HAMILTON GAULT MEMORIAL FUND

Financial Statements

Year Ended December 31, 2025

HAMILTON GAULT MEMORIAL FUND
Index to Financial Statements
Year Ended December 31, 2025

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Hamilton Gault Memorial Fund

We have reviewed the accompanying financial statements of Hamilton Gault Memorial Fund (the Fund) that comprise the statement of financial position as at December 31, 2025, 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 (ASNPO), 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 the financial statements do not present fairly, in all material respects, the financial position of Hamilton Gault Memorial Fund as at December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

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Other Matter

The financial statements of Hamilton Gault Memorial Fund for the year ended December 31, 2024 were reviewed by another accounting firm, who expressed an unmodified conclusion on those financial statements on April 25, 2025.

Calgary, Alberta
April 23, 2026

LOCKHART LLP
Chartered Professional Accountants

HAMILTON GAULT MEMORIAL FUND

Statement of Financial Position

December 31, 2025

		2025		2024
ASSETS				
CURRENT				
Cash	**$**	**59,325**	$	27,769
Marketable securities *(Note 4)*		**1,756,059**		1,130,361
Goods and services tax recoverable		**495**		693
	$	**1,815,879**	$	1,158,823
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable and accrued liabilties	**$**	**6,000**	$	6,955
Deferred contributions *(Note 5)*		**6,696**		3,662
		12,696		10,617
NET ASSETS				
General fund		**1,293,183**		1,148,206
Internally restricted fund		**421,435**		-
Externally restricted fund		**88,565**		-
		1,803,183		1,148,206
	$	**1,815,879**	$	1,158,823

ON BEHALF OF THE BOARD

David Pentney
_______________________________ *Director*

Quentin Innis
_______________________________ *Director*

See notes to financial statements

HAMILTON GAULT MEMORIAL FUND

Statement of Operations

Year Ended December 31, 2025

	2025	2024
REVENUE		
For The Soldier donations *(Note 3)*	**$ 421,435**	$ -
Realized investment income	**354,809**	193,106
Donations	**92,995**	40,979
For The Soldier realized investment income	**4,589**	-
Project revenue	**577**	4,358
Veterans and family support training	**-**	500
	874,405	238,943
EXPENSES		
Student bursaries	**20,000**	20,000
Veterans family	**20,000**	10,000
Legacy stones	**9,622**	1,441
Professional fees	**6,174**	6,955
Cadet support	**2,209**	5,000
Office	**2,205**	492
Insurance	**1,173**	659
Travel	**1,055**	750
Memorial maintenance	**647**	9,475
110th art show	**563**	4,358
Fundraising	**391**	360
Miscellaneous	**171**	1,058
Interest and bank charges	**82**	60
110th spousal history	**-**	8,205
	64,292	68,813
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	**810,113**	170,130
Unrealized gain (loss) on marketable securities	**(243,701)**	(18,364)
EXCESS OF REVENUE OVER EXPENSES	**$ 566,412**	$ 151,766

See notes to financial statements

HAMILTON GAULT MEMORIAL FUND

Statement of Changes in Net Assets

Year Ended December 31, 2025

	General Fund	Internally Restricted Fund	Externally Restricted Fund	**2025**	2024
NET ASSETS - BEGINNING OF YEAR	$ 1,148,206	$ -	$ -	**$ 1,148,206**	$ 996,440
Excess of revenue over expenses	566,412	-	-	**566,412**	151,766
Endowment contributions *(Note 3)*	-	-	88,565	**88,565**	-
Interfund transfer *(Note 3)*	(421,435)	421,435	-	**-**	-
NET ASSETS - END OF YEAR	$ 1,293,183	$ 421,435	$ 88,565	**$ 1,803,183**	$ 1,148,206

See notes to financial statements

HAMILTON GAULT MEMORIAL FUND
Statement of Cash Flows
Year Ended December 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Excess of revenue over expenses	**$ 566,412**	$ 151,766
Items not affecting cash:		
Unrealized (gain) loss on marketable securities	**243,701**	18,364
Realized gain on marketable securities	**(359,398)**	-
	450,715	170,130
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	**(955)**	1,605
Goods and services tax payable	**198**	(363)
Deferred contributions	**3,034**	2,932
	2,277	4,174
Cash flow from operating activities	**452,992**	174,304
INVESTING ACTIVITIES		
Proceeds from redemption of marketable securities	**-**	955,619
Investment in marketable securities	**(510,001)**	(1,148,725)
Cash flow used by investing activities	**(510,001)**	(193,106)
FINANCING ACTIVITY		
Endowment contributions *(Note 3)*	**88,565**	-
INCREASE (DECREASE) IN CASH FLOW	**31,556**	(18,802)
Cash - beginning of year	**27,769**	46,571
CASH - END OF YEAR	**$ 59,325**	$ 27,769

See notes to financial statements

1. PURPOSE OF THE FUND

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

<u>Basis of presentation</u>

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

<u>Revenue recognition</u>

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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

<u>Fund accounting</u>

Hamilton Gault Memorial Fund follows the deferral method of accounting for contributions.

<u>General fund</u>

Revenues and expenses related to program delivery and administrative activities are reported in the general fund.

<u>Internally restricted fund</u>

Funds are subject to internally imposed restrictions that the funds be invested and the related inverstment income be used to fund ongoing operations and maintenance.

<u>Externally restricted fund</u>

Funds restricted for endowment purposes are subject to externally imposed restrictions that the funds be maintained in perpetuity. Endowment contributions are reported in the externally restricted fund. The related investment income is to be used to fund ongoing operations and maintenance and is recorded in the general fund.

<u>Cash</u>

Cash includes deposits with financial institutions.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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 operations.

Financial instruments

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 and accrued liabilties.

Contributed services

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

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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. 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.

Cloud computing arrangements

The Fund enters into arrangements with vendors that provide cloud computing services. The total amount expensed in respect of cloud computing arrangements was $2,082 (2024 - $492), which was included in office expenses.

3. FOR THE SOLDIER DONATIONS

During 2025, the Fund received $510,000 from various organizations and estates. Of this amount, $88,565 were endowment contributions. The remaining amount of $421,435 was not externally restricted but elected by the Fund to be internally restricted. The total amount of $510,000 was invested in marketable securities.

4. MARKETABLE SECURITIES

	2025	2024
Equities	**$ 1,456,131**	$ 891,711
Fixed income	**299,928**	238,650
	$ 1,756,059	$ 1,130,361

Included in marketable securities are restricted endowment contributions of $88,565 (2024 - $nil) and internally restricted contributions of $421,435 (2024 - $nil). The income earned from these marketable securities will be used to fund ongoing operations and maintenance in accordance with the accounting policies.

5. DEFERRED CONTRIBUTIONS

Deferred contributions are donations received for specific purposes and will be recognized as revenue when the related expenses are incurred.

	2024 Balance	Additions	Utilizations	**2025 Balance**
110th Art Show/FTSI Fund	$ 3,142	$ -	$ 3,142	**$ -**
Student Bursaries	200	11,000	11,200	**-**
Legacy Stones	320	2,240	2,560	**-**
Cadet Support	-	250	-	**250**
Veterans and Family Support	-	21,424	20,000	**1,424**
Balkans 35th Commemoration	-	5,522	500	**5,022**
Canada Helps	-	2,155	2,155	**-**
	$ 3,662	$ 42,591	$ 39,557	**$ 6,696**

6. RELATED PARTY TRANSACTIONS

Donation revenue includes a total of $6,550 (2024 - $2,650) received from the Board of Trustees and senior management. Transactions are entered in the normal course of business and the donation amounts from related parties are recorded at exchange amounts.

7. 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, 2025.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Fund is exposed to credit risk from cash and marketable securities. The Fund manages this credit risk by depositing these funds with reputable financial instituions.

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 three types of risk: currency rate risk, interest rate risk and other price risk. The Fund is mainly exposed to other price risk.

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 marketable securities.

Unless otherwise noted, it is management’s opinion that the Fund is not exposed to significant other price risks arising from these financial instruments.