IRANIAN HERITAGE SOCIETY OF EDMONTON

Financial Statements

Year Ended August 31, 2026

(Unaudited - See Notice To Reader)

IRANIAN HERITAGE SOCIETY OF EDMONTON

Index to Financial Statements

Year Ended August 31, 2026

(Unaudited - See Notice To Reader)

	Page
NOTICE TO READER	1
FINANCIAL STATEMENTS	
Statement of Operations	2
Statement of Changes in Net Assets	3
Statement of Financial Position	4
Statement of Cash Flow	5
Notes to Financial Statements	6 - 8
Expenses *(Schedule 1)*	9
Cultural Events *(Schedule 2)*	10

BYC BRIAN Y.W. CHAN PROFESSIONAL CORPORATION
chartered professional accountant

COMPILATION ENGAGEMENT REPORT

To Members of Iranian Heritage Society of Edmonton,

On the basis of information provided by management, I have compiled the statement of financial position of Iranian Heritage Society of Edmonton as at August 31, 2026 and the statements of operations, changes in net assets and cash flow for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial infomation ("financial information").

The Board of Directors are responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

I performed this engagement in accordance with Canadian Standards on Related Services (CSRS) 4200, *Compliation Engagements*, which requires me to comply with relevant ethical requirements. My responsibility is to assist management in the preparation of the financial information.

I did not perform an audit engagement or a review engagement, nor was I required to perform procedures to verify the accuracy or completeness of the information provided by the board. Accordingly, I do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that these statements may not be appropriate for their purposes.

Edmonton, Alberta

Chartered Professional Accountant

October 3, 2026

IRANIAN HERITAGE SOCIETY OF EDMONTON

Statement of Operations

Year Ended August 31, 2026

(Unaudited - See Notice To Reader)

	2026	2025
REVENUES		
Events	**$ 85,763**	$ 101,025
Grants	**7,500**	-
Donations	**3,568**	-
Interest	**195**	91
Membership	**-**	350
Other	**-**	4,000
	97,026	105,466
DIRECT COSTS		
Food and materials	**75,648**	59,739
Venue and rental fees	**25,481**	34,132
Permits and cleaning fees	**5,135**	3,469
Music and entertainment	**-**	12,720
	106,264	110,060
	(9,238)	(4,594)
EXPENSES *(Schedule 1)*	**8,620**	7,368
Deficiency of revenues over expenses from operations	**(17,858)**	(11,962)
Other income (expenses)		
Gain on disposal of property, plant and equipment	**777**	-
DEFICIENCY OF REVENUES OVER EXPENSES	**$ (17,081)**	$ (11,962)

IRANIAN HERITAGE SOCIETY OF EDMONTON

Statement of Changes in Net Assets

Year Ended August 31, 2026

(Unaudited - See Notice To Reader)

	General Fund	Restricted Fund	Capital Asset Fund	**2026**	2025
NET ASSETS AT BEGINNING OF YEAR	$ 55,092	$ -	$ 12,568	**$ 67,660**	$ 79,622
Deficiency of revenues over expenses *(Note 5)*	(15,010)	-	(2,071)	**(17,081)**	(11,962)
Interfund transfers *(Note 5)*	(7,951)	7,500	451	**-**	-
NET ASSETS AT END OF YEAR	$ 32,131	$ 7,500	$ 10,948	**$ 50,579**	$ 67,660

IRANIAN HERITAGE SOCIETY OF EDMONTON

Statement of Financial Position

As at August 31, 2026

(Unaudited - See Notice To Reader)

	2026	2025
ASSETS		
CURRENT ASSETS		
Cash	**$ 75,700**	$ 41,366
Prepaid expenses	**10,500**	14,235
Accounts receivable	**750**	750
	86,950	56,351
PROPERTY, PLANT AND EQUIPMENT *(Note 4)*	**10,948**	12,568
	$ 97,898	$ 68,919
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	**$ 47,319**	$ 1,259
NET ASSETS		
GENERAL FUND	**32,131**	55,092
RESTRICTED FUND	**7,500**	-
CAPITAL ASSET FUND	**10,948**	12,568
	50,579	67,660
	$ 97,898	$ 68,919

Approved by the Board

_____ *Director*

_____ *Director*

IRANIAN HERITAGE SOCIETY OF EDMONTON

Statement of Cash Flow

Year Ended August 31, 2026

(Unaudited - See Notice To Reader)

	2026	2025
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	**$ (17,081)**	$ (11,962)
Add items not involving cash		
Amortization of property, plant and equipment	**2,071**	2,190
Gain on disposal of property, plant and equipment	**(777)**	-
	(15,787)	(9,772)
Change in non-cash working capital		
Accounts receivable	**-**	(750)
Accounts payable and accrued liabilities	**46,061**	(212)
Prepaid expenses	**3,735**	(14,235)
	49,796	(15,197)
Cash flow from (used by) operating activities	**34,009**	(24,969)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(525)**	(2,818)
Proceeds on disposal of property, plant and equipment	**850**	-
Cash flow from (used by) investing activities	**325**	(2,818)
INCREASE (DECREASE) IN CASH FLOW	**34,334**	(27,787)
CASH AT BEGINNING OF YEAR	**41,366**	69,151
CASH AT END OF YEAR	**$ 75,700**	$ 41,364

1. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the statement of financial position of Iranian Heritage Society of Edmonton as at August 31, 2026 and the statement of operations for the year then ended is on the historical cost basis, reflecting cash transactions with the addition of:

- accounts receivable less an allowance for doubtful accounts
- property, plant and equipment amortized on the same basis as for tax purposes
- accounts payable and accrued liabilities

2. NATURE OF OPERATIONS

Iranian Heritage Society of Edmonton (the "Society") is incorporated provincially under the Societies Act of Alberta in 1987. The purpose of the Society is to preserve, promote, educate, and engage in Iranian cultural holidays, events, customs, and traditions. As a not-for-profit organization, the Society is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook.

Revenue recognition

Iranian Heritage Society of Edmonton follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Measurement uncertainty

When preparing financial statements according to ASNPO, management makes estimates and assumptions relating to reported amount of revenues and expenses, assets and liabilities, and disclosure of contingent assets and liabilities.

Estimates are based on a number of factors including historical experience, current events and actions that the Society may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results could differ. In particular, estimates are used in accounting for certain items such as useful lives of capital assets and asset impairments.

(continues)

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Net assets

a) Net assets invested in property and equipment represents the organization's net investment in property and equipment which is comprised of the unamortized amount of property and equipment purchased with unrestricted and restricted funds.

b) Internally restricted net assets are funds which have been designated for a specific purpose by the organization's Board of Directors.

c) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, not of transfers, and are available for general purposes.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost less accumulated amortization. The company amortizes the cost of the assets over their estimated useful lives as determined by management using the following annual rates and methods except for acquisitions in the current year which are amortized at one-half of the annual rates:

Equipment	20%	declining balance
Furniture and fixtures	20%	declining balance
Costumes	20%	declining balance
Cultural artwork		non-depreciable

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated Amortization	**2026 Net Book Value**	2025 Net Book Value
Equipment	$ 6,297	$ 3,050	**$ 3,247**	$ 3,542
Furniture and fixtures	18,424	14,000	**4,424**	5,530
Costumes	3,061	2,184	**877**	1,096
Cultural artwork	2,400	-	**2,400**	2,400
	$ 30,182	$ 19,234	**$ 10,948**	$ 12,568

5. INTERFUND TRANSFERS AND RESTRICTIONS

During the year, the board of directors of the Society resolved to transfer from the General Fund to the Restricted Fund to fund disbursments for the following:

Alberta Ethnocultural Grant	**$ 7,500**

The Society may not use these internally restricted amounts for any other purpose without the approval of the board of directors. For the 2026 fiscal year, the board wavied the membership fee.

During the year, the Society received a $7,500 grant from the Government of Alberta to create opportunities to celebrate diversity. The Society must report the project outcome (Schedule C) within 60 days of project completion and no later than March 31, 2027.

IRANIAN HERITAGE SOCIETY OF EDMONTON

Expenses *(Schedule 1)*

Year Ended August 31, 2026

(Unaudited - See Notice To Reader)

	2026	2025
EXPENSES		
Advertising and promotion	**$ 590**	$ 511
Amortization	**2,071**	2,190
Bank service charges and interest	**628**	320
Business taxes, licences and memberships	**876**	484
Office	**889**	348
Professional fees	**1,260**	1,260
Rent and occupancy costs	**2,306**	2,255
	$ 8,620	$ 7,368

Cultural Events

Year Ended August 31, 2026

(Unaudited - See Notice To Reader)

(Schedule 2)

	Cultural Memorials 2026	Yalda 2026	Norouz 2026	Heritage Festival 2026	General 2026	**Total 2026**	Total 2025
Revenues							
Events	$ 945	$ -	$ 3,200	$ 81,618	$ -	**$ 85,763**	$ 101,025
Grants	-	-	-	-	7,500	**7,500**	-
Donations	-	-	-	-	3,568	**3,568**	-
Interest	-	-	-	-	195	**195**	91
Membership	-	-	-	-	-	**-**	350
Other	-	-	-	-	-	**-**	4,000
Revenues total	945	-	3,200	81,618	11,263	**97,026**	105,466
Expenses							
Food and materials	1,492	-	2,396	71,760	-	**75,648**	59,739
Venue and rental fees	4,135	1,850	1,950	17,546	-	**25,481**	34,132
Permits and cleaning fees	-	-	-	5,135	-	**5,135**	3,469
Music and entertainment	-	-	-	-	-	**-**	12,720
Expenses total	5,627	1,850	4,346	94,441	-	**106,264**	110,060
Grand Total	$ (4,682)	$ (1,850)	$ (1,146)	$ (12,823)	$ 11,263	**$ (9,238)**	$ (4,594)