

MEALS ON WHEELS LONDON

FINANCIAL STATEMENTS

MARCH 31, 2026



MEALS ON WHEELS LONDON
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MARCH 31, 2026

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Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Directors of:
Meals on Wheels London

Qualified Opinion

We have audited the accompanying financial statements of Meals on Wheels London (the organization), which comprise the statement of financial position as at March 31, 2026, the statement of changes in accumulated net assets, statement of operations and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Meals on Wheels London as at March 31, 2026, and its financial performance and its cash flows for the year ended March 31, 2026 in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the organization derives revenue from donations and fundraising activity, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of donation and fundraising revenues, in the fiscal year ending March 31, 2026 and the fiscal year ending March 31, 2025 was limited to the amounts recorded in the records of the organization. Accordingly, we are unable to determine whether any adjustments for unrecorded amounts might be necessary to revenues, excess of revenues over expenditures and net assets.

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 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.

In preparing the 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.

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. In carrying out an 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.
- 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.

London, Ontario
June 9, 2026

Davis Martindale LLP

Chartered Professional Accountants
Licensed Public Accountants



MEALS ON WHEELS LONDON
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

ASSETS	2026	2025
Current Assets		
Cash - general fund	\$ 94,513	\$ 81,605
Cash - reserve fund	103,063	361,681
Investments - reserve fund (note 3)	-	492,638
Accounts receivable	80,068	68,755
HST rebate recoverable	19,275	13,837
Inventory	1,952	4,904
Prepaid expense	<u>15,646</u>	<u>17,787</u>
	314,517	1,041,207
Tangible Capital Assets (note 5)	<u>151,860</u>	<u>77,624</u>
	<u><u>\$ 466,377</u></u>	<u><u>\$ 1,118,831</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable and accrued liabilities	\$ 170,644	\$ 194,469
Government remittances payable	173	1,140
Deferred revenue (note 6)	<u>67,405</u>	<u>47,673</u>
	238,222	243,282
Deferred Capital Contributions (note 7)	<u>73,704</u>	<u>46,182</u>
	311,926	289,464
Commitments (note 8)		
Net Assets		
Reserve fund	<u>154,451</u>	<u>829,367</u>
	<u><u>\$ 466,377</u></u>	<u><u>\$ 1,118,831</u></u>

APPROVED ON BEHALF OF THE BOARD:

Signed by:  C5175A0A210A43E...	Director
DocuSigned by:  BF75ED65B860482...	Director

*The attached Independent Auditor's Report and notes
form an integral part of these audited financial statements.*



MEALS ON WHEELS LONDON
STATEMENT OF CHANGES IN ACCUMULATED NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
<u>General Fund</u>		
Balance, Beginning of Year	\$ -	\$ -
Interfund Transfers (note 10)	68,679	50,444
Excess (Deficiency) of Revenue over Expenditures	<u>(68,679)</u>	<u>(50,444)</u>
Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>
<u>Reserve Fund</u>		
Balance, Beginning of Year	\$ 829,367	\$ 745,122
Interfund Transfers (note 10)	(68,679)	(50,444)
Excess of Revenue over Expenditures	<u>(606,237)</u>	<u>134,689</u>
Balance, End of Year	<u>\$ 154,451</u>	<u>\$ 829,367</u>

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MEALS ON WHEELS LONDON
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2026

	General Fund	Reserve Fund	2026	2025
Revenue				
Ontario Health Grant	\$ 518,862	\$ -	\$ 518,862	\$ 518,862
Meal service - frozen	516,362	-	516,362	432,142
Meal service - standard	402,758	-	402,758	375,226
Other grant revenue	76,233	20,000	96,233	188,222
Fundraising initiatives	66,012	84,163	150,175	120,900
United Way Grant	50,000	-	50,000	50,000
Transportation service	40,290	-	40,290	33,453
Gas reimbursement donations	24,276	-	24,276	20,896
PSW management fee (note 4)	-	80,920	80,920	79,820
Interest	-	12,346	12,346	26,588
Dividend income	-	3,861	3,861	19,299
	<u>1,694,793</u>	<u>201,290</u>	<u>1,896,083</u>	<u>1,865,408</u>
Expenditures				
Compassionate program	20,516	-	20,516	18,615
Donation (note 12)	-	741,940	741,940	-
Fundraising and marketing	24,808	-	24,808	40,667
Insurance	12,983	-	12,983	11,867
Meal subsidy programs	132,970	-	132,970	119,903
Meals (direct costs)	870,851	-	870,851	807,520
Memberships	4,741	-	4,741	3,859
Occupancy costs	58,728	-	58,728	56,342
Office	41,756	-	41,756	48,041
Professional fees	14,789	2,562	17,351	17,363
Salaries and benefits	503,982	75,720	579,702	567,550
Staff training	2,673	-	2,673	8,301
Technology	27,618	4,000	31,618	27,279
Travel	531	-	531	3,976
Van operations	4,590	-	4,590	5,791
Volunteer gas	33,462	-	33,462	31,356
Volunteer services	2,645	-	2,645	4,394
	<u>1,757,643</u>	<u>824,222</u>	<u>2,581,865</u>	<u>1,772,824</u>
Excess (Deficiency) of Revenue over Expenditures before Other Items	<u>\$ (62,850)</u>	<u>\$ (622,932)</u>	<u>\$ (685,782)</u>	<u>\$ 92,584</u>

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MEALS ON WHEELS LONDON
STATEMENT OF OPERATIONS (CONTINUED)
FOR THE YEAR ENDED MARCH 31, 2026

	General Fund	Reserve Fund	2026	2025
Excess (Deficiency) of Revenue over Expenditures before Other Items	\$ (62,850)	\$ (622,932)	\$ (685,782)	\$ 92,584
Other Revenues (Expenditures)				
Amortization of deferred capital contributions	27,478	-	27,478	26,590
Amortization of tangible capital assets	(33,607)	-	(33,607)	(27,797)
Gain on sale of tangible capital assets	300	-	300	400
Unrealized loss on investments	-	(16,608)	(16,608)	(7,483)
Realized gain (loss) on investments	<u>-</u>	<u>33,303</u>	<u>33,303</u>	<u>(49)</u>
	<u>(5,829)</u>	<u>16,695</u>	<u>10,866</u>	<u>(8,339)</u>
Excess (Deficiency) of Revenue over Expenditures	\$ <u>(68,679)</u>	\$ <u>(606,237)</u>	\$ <u>(674,916)</u>	\$ <u>84,245</u>

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MEALS ON WHEELS LONDON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
Cash Flows from Operating Activities		
Excess (deficit) of revenue over expenditures	\$ (674,916)	\$ 84,245
Items not requiring an outlay of cash:		
Amortization of tangible capital assets	33,607	27,797
Amortization of deferred capital contributions	(27,478)	(26,590)
Gain on sale of tangible capital assets	(300)	(400)
Unrealized loss on investments	<u>16,608</u>	<u>7,483</u>
	(652,479)	92,535
Changes in non-cash working capital:		
Accounts receivable	(11,313)	66,648
HST rebate recoverable	(5,438)	210
Inventory	2,952	(2,126)
Prepaid expense	2,141	(5,489)
Accounts payable and accrued liabilities	(23,825)	27,365
Government remittances payable	(967)	(1,241)
Repayable to Ontario Health	-	(4,309)
Deferred revenue	<u>19,732</u>	<u>(61,514)</u>
	<u>(16,718)</u>	<u>19,544</u>
Net Cash Provided by (Used in) Operating Activities	(669,197)	112,079
Cash Flows from Financing Activities		
Deferred capital contributions received	55,000	-
Cash Flows from Investing Activities		
Additions to tangible capital assets	(107,843)	(30,354)
Proceeds on sale of tangible capital assets	300	400
Decrease (increase) in short-term investments	<u>476,030</u>	<u>(36,364)</u>
Net Cash Provided by (Used in) Investing Activities	<u>368,487</u>	<u>(66,318)</u>
Net Increase in Cash	(245,710)	45,761
Cash, Beginning of Year	<u>443,286</u>	<u>397,525</u>
Cash, End of Year	\$ <u>197,576</u>	\$ <u>443,286</u>
Represented By:		
Cash - general fund	\$ 94,513	\$ 81,605
Cash - reserve fund	<u>103,063</u>	<u>361,681</u>
	\$ <u>197,576</u>	\$ <u>443,286</u>

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MEALS ON WHEELS LONDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

1. Nature of the Organization

Meals on Wheels London (the "organization") offers services to people with the desire to live full and independent lives in their own homes, despite the challenges of age and disability. The organization is incorporated without share capital under the Ontario Corporations Act and is exempt from income tax under Section 149 (1)(1) of the Income Tax Act, Canada.

2. Significant Accounting Policies

The accompanying financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. Those policies that are considered to be particularly significant are outlined below:

(a) Fund Accounting

In order to ensure observance of the limitations and restrictions placed on the use of resources available to the organization, the accounts of the organization are maintained in accordance with the principles of "fund accounting". Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the donors or in accordance with directives issued by the Board of Directors. Transfers between the funds are made when it is considered appropriate and authorized by the Board of Directors. To meet these objectives of financial reporting and stewardship over assets, certain inter-fund transfers may be necessary to ensure the appropriate allocation of assets and liabilities to the respective funds. These inter-fund transfers are recorded as a component of changes in accumulated net assets.

For financial statement purposes, the accounts have been classified into the following funds:

i) General Fund

The General Fund accounts for the organization's administrative and operating activities financed by client fees, grants and other general income. Ontario Health and United Way Elgin Middlesex ("United Way") allocate grants to the program for which their use has been approved, and expenditures are recorded within the appropriate program. The General Fund reports unrestricted resources available for immediate purposes. Unrestricted investment income is allocated to the general fund.

ii) Reserve Fund

The Reserve Fund includes funds that have been internally restricted by the Board of Directors and income from the Ministry of Health ("MOH") in relation to the Personal Support Worker ("PSW") program.

During the year, the board transferred the internally restricted investments held in the Reserve Fund to an Endowment Fund, see note 12.

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MEALS ON WHEELS LONDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

2. Significant Accounting Policies (continued)

(b) Cash

Cash includes cash on hand and on deposit, less cheques issued and outstanding at the reporting date.

(c) Inventory

Inventory is valued as the lower of cost and net realizable value. Cost is calculated on the weighted average cost basis.

(d) Tangible Capital Assets and Amortization

Tangible capital assets and leaseholds purchased by the organization are recorded at cost. Amortization is recorded in the accounts on the straight-line method using the annual rates described in note 5. No amortization is charged in the month of acquisition.

(e) Impairment of Long-lived Assets

Long-lived assets are tested for impairment when events or changes in circumstances indicate that their carrying value may not be recoverable. An impairment loss is recognized when the carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

(f) Deferred Capital Contributions

Grants received for the purchase of depreciable capital assets are recorded as deferred capital contributions and amortized over the estimated useful life of the related asset.

(g) Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Contributions received that are restricted for a specific purpose or over a set period of time 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 can be reasonably estimated and collection is reasonably assured. Endowment contributions, if any, are recognized as direct increases in net assets.

Meal service is recorded as revenue when meals are delivered. Transportation and PSW management fees are recorded as revenue when services are rendered. Interest income is recognized as earned in the appropriate fund. Fundraising income is recognized as earned at the time of the event.

The Meals on Wheels London Endowment Fund was established on May 21, 2025. During the year, Meals on Wheels transferred \$741,940 from its reserve funds to London Community Foundation for the establishment of a permanent endowment fund. These amounts were transferred to the Endowment Fund as detailed in note 12.

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MEALS ON WHEELS LONDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

2. Significant Accounting Policies (continued)

(h) Contributed Services

Volunteers contribute many hours per year to assist the organization in carrying out its activities. Because of the difficulty in determining their fair value, these contributed services are not recognized in the financial statements.

(i) Use of Estimates

The preparation of the financial statements of the organization 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 the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(j) Financial Instruments

The organization's financial instruments consist of cash, investments, accounts receivable, and accounts payable and accrued liabilities. The organization initially recognizes these financial instruments at fair value and subsequently at amortized cost. Changes in fair value are recognized in excess of revenue over expenditures.

3. Investments - Reserve Fund

The investments consist of the following:

	2026		2025	
	Cost	FMV	Cost	FMV
CIBC Wood Gundy - Equity Mutual Funds	\$ -	\$ -	\$ 291,208	\$ 310,216
Peoples Trust GIC 5.80%, matured September 29, 2025	-	-	100,000	100,000
Libro GIC 3.6%, matured December 15, 2025	<u>-</u>	<u>-</u>	<u>82,422</u>	<u>82,422</u>
	\$ -	\$ -	\$ 473,630	\$ 492,638
Less current portion:	<u>-</u>	<u>-</u>	<u>473,630</u>	<u>492,638</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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MEALS ON WHEELS LONDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

4. PSW Training Project

The organization has an agreement with the MOH, whereby the organization receives funds from the MOH, in trust, and disburses them in accordance with the terms of the agreement as it related to the administration and delivery of Personal Support Workers (PSW) Training Programs in the Southwestern Ontario region.

The amounts shown below have not been included in the accompanying statement of financial position and statement operations as they are not related to the activities of the organization, and all amounts are held in trust on behalf of the MOH. The organization has reported administration fee revenue of \$80,920 (2025 - \$79,820) in its statement of operations, for administering the PSW program for the year.

(a) The following summarizes funds received and disbursed in accordance with this agreement.

	2026	2025
Funds received from MOH	\$ -	\$ 3,769,651
Interest earned	<u>232,299</u>	<u>259,767</u>
	<u>232,299</u>	<u>4,029,418</u>
Disbursements, in accordance with agreement	328,692	320,186
Administration expenditures	<u>80,920</u>	<u>79,820</u>
	<u>409,612</u>	<u>400,006</u>
Excess (deficit) of funds received over funds disbursed for specified purposes during the year	(177,313)	3,629,412
Project funds held in trust, beginning of the year	<u>7,410,253</u>	<u>3,780,841</u>
Project fund held in trust, end of the year	<u>\$ 7,232,940</u>	<u>\$ 7,410,253</u>

(b) The following summarizes assets and liabilities that are held in trust for the project at year-end.

	2026	2025
Assets		
Cash - PSW	<u>\$ 7,232,940</u>	<u>\$ 7,410,253</u>
Liabilities		
Payable to eligible organizations	\$ 162,222	\$ 328,692
Payable to MOH	<u>7,070,718</u>	<u>7,081,561</u>
	<u>\$ 7,232,940</u>	<u>\$ 7,410,253</u>

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MEALS ON WHEELS LONDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

5. Tangible Capital Assets

		Cost	Accumulated Amortization	Net 2026	Net 2025
Computer hardware	3 yr S.L.	\$ 66,451	\$ 58,520	\$ 7,931	\$ 15,022
Furniture and equipment	5 yr S.L.	90,971	54,231	36,740	24,644
Leaseholds	3 yr S.L.	95,046	3,087	91,959	7,498
Vehicle	3 yr S.L.	<u>74,371</u>	<u>59,141</u>	<u>15,230</u>	<u>30,460</u>
		<u>\$ 326,839</u>	<u>\$ 174,979</u>	<u>\$ 151,860</u>	<u>\$ 77,624</u>

During the year amortization of \$33,607 (2025 - \$27,797) was recorded.

Included in furniture and equipment and leaseholds are \$17,928 and \$87,107 of capital assets respectively that are not in use at yearend and therefore not amortized.

6. Deferred Revenue

Deferred revenue represents externally restricted funds received that relate to a subsequent period. The deferred revenue balance as at year end is as follows:

Grant Donor	2026	2025
March for Meals	\$ 49,329	\$ 25,943
City of London	15,000	20,000
Age Friendly London Network (AFLN) and the Child & Youth Network (CYN)	2,979	-
WSIB	<u>97</u>	<u>1,730</u>
	<u>\$ 67,405</u>	<u>\$ 47,673</u>

7. Deferred Capital Contributions

Deferred capital contributions related to tangible capital assets represent contributed tangible capital assets and restricted contributions used to purchase furniture and equipment, computer hardware and leaseholds. These contributions are being amortized into income on the same basis as the related tangible capital assets. The changes in the deferred capital contributions balance for the year are as follows:

	2026	2025
Balance, beginning of year	\$ 46,182	\$ 72,772
Add: increase in contributions received for capital purposes	55,000	-
Less: amortization of deferred capital contributions	<u>(27,478)</u>	<u>(26,590)</u>
Balance, end of year	<u>\$ 73,704</u>	<u>\$ 46,182</u>

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MEALS ON WHEELS LONDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

8. Commitments

The organization has long term leases with respect to its main building, depots and equipment. Future minimum lease payments as at March 31, 2026 are as follows:

Year ending March 31, 2027	\$ 54,743
March 31, 2028	52,769
March 31, 2029	52,332
March 31, 2030	53,400
March 31, 2031	<u>54,792</u>
	<u>\$ 268,036</u>

9. Financial Instruments

Credit risk

Credit risk arises from the potential that a third party will fail to perform its obligations. The organization is exposed to credit risk from customers and funders. The organization has a significant number of customers which minimizes the concentration of credit risk. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

Liquidity risk

Liquidity risk is the risk that the organization may encounter difficulty in meeting obligations associated with financial liabilities. The organization manages its liquidity risk by forecasting its cash needs on a regular basis and investing its surplus cash in easily liquidated investments.

Market risk

Market risk is the risk that 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 risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk to the organization's operations that arise from fluctuations of foreign exchange rates. The organization is not exposed to significant currency risk as it does not have any financial instruments denominated in a foreign currency.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financial activities. The organization is exposed to interest rate risk as the value of marketable securities is affected by market changes in interest rates. The organization is also exposed to fluctuations in the interest rates earned on cash - reserve fund cash and the cash for the PSW Training Project.

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MEALS ON WHEELS LONDON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

9. Financial Instruments (continued)

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 or currency risk), whether those changes are caused by factors specific to the individual instrument or its issuer, or factors affecting similar financial instruments traded in the market. The organization's exposure to other price risk is limited to its investment in mutual funds. As of year end, the organization no longer holds mutual funds.

10. Transfer Between Funds

During the year, the Board of Directors approved a transfer of \$68,679 from the Reserve Fund to the General Fund (2025 - \$50,444).

11. Employee Pension Plan

The organization makes contributions, on behalf of its staff, to the Meals on Wheels Registered Pension Plan, which is a single employer plan. The plan is a defined contribution plan which contributions are determined as a percentage of earnings. The amount contributed to the plan for 2026 was \$10,754 (2025 - \$10,090) for current service and is included as an expenditure in the statement of operations.

At March 31, 2026, there is no liability for past service under the agreement.

12. Endowment Fund

On May 21, 2025, the Organization entered into an agreement with the London Community Foundation ("LCF") for the establishment of a permanent charitable endowment fund known as the Meals on Wheels London Endowment Fund ("Endowment Fund"). Under the terms of the agreement, the LCF will commence disbursements to the Organization from the Endowment Fund, in accordance with LCF's financial management policies, when donations to the Endowment Fund total at least \$100,000 and the assets have been invested and earned income for a minimum of twelve months. The Organization transferred \$741,940 to the Endowment Fund during the fiscal year. The Organization does not have control over the assets of the Endowment Fund, however, it is entitled to receive the net investment income earned by the Endowment Fund. Changes in the balance of the Endowment Fund are as follows:

	2026	2025
Balance, beginning of year	\$ -	\$ -
Donation to Fund	741,940	-
Interest and dividends earned	38,888	-
Administrative fees and donations	<u>(3,678)</u>	<u>-</u>
Balance, end of year	<u>\$ 777,150</u>	<u>\$ -</u>

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