WILKINSON
Integrity, Knowledge, Solutions

June 1, 2026

Northumberland Humane Society
24 Covert Street
Cobourg, ON
K9A 2L6

Attention: Mr. George Kamphorst

Dear Mr. Kamphorst:

We are enclosing ten cornered copies of the financial statements of Northumberland Humane Society for the year ended December 31, 2025. Please review these statements carefully and if you have any queries or comments, please contact this office.

We have also enclosed one bound Year-End Reporting Package for your records.

Yours truly,

WILKINSON & COMPANY LLP

J. T. Tuer, CPA, CA

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NORTHUMBERLAND HUMANE SOCIETY
FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2025

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NORTHUMBERLAND HUMANE SOCIETY
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AS AT DECEMBER 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Northumberland Humane Society (the Organization), which comprise the statement of financial position as at December 31, 2025, and the statements of changes in net assets, revenue and expenditures 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 matter 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 Organization as at December 31, 2025, 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.

Basis for Qualified Opinion

In common with many charitable organizations, the Organization derives revenue from donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether, as at and for the years ended December 31, 2025 and December 31, 2024, any adjustments might be necessary to donations revenue, excess of revenues over expenditures, assets and fund balances.

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 Organization 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

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 these financial statements, management is responsible for assessing the Organization'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 Organization, or to cease operations, or has no realistic alternative but to do so.

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

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INDEPENDENT AUDITOR'S REPORT
(CONT'D)

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 Organization'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 Organization'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 Organization 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.

Wilkinson & Company LLP

Chartered Professional Accountants
Licensed Public Accountants

TRENTON, Canada
May 28, 2026

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NORTHUMBERLAND HUMANE SOCIETY
STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2025

	General Fund $	Restricted Funds $	2025 Total $	2024 Total $
ASSETS				
CURRENT				
Cash - Note 3	172,168	7,079	**179,247**	162,836
Investments (Cost - $1,743,867) - Note 4	2,091,750	-	**2,091,750**	2,551,476
Accounts receivable	28,181	-	**28,181**	12,483
Harmonized sales tax recoverable	-	-	-	18,230
Prepaid expenses	75,477	-	**75,477**	22,513
Interfund amounts receivable	-	9,137	**9,137**	6,636
Asset held for sale - Note 5	236,614	-	**236,614**	-
	2,604,190	16,216	**2,620,406**	2,774,174
TANGIBLE CAPITAL ASSETS - Note 6	1,922,299	-	**1,922,299**	2,225,126
	4,526,489	16,216	**4,542,705**	4,999,300
LIABILITIES AND NET ASSETS				
CURRENT				
Accounts payable and accrued liabilities	35,511	-	**35,511**	41,533
Accrued payroll	7,349	-	**7,349**	28,939
Harmonized sales tax payable	9,646	-	**9,646**	-
Employee deductions payable	-	-	-	1,744
Interfund amounts payable	9,137	-	**9,137**	6,636
Deferred income	2,000	4,108	**6,108**	3,943
Mortgage payable - Note 8	-	-	-	440,452
	63,643	4,108	**67,751**	523,247
DEFERRED CAPITAL CONTRIBUTIONS - Note 7	329,280	-	**329,280**	343,000
	392,923	4,108	**397,031**	866,247
NET ASSETS	4,133,566	12,108	**4,145,674**	4,133,053
	4,526,489	16,216	**4,542,705**	4,999,300

APPROVED ON BEHALF OF THE BOARD

______________________ Director

______________________ Director

The accompanying notes form an integral part of these financial statements

NORTHUMBERLAND HUMANE SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Unrestricted Funds $	Restricted Funds $	**2025 Total $**	2024 Total $
Net assets - beginning of year	4,123,745	9,308	**4,133,053**	3,826,335
Excess of revenues over expenses	9,821	2,800	**12,621**	306,718
Net assets - end of year	4,133,566	12,108	**4,145,674**	4,133,053

NORTHUMBERLAND HUMANE SOCIETY
STATEMENT OF REVENUE AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Unrestricted Funds $	Restricted Funds $	**2025 Total $**	2024 Total $
REVENUE				
Animal control	214,912	-	**214,912**	174,116
Bequests	104,577	-	**104,577**	356,552
Docupet income	4,452	-	**4,452**	2,948
Donations and memberships	237,952	3,600	**241,552**	203,091
Fundraising projects	119,752	-	**119,752**	82,615
Grants	11,673	-	**11,673**	66,652
Rental income	26,103	-	**26,103**	12,348
Shelter services	121,833	-	**121,833**	126,965
Thrift store sales	173,753	-	**173,753**	132,569
	1,015,007	3,600	**1,018,607**	1,157,856
EXPENSES - Schedule I	1,258,898	800	**1,259,698**	1,161,726
REVENUES OVER EXPENDITURES (EXPENDITURES OVER REVENUE) FROM OPERATIONS	(243,891)	2,800	**(241,091)**	(3,870)
OTHER INCOME				
Dividend income	3,257	-	**3,257**	5,347
Deferred capital contributions	13,720	-	**13,720**	7,000
Gain on sale of marketable securities	122,378	-	**122,378**	71,695
Unrealized gain on marketable securities	40,729	-	**40,729**	169,716
Interest income	73,628	-	**73,628**	56,830
	253,712	-	**253,712**	310,588
EXCESS OF REVENUES OVER EXPENDITURES	9,821	2,800	**12,621**	306,718

The accompanying notes form an integral part of these financial statements

NORTHUMBERLAND HUMANE SOCIETY
EXPENSES
SCHEDULE I
FOR THE YEAR ENDED DECEMBER 31, 2025

	Unrestricted Funds $	Restricted Funds $	**2025 Total $**	2024 Total $
Accounting fees	22,850	-	**22,850**	11,500
Advertising and promotion	1,406	-	-	-
Amortization	76,331	-	**76,331**	60,138
Bank charges and interest	10,817	-	**10,817**	23,228
Equipment rentals	5,838	-	**5,838**	5,555
Fundraising expenses	39,677	-	**39,677**	25,437
General and administrative	27,999	-	**27,999**	28,754
Insurance	22,971	-	**22,971**	20,366
Management fees	14,798	-	**14,798**	15,121
Meals and entertainment	733	-	**733**	3,272
Non-recoverable HST	14,864	-	**14,864**	29,525
Office	23,456	-	**23,456**	36,692
Property taxes	29,009	-	**29,009**	29,435
Repairs and maintenance	51,673	-	**51,673**	59,528
Salaries and wages	674,605	-	**674,605**	591,308
Supplies	53,874	-	**53,874**	60,321
Telephone	8,663	-	**8,663**	9,278
Utilities	24,901	-	**24,901**	22,620
Vehicle	7,020	-	**7,020**	6,367
Veterinary fees	147,413	800	**148,213**	123,281
	1,258,898	800	**1,258,292**	1,161,726

NORTHUMBERLAND HUMANE SOCIETY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	2025 $	2024 $
OPERATING ACTIVITIES		
Net earnings for year	**12,621**	306,718
Adjustment for items which do not affect cash -		
Amortization of tangible capital assets	**76,331**	60,138
	88,952	366,856
Net change in non-cash working capital balances related to operations - Note 10	**(81,698)**	317,614
CASH FLOWS PROVIDED FROM OPERATING ACTIVITIES	7,254	684,470
INVESTING ACTIVITIES		
Decrease in investments	**459,726**	117,247
Purchase of tangible capital assets	**(10,117)**	(1,192,274)
CASH FLOWS PROVIDED FROM (USED IN) INVESTING ACTIVITIES	**449,609**	(1,075,027)
FINANCING ACTIVITIES		
Issuance of mortgage	**-**	440,452
Repayment of mortgage	**(440,452)**	-
CASH FLOWS PROVIDED FROM (USED IN) FINANCING ACTIVITIES	**(440,452)**	440,452
NET INCREASE IN CASH AND CASH EQUIVALENTS FOR YEAR	**16,411**	49,895
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	**162,836**	112,941
CASH AND CASH EQUIVALENTS - END OF YEAR	**179,247**	162,836

The accompanying notes form an integral part of these financial statements

NORTHUMBERLAND HUMANE SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

1. NATURE OF BUSINESS

Northumberland Humane Society was established in 1966. It served the local community for over 50 years in Port Hope before moving to it's current location in Cobourg. The Organization is a registered charity under the *Income Tax Act (Canada)* (the "Act") and accordingly, is exempt from income taxes.

The Organization's mission is to improve the lives of animals. The Organization's vision is a community, in which all animals are safe, supported and valued.

2. ACCOUNTING POLICIES

Outlined below are those accounting policies adopted by the Organization that are considered to be particularly significant:

(a) Basis of Accounting

These financial statements are prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

(b) Accounting 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. Significant items subject to such estimates and assumptions include valuation of accounts receivable, deferred contributions, and the estimated useful life of tangible capital assets. Actual results could differ from those estimates.

(c) Tangible Capital Assets and Amortization

Tangible capital assets are stated at acquisition cost. Gains or losses on the disposal of individual assets are recognized in earnings in the year of disposal. Amortization of tangible capital assets, which is based on estimated useful life, is calculated on the following bases and at the rates set out below

Asset	Basis	Rate
Buildings	Declining balance	4%
Computer equipment	Declining balance	55%
Furniture and fixtures	Declining balance	20%
Vehicle	Declining balance	30%

NORTHUMBERLAND HUMANE SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

2. ACCOUNTING POLICIES - (Cont'd)

(d) Fund Accounting

Northumberland Humane Society follows the restricted fund method of accounting for contributions, which includes support from the public and bequests.

Revenues and expenses related to the company's program delivery and administrative activities are reported in the unrestricted funds.

The Capital Asset Fund reports the assets, liabilities, revenues and expenses related to Northumberland Humane Society's capital assets and building expansion campaign.

The Restricted Fund was established by a contribution from a donor with the restriction that the funds not be used for operating expenses. No restrictions have been placed on revenues generated from the Restricted Fund, and accordingly any revenues generated by the Restricted Fund are reported in the Operating Fund.

(e) Donations in-Kind

The financial statements reflect donations in-kind when such goods or services would otherwise have been purchased and their value can be determined.

(f) Revenue Recognition

Northumberland Humane Society follows the Restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General Funding the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Income from investments consist of dividend and interest income and the change in the market value of investments. The income is recognized as revenue when earned. Unrecognized gains or losses on the investments are included in investment income in the year in which they are identified.

Revenue from fees for service and sale of goods is recognized when the services are provided or the goods are sold.

Bequests and grants are recognized as revenue in the General Fund when received or in the Restricted fund if there are restrictions on the use of the funds.

2. ACCOUNTING POLICIES - (Cont'd)

(g) Capital Disclosures

The Organization defines its capital as the amounts included in its net asset balances. The Organization's objective when managing its capital is to safeguard its ability to continue as a going concern so that it can continue to provide the appropriate level of benefits and services to its stakeholders. The Organization sets the amount of its internally restricted net asset balances in proportion to risk, manages the net asset structure and makes adjustments to them in light of changes in economic conditions and risk characteristics of the underlying assets.

(h) Harmonized Sales Tax and GST

Contributed materials and services are recoverable at 70% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

(i) Financial Instruments

(i) Measurement of Financial Instruments

The Organization initially measures its financial assets and liabilities at fair value adjusted by, in the case of financial instruments that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost except for equities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in income.

Financial assets measured at amortized cost include cash and equivalents, accounts receivable and other accounts receivable.

Financial liabilities measured at amortized cost include accounts payable, accrued liabilities and long-term debt.

(ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recorded in net income. When events occurring after the impairment confirm that a reversal is necessary, the reversal is recognized in net income up to the impairment amount previously recognized.

(j) Contributed Services

Directors, committee members and owners volunteer their time to assist in the Organization's activities. While these services benefit the Organization considerably, a reasonable estimate of their amount and fair value cannot be made, and accordingly, these contributed services are not recognized in the financial statements.

2. ACCOUNTING POLICIES - (Cont'd)

(k) 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.

3. FUND BALANCE RESTRICTIONS

During 2009, the Organization received a bequest ("Pet Aid") that specified that the bequest funds were to be used to subsidize the cost of spay and neuter procedures on pets belonging to individuals with reduced incomes. The funds are not to be used for operating expenses of the Society. The separate bank account set up to ensure that the terms of this bequest were honoured was closed in 2022, with the balance being tracked through offsetting asset and liability accounts. As at December 31, 2025 the balance in this account was $7,079 (2024 - $5,979). As a condition of retaining this fund, the Organization is required to report annually to the trustee of the estate as to the transactions in the fund during the year.

The Organization undertakes bingo events as part of its fundraising activities. In accordance with the terms of the bingo operating agreement, funds raised from bingo events may not be used to pay administrative expenses. As at December 31, 2025 the balance in the bingo account was $754 (2024 - $752), which was included in the general cash balance of the Society.

4. INVESTMENTS

	2025 **$**	2024 $
Investment in mutual funds - at cost	**1,743,867**	2,262,278
Adjustment to market value at date of report	**347,884**	289,198
	2,091,751	2,551,476

Investments are reported at their market value at year-end. All investments are held with CIBC Wealth Management. As at year-end, investments have an unrealized gain of 347,884.

NORTHUMBERLAND HUMANE SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

5. ASSET HELD FOR SALE

2025	Cost $	Accumulated amortization $	Net book value $
Land - 46 Covert Street	100,000	-	100,000
Building - 46 Covert Street	268,728	132,405	136,323
Furniture and fixtures - 46 Covert Street	987	696	291
	369,715	133,101	236,614

The Organization classified the land and building located on 46 Covert Street as held for sale at year-end, as multiple offers had been received by that date. Given that the sale was considered probable and expected to be completed within one year of the statement of financial position date, the asset was presented as held for sale. The transaction was subsequently completed in March 2026.

6. TANGIBLE CAPITAL ASSETS

	2025		2024	
	Cost $	Accumulated amortization $	Cost $	Accumulated amortization $
Land	433,552	-	533,552	-
Buildings	1,573,597	111,164	1,834,716	177,114
Computer equipment	4,048	3,954	4,048	3,839
Furniture and fixtures	65,555	58,629	64,034	57,834
Vehicles	46,325	27,031	46,325	18,762
	2,123,077	200,778	2,482,675	257,549
Cost less accumulated amortization	$ 1,922,299		$ 2,225,126	

7. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions consist of the following:

	2025 $	2024 $
Charitable donation from purchase of 24 Covert Street building	343,000	350,000
Less: Amortization of deferred capital contributions	(13,720)	(7,000)
Ending balance	329,280	343,000

NORTHUMBERLAND HUMANE SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

8. MORTGAGE PAYABLE

Mortgage payable consists of the following:

	2025	2024
	$	$
Mortgage from the purchase of 24 Covert Street building, repaid during the year.	-	440,452

9. COMMITMENTS

The Organization has entered into a commitment with Lang Construction in connection with the shelter expansion project. The commitment is estimated at $2,138,000 and payments will commence once construction begins..

10. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS

Cash provided from (used in) non-cash working capital is compiled as follows:

	2025	2024
	$	$
(INCREASE) DECREASE IN CURRENT ASSETS		
Accounts receivable	**(15,698)**	2,044
Harmonized sales tax recoverable	**18,230**	14,698
Prepaid expenses	**(52,965)**	(11,434)
	(50,433)	5,308
INCREASE (DECREASE) IN CURRENT LIABILITIES		
Accounts payable and accrued liabilities	**(6,023)**	(3,965)
Accrued payroll	**(21,589)**	8,653
Employee deductions payable	**(1,744)**	
Deferred income	**2,165**	(35,382)
Deferred capital contributions	**(13,720)**	343,000
Harmonized sales tax payable	**9,646**	
	(31,265)	312,306
NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS	**(81,698)**	317,614

11. FINANCIAL RISKS AND CONCENTRATION OF RISK

In the normal course of business, the Organization is exposed to a number of risks that can affect its operational performance. These risks are as follows:

(a) Interest Rate Risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization currently has limited interest rate 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, 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 organization is exposed to other price risk through its investment in quoted shares.

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

(c) 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 organization is mainly exposed to the risk of its investment portfolio of $2,091,750.

(d) Credit Risk

Credit risk is the risk of financial loss to the Organization if a counterparty fails to discharge an obligation. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.