

**THE HAMILTON GAULT MEMORIAL FUND**

**Financial Statements**

**December 31, 2022**

*(Unaudited)*

**THE HAMILTON GAULT MEMORIAL FUND**

**Index to Financial Statements**

**Year Ended December 31, 2022**

*(Unaudited)*

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	Page
REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 7



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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Directors of The Hamilton Gault Memorial Fund:

We have reviewed the accompanying financial statements of The Hamilton Gault Memorial Fund, that comprise the statement of financial position as at December 31, 2022 and the statements of operations, changes in net assets and 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**

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.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of The Hamilton Gault Memorial Fund as at December 31, 2022 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.


*BDO Canada LLP*


Chartered Professional Accountants

Calgary, Alberta  
May 24, 2023

**THE HAMILTON GAULT MEMORIAL FUND****Statement of Financial Position****As at December 31***(Unaudited)*

	2022	2021
<b>Assets</b>		
Current		
Cash	\$ 36,064	\$ 52,350
Marketable securities	906,498	1,027,854
GST rebate receivable	1,162	857
Prepaid expenses	9,370	-
	<b>\$ 953,094</b>	<b>\$ 1,081,061</b>
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities	\$ 6,072	\$ 5,671
Deferred contributions <i>(Note 4)</i>	1,720	10,000
	7,792	15,671
<b>Net assets</b>	<b>945,302</b>	<b>1,065,390</b>
	<b>\$ 953,094</b>	<b>\$ 1,081,061</b>

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**THE HAMILTON GAULT MEMORIAL FUND****Statement of Operations****For the Year Ended December 31***(Unaudited)*

	<b>2022</b>	2021
<b>Revenue</b>		
Donations <i>(Note 3)</i>	\$ 71,925	\$ 52,134
Realized investment income	13,927	34,521
Veterans and family support training	-	682
	<u>85,852</u>	<u>87,337</u>
<b>Expenses</b>		
Student bursaries	30,000	25,000
Memorial maintenance	36,125	3,898
Professional fees	5,671	5,186
Soldier on Atlantic Golf Invitational	2,500	2,500
Office	2,128	2,812
Cadet support	2,000	5,000
Fundraising	769	1,099
Insurance	626	600
Interest and bank charges	123	86
Memorials	86	-
Travel	-	124
	<u>80,028</u>	<u>46,305</u>
<b>Excess of revenue over expenses from operations</b>	<b>5,824</b>	41,032
Unrealized (loss) gain on marketable securities	<u>(135,282)</u>	51,661
<b>(Deficiency) excess of revenue over expenses</b>	<b>\$ (129,458)</b>	<b>\$ 92,693</b>

**THE HAMILTON GAULT MEMORIAL FUND**

**Statement of Changes in Net Assets**

**For the Year Ended December 31**

*(Unaudited)*

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	<b>2022</b>	2021
<b>Net assets - beginning of year</b>	<b>\$ 1,065,390</b>	\$ 972,697
(Deficiency) excess of revenue over expenses	<u>(129,458)</u>	<u>92,693</u>
<b>Net assets - end of year</b>	<b><u>\$ 935,932</u></b>	<b><u>\$ 1,065,390</u></b>

**THE HAMILTON GAULT MEMORIAL FUND****Statement of Cash Flows****For the Year Ended December 31***(Unaudited)*

	<b>2022</b>	<b>2021</b>
<b>Operating activities</b>		
(Deficiency) excess of revenue over expenses	\$ (129,458)	\$ 92,693
Item not affecting cash:		
Unrealized loss (gain) on marketable securities	<u>135,282</u>	<u>(51,661)</u>
	<u>5,824</u>	<u>41,032</u>
Changes in non-cash working capital:		
GST rebate receivable	(304)	(101)
Accounts payable and accrued liabilities	401	(3,128)
Deferred income	<u>(8,280)</u>	<u>10,000</u>
	<u>(8,183)</u>	<u>6,771</u>
Cash flows from operating activities	<u>(2,359)</u>	<u>47,803</u>
<b>Investing activity</b>		
Purchase of marketable securities	<u>(13,927)</u>	<u>(34,522)</u>
<b>(Decrease) increase in cash flow</b>	<b>(16,286)</b>	<b>13,281</b>
<b>Cash - beginning of year</b>	<u><b>52,350</b></u>	<u><b>39,069</b></u>
<b>Cash - end of year</b>	<u><b>\$ 36,064</b></u>	<u><b>\$ 52,350</b></u>

# THE HAMILTON GAULT MEMORIAL FUND

## Notes to Financial Statements

Year Ended December 31, 2022

(Unaudited)

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### 1. Purpose of The Hamilton Gault Memorial Fund

The Hamilton Gault Memorial Fund (the "Fund") was established in 1964 as an unincorporated registered charitable organization as defined in paragraph 149.1(1)(b) of the Income Tax Act, and is exempt from income tax.

The fund is an independent charitable organization that receives charitable and other donations, as well as income from interest and fundraising activities, and expends funds on charitable activities.

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### 2. Summary of significant accounting policies

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

#### Revenue recognition

The Hamilton Gault Memorial Fund 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.

Endowment contributions are recognized as direct increases in net assets.

Investment income is recognized as revenue when earned.

#### Marketable securities

Marketable securities consist of investments in mutual funds, and are managed by the financial institutions and are carried at fair value. Unrealized gains (losses) are reported in the statement of revenue and expenses as part of gains (losses) on marketable securities, which reports both realized and unrealized gains and losses.

#### Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at fair value are marketable securities. The financial asset measured at cost is cash. The financial liabilities measured at cost include accounts payable, accrued liabilities, and deferred contributions.

#### Contributed services

The operations of the Fund depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and is therefore not reflected in these financial statements.

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# THE HAMILTON GAULT MEMORIAL FUND

## Notes to Financial Statements

Year Ended December 31, 2022

(Unaudited)

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### 2. Summary of significant accounting policies (*continued*)

#### Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Estimates include accrued liabilities and deferred contributions. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Estimates included in the preparation of these financial statements include the determination of accrued liabilities and deferred contributions.

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### 3. Related party transaction

Donation revenue includes \$5,000 (2021: \$5,000) received from Princess Patricia's Canadian Light Infantry Association (PPCLIA), an entity that previously controlled the Fund. Transactions are entered in the normal course of business and are recorded at the exchange amounts. As of April 7, 2021 a new board of trustees were elected and the Fund is no longer related to PPCLIA.

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### 4. Deferred contributions

Deferred contributions are donations received for specific purposes, such as aid for members' and veterans' families, and will be recognized as revenue when the related expenses are incurred.

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### 5. Financial instruments

The fund is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Fund's risk exposure and concentration as of December 31, 2022.

#### **(a) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency rate risk, interest rate risk and other price risk. The Fund is mainly exposed to other price risk.

#### **(b) Other price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Fund is exposed to other price risk through its investment in mutual funds and quoted shares.

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