

WEST LINCOLN MEMORIAL AUXILIARY

Financial Statements (unaudited)
For the year ended December 31, 2024
and Independent Practitioner's Review Engagement Report

WEST LINCOLN MEMORIAL AUXILIARY
FINANCIAL STATEMENTS
DECEMBER 31, 2024
(unaudited)

CONTENTS

Independent Practitioner's Review Engagement Report	1
Statement of Operations and Changes in Net Assets	2
Statement of Financial Position	3
Statement of Cash Flows	4
Notes to the Financial Statements	5 - 7
Schedules to the Financial Statements	8 - 9



CHARTERED
PROFESSIONAL
ACCOUNTANTS

DURWARD JONES BARKWELL
& COMPANY LLP

Big enough to know. SMALL ENOUGH TO CARE.

570 Highland Road West
Unit 1
Hamilton, ON L8W 0C4
T. 905.525.9520
TF. 866.358.8240
F. 905.522.3113

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of West Lincoln Memorial Auxiliary:

We have reviewed the accompanying financial statements of West Lincoln Memorial Auxiliary that comprise the statement of financial position as at December 31, 2024, and the statement of operations and changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Practitioner's Responsibility for the Financial Statements

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis for Qualified Conclusion

In common with many not-for-profit organizations, West Lincoln Memorial Auxiliary derives revenue from donations and fundraising activities, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of West Lincoln Memorial Auxiliary. Therefore, we were not able to determine whether any adjustments might have been found necessary with respect to revenue, excess of revenue over expenses, and cash flows from operations for the years ending December 31, 2024 and 2023, current assets as at December 31, 2024 and 2023, and net assets as at January 1 and December 31 for both the 2024 and 2023 years. Our conclusion on the financial statements as at and for the year ended December 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

Qualified Conclusion

Based on our review, except for the effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of West Lincoln Memorial Auxiliary as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Durward Jones Barkwell & Company LLP

Durward Jones Barkwell & Company LLP
Licensed Public Accountants
Hamilton, Ontario
April 8, 2025

WEST LINCOLN MEMORIAL AUXILLARY

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2024
(unaudited)

					Total	
	General fund (Page 8)	Gift Shop (Page 8)	Coffee Shop (Page 9)	H.E.L.P.P. BOT Lottery	2024	2023
REVENUE	\$ 191,955	\$ 44,827	\$ 81,117	\$ -	\$ 317,899	\$ 186,524
EXPENSES	135,030	20,839	50,309	-	206,178	81,340
EXCESS OF REVENUE OVER EXPENSES	56,925	23,988	30,808	-	111,721	105,184
NET ASSETS, BEGINNING OF YEAR	1,122,204	38,816	20,474	(1,103)	1,180,391	1,075,207
INTERFUND TRANSFER (Note 4)	59,000	(29,000)	(30,000)	-	-	-
NET ASSETS, END OF YEAR	\$ 1,238,129	\$ 33,804	\$ 21,282	\$ (1,103)	\$ 1,292,112	\$ 1,180,391

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

Durward Jones Barkwell Company LLP, Chartered Professional Accountants

WEST LINCOLN MEMORIAL AUXILIARY

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2024

(unaudited)

	<u>2024</u>	<u>2023</u>
ASSETS		
Current assets		
Cash	\$ 1,281,276	\$ 226,907
Accrued interest receivable	-	11,179
Term deposits	-	930,074
Inventory	<u>18,114</u>	<u>19,790</u>
	\$ 1,299,390	\$ 1,187,950
LIABILITIES		
Current liabilities		
Accrued liability	\$ 4,501	\$ 4,501
Harmonized Sales Tax payable	<u>2,777</u>	<u>3,058</u>
Commitments (Note 2)		
	<u>7,278</u>	<u>7,559</u>
FUND BALANCES		
General fund	1,238,129	1,122,204
Gift Shop	33,804	38,816
Coffee Shop	21,282	20,474
H.E.L.P.P. break open ticket lottery	<u>(1,103)</u>	<u>(1,103)</u>
	1,292,112	1,180,391
	\$ 1,299,390	\$ 1,187,950

Approved by the Board:

_____ Member

_____ Member

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

WEST LINCOLN MEMORIAL AUXILIARY

STATEMENT OF CASH FLOWS YEAR ENDED DECEMBER 31, 2024 (unaudited)

	<u>2024</u>	<u>2023</u>
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 111,721	\$ 105,184
Changes in non-cash operating assets and liabilities		
Accrued interest receivable	11,179	(6,275)
Inventory	1,676	(2,929)
Harmonized Sales Tax payable	(281)	2,701
	<u>124,295</u>	<u>98,681</u>
INVESTING ACTIVITIES		
Purchase of term deposits	-	(930,074)
Proceeds from redemption of term deposits	930,074	909,844
	<u>930,074</u>	<u>(20,230)</u>
INCREASE IN CASH	1,054,369	78,451
CASH, BEGINNING OF YEAR	<u>226,907</u>	<u>148,456</u>
CASH, END OF YEAR	\$ 1,281,276	\$ 226,907

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

WEST LINCOLN MEMORIAL AUXILIARY

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(unaudited)

1. SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Basis of accounting

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

Nature of organization

West Lincoln Memorial Auxiliary was established to raise money to assist the West Lincoln Memorial Hospital with the acquisition of medical equipment and assist in various hospital programs. It is incorporated by Letters Patent as a corporation without share capital under the laws of Ontario, and is a registered charity and exempt from income tax under the Income Tax Act.

Capital assets

Capital assets are expensed in the year of acquisition.

Revenue recognition

The Organization follows the restricted fund method of accounting for contributions. Revenue from contributions and fundraising are recognized when received. Restricted contributions where an appropriate restricted fund does not exist follow the deferral method. All other revenue are recorded at the point of sale. Interest income is recognized as revenue as earned.

Fund accounting

The Organization uses fund accounting whereby financial statement elements are reported by fund. The revenue and expenses related to the general fundraising and administration are reported in the general fund. The revenue and expenses related to the operations of the gift shop, coffee shop and H.E.L.P.P. break open ticket lottery are reported in their respective funds.

Inventory

Inventory is measured at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis. Cost includes all cost of purchase and other costs incurred in bringing the inventory to its present location and condition.

Donated materials and services

The Organization generally does not record the value of donated materials and relies on the services of volunteers, the value of which is not recorded in the financial statements, as the amounts are not really determinable.

Use of estimates

The preparation of financial statements in accordance 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 at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from management's best estimates, as additional information becomes available in the future. Significant estimates and assumptions are used when accounting for items such as accrued liability.

External events such as domestic and international pandemics, geopolitics unrest, natural disasters, climate change or inflationary pressures may cause economic uncertainty for many companies and organizations. Management assesses available information about the future, considers the possible outcomes, and develops a planned response to mitigate the effect of significant events or changes in conditions impacting the Organization. Although it is not guaranteed that these efforts will be successful, management is of the opinion that the actions that the Organization has taken are sufficient to mitigate these uncertainties.

WEST LINCOLN MEMORIAL AUXILIARY

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024
(unaudited)

1. SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION — continued

Income taxes

The Organization is exempt from corporate income taxes by virtue of section 149(1)(I) of the Income Tax Act as a not-for-profit organization.

Financial instruments

(a) *Measurement of financial instruments*

(i) *Initial measurement*

The Organization initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Organization is in the capacity of management, are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the Organization in the transaction.

(ii) *Subsequent measurement*

The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in income in the period incurred.

Financial assets measured at amortized cost include cash.

Financial liabilities measured at amortized cost include accrued liability.

(b) *Transaction costs*

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

(c) *Impairment*

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there are, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

WEST LINCOLN MEMORIAL AUXILIARY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2024 (unaudited)

2. COMMITMENTS

On September 15, 2021 the Board of Directors approved a pledge to purchase several pieces of equipment, including pediatric code cart for the emergency department as well as a slim chronoscope for the Peri Op department in the amount of approximately \$33,000. During the year, approximately \$27,000 of this commitment has been redirected to the purchase of several pieces of equipment, including Microstream extensions and various AIRVO systems. At December 31, 2024, the entire amount of the commitment was paid.

On June 7, 2023 the Board of Directors approved a pledge to purchase several pieces of equipment, including Evacu-sleds and beds in the amount of approximately \$51,000. At December 31, 2024, the entire amount of the commitment was paid.

As of December 31, 2024, the Board of Directors did not approve of any new pledges during the year.

3. FINANCIAL RISK MANAGEMENT

The Organization has a comprehensive risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The risks that arise from transacting financial instruments include interest rate risk, market (other price) risk, currency risk, credit risk and liquidity risk. Price risk arises from changes in interest rates, foreign currency exchange rates and market prices.

It is management's opinion that the Organization is not exposed to significant interest rate, market, currency, credit or liquidity risks arising from its financial instruments.

4. INTERFUND TRANSFER

During the year, the Organization's Board of Directors approved a transfer from both the Gift Shop and Coffee Shop fund to the General fund totalling \$29,000 and \$30,000 respectively representing excess fund balances to be used for donations to the West Lincoln Memorial Hospital (2023 - transfer from Gift Shop and Coffee Shop fund to General fund totalling \$3,000 and \$25,000 respectively).

5. SUBSEQUENT EVENT

Subsequent to the year end, the Organization donated \$800,000 to the West Lincoln Memorial Hospital Foundation to help the new hospital build.

WEST LINCOLN MEMORIAL AUXILIARY

SCHEDULES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

(unaudited)

STATEMENT OF REVENUE AND EXPENSES - GENERAL FUND

	2024	2023
REVENUE		
Donations	\$ 78,015	\$ 40,152
Donor trees	21,088	-
Fundraising activities	20,910	14,892
In memoriam	4,627	11,450
Interest	64,162	30,325
Memberships	350	140
Other	2,803	5,071
	191,955	102,030
EXPENSES		
Accounting fees	5,245	5,189
Donations to West Lincoln Memorial Hospital (general)	90,332	3,929
Donation to West Lincoln Memorial Hospital (in-service)	5,000	5,000
Donor trees	5,317	-
Education, conventions and awards	1,000	500
Fundraising activities	9,858	7,465
Legal fees - Ontario Not-for-Profit Corporation Act	11,459	-
Office	3,151	3,566
Social	3,668	2,452
	135,030	28,101
EXCESS OF REVENUE OVER EXPENSES	\$ 56,925	\$ 73,929

STATEMENT OF REVENUE AND EXPENSES - GIFT SHOP

	2024	2023
REVENUE	\$ 44,827	\$ 32,210
EXPENSES		
Bank charges	802	705
Purchases	20,037	22,728
	20,839	23,433
EXCESS OF REVENUE OVER EXPENSES	\$ 23,988	\$ 8,777

WEST LINCOLN MEMORIAL AUXILIARY

SCHEDULES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

(unaudited)

STATEMENT OF REVENUE AND EXPENSES - COFFEE SHOP

	2024	2023
FOOD SALES	\$ 81,117	\$ 52,284
EXPENSES		
Bank Charges	1,939	1,335
Purchases	48,370	28,471
	50,309	29,806
EXCESS OF REVENUE OVER EXPENSES	\$ 30,808	\$ 22,478

FUNDRAISING ACTIVITIES

	2024	2023
REVENUE		
Afternoon tea	\$ 4,766	\$ -
Bake sale	970	325
Craft sale	-	4,539
Poinsettia	3,490	3,690
Raffle	2,500	-
St. Patrick's Day dinner	2,874	2,760
Strawberry festival	4,585	3,378
Vendor table rental	1,725	200
	20,910	14,892
EXPENSES	9,858	7,465
EXCESS OF REVENUE OVER EXPENSES	\$ 11,052	\$ 7,427