

# **WEST LINCOLN MEMORIAL AUXILIARY**

Financial Statements (unaudited)  
For the year ended December 31, 2023  
and Independent Practitioner's Review Engagement Report

**WEST LINCOLN MEMORIAL AUXILIARY**  
FINANCIAL STATEMENTS  
DECEMBER 31, 2023  
(unaudited)

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CHARTERED  
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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, 2023, 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, 2023 and 2022, current assets as at December 31, 2023 and 2022, and net assets as at January 1 and December 31 for both the 2023 and 2022 years. Our conclusion on the financial statements as at and for the year ended December 31, 2022 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, 2023, 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 17, 2024**

## WEST LINCOLN MEMORIAL AUXILLARY

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2023  
(unaudited)

					Total	
	General Fund (Page 8)	Gift Shop (Page 9)	Coffee Shop (Page 9)	H.E.L.P.P. BOT Lottery	<b>2023</b>	2022
<b>REVENUE</b>	\$ 102,030	\$ 32,210	\$ 52,284	\$ -	<b>\$ 186,524</b>	\$ 105,339
<b>EXPENSES</b>	28,101	23,433	29,806	-	<b>81,340</b>	77,280
<b>EXCESS OF REVENUE OVER EXPENSES</b>	73,929	8,777	22,478	-	<b>105,184</b>	28,059
<b>NET ASSETS, BEGINNING OF YEAR</b>	1,020,275	33,039	22,996	(1,103)	<b>1,075,207</b>	1,047,148
<b>INTERFUND TRANSFER (Note 4)</b>	28,000	(3,000)	(25,000)	-	-	-
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 1,122,204</b>	<b>\$ 38,816</b>	<b>\$ 20,474</b>	<b>\$ (1,103)</b>	<b>\$ 1,180,391</b>	<b>\$ 1,075,207</b>

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, 2023

(unaudited)

	2023	2022
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 226,907	\$ 148,456
Accrued interest receivable	11,179	4,904
Term deposits	930,073	909,843
Inventory	19,790	16,861
	1,187,949	1,080,064
<b>Cash</b>	-	10,000
	\$ 1,187,949	\$ 1,090,064
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accrued liability	\$ 4,500	\$ 4,500
Harmonized Sales Tax payable	3,058	357
	7,558	4,857
<b>Restricted contribution</b>	-	10,000
<b>Commitments (Note 2)</b>		
	7,558	14,857
<b>FUND BALANCES</b>		
<b>General fund</b>	1,122,204	1,020,275
<b>Gift shop</b>	38,816	33,039
<b>Coffee shop</b>	20,474	22,996
<b>H.E.L.P.P. break open ticket lottery</b>	(1,103)	(1,103)
	1,180,391	1,075,207
	\$ 1,187,949	\$ 1,090,064

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, 2023  
(unaudited)

	2023	2022
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 105,184	\$ 28,059
Changes in non-cash operating assets and liabilities		
Accrued interest receivable	(6,275)	(1,875)
Inventory	(2,929)	-
Accrued liability	-	1,500
Harmonized Sales Tax payable	2,701	1,540
	98,681	29,224
<b>INVESTING ACTIVITIES</b>		
Purchase of term deposits	(930,074)	(370,493)
Proceeds from redemption of term deposits	909,844	359,992
	(20,230)	(10,501)
<b>INCREASE IN CASH</b>	78,451	18,723
<b>CASH, BEGINNING OF YEAR</b>	148,456	129,733
<b>CASH, END OF YEAR</b>	\$ 226,907	\$ 148,456

During the year, the Organization spent the restricted contribution of \$10,000.

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

# WEST LINCOLN MEMORIAL AUXILIARY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

(unaudited)

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## 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, 2023  
(unaudited)

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## 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 and accrued interest receivable.

Financial assets measured at fair value include term deposits.

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.

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# WEST LINCOLN MEMORIAL AUXILIARY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

(unaudited)

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## 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, 2023, the entire amount of the commitment remains unpaid.

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, 2023, the entire amount of the commitment remains unpaid.

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## 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.

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## 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 \$3,000 and \$25,000 respectively (2022 - transfer from Coffee Shop fund to the General fund totalling \$9,000).

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# WEST LINCOLN MEMORIAL AUXILIARY

SCHEDULES TO THE FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023  
(unaudited)

## STATEMENT OF REVENUE AND EXPENSES - GENERAL FUND

	2023	2022
<b>REVENUE</b>		
Donations	\$ 40,152	\$ 22,408
Fundraising activities	14,892	15,513
In memoriam	11,450	1,631
Interest	30,325	13,621
Memberships	140	220
Other	5,071	2,382
	<b>102,030</b>	<b>55,775</b>
<b>EXPENSES</b>		
Donation to West Lincoln Memorial Hospital (in-service)	5,000	-
Donation to West Lincoln Memorial Hospital (general)	3,929	39,232
Education, conventions and awards	500	-
Fundraising activities	7,465	4,834
Office and professional fees	8,755	10,896
Social	2,452	732
	<b>28,101</b>	<b>55,694</b>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 73,929</b>	<b>\$ 81</b>

## FUNDRAISING ACTIVITIES

	2023	2022
<b>REVENUE</b>		
Bake sale	\$ 325	\$ -
Breakfast Santa	-	1,238
Craft sale	4,539	4,697
Poinsettia	3,690	3,970
Raffle	-	2,650
St. Patrick's Day dinner	2,760	-
Strawberry festival	3,378	2,858
Vendor table rental	200	100
	<b>14,892</b>	<b>15,513</b>
<b>EXPENSES</b>	<b>7,465</b>	<b>4,834</b>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 7,427</b>	<b>\$ 10,679</b>

# WEST LINCOLN MEMORIAL AUXILIARY

SCHEDULES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

(unaudited)

## STATEMENT OF REVENUE AND EXPENSES - GIFT SHOP

	2023	2022
<b>REVENUE</b>	<b>\$ 32,210</b>	<b>\$ 26,135</b>
<b>EXPENSES</b>		
Bank charges	705	463
Office and travel	-	341
Purchases	<b>22,728</b>	<b>4,695</b>
	<b>23,433</b>	<b>5,499</b>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 8,777</b>	<b>\$ 20,636</b>

## STATEMENT OF REVENUE AND EXPENSES - COFFEE SHOP

	2023	2022
<b>FOOD SALES</b>	<b>\$ 52,284</b>	<b>\$ 23,429</b>
<b>EXPENSES</b>		
Bank Charges	1,335	632
Purchases	<b>28,471</b>	<b>15,455</b>
	<b>29,806</b>	<b>16,087</b>
<b>EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ 22,478</b>	<b>\$ 7,342</b>