Alzheimer Society of Cochrane Temiskaming

Financial Statements

March 31, 2026

Alzheimer Society of Cochrane Temiskaming

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Independent Auditor's Report

To the Board of Directors of Alzheimer Society of Cochrane Temiskaming:

Qualified Opinion

We have audited the financial statements of Alzheimer Society of Cochrane Temiskaming (the "Charity"), which comprise the statement of financial position as at March 31, 2026, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Charity as at March 31, 2026, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Charity derives revenue from donations and fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Charity and we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2026 and March 31, 2025 and assets and net assets as at March 31, 2026 and March 31, 2025. The audit opinion on the financial statements for the year ended March 31, 2025 were qualified accordingly because of the possible effects of the limitation of scope.

As described in Note 2, the Charity has maintained the accounting practice of expensing tangible capital assets in the year of acquisition. In this respect, the accounting policies are not in accordance with ASNPO with respect to expensing the amortization of tangible capital assets in the statement of operations, as well as how tangible capital assets are recognized in the statement of financial position. We were unable to quantify the effect on tangible capital assets and net assets as of March 31, 2026 and March 31, 2025 and expenses and excess of revenue over expenses for the years ended March 31, 2026 and March 31, 2025. Our opinion for the year ended March 31, 2025 was qualified accordingly because of this departure from ASNPO.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Supplementary Information

The supplementary information contained in the schedules is presented for purposes of additional information and is not part of the basic audited financial statements. The information in the schedules was derived from the accounting records tested in forming an opinion on the financial statements as a whole.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Charity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Charity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

MNP LLP

Chartered Professional Accountants
Licensed Public Accountants

Timmins, Ontario
June 17, 2026

Alzheimer Society of Cochrane Temiskaming
Statement of Financial Position
As at March 31, 2026

	2026	2025
Assets		
Current		
Cash	**791,250**	788,266
Accounts receivable *(Note 3)*	**25,490**	17,020
Prepaid expenses	**29,264**	11,926
	846,004	817,212
Liabilities		
Current		
Accounts payable and accruals *(Note 4)*	**19,521**	22,315
Deferred revenue *(Note 5)*	**4,950**	-
Due to the Ontario Health North	**160,246**	256,321
	184,717	278,636
Net Assets		
Internally restricted funds	**414,000**	73,000
Unrestricted net assets	**247,287**	465,576
	661,287	538,576
	846,004	817,212

Approved on behalf of the Board

Director

Director

The accompanying notes are an integral part of these financial statements

Alzheimer Society of Cochrane Temiskaming

Statement of Operations

For the year ended March 31, 2026

	2026	2025
Revenue		
Allocation of Provincial fundraising - ongoing	**5,058**	1,288
Donations	**66,097**	46,659
Grants	**48,125**	148,338
Other revenue	**7,800**	6,600
Interest	**1,675**	342
Wage subsidies	**4,816**	-
Ontario Health North	**1,811,160**	1,591,160
Fundraising	**71,971**	79,070
	2,016,702	1,873,457
Expenses		
Advertising	**10,898**	14,472
Bank charges and interest	**2,620**	4,889
Capital expenditures	**28,833**	8,030
Insurance	**8,310**	5,153
Meals	**21,316**	13,730
Office	**123,432**	86,771
One time funding	**-**	46,730
Professional fees	**19,464**	22,191
Rent	**173,579**	142,844
Salaries and benefits	**1,269,097**	1,297,535
Specialized programs	**610**	1,253
Supplies	**32,281**	26,055
Telecommunications	**19,948**	18,876
Training	**16,770**	11,958
Travel	**67,084**	70,557
	1,794,242	1,771,044
Fundraising	**2,003**	10,597
	1,796,245	1,781,641
Excess of revenue over expenses before due to Ontario Health North	**220,457**	91,816
Due to Ontario Health North	**(97,746)**	(51,000)
Excess of revenue over expenses	**122,711**	40,816

The accompanying notes are an integral part of these financial statements

Alzheimer Society of Cochrane Temiskaming
Statement of Changes in Net Assets
For the year ended March 31, 2026

	Internally restricted funds	*Unrestricted net assets*	*2026*	*2025*
Net assets, beginning of year	**73,000**	**465,576**	**538,576**	497,760
Transfer to internally restricted funds *(Note 6)*	**341,000**	**(341,000)**	**-**	-
Excess of revenue over expenses	**-**	**122,711**	**122,711**	40,816
Net assets, end of year	**414,000**	**247,287**	**661,287**	538,576

The accompanying notes are an integral part of these financial statements

Alzheimer Society of Cochrane Temiskaming

Statement of Cash Flows

For the year ended March 31, 2026

	2026	2025
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	**122,711**	40,816
Changes in working capital accounts		
Accounts receivable	**(8,470)**	103,401
Prepaid expenses	**(17,338)**	(1,592)
Accounts payable and accruals	**(2,794)**	(1,102)
Deferred revenue	**4,950**	-
	99,059	141,523
Financing		
Increase (decrease) in due to the Ontario Health North	**(96,075)**	51,000
Increase in cash resources	**2,984**	192,523
Cash resources, beginning of year	**788,266**	595,743
Cash resources, end of year	**791,250**	788,266

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

Alzheimer Society of Cochrane Temiskaming (the "Charity") was incorporated under the authority of the Income Tax Act on February 2, 1988 and is a registered charity. In order to maintain its status as a registered charity under the Act, the Charity must meet certain requirements within the Act. In the opinion of management these requirements have been met.

The Charity's objective is to alleviate the personal and social consequences of Alzheimer disease and to promote the search for the causes and cure of the disease.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less.

Fund accounting

The Charity reports using fund accounting, and maintains two funds: internally restricted funds and unrestricted net assets.

The unrestricted net assets fund reports the Charity's revenues and expenses relating to operating activities as set out by budget approved by Ontario Health North.

The Internally restricted fund reports the Charity's funds held for accreditation costs, future operating expenses, marketing, rent, Temiskaming PEC and succession. These internally restricted amounts are not available for any other purposes without approval of the board of directors.

Tangible capital assets

Tangible capital assets are expensed on acquisition. The major categories of tangible capital assets held by the Charity are furniture and equipment, computer equipment and leasehold improvements. During the year, the Charity expensed $51,076 on furniture and equipment purchases (2025 - $6,372).

Revenue recognition

The Charity 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.

Grant revenue and wage subsidies are recorded as expenditures are made.

Donations, memorials, fundraising and other revenues are recognized as received.

Rental revenue is recognized as revenue on a daily basis as earned.

Interest is accrued as earned.

Contributed materials and services

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials are used in the normal course of the Charity's operations and would otherwise have been purchased.

Allocation of expenses

The allocation of expenses was determined by management in reference to the approved budgets submitted to various funding sources.

2. Significant accounting policies *(Continued from previous page)*

Leases

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital leases are amortized on a declining balance basis, over their estimated useful lives estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

An arrangement contains a lease where the arrangement conveys a right to use the underlying tangible asset, and whereby its fulfillment is dependent on the use of the specific tangible asset. After the inception of the arrangement, a reassessment of whether the arrangement contains a lease is made only in the event that:

- there is a change in contractual terms;
- a renewal option is exercised or an extension is agreed upon by the parties to the arrangement;
- there is a change in the determination of whether the fulfillment of the arrangement is dependent on the use of the specific tangible asset; or
- there is a substantial physical change to the specified tangible asset.

Measurement uncertainty (use of estimates)

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Accounts payable and accrued liabilities are estimated based on historical costs for goods and services. Due to Ontario Health North is estimated based on the allowable expenses incurred in the period but subject to review by Ontario Health North.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be significant. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known. Any adjustments by the funding bodies to the estimates in the Due to Ontario Health North are recorded to net assets in the year that they are determined.

Financial instruments

The Charity recognizes financial instruments when the Charity becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Charity may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Charity has not made such an election during the year.

The Charity subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Charity's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

2. Significant accounting policies *(Continued from previous page)*

Financial instruments *(Continued from previous page)*

Related party financial instruments

The Charity initially measures the following financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at fair value:

- Investments in equity instruments quoted in an active market;
- Debt instruments quoted in an active market;
- Debt instruments when the inputs significant to the determination of its fair value are observable (directly or indirectly); and
- Derivative contracts.

All other related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

At initial recognition, the Charity may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value.

The Charity has not made such an election during the year, thus all such related party debt instruments are subsequently measured at amortized cost.

The Charity subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Financial instruments that were initially measured at cost and derivatives that are linked to, and must be settled by, delivery of unquoted equity instruments of another entity, are subsequently measured using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess of revenues over expenses.

3. Accounts receivable

	2026	*2025*
Accounts receivable	**2,207**	2,207
HST recoverable	**23,283**	14,813
	25,490	17,020

4. Accounts payable and accruals

	2026	*2025*
Trade accounts payable and accured liabilities	**13,920**	19,928
Wage and employee benefits payable	**5,601**	2,387
	19,521	22,315

5. Deferred contributions

Deferred contributions consist of unspent donations collected externally restricted for fundraising activities in the following fiscal year. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made. Changes in the deferred contribution balance are as follows:

	2026	*2025*
Amount received during the year	**4,950**	-
Balance, end of year	**4,950**	-

6. Interfund transfer

During the year, $341,000 (2025 - $Nil) was transferred from unrestricted net assets to internally restricted funds to cover specified future expenses as per a resolution made by the Board of Directors.

7. Commitments

The Charity has entered into various lease agreement for its premises. Future minimum lease payments as at March 31, 2026 are as follows:

2027	144,787
2028	134,005
2029	45,642
2030	44,524
2031	45,063
	414,021

8. Economic dependence

The Charity's primary source of revenue is from Ontario Health North. The grant funding can be cancelled if the Charity does not observe certain established guidelines. The Charity's ability to continue viable operations is dependent upon maintaining its compliance with the criteria within the provincial government guidelines. As at the date of these financial statements the Charity believes that it is in compliance with the guidelines.

9. Financial instruments

The Charity, as part of its operations, carries a number of financial instruments. It is management's opinion that the Charity is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments.

Alzheimer Society of Cochrane Temiskaming
Schedule 1 - Schedule of Ontario Health North Revenues and Expenses
For the year ended March 31, 2026
(Unaudited)

	2026	2025
Revenue		
Ontario Health North	**1,811,160**	1,591,160
Expenses		
Advertising	**9,766**	12,530
Bank charges and interest	**87**	77
Capital expenditures	**28,833**	8,030
Insurance	**8,167**	5,076
Meals	**21,316**	13,730
Office	**115,849**	74,936
Professional fees	**19,464**	14,828
Rent	**173,579**	142,844
Salaries and benefits	**1,208,623**	1,154,231
Supplies	**31,941**	22,083
Telecommunications	**17,801**	18,137
Training	**16,115**	9,146
Travel	**61,873**	64,512
	1,713,414	1,540,160
Excess of revenue over expenses before due to Ontario Health North	**97,746**	51,000
Due to Ontario Health North	**(97,746)**	(51,000)
Excess of revenue over expenses	**-**	-

Alzheimer Society of Cochrane Temiskaming
Schedule 2 - Schedule of Fundraising Revenues and Expenses
For the year ended March 31, 2026
(Unaudited)

	2026	*2025*
Revenue		
Bingo	**36,377**	38,300
Walk for Memories	**35,594**	37,209
Others Fundraisers	**-**	20
Raffle	**-**	3,541
	71,971	79,070
Expenses		
Bingo	**-**	1,358
Raffle	**-**	30
Ride for Memories	**2,003**	9,209
	2,003	10,597
Excess of revenue over expenses	**69,968**	68,473