

TRAQUAIR FAMILY FOUNDATION
FINANCIAL STATEMENTS
DECEMBER 31, 2025

TRAQUAIR FAMILY FOUNDATION

DECEMBER 31, 2025

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REVIEW ENGAGEMENT REPORT

To the Board of Directors of Traquair Family Foundation:

We have reviewed the accompanying financial statements of Traquair Family Foundation that comprise the statement of financial position as at December 31, 2025, and the statements of operations and fund balance 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 controls 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 these financial statements do not present fairly, in all material respects, the financial position of Traquair Family 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.

RMR Rosenswig McRae Rosso LLP

Toronto, Canada
May 20, 2026

Chartered Professional Accountants
Licensed Public Accountants

TRAQUAIR FAMILY FOUNDATION

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2025

	ASSETS	
	<u>2025</u>	<u>2024</u>
Cash	\$ 18,190	\$ 22,041
Investments (Note 3)	2,560,640	2,415,864
Investment income receivable	2,064	1,750
Other receivables	<u>3,834</u>	<u>1,618</u>
	<u>\$ 2,584,728</u>	<u>\$ 2,441,273</u>
	LIABILITIES	
Accounts payable and accrued liabilities	\$ <u>8,232</u>	\$ <u>8,028</u>
	FUND BALANCE	
Fund balance	<u>2,576,496</u>	<u>2,433,245</u>
	<u>\$ 2,584,728</u>	<u>\$ 2,441,273</u>

Approved on behalf of the Board:

_____, Director

TRAQUAIR FAMILY FOUNDATION
STATEMENT OF OPERATIONS AND FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2025

	<u>2025</u>	<u>2024</u>
Revenue		
Donations (Note 4)	\$ 150,717	\$ 350
Investment income	122,411	47,988
Gain on sale of investments	<u>69,060</u>	<u>67,297</u>
	<u>342,188</u>	<u>115,635</u>
 Expenditures		
Donation	195,000	183,500
Investment management fees	15,362	14,443
Professional fees	4,158	4,121
Bank charges	<u>23</u>	<u>46</u>
	<u>214,543</u>	<u>202,110</u>
 Net excess (deficit) of revenues over expenditures before undernoted item	 127,645	 (86,475)
Unrealized gain on investments	<u>15,606</u>	<u>313,592</u>
Net excess of revenues over expenditures	143,251	227,117
 Fund balance, beginning of year	 <u>2,433,245</u>	 <u>2,206,128</u>
Fund balance, end year	<u>\$ 2,576,496</u>	<u>\$ 2,433,245</u>

TRAQUAIR FAMILY FOUNDATION
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Excess of revenues over expenditures for the year	\$ 143,251	\$ 227,117
Adjustments for:		
Gain on disposal of investments	(69,060)	(67,297)
Unrealized gain on investments	<u>(15,606)</u>	<u>(313,592)</u>
	58,585	(153,772)
Changes in non-cash working capital		
(Increase) decrease in investment income receivable	(314)	1,252
Decrease in other receivables	(2,216)	(1,618)
Increase in accounts payable and accrued liabilities	<u>204</u>	<u>389</u>
Net cash provided by (used in) operating activities	<u>56,259</u>	<u>(153,749)</u>
Cash flows from investing activities		
Net change in investments	<u>(60,112)</u>	<u>141,858</u>
Net decrease in cash	(3,853)	(11,891)
Cash balance, beginning of year	<u>22,041</u>	<u>33,932</u>
Cash balance, end of year	<u>\$ 18,188</u>	<u>\$ 22,041</u>

TRAQUAIR FAMILY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025

1. Nature of operations

The Traquair Family Foundation (the "Foundation") was incorporated by Letters Patent under the Canada Corporations Act on 26 October 2009. The Foundation is a registered charity under the Income Tax Act (Canada) as of notification on December 14, 2009. The charity's Business Number is 84440 9656 RR0001.

The mission of the Foundation is to assist children, youth and women to overcome poverty, abuse and neglect and gain an equal opportunity to safety, health and education. The objects of the Foundation are to receive and maintain funds and to apply all or part of the income there from to charitable organizations that are also registered under the Income Tax Act (Canada) and to advance education by providing scholarships, bursaries, awards and other forms of financial assistance to children and youth with emphasis on underprivileged children and youth.

2. Significant accounting policies

The Foundation has elected to apply the standards in Part III of the CPA Accounting Handbook, referred to as Canadian Accounting Standards for Not-for-profit Organizations (ASNPO). These financial statements have been prepared by management. The significant accounting policies are summarized as follows:

(a) Accrual basis of accounting

Expenditures are recorded on the accrual basis, whereby they are reflected in the financial statements in the period in which they have been incurred, whether or not such transactions have been finally settled by payment of money.

(b) Revenue recognition

The Foundation recognizes donation revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Investment income is recognized when received or receivable.

(c) Investments

Investments are portfolio investments in securities initially recorded at their fair value on the date of acquisition, plus related transaction costs. Investments are adjusted to fair value at each statement of financial position date and the corresponding unrealized gains and losses are reported in the statement of operations and fund balance.

TRAQUAIR FAMILY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025

2. Significant accounting policies (continued)

(d) Use of estimates

In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from these estimates.

(e) Financial instruments

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value.

Financial assets measured at cost or amortized cost are assessed for indicators of impairment. If there is an indication of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial assets and recognizes an impairment loss if the carrying value is greater than the higher of the present value of the expected future cash flows or the amount that could be realized from selling the financial asset. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

3. Investments

	<u>2025</u>	<u>2024</u>
Marketable securities, at cost	\$ 1,786,576	\$ 1,657,380
Unrealized gain	<u>774,064</u>	<u>758,484</u>
Fair Value	<u>\$ 2,560,640</u>	<u>\$ 2,415,864</u>

4. Related party transactions

All donations received in the prior year were from a director of the Foundation.

TRAQUAIR FAMILY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025

5. Financial instrument risk

a) Liquidity risk

Liquidity risk arises through having excess financial obligations over available financial assets at any point in time. The Foundation manages its liquidity risk by maintaining sufficient readily available funds in order to meet its liquidity requirements.

b) Management of capital

The Foundation views its capital as its net asset and manages its capital structure in a manner to ensure that it has adequate resources to meet its financial needs.