

# **Wellspring Cancer Support Foundation**

**Financial Statements**

**For the Year Ended March 31, 2026**

## INDEPENDENT AUDITOR'S REPORT

### To the Board of Directors of Wellspring Cancer Support Foundation

#### *Qualified Opinion*

We have audited the financial statements of Wellspring Cancer Support Foundation (the "Foundation"), 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 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 Foundation as at March 31, 2026, 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 not-for-profit organizations, the Foundation derives revenue from 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 Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess (deficiency) of revenues over expenses, and cash flows from operations for the year ended March 31, 2026, current assets as at March 31, 2026, and net assets as at April 1 and March 31 for the 2026 year-end. The predecessor auditor's opinion on the financial statements for the year ended March 31, 2025 was modified accordingly because of the possible effects of this limitation in scope.

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 Foundation 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.

#### *Other Matter*

The financial statements of Foundation for the year ended March 31, 2025, were audited by another auditor who expressed a qualified opinion on those statements on June 4, 2025.

#### *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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation'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 Foundation'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 Foundation'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 Foundation 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.

*RSM Canada LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
June 5, 2026  
Toronto, Ontario

**Wellspring Cancer Support Foundation**  
**Statement of Financial Position**  
**As at March 31, 2026**

	2026	2025
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 762,836	\$ 264,444
Fixed income investments (Note 3)	4,356,551	3,680,455
Equity investments (Note 4)	2,955,923	2,864,938
Accounts receivable	342,183	241,538
Prepaid expenses and deposits	78,774	72,683
	<b>8,496,267</b>	<b>7,124,058</b>
<b>Capital assets</b> (Note 5)	<b>2,957,936</b>	<b>3,022,160</b>
	<b>\$ 11,454,203</b>	<b>\$ 10,146,218</b>


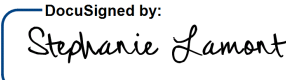
**Liabilities and Net Assets**

<b>Current</b>		
Accounts payable and accrued liabilities	\$ 559,303	\$ 1,063,452
Deferred revenue (Note 6)	1,180,454	356,000
	<b>1,739,757</b>	<b>1,419,452</b>
<b>Deferred capital contributions</b> (Note 7)	<b>2,340,877</b>	<b>2,597,253</b>
	<b>4,080,634</b>	<b>4,016,705</b>

**Net Assets**

<b>Internally restricted net assets</b> (Note 8)	<b>1,550,000</b>	<b>1,238,036</b>
<b>Invested in capital assets</b>	<b>617,060</b>	<b>424,907</b>
<b>Endowment fund</b>	<b>457,430</b>	<b>457,430</b>
<b>Unrestricted net assets</b>	<b>4,749,079</b>	<b>4,009,140</b>
	<b>7,373,569</b>	<b>6,129,513</b>
	<b>\$ 11,454,203</b>	<b>\$ 10,146,218</b>

**Commitments** (Note 9)

<p><b>Approved by the Board</b></p>	<p>Signed by:    <small>68D3BE6131B340F...</small></p> <hr/> <p>Director</p>	<p>DocuSigned by:    <small>9596EC23D209469...</small></p> <hr/> <p>Director</p>
-------------------------------------	---	---

**Wellspring Cancer Support Foundation**  
**Statement of Operations**  
**Year Ended March 31, 2026**

	2026	2025
<b>Revenue</b>		
Donations (Note 6)	\$ 4,603,658	\$ 1,998,441
Special events (Note 6)	1,404,655	1,281,694
Investment income	452,735	330,534
Amortization of deferred contributions (Note 7)	318,376	323,160
Other income	226,293	193,932
Social enterprise (Note 6)	224,156	157,653
Unrealized gain (loss) on investments	(261,348)	134,868
	<b>6,968,525</b>	<b>4,420,282</b>
<b>Expenses</b>		
Program (Note 10)	3,635,324	3,181,948
Fundraising	835,477	628,662
Special events	526,234	608,306
Amortization of capital assets	403,605	391,927
Administration	323,829	174,183
	<b>5,724,469</b>	<b>4,985,026</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 1,244,056</b>	<b>\$ (564,744)</b>

**Wellspring Cancer Support Foundation**  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2026**

	<b>Internally restricted net assets (Note 8)</b>	<b>Invested in Capital Assets</b>	<b>Endowment Fund</b>	<b>Unrestricted net assets</b>	<b>2026 Total</b>	<b>2025 Total</b>
Net assets, beginning of year	\$ 1,238,036	\$ 424,907	\$ 457,430	\$ 4,009,140	\$ 6,129,513	\$ 6,684,257
Excess (deficiency) of revenue over expenses	-	(85,229)	-	1,329,285	1,244,056	(564,744)
Additions to endowments	-	-	-	-	-	10,000
Additions to capital assets, net of amounts funded by deferred capital contributions	-	277,382	-	(277,382)	-	-
Interfund transfer (Note 8)	311,964	-	-	(311,964)	-	-
<b>Net assets, end of year</b>	<b>\$ 1,550,000</b>	<b>\$ 617,060</b>	<b>\$ 457,430</b>	<b>\$ 4,749,079</b>	<b>\$ 7,373,569</b>	<b>\$ 6,129,513</b>

**Wellspring Cancer Support Foundation**  
**Statement of Cash Flows**  
**Year Ended March 31, 2026**

	2026	2025
<b>Cash provided by (used in)</b>		
<b>Operations</b>		
Excess (deficiency) of revenue over expenses	\$ 1,244,056	\$ (564,744)
Items not affecting cash		
Amortization of deferred contributions	(318,376)	(323,160)
Amortization of capital assets	403,605	391,927
Unrealized loss (gain) on investments	261,348	(134,868)
	<b>1,590,633</b>	<b>(630,845)</b>
Net changes in non-cash operating working capital		
Accounts receivable	(100,645)	(68,385)
Prepaid expenses and deposits	(6,091)	26,223
Accounts payable and accrued liabilities	(504,149)	21,000
Deferred revenue	824,454	176,651
	<b>1,804,202</b>	<b>(475,356)</b>
<b>Investing</b>		
(Increase) decrease in fixed income investments, net	(777,378)	540,047
Increase in equity investments, net	(251,051)	(151,034)
Increase in endowment fund	-	(10,000)
Additions to capital assets	(339,381)	(108,876)
	<b>(1,367,810)</b>	<b>270,137</b>
<b>Financing</b>		
Deferred contributions received	62,000	24,076
Endowments received	-	10,000
	<b>62,000</b>	<b>34,076</b>
<b>Increase (decrease) in cash</b>	<b>498,392</b>	<b>(171,143)</b>
<b>Cash, beginning of year</b>	<b>264,444</b>	<b>435,587</b>
<b>Cash, end of year</b>	<b>\$ 762,836</b>	<b>\$ 264,444</b>

# Wellspring Cancer Support Foundation

## Notes to Financial Statements

March 31, 2026

---

### 1. NATURE OF OPERATIONS

Wellspring Cancer Support Foundation (the "Foundation") opened on May 1, 1992 for the purpose of providing: support programs and services for people and their families living with cancer; opportunities for the development of self-help skills leading to an enhanced quality of life; access to information; education for health care professionals; and evaluation and research into the benefits of supportive care. The Foundation was previously incorporated, without share capital, under the Canada Corporations Act on January 19, 1996, is a registered charity and, therefore, exempt from income taxes under the Income Tax Act (Canada). The Foundation was continued under the Canada Not-for-profit Corporations Act in October 2014.

The Foundation provides its programs and services at two physical locations: Wellspring Westerkirk House (opened December 1999), in Toronto, Ontario, on the campus of the Sunnybrook Health Sciences Centre; and Wellspring Birmingham Gilgan House (opened July 2000), in Oakville, Ontario, to serve the regions of Halton and Peel. Certain programs are also delivered in other venues, such as hospitals. The Foundation also serves other regions across Canada through a national, online program-delivery platform.

There are affiliated Wellspring centres in Brampton, Niagara and London, Ontario, and in Calgary and Edmonton, Alberta. These affiliates are separately incorporated and separately governed. Wellspring receives no core government funding.

### 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

#### Revenue Recognition

The Foundation follows the deferral method of accounting for contributions. Restricted donations are recognized as revenue in the year in which the related expenses are incurred. Unrestricted donations are recognized as revenue when received.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate of the related capital assets. 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. Investment income earned on endowment funds is recognized as revenue when earned.

Social enterprise and special event revenues are recognized when the related expenses are incurred or events have occurred.

Pledges are recognized when money is received.

**2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**Financial Instruments**

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently recorded at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. Wellspring has irrevocably elected to carry investments in fixed income securities at fair value.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial impairment charge.

**Capital Assets**

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Foundation's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture and equipment	5 years
Computer hardware	3 years
Digital platform	5 years
Leasehold improvements	10 - 25 years

Artwork is not amortized.

**Donated Materials and Services**

The Foundation recognizes the contribution of materials at fair value when it can be reasonably estimated, when it is used in the normal course of operations and would have been otherwise purchased. Because of the difficulty in determining the fair value, contributed services and volunteer time is not recognized in the financial statements.

**Cloud Computing Arrangements**

Wellspring recognizes the expenditures in the cloud computing arrangements as a supply of services. As such, the Foundation recognizes the expenditure as an expense when it receives the services.

**Wellspring Cancer Support Foundation**  
**Notes to Financial Statements**  
**March 31, 2026**

---

**2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**Use of Estimates**

The preparation of the Foundation's financial statements 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 revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of capital assets. Actual results could differ from those estimates.

**3. FIXED INCOME INVESTMENTS**

	<b>2026</b>	2025
Money market funds	<b>\$ 100,498</b>	\$ 387,044
Fixed income securities	<b>4,256,053</b>	3,293,411
	<b>\$ 4,356,551</b>	\$ 3,680,455

Fixed income securities include investments in corporate, crown corporation, government of Canada and provincial bond and notes.

**4. EQUITY INVESTMENTS**

In 2014, the finance committee proposed, and the Board of Directors adopted an investment policy allowing for a portion of the deferred capital to be invested in equity funds managed by Jarislowsky Fraser Ltd.

	<b>2026</b>	2025
Canadian equity fund	<b>\$ 1,269,580</b>	\$ 1,120,380
Global equity fund	<b>1,686,343</b>	1,744,558
	<b>\$ 2,955,923</b>	\$ 2,864,938

Endowment funds in the amount of \$457,430 (2025 - \$457,430) are included in equity investments.

**Wellspring Cancer Support Foundation**  
**Notes to Financial Statements**  
**March 31, 2026**

**5. CAPITAL ASSETS**

	Cost	Accumulated Amortization	Net 2026	Net 2025
Furniture and equipment	\$ 459,997	\$ 428,567	\$ 31,430	\$ 22,960
Computer hardware	386,033	351,213	34,820	20,334
Digital platform	742,588	221,844	520,744	596,485
Leasehold improvements	6,079,337	3,897,414	2,181,923	2,193,362
Artwork	189,019	-	189,019	189,019
	<b>\$ 7,856,974</b>	<b>\$ 4,899,038</b>	<b>\$ 2,957,936</b>	<b>\$ 3,022,160</b>

**6. DEFERRED REVENUE**

	2026	2025
Balance, beginning of year	\$ 356,000	\$ 179,349
Contributions received	2,138,820	1,045,964
Amounts recognized as revenue	(1,314,366)	(869,313)
Balance, end of year	<b>\$ 1,180,454</b>	<b>\$ 356,000</b>

The amount recognized as revenue is included in donations, special events and social enterprise revenues in the statement of operations.

**7. DEFERRED CAPITAL CONTRIBUTIONS**

Deferred capital contributions represent contributions and donations in-kind for capital assets and other projects. The changes in the deferred contributions balance during the year are as follows:

	2025	Additions	Amortization	Transfer from Operating to Capital	2026
Capital:					
Westerkirk House	\$ 879,888	\$ -	\$ (157,341)	\$ -	\$ 722,547
Birmingham Gilgan House	1,210,194	62,000	(97,188)	-	1,175,006
Digital platform	487,976	-	(52,011)	-	435,965
Computers	8,741	-	(8,741)	-	-
Equipment	8,454	2,000	(3,095)	-	7,359
	2,595,253	64,000	(318,376)	-	2,340,877
Operating:					
Fidelity - IT/website	2,000	-	-	(2,000)	-
	<b>\$ 2,597,253</b>	<b>\$ 64,000</b>	<b>\$ (318,376)</b>	<b>\$ (2,000)</b>	<b>\$ 2,340,877</b>

**Wellspring Cancer Support Foundation**  
**Notes to Financial Statements**  
**March 31, 2026**

---

**8. INTERNALLY RESTRICTED NET ASSETS**

Internally restricted net assets have been designated by the Board of Directors to be used for working capital purposes. These internally restricted amounts are not available for other purposes without approval of the Board of Directors. During the year, the Board approved a transfer from the unrestricted net assets fund to the internally restricted net assets fund of \$311,964 (2025 - \$Nil).

**9. COMMITMENTS**

The Foundation leases office equipment under an operating lease expiring in 2030. Future minimum lease payments under this lease are as follows:

2027	\$	5,332
2028		5,332
2029		5,332
2030		4,888
		<hr/>
		\$ 20,884

The Foundation leases premises for nominal fees under long-term leases for the operations of two of its centres. The Westerkirk House lease expires in 2029 and the Birmingham Gilgan House expires in 2039. Both leases include an option to extend the terms of the lease.

**10. CLOUD COMPUTING ARRANGEMENTS**

Included in program expenses is \$78,110 (2025 - \$60,731) of software licensing and subscription costs.

**11. CREDIT FACILITIES**

The Foundation maintains a credit card facility with a limit of \$25,000 and has a revolving demand credit facility with a limit of \$50,000, available by way of letters of credit and/or guarantees. The facility is repayable on demand and is secured by cash collateral of \$75,000. No amounts were drawn on the facility as at year-end.

## **12. FINANCIAL RISKS**

### **Market Price Risk**

Market price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. As all of the Foundation's investments are carried at fair value with fair value changes recognized in the statement of operations, all changes in market conditions will directly result in an increase (decrease) in the excess (deficiency) of revenue over expenses. There has been no change to the risk exposure from 2025.

### **Credit Risk**

Credit risk arises as a result of the possibility that one party to a financial instrument will fail to discharge an obligation and cause the Foundation to incur a financial loss. The Foundation manages this risk by diversifying its portfolio and by dealing with reputable and creditworthy counterparties. There has been no change to the risk exposure from 2025.

### **Interest Rate Risk**

Interest rate risk is the risk to the Foundation's earnings that arise from fluctuations in interest rates and the degree of volatility of these rates. The Foundation is exposed to interest rate risk and its effect on interest income. The risk is low since interest income is not a major component of total revenue. Changes in interest may also affect the value of equity securities. The interest rate risk exposure is managed through the Board of Directors - approved policy of allocation of investable assets.

The fixed income securities have yields varying from 1.10% to 8.50% (2025 - 1.10% to 5.60%) with maturity dates ranging from November 17, 2026 to January 24, 2035 (2025 - November 17, 2025 to January 24, 2035). The value of fixed income securities will vary with developments within the specific companies or governments which issue the securities. There has been no change to risk exposure from 2025.

## **13. COMPARATIVE FIGURES**

Certain comparative expenses and net asset figures have been reclassified to conform with the current year presentation. There has been no impact to the deficiency of revenue over expenses for the prior year.