,889 (2025 - $324,498) and research grants and expenditures of $177,220 (2025 - $Nil). An additional $96,805 (2025 - $351,372) in research designated funds was received by ASC from donors in B.C. which reduced the research assessment.

During the year, the Society paid ASC $Nil (2025 - $100,000) for research.

Receivables include $374,594 (2025 - $711,514) due from ASC.

13. Commitments

Premises

The Society has lease commitments for premises, excluding operating expenses, over the next five years as follows:

2027	$ 344,403
2028	322,966
2029	213,570
2030	47,123
2031 and after	44,494
	$ 972,556

13. Commitments (continued)

Alzheimer Society of Canada

Pursuant to the Memorandum of Understanding with ASC, the board of directors is committed to funding research grants and expenditures of $292,406 and a national operating assessment of $301,748 for the year ending March 31, 2027.

It is expected that research assessments will be partially paid by research-designated funds received by ASC from donors located in the province of B.C. However, if the amount received is lower than $292,406, the Society would be responsible for paying the difference.

Software and IT

The Society has commitments with Softlanding and Blackbaud for IT and software related services. The IT commitment is $1,238,064 up to March 31, 2031 and the software commitment of $256,617 is due over the next five years.

14. Alzheimer Research Foundation of B.C.

The Alzheimer Research Foundation of B.C., doing business as the Alzheimer's and Dementia Foundation of B.C. and Yukon (the "Foundation"), is an independent organization incorporated under the *Societies Act (British Columbia)* and is a registered foundation under the *Income Tax Act (Canada)*. The Foundation's primary purpose is to attract and steward charitable gifts in support of the mission and mandate of the Alzheimer Society of BC and Yukon (the "Society").

The Foundation is governed by its own Board of Directors and operates independently of the Society. Accordingly, the financial statements of the Foundation are not consolidated with those of the Society.

Individuals who serve as directors of both the Society and the Foundation act in separate fiduciary capacities, and decisions of each Board are made independently in accordance with the respective governing documents and mandates of each organization.

The Foundation's accounting policies are consistent with the Society's.

Foundation funding agreement

In 2024, the Society entered into a three-year funding agreement with the Foundation under which the Foundation committed to provide funding of $7,540,000 to support the U-First! program for health-care providers in British Columbia.

As at March 31, 2026, $2,104,118 (2025 - $407,691) has been recognized as revenue in the year in accordance with the Society's revenue recognition policy. Funding to be provided in future years under the agreement has not been recorded in the financial statements, as it is subject to the terms of the agreement and the Foundation's ongoing granting processes.

During the year, the Foundation also provided $240,000 in grant funding to the Society to provide operational support, which has been recognized as revenue in the year.

14. Alzheimer Research Foundation of B.C. (continued)

Transfer of funds to related organization

During the year, the Society transferred $6,393,168 of accumulated reserves to the Foundation. The transfer was made to support long-term investment and stewardship of funds intended to advance the Society's mission, consistent with the Foundation's charitable purposes. Following the transfer, the funds are held and invested by the Foundation and are subject to the governance and granting policies of the Foundation.

The Society does not retain control over the transferred funds. Any future funding to the Society from these amounts is subject to annual written grant requests and approval by the Foundation's Board of Directors. Accordingly, no receivable has been recorded by the Society in respect of the transferred funds.

Extracts of the Foundation's financial statements are as follows:

Statement of Financial Position

	2026	2025
Total assets	**$ 12,596,352**	$ 7,704,218
Total liabilities	**5,920,903**	7,540,000
Net assets	**$ 6,675,449**	$ 164,218

Statement of Revenue and Expenses

	2026	2025
Revenues	**$ 8,898,452**	$ 530,518
Expenses	**2,387,221**	407,893
Excess of revenues over expenses	**$ 6,511,231**	$ 122,625

Statement of Cash Flows

	2026	2025
Cash flows from operating activities	**$ 4,785,958**	$ 7,662,593
Cash flows from investing activity	**(4,834,363)**	(7,643,459)
(Decrease) increase in cash and cash equivalents	**$ (48,405)**	$ 19,134

15. Externally-held endowment funds

Funds held by the Vancouver Foundation and Victoria Foundation are permanent externally-held endowments, only the interest income of which is available for the benefit of the Society. These endowments are not included in the financial statements.

The fair market value of funds held by the Vancouver Foundation and Victoria Foundation for the benefit of the Society as of March 31, 2026 is $1,035,506 (2025 - $1,040,101) and $17,086 (2025 - $16,517), respectively. During the year, the Society received interest of $61,238 (2025 - $48,204) in total from the Vancouver Foundation and Victoria Foundation.

16. Financial instruments

The carrying amount of financial assets measured at amortized cost that includes cash, receivables and the annuity within investments is $3,970,626 as at March 31, 2026 (2025 - $4,302,451).

The carrying amount of financial assets measured at fair value that includes investments is $2,806,024 as at March 31, 2026 (2025 - $10,513,579).

The carrying amount of financial liabilities measured at amortized cost is $591,340 as at March 31, 2026 (2025 - $718,004).

Market risk

Market risk is the potential for financial loss to the Society from changes in the values of its financial instruments due to changes in interest rates, equity prices and other price risks. The investments of the Society are subject to normal market fluctuations and to the risk inherent in investment in capital markets.

Interest rate risk
The Society's short-term investments include fixed income investments and money market funds. Fixed income investments bear fixed interest rates which reduces the future effects on earnings should interest rates change materially, while money market funds are exposed to future changes in interest rates. Interest rates are monitored to manage the risk.

Fixed income investments bear interest from 3.50% to 5.90% and mature between April 2026 and March 2031.

Equity price risk
Equity price risk is the risk that the value of financial instruments will fluctuate due to changes in market prices. The Society is exposed to equity price risk on its investments in equity securities.

Other price risk
Other price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices, other than those arising from interest rates. All investments represent a risk of loss of capital. Investments held by the Society are susceptible to other price risk arising from uncertainties about future prices of the investments. The maximum risk resulting from the investments is determined by the fair value of their total investments. The Society actively manages market risk through its investment policy that outlines the objectives, constraints, and parameters related to its investment activities. The Finance Committee and management regularly review investments to ensure all activities adhere to the investment policy.

16. Financial instruments (continued)

Liquidity risk

Liquidity risk is the risk that the Society cannot meet a demand for cash or fund its obligations as they come due. Maximum exposure to liquidity risk is $619,960 (2025 - $718,004), which is due to be paid in full before March 31, 2027.

Liquidity risk is managed by investing the majority of the Society's assets in investments that are traded in an active market and can be readily liquidated. In addition, the Society retains sufficient cash positions to maintain liquidity.

Credit risk

The Society is exposed to the risk that the counterparty defaults or becomes insolvent. Financial instruments that potentially subject the Society to concentrations of credit risk are receivables. Investments in pooled funds that hold debt securities are also exposed to such risks. The Society limits the credit risk of investments in money market funds and bond funds by adhering to the investment policy in place which limits exposure to such investments. The maximum exposure to credit risk in terms of receivables is $1,337,187 (2025 - $1,136,783).

The Society manages credit risk on receivables by monitoring debtor balances on a month-to-month basis by the Finance Committee and management.

Foreign currency risk

The Society holds equities and cash equivalents in USD exposing the Society to fluctuations in this currency. The Society does not use derivative instruments to reduce its exposure to foreign currency risk. Net exposure at March 31, 2026 was $261,766 (2025 - $288,266).

17. Disclosure required under the Societies Act

For the year ended March 31, 2026, the Society paid total remuneration of $5,953,710 to 57 employees, each of whom received total annual remuneration of $75,000 or greater. There were no persons under a contract for services with the Society whose remuneration was at least $75,000.

The Society did not pay any remuneration to any members of its Board.

18. Comparative figures

Certain comparative figures have been reclassified from those previously presented to conform to the presentation of the 2026 financial statements.