

INDEPENDENT AUDITORS' REPORT ON THE SUMMARY COMBINED FINANCIAL STATEMENTS

To the Board of Directors

Opinion

The summary combined financial statements, which comprise the summary combined statement of financial position as at August 31, 2024, and the summary combined statements of revenue and expenditures and combined statement of changes in net assets for the year then ended, and related notes, are derived from the audited combined financial statements of LiveDifferent (the Organization) for the year ended August 31, 2024.

In our opinion, the accompanying summary combined financial statements are a fair summary of the combined financial statements, in accordance with the criteria disclosed in Notes to the summary combined financial statements. However, we were not able to determine if any adjustments to the summary combined financial statements were necessary for the reasons described in *The Audited Combined Financial Statements and Our Report Thereon* section of this audit report.

Summary Combined Financial Statements

The summary combined financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary combined financial statements and the auditors' report thereon, therefore, is not a substitute for reading the Organization's audited combined financial statements and the auditors' report thereon. The summary combined financial statements and the audited combined financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited combined financial statements.

The Audited Combined Financial Statements and Our Report Thereon

In our report dated July 25, 2025:

- We expressed a qualified audit opinion on the audited combined financial statements because we were not able to obtain sufficient appropriate audit evidence regarding the completeness of revenue from contributions from the public and fundraising activities.

Management's Responsibility for the Summary Combined Financial Statements

Management is responsible for the preparation of the summary combined financial statements in accordance with the criteria disclosed in Notes to the summary combined financial statements.

Auditors' Responsibility

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

HAMILTON, ONTARIO
July 25, 2025



HGK PARTNERS LLP
Chartered Professional Accountants
Licensed Public Accountants

LIVEDIFFERENT
Summary Combined Statement of Financial Position
As at August 31, 2024

	2024	2023
ASSETS		
Current		
Cash	\$ 54,238	\$ 58,932
Accounts receivable	54,048	60,534
Inventory	16,784	24,052
Prepaid expenditures	<u>35,012</u>	<u>60,513</u>
	<u>160,082</u>	<u>204,031</u>
Capital assets	2,416,237	2,600,518
Intangible assets	<u>289,045</u>	<u>454,213</u>
	<u>2,705,282</u>	<u>3,054,731</u>
	<u>\$ 2,865,364</u>	<u>\$ 3,258,762</u>
LIABILITIES		
Current		
Demand bank loan	\$ 400,000	\$ 345,000
Accounts payable and accrued liabilities	126,363	168,597
Deferred revenue	204,006	256,399
Current portion of capital leases payable	29,089	108,629
Current portion of CEBA loan	<u>-</u>	<u>40,000</u>
	<u>759,458</u>	<u>918,625</u>
Deferred capital contributions	<u>2,384,939</u>	<u>2,614,145</u>
	<u>3,144,397</u>	<u>3,532,770</u>
NET ASSETS		
Unrestricted net assets (deficiency)	<u>(279,033)</u>	<u>(274,008)</u>
	<u>\$ 2,865,364</u>	<u>\$ 3,258,762</u>

(See Accompanying Notes to Summary Combined Financial Statements)

LIVEDIFFERENT**Summary Combined Statement of Changes in Net Assets (Deficiency)****Year Ended August 31, 2024**

	Unrestricted Net Assets (Deficiency)
	<u>2024</u>
Balance, beginning of year	\$ (274,008)
Deficiency of revenue over expenditures	<u>(5,025)</u>
Balance, end of year	<u>\$ (279,033)</u>
	<u>2023</u>
Balance, beginning of year	\$ 21,020
Deficiency of revenue over expenditures	<u>(295,028)</u>
Balance, end of year	<u>\$ (274,008)</u>

(See Accompanying Notes to Summary Combined Financial Statements)

LIVEDIFFERENT**Summary Combined Statement of Revenue and Expenditures
Year Ended August 31, 2024**

	2024	2023
Revenue		
School presentation/assembly program fees	\$ 225,308	\$ 226,900
LiveDifferent Builds program fees	289,414	206,147
LiveDifferent Academy program fees	15,829	23,088
Donations	2,772,327	2,480,110
Fundraising and other	<u>41,362</u>	<u>18,701</u>
	<u>3,344,240</u>	<u>2,954,946</u>
Expenditures		
Programs		
LiveDifferent Builds	1,203,993	1,164,891
LiveDifferent Academy	62,203	59,708
Presentations/school assemblies	939,691	998,586
LiveDifferent projects	<u>633,450</u>	<u>507,178</u>
	2,839,337	2,730,363
Management and general	377,805	382,548
Fundraising	<u>132,123</u>	<u>137,063</u>
	<u>3,349,265</u>	<u>3,249,974</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES	<u><u>\$ (5,025)</u></u>	<u><u>\$ (295,028)</u></u>

(See Accompanying Notes to Summary Combined Financial Statements)

LIVEDIFFERENT

Notes to Summary Combined Financial Statements Year Ended August 31, 2024

DESCRIPTION OF ORGANIZATION

LiveDifferent has been a registered charity since 2000, incorporated by letters patent under Part II of the Canada Corporations Act, without share capital, on February 15, 2005. Supplementary Letters Patent were registered on January 24, 2012 changing the name of the organization to LiveDifferent and the organization was continued under The Canada Not-for-profit Corporations Act, on October 10, 2014. As a result of its charitable status, it is exempt from the payment of income taxes under Section 149 (1)(f) of the Income Tax Act (Canada).

Amor, Esperanza, Cambio, A.C., a civil association registered with the government of Mexico in November, 2013, was created by LiveDifferent in order to purchase a house in Mexico and open a bank account to enable LiveDifferent to carry out its various charitable activities or projects outside Canada. It is controlled by LiveDifferent as the majority of Board members are also Board members of LiveDifferent and it is entirely managed by staff of LiveDifferent.

LiveDifferent exists to empower and engage youth in a lifestyle of compassion and service. They have trained teams doing engaging, multimedia school motivational presentations, giving a life changing message of hope to hundreds of thousands of students each school year. Additionally, their LiveDifferent Builds program has thousands of students travelling to developing nations to do tangible humanitarian work, primarily building homes for families in need of basic shelter. Their LiveDifferent Academy provides recent high school graduates with a life directing three month mentorship, travel and social justice program.

Notes to the Summary Combined Financial Statements

The summary combined financial statements are derived from the audited combined financial statements, prepared in accordance with Canadian accounting standards for not-for-profit organizations, as at August 31, 2024 and for the year then ended.

The preparation of these summary combined 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 combined financial statements.

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

- (a) the summary combined financial statements include a statement for each combined statement included in the audited combined financial statements with the exception that management determined that the combined statement of cash flows does not provide additional useful information and as such has not included them as part of the summary combined financial statements;
- (b) information in the summary combined financial statements agrees with the related information in the audited combined financial statements;
- (c) major subtotals, totals and comparative information from the audited combined financial statements are included; and
- (d) the summary combined financial statements contain the information from the audited combined financial statements dealing with matters having a pervasive or otherwise significant effect on the summarized combined financial statements.

Copies of the audited combined financial statements are available at the Organization's office.