

**THE SPARK OF HOPE FOUNDATION**

*FINANCIAL STATEMENTS*  
*(UNAUDITED)*  
*DECEMBER 31, 2025*

## ***INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT***

### **To the Board of Directors of The Spark of Hope Foundation**

We have reviewed the accompanying financial statements of The Spark of Hope Foundation that comprise the statement of financial position as at December 31, 2025, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of The Spark of Hope Foundation as at December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Gilmore + Company LLP*

Mississauga, Ontario  
June 26, 2026

Chartered Professional Accountants  
Licensed Public Accountants

# ***THE SPARK OF HOPE FOUNDATION***

## ***STATEMENT OF FINANCIAL POSITION***

***As at December 31, 2025***

|                                          | <b>2025</b>      | <b>2024</b>      |
|------------------------------------------|------------------|------------------|
| <b><i>ASSETS</i></b>                     |                  |                  |
| <b>Current</b>                           |                  |                  |
| Cash                                     | \$ 53,881        | \$ 31,669        |
| Grants and other receivables             | 3,177            | -                |
|                                          | <b>\$ 57,058</b> | <b>\$ 31,669</b> |
| <b><i>LIABILITY</i></b>                  |                  |                  |
| <b>Current</b>                           |                  |                  |
| Accounts payable and accrued liabilities | \$ 122,801       | \$ 169,683       |
| <b><i>FUND BALANCES</i></b>              |                  |                  |
| <b>Net assets</b>                        | <b>(65,743)</b>  | <b>(138,014)</b> |
|                                          | <b>\$ 57,058</b> | <b>\$ 31,669</b> |

**On behalf of the board**

\_\_\_\_\_**Director**

\_\_\_\_\_**Director**

## ***THE SPARK OF HOPE FOUNDATION***

### ***STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS***

***For the year ended December 31, 2025***

|                                                                  | <b>2025</b>        | <b>2024</b>         |
|------------------------------------------------------------------|--------------------|---------------------|
| <b>Contributions</b>                                             | <b>\$ 473,094</b>  | <b>\$ 419,441</b>   |
| <b>Expenditures</b>                                              |                    |                     |
| Insurance                                                        | <b>2,083</b>       | 1,976               |
| Interest and bank charges                                        | <b>749</b>         | 1,068               |
| Office and general                                               | <b>50,841</b>      | 44,171              |
| Professional fees                                                | <b>8,356</b>       | 7,032               |
| Program facilitators                                             | <b>190,600</b>     | 166,750             |
| Scholarships - tuition and student costs                         | <b>155,192</b>     | 153,270             |
|                                                                  | <b>407,821</b>     | 374,267             |
| <b>Excess of contributions over expenditures from operations</b> | <b>65,273</b>      | 45,174              |
| <b>Other income (expense)</b>                                    |                    |                     |
| Gain (loss) on foreign exchange                                  | <b>6,998</b>       | (1,481)             |
| <b>Excess of contributions over expenditures for the year</b>    | <b>72,271</b>      | 43,693              |
| <b>Balance, beginning of year</b>                                | <b>(138,014)</b>   | (181,707)           |
| <b>Balance, end of year</b>                                      | <b>\$ (65,743)</b> | <b>\$ (138,014)</b> |

# ***THE SPARK OF HOPE FOUNDATION***

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## ***STATEMENT OF CASH FLOWS***

***For the year ended December 31, 2025***

|                                                        | <b>2025</b>      | <b>2024</b>      |
|--------------------------------------------------------|------------------|------------------|
| <b>Cash provided by (used in):</b>                     |                  |                  |
| <b>Operating activities</b>                            |                  |                  |
| Excess of contributions over expenditures for the year | \$ 72,271        | \$ 43,693        |
| Changes in non-cash working capital amounts:           |                  |                  |
| Grants and other receivables                           | (3,177)          | -                |
| Accounts payable and accrued liabilities               | (46,882)         | (51,949)         |
| <b>Net increase (decrease) in cash during the year</b> | <b>22,212</b>    | <b>(8,256)</b>   |
| <b>Cash, beginning of year</b>                         | <b>31,669</b>    | <b>39,925</b>    |
| <b>Cash, end of year</b>                               | <b>\$ 53,881</b> | <b>\$ 31,669</b> |

# ***THE SPARK OF HOPE FOUNDATION***

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## ***NOTES TO THE FINANCIAL STATEMENTS***

***December 31, 2025***

### ***Nature of operations***

The Spark of Hope Foundation (the “organization”) is a not-for-profit charitable organization established under the laws of the Government of Canada. The purpose of the organization is to fund student tuition and expenses for the underprivileged. The organization receives monetary and in-kind contributions from various donors and access to scholarship funding from various universities.

Due to the organization's not-for-profit status, the organization is exempt from income taxes.

### ***1. Summary of significant accounting policies***

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

#### **Contributed services**

Volunteers contribute numerous hours to the organization in carrying out certain aspects of its service delivery activities. The fair value of these contributed services is not readily determinable and, as such, they are not reflected in the financial statements.

#### **Revenue recognition**

The organization follows the deferral method of accounting for donations, grants and contributions. Restricted contributions are recognized as deferred contributions when received or receivable and recognized as revenue when 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.

#### **Accounting estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from these estimates. On an ongoing basis, management reviews its estimates, and, as adjustments become necessary, they are reported in the statement of operations in the period in which they become known.

#### **Financial instruments**

The organization initially measures its financial assets and liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost.

### ***2. Financial instruments***

The significant financial risks to which the organization is exposed to are as follows:

## ***THE SPARK OF HOPE FOUNDATION***

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### ***NOTES TO THE FINANCIAL STATEMENTS***

***December 31, 2025***

#### ***2. Financial instruments (continued)***

##### **Liquidity risk**

Liquidity risk is the risk the organization may not be able to meet its obligations. The organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The organization expects to meet these obligations as they come due by generating sufficient cash flow from operations.

##### **Credit risk**

The organization does not consider credit risks on its accounts receivable to be significant.

#### ***3. Related party transactions***

During the year, the organization received contributions from a family member of one of the organization's officers. The total contributions received during the year were \$6,000 (2024 - \$39,600)

These transactions are in the normal course of operations and are measured at their exchange amount, which is the amount of consideration established and agreed to by the related parties.