

THE HAMILTON GAULT MEMORIAL FUND

Financial Statements

December 31, 2023

(Unaudited)

THE HAMILTON GAULT MEMORIAL FUND

Index to Financial Statements

Year Ended December 31, 2023

(Unaudited)

	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

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

	2023	2022
Assets		
Current		
Cash	\$ 46,571	\$ 36,065
Marketable securities (Note 2)	955,619	906,498
GST rebate receivable	330	1,162
	<u>\$ 1,002,520</u>	<u>\$ 943,725</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 5,350	\$ 6,072
Deferred contributions (Note 3)	730	1,720
	<u>6,080</u>	<u>7,792</u>
Net assets	<u>996,440</u>	<u>935,933</u>
	<u>\$ 1,002,520</u>	<u>\$ 943,725</u>

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Dave Pentney

, Director

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Guentin Innis

, Director

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

	2023	2022
Revenue		
Donations	\$ 33,724	\$ 71,925
Realized investment income	24,434	13,927
	<u>58,158</u>	<u>85,852</u>
Expenses		
Student bursaries	30,000	30,000
Memorial maintenance	17,753	36,125
Professional fees	7,461	5,671
Cadet support	7,205	2,000
Fundraising	3,072	769
Memorials	2,911	86
Soldier on Atlantic Golf Invitational	2,500	2,500
Insurance	640	626
Office	492	2,128
Interest and bank charges	304	122
	<u>72,338</u>	<u>80,027</u>
Excess of revenue over expenses from operations	(14,180)	5,825
Unrealized (loss) gain on marketable securities	74,687	(135,282)
(Deficiency) excess of revenue over expenses	\$ 60,507	\$ (129,457)

THE HAMILTON GAULT MEMORIAL FUND**Statement of Changes in Net Assets****For the Year Ended December 31***(Unaudited)*

	2023	2022
Net assets - beginning of year	\$ 935,933	\$ 1,065,390
(Deficiency) excess of revenue over expenses	<u>60,507</u>	<u>(129,457)</u>
Net assets - end of year	<u>\$ 996,440</u>	<u>\$ 935,933</u>

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

	2023	2022
Operating activities		
(Deficiency) excess of revenue over expenses	\$ 60,507	\$ (129,457)
Item not affecting cash:		
Unrealized loss (gain) on marketable securities	<u>(74,687)</u>	135,282
	<u>(14,180)</u>	5,825
Changes in non-cash working capital:		
GST rebate receivable	832	(304)
Accounts payable and accrued liabilities	(722)	401
Deferred income	<u>(990)</u>	<u>(8,280)</u>
	<u>(880)</u>	<u>(8,183)</u>
Cash flows from operating activities	<u>(15,060)</u>	<u>(2,358)</u>
Investing activity		
Redemption (purchase) of marketable securities	<u>25,566</u>	<u>(13,927)</u>
(Decrease) increase in cash flow	10,506	(16,285)
Cash - beginning of year	<u>36,065</u>	52,350
Cash - end of year	<u>\$ 46,571</u>	<u>\$ 36,065</u>

THE HAMILTON GAULT MEMORIAL FUND

Notes to Financial Statements

Year Ended December 31, 2023

(Unaudited)

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.

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.

(continues)

THE HAMILTON GAULT MEMORIAL FUND**Notes to Financial Statements****Year Ended December 31, 2023***(Unaudited)*

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.

3. 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.

4. 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, 2023.

(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.

5. Subsequent Events

Subsequent to year end Princess Patricia's Canadian Light Infantry Foundation (PPCLIF) will dissolve its operations and merge with the Fund. As of the date of the financial statements no assets or liabilities have been transferred as the discussions with legal professionals are ongoing.
