

Financial Statements of

**HUNTINGTON SOCIETY
OF CANADA**

And Independent Auditor's Report thereon

Year ended March 31, 2025



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INDEPENDENT AUDITOR'S REPORT

To the Directors of Huntington Society of Canada

Opinion

We have audited the financial statements of Huntington Society of Canada (the Society), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of operations for the year then ended
- the statement of changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 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 Opinion

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 auditor's report.

We are independent of the Society 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 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 the financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 the 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- 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 Society'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 Society 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Kitchener, Canada

August 26, 2025

HUNTINGTON SOCIETY OF CANADA

Statement of Financial Position

March 31, 2025, with comparative information for 2024

	General Fund	Capital Asset Fund	Endowment Fund	Ralph Walker Research Fund	2025 Total	2024 Total
Assets						
Current assets:						
Cash (note 2)	\$ 802,313	\$ -	\$ -	\$ -	\$ 802,313	\$ 572,499
Investments (note 3)	-	-	1,909,545	778,098	2,687,643	2,434,964
Accounts receivable (note 4)	137,008	-	-	-	137,008	230,775
Interfund receivable (payable)	423,434	-	-	(423,434)	-	-
Prepaid expenses	144,690	-	-	-	144,690	94,267
	1,507,445	-	1,909,545	354,664	3,771,654	3,332,505
Capital assets (note 5)	-	89,945	-	-	89,945	163,308
	\$ 1,507,445	\$ 89,945	\$ 1,909,545	\$ 354,664	\$ 3,861,599	\$ 3,495,813
Liabilities and Fund Balances						
Current liabilities:						
Accounts payable and accrued liabilities (note 6)	\$ 78,225	\$ -	\$ -	\$ -	\$ 78,225	\$ 104,802
Deferred revenue (note 7)	183,388	-	-	-	183,388	165,839
	261,613	-	-	-	261,613	270,641
Deferred lease inducement	-	-	-	-	-	3,054
	261,613	-	-	-	261,613	273,695
Fund balances:						
General Fund	1,245,832	-	-	-	1,245,832	811,923
Capital Assets Fund	-	89,945	-	-	89,945	163,308
Endowment Fund	-	-	1,909,545	-	1,909,545	1,841,573
Ralph Walker Research Fund	-	-	-	354,664	354,664	405,314
	1,245,832	89,945	1,909,545	354,664	3,599,986	3,222,118
Commitments (note 12)						
	\$ 1,507,445	\$ 89,945	\$ 1,909,545	\$ 354,664	\$ 3,861,599	\$ 3,495,813

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

HUNTINGTON SOCIETY OF CANADA

Statement of Operations

Year ended March 31, 2025, with comparative information for 2024

	General Fund	Capital Assets Fund	Endowment Fund	Ralph Walker Research Fund	2025 Total	2024 Total
Revenue:						
Donations	\$ 2,355,875	\$ -	\$ -	\$ 189,483	\$ 2,545,358	\$ 3,422,819
Chapter and volunteer fundraising revenue (note 8)	1,429,688	-	-	50,000	1,479,688	1,173,733
Grants	103,496	-	-	-	103,496	237,909
Investment income	115,072	-	-	36,232	151,304	185,789
Change in fair value of investments	-	-	67,972	21,938	89,910	100,225
Other income	14,895	-	-	-	14,895	57,650
	4,019,026	-	67,972	297,653	4,384,651	5,178,125
Expenses:						
Family services (note 9)	1,634,683	-	-	-	1,634,683	1,621,879
Development (note 9)	465,651	-	-	-	465,651	627,105
Public awareness and education (note 9)	318,799	-	-	-	318,799	624,496
Chapter and volunteer support (note 9)	355,994	-	-	-	355,994	464,501
Administration (note 9)	481,621	-	-	-	481,621	454,147
Research (notes 9 and 10)	2,500	-	-	348,303	350,803	325,274
Chapter and volunteer fundraising expenses (note 8)	314,104	-	-	-	314,104	230,193
Amortization	-	64,613	-	-	64,613	45,208
	3,573,352	64,613	-	348,303	3,986,268	4,392,803
Excess (deficiency) of revenue over expenses before the undernoted items	445,674	(64,613)	67,972	(50,650)	398,383	785,322
Other income (expenses):						
Loss on sale of capital assets	-	(20,515)	-	-	(20,515)	-
Funding of Huntington Society of Canada Research Chair (note 10)	-	-	-	-	-	(1,500,000)
	-	(20,515)	-	-	(20,515)	(1,500,000)
Excess (deficiency) of revenue over expenses	\$ 445,674	\$ (85,128)	\$ 67,972	\$ (50,650)	\$ 377,868	\$ (714,678)

See accompanying notes to financial statements.

HUNTINGTON SOCIETY OF CANADA

Statement of Changes in Fund Balances

Year ended March 31, 2025, with comparative information for 2024

	General Fund	Capital Assets Fund	Endowment Fund	Ralph Walker Research Fund	2025 Total	2024 Total
Fund balances, beginning of year	\$ 811,923	\$ 163,308	\$ 1,841,573	\$ 405,314	\$ 3,222,118	\$ 3,936,796
Excess (deficiency) of revenue over expenses	445,674	(85,128)	67,972	(50,650)	377,868	(714,678)
Interfund transfers (note 11)	(11,765)	11,765	-	-	-	-
Fund balances, end of year	\$ 1,245,832	\$ 89,945	\$ 1,909,545	\$ 354,664	\$ 3,599,986	\$ 3,222,118

See accompanying notes to financial statements.

HUNTINGTON SOCIETY OF CANADA

Statement of Cash Flows

Year ended March 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ 377,868	\$ (714,678)
Items not involving cash:		
Loss on sale of capital assets	20,515	-
Change in fair value of investments	(89,910)	(100,225)
Amortization	64,613	45,208
Deferred lease inducement	(3,054)	(3,661)
Donated investments	(298,102)	(726,231)
Changes in non-cash operating working capital:		
Accounts receivable	93,767	(65,164)
Prepaid expenses	(50,423)	48,876
Accounts payable and accrued liabilities	(26,577)	(195,085)
Deferred revenue	17,549	(32,963)
	106,246	(1,743,923)
Investing:		
Purchase of capital assets	(11,765)	(152,923)
Sale of investments	299,723	2,031,490
Purchase of investments	(164,390)	(147,131)
	123,568	1,731,436
Increase (decrease) in cash	229,814	(12,487)
Cash, beginning of year	572,499	584,986
Cash, end of year	\$ 802,313	\$ 572,499

See accompanying notes to financial statements.

HUNTINGTON SOCIETY OF CANADA

Notes to Financial Statements

Year ended March 31, 2025

Huntington Society of Canada (the "Society") is a national network of volunteers and professionals united in the fight against Huntington disease ("HD"). As a not-for-profit organization, incorporated under the laws of Canada, the Society seeks to maximize the quality of life of people living with HD by delivering services, increasing awareness of the disease, and supporting research to slow and prevent HD.

The Society is a registered charity under the Income Tax Act (Canada) and is, therefore, exempt from income taxes.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with the Chartered Professional Accountants of Canada Handbook Part III - Canadian accounting standards for not-for-profit organizations.

(a) Fund accounting:

The financial statements include the operations of the National Office of the Society and its Resource Centres across Canada, and presents the following funds:

The General Fund is an unrestricted fund used at the discretion of the Board of Directors to fulfill the mission of the Society in all areas, including research, family services, public awareness and education, chapter and volunteer support, development, chapter and volunteer fundraising, and administration. All undesignated donations are recorded in this fund.

The Capital Assets Fund is an internally restricted fund used for the acquisition, amortization, and disposal of capital assets, as well as financing costs.

The Endowment Fund is an externally restricted fund. Revenues received to this fund have been specifically designated for endowment purposes. Annual investment income earned on the Endowment Fund is used to fund operational expenditures.

The Ralph Walker Research Fund is an externally restricted fund established in 1983 to commemorate the 10th anniversary of the Huntington Society of Canada and to pay tribute to the Society's founder, Ralph Walker. Revenues specifically designated by donors to this fund have been restricted for research, along with any related expenses.

HUNTINGTON SOCIETY OF CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2025

1. Significant accounting policies (continued):

(b) Revenue recognition:

The Society follows the restricted fund method of accounting for contributions which include donations and government grants.

Unrestricted donations and grants are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted donations for which there is no separate fund are recognized as revenue of the General Fund in the year in which the related expenses are incurred. Deferred revenue represents the unspent amount of restricted donations and grants received for the specific services.

Restricted capital donations and grants are recognized as revenue in the Capital Fund when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations to the Endowment Fund are recognized as revenue in the Endowment Fund. Investment and interest income earned by the Endowment fund is recognized as revenue in the General Fund.

Chapter and volunteer fundraising revenue is recognized as revenue when received or receivable and when the fundraising event takes place.

(c) Capital assets:

Capital assets are capitalized and stated at cost. Amortization is provided using the following methods and rates:

Asset	Method	Rate
Computer equipment and software	Straight-line	3 years
Office furniture and equipment	Declining balance	12%

The estimated useful lives of assets are reviewed by management and adjusted if necessary.

(d) Deferred lease inducements:

Lease incentives, such as rent-free periods, are deferred and amortized over the related lease term as a reduction to rent expense.

HUNTINGTON SOCIETY OF CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2025

1. Significant accounting policies (continued):

(e) Donated materials and services:

Donated materials and services, which would otherwise be paid by the Society, are recorded at fair value when determinable. A substantial number of volunteers have made significant contributions of their time to the Society's program and support services. The value of this contributed time is not reflected in these financial statements.

(f) Allocation of expenses:

The Society records a number of its expenses by program. The costs of each program include the costs of personnel, research awards and grants, meetings and conferences, and other expenses that are directly related to providing the program.

The Society allocates certain of its general support expenses by identifying the appropriate basis of allocating each expense.

Personnel expenses are allocated based on staff time spent on various activities. The allocations for general expenses have been allocated on the same basis as personnel expenses.

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition and are subsequently recorded at cost or amortized cost. Equity instruments that are quoted in an active market are subsequently measured at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

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 Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected 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 Society expects to realize by exercising its right to any collateral. If events and circumstances improve in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

HUNTINGTON SOCIETY OF CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2025

1. Significant accounting policies (continued):

(h) Use of estimates:

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported revenues and expenses during the year. Actual results could differ from those estimates.

The assets and liabilities which require management to make significant estimates and assumptions in determining carrying values include accounts receivable, capital assets, and accrued liabilities.

2. Operating line:

The Society has a revolving credit facility available up to a maximum of \$150,000 pursuant to an agreement with its lender. The facility is a demand operating line whereby \$10,000 increments can be drawn up to the \$150,000 limit. Each advance under the credit facility bears interest at the prime rate plus 1%. As at March 31, 2025, the Society has no outstanding balance on the operating line (2024 - \$nil).

3. Investments:

Investments consist of the following:

	2025	2024
Global Balanced Fund	\$ 2,687,643	\$ 2,434,964

HUNTINGTON SOCIETY OF CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2025

4. Accounts receivable:

	2025		2024	
Accounts receivable	\$	62,813	\$	29,811
GST/HST receivable		74,195		200,964
	\$	137,008	\$	230,775

No allowance for impairment of accounts receivable has been recorded at March 31, 2025 (2024 - \$nil).

5. Capital assets:

	2025		2024	
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment and software	\$ 216,516	\$ 138,101	\$ 78,415	\$ 135,960
Office furniture and equipment	11,765	235	11,530	22,795
Leasehold improvements	-	-	-	4,553
	\$ 228,281	\$ 138,336	\$ 89,945	\$ 163,308

Amortization for the year was \$64,613 (2024 - \$45,208).

6. Accounts payable and accrued liabilities:

Government remittances payable included in accounts payable and accrued liabilities was \$nil (2024 - \$nil).

HUNTINGTON SOCIETY OF CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2025

7. Deferred revenue:

	2025	2024
Balance, beginning of year	\$ 165,839	\$ 198,802
Add: contributions received	285,451	181,776
Less: contributions recognized as revenue	(267,902)	(214,739)
Balance, end of year	\$ 183,388	\$ 165,839

8. Chapter and volunteer fundraising activities:

Chapter and volunteer fundraising consists of the following:

	Events	Gaming	2025 Total	2024 Total
Revenue	\$ 1,205,493	\$ 274,195	\$ 1,479,688	\$ 1,173,733
Expenses	(309,307)	(4,797)	(314,104)	(230,193)
Excess of revenue over expenses	\$ 896,186	\$ 269,398	\$ 1,165,584	\$ 943,540

Chapter and volunteer fundraising revenue and expenses include fair values for donated materials during the year totaling \$8,102 (2024 - \$nil).

9. Allocation of expenses:

	2025	2024
Family services:		
Salaries, wages and benefits	\$ 1,405,317	\$ 1,360,100
Meetings and conferences	54,738	177,959
Administration	174,628	83,820
	\$ 1,634,683	\$ 1,621,879

HUNTINGTON SOCIETY OF CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2025

9. Allocation of expenses (continued):

	2025	2024
Development:		
Salaries, wages and benefits	\$ 274,916	\$ 307,880
Meetings and conferences	25	121,661
Administration	190,710	197,564
	\$ 465,651	\$ 627,105
	2025	2024
Public awareness and education:		
Salaries, wages and benefits	\$ 204,231	\$ 194,160
Meetings and conferences	-	162,635
Administration	114,568	267,701
	\$ 318,799	\$ 624,496
	2025	2024
Chapter and volunteer support:		
Salaries, wages and benefits	\$ 248,825	\$ 330,856
Meetings and conferences	350	650
Administration	106,819	132,995
	\$ 355,994	\$ 464,501
	2025	2024
Administration:		
Salaries, wages and benefits	\$ 255,351	\$ 213,281
Meetings and conferences	17,424	8,728
Administration	208,846	232,138
	\$ 481,621	\$ 454,147

HUNTINGTON SOCIETY OF CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2025

9. Allocation of expenses (continued):

	2025	2024
Research:		
Salaries, wages and benefits	\$ 140,779	\$ 107,716
Research awards and grants	175,000	195,000
Meetings and conferences	969	11,821
Administration	34,055	10,737
	\$ 350,803	\$ 325,274

10. Research:

On September 6, 2022, the Society entered into an agreement with The University of Western Ontario ("University") to make a gift of \$1,500,000 to the University from funds raised in the Ralph Walker Fund to establish a perpetual endowed fund named the "Huntington Society of Canada Research Chair" to support research and other academic activities focusing primarily on the prevention, identification and treatment of Huntington Disease and secondarily on other neurodegenerative diseases.

As part of the agreement, the University agreed to match payments received on a dollar-for-dollar basis. The agreement enables the Society to contribute up to an additional \$1,000,000 over a period of two years from the date of the original agreement that the University has also agreed to match on a dollar-for-dollar basis. The total maximum combined contribution under this agreement is \$5,000,000. During the year the Society contributed \$nil (2024 - \$1,500,000).

11. Interfund transfers:

During the year, a transfer of \$11,765 was made from the General Fund to the Capital Assets Fund in order to fund the cash outlays for acquisitions of capital assets.

HUNTINGTON SOCIETY OF CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2025

12. Commitments:

During the year, the Society entered into a ten year lease agreement for the new premises.

The Society is committed to the following operating lease and research payments over the next five years:

2026	\$	621,959
2027		286,959
2028		136,959
2029		133,529
2030		130,300
		<hr/>
		1,309,706

13. Financial risks:

(a) Currency risk:

Currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Some of the Society's funds are invested in financial instruments and denominated in foreign currencies, which differ from the Society's measurement currency, the Canadian dollar. Consequently, the Society is exposed to risks that the exchange rate of the Canadian dollar will change in a manner that has an adverse effect on the value of the portion of the Society's assets and liabilities denominated in foreign currencies. The Society's overall currency positions and exposures are monitored by the Portfolio manager.

(b) Market risk:

Market risk is the risk that a value of an instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual instrument, its issuer, or all factors affecting all instruments traded in the market. To manage this risk, the Society has established a target mix by investment types designed to achieve optimal return with reasonable risk tolerance.

(c) Credit risk:

Credit risk is the risk that counterparties fail to perform as contracted. The Society is not exposed to a concentration of credit risk relating to receivables.

HUNTINGTON SOCIETY OF CANADA

Notes to Financial Statements (continued)

Year ended March 31, 2025

13. Financial risks: (continued):

(d) Liquidity risk:

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society believes that it is not exposed to significant liquidity risk as they have investments that are held in term deposits and guaranteed investment certificates that are highly liquid and can be disposed of to settle commitments.

(e) Interest rate:

Interest rate risk refers to the adverse consequences of interest rate changes on the Society's cash flows, financial position, and operations. Interest rate changes have a direct impact on the market valuation of the Society's fixed income securities. To manage this risk, the Society has established a target mix by investment types designed to achieve optimal return with reasonable risk tolerances.

There has been no change to the risk exposures from prior year.

14. Comparative information:

Certain comparative information has been reclassified in the statement of cash flows from those previously presented to conform to the presentation for March 31, 2025.