

WEST LINCOLN MEMORIAL AUXILIARY

Financial Statements (unaudited)
For the year ended December 31, 2025
and Independent Practitioner's Review Engagement Report

WEST LINCOLN MEMORIAL AUXILIARY
FINANCIAL STATEMENTS
DECEMBER 31, 2025
(unaudited)

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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, 2025, 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, 2025 and 2024, current assets as at December 31, 2025 and 2024, and net assets as at January 1 and December 31 for both the 2025 and 2024 years. Our conclusion on the financial statements as at and for the year ended December 31, 2024 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, 2025, 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 23, 2026

WEST LINCOLN MEMORIAL AUXILIARY
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2025
(unaudited)

	General	Gift	Coffee	H.E.L.P.P.	Total	
	fund	Shop	Shop	BOT Lottery	2025	2024
	(Page 8)	(Page 8)	(Page 9)	(Page 9)		
REVENUE	\$ 125,535	\$ 49,746	\$ 107,838	\$ 550	\$ 283,669	\$ 317,899
EXPENSES	836,836	22,840	67,566	1,827	929,069	206,178
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(711,301)	26,906	40,272	(1,277)	(645,400)	111,721
NET ASSETS, BEGINNING OF YEAR	1,238,129	33,804	21,282	(1,103)	1,292,112	1,180,391
INTERFUND TRANSFERS (Note 4)	48,700	(18,700)	(30,000)	-	-	-
NET ASSETS, END OF YEAR	\$ 575,528	\$ 42,010	\$ 31,554	\$ (2,380)	\$ 646,712	\$ 1,292,112

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, 2025

(unaudited)

	2025	2024
ASSETS		
Current assets		
Cash	\$ 438,232	\$ 1,281,276
Term deposits	200,000	-
Accrued interest receivable	3,707	-
Inventory	13,146	18,114
	\$ 655,085	\$ 1,299,390
LIABILITIES		
Current liabilities		
Accrued liability	\$ 4,500	\$ 4,501
Harmonized Sales Tax payable	3,873	2,777
Commitments (Note 2)		
	8,373	7,278
FUND BALANCES		
General fund	575,528	1,238,129
Gift Shop	42,010	33,804
Coffee Shop	31,554	21,282
H.E.L.P.P. break open ticket lottery	(2,380)	(1,103)
	646,712	1,292,112
	\$ 655,085	\$ 1,299,390

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, 2025
(unaudited)

	2025	2024
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ (645,400)	\$ 111,721
Changes in non-cash operating assets and liabilities		
Accrued interest receivable	(3,707)	11,179
Inventory	4,968	1,676
Accrued liability	(1)	-
Harmonized Sales Tax payable	1,096	(281)
	(643,044)	124,295
INVESTING ACTIVITIES		
Purchase of term deposits	(200,000)	-
Proceeds from redemption of term deposits	-	930,074
	(200,000)	930,074
INCREASE (DECREASE) IN CASH	(843,044)	1,054,369
CASH, BEGINNING OF YEAR	1,281,276	226,907
CASH, END OF YEAR	\$ 438,232	\$ 1,281,276

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

WEST LINCOLN MEMORIAL AUXILIARY

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(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 readily 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, 2025
(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)(l) 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, term deposits and accrued interest receivable.

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, 2025
(unaudited)

2. COMMITMENTS

As of December 31, 2025, the Board of Directors approved of various pledges to purchase several pieces of equipment, including ER patient recliner, four rollators and walking canes for approximately \$4,500. They also pledged to purchase new born ID printers however the pledged amount is unknown as costs are still be determined. The entire amount of the commitment remains unpaid.

3. SOURCES OF CONTRIBUTIONS

During the year, contributions were received from the following sources:

	<u>2025</u>	<u>2024</u>
Individuals	\$ 77,936	\$ 95,991
Corporations	3,287	2,071
Organizations	<u>6,081</u>	<u>1,041</u>
	<u>\$ 87,304</u>	<u>\$ 99,103</u>
Balance consists of:		
Donations	\$ 19,052	\$ 78,015
Donor trees	<u>68,252</u>	<u>21,088</u>
	<u>\$ 87,304</u>	<u>\$ 99,103</u>

4. INTERFUND TRANSFERS

During the year, the Organization's Board of Directors approved a transfer from both the Gift Shop and Coffee Shop funds to the General fund totalling \$18,700 and \$30,000 respectively representing excess fund balances to be used for donations to the West Lincoln Memorial Hospital (2024 - transfer from Gift Shop and Coffee Shop fund to General fund totalling \$29,000 and \$30,000 respectively).

5. 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.

WEST LINCOLN MEMORIAL AUXILIARY

SCHEDULES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2025

(unaudited)

STATEMENT OF REVENUE AND EXPENSES - GENERAL FUND

	2025	2024
REVENUE		
Donations	\$ 19,052	\$ 78,015
Donor trees	68,252	21,088
Fundraising activities (Page 10)	19,744	20,910
In memoriam	5,803	4,627
Interest	11,803	64,162
Memberships	450	350
Other	431	2,803
	125,535	191,955
EXPENSES		
Accounting fees	5,248	5,244
Donations to West Lincoln Memorial Hospital (general)	800,000	90,332
Donation to West Lincoln Memorial Hospital (in-service)	5,000	5,000
Donor trees	8,397	5,317
Education, conventions and awards	500	1,000
Fundraising activities (Page 10)	6,570	9,858
Legal fees - Ontario Not-for-Profit Corporation Act	1,807	11,459
Office	7,315	3,152
Social	1,999	3,668
	836,836	135,030
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (711,301)	\$ 56,925

STATEMENT OF REVENUE AND EXPENSES - GIFT SHOP

	2025	2024
REVENUE		
	\$ 49,746	\$ 44,827
EXPENSES		
Bank charges	1,028	802
Purchases	21,812	20,037
	22,840	20,839
EXCESS OF REVENUE OVER EXPENSES	\$ 26,906	\$ 23,988

WEST LINCOLN MEMORIAL AUXILIARY

SCHEDULES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2025

(unaudited)

STATEMENT OF REVENUE AND EXPENSES - COFFEE SHOP

	2025	2024
FOOD SALES	\$ 107,838	\$ 81,117
EXPENSES		
Bank Charges	657	1,939
Purchases	66,909	48,370
	67,566	50,309
EXCESS OF REVENUE OVER EXPENSES	\$ 40,272	\$ 30,808

STATEMENT OF REVENUE AND EXPENSES - H.E.L.P.P BREAK OPEN TICKET LOTTERY

	2025	2024
TICKET SALES, NET OF PRIZES	\$ 550	\$ -
EXPENSES		
Licences	185	-
Office	719	-
Tickets	923	-
	1,827	-
DEFICIENCY OF REVENUE OVER EXPENSES	\$ (1,277)	\$ -

WEST LINCOLN MEMORIAL AUXILIARY

SCHEDULES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2025

(unaudited)

FUNDRAISING ACTIVITIES

	2025	2024
REVENUE		
Afternoon tea	\$ 4,160	\$ 4,766
Bake sale	1,170	970
Craft sale	700	-
Poinsettia	3,000	3,490
Raffle	5,100	2,500
St. Patrick's Day dinner	-	2,874
Strawberry festival	5,364	4,585
Vendor table rental	250	1,725
	19,744	20,910
EXPENSES	6,570	9,858
EXCESS OF REVENUE OVER EXPENSES	\$ 13,174	\$ 11,052