



 *Kingston*
HUMANE SOCIETY



May 7th
**ARTILLERY
PARK**
5:30pm



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**Annual General Meeting
AGENDA
May 7, 2026
Artillery Park General Purpose
room**

Start Time - 5:30pm

- 1. Welcome and Call to Order**
- 2. Approval of Agenda**
- 3. Approval of Minutes of the May 25, 2025 AGM**
- 4. Business of the Society, 2026**
 - a. Executive Director's Report – Gord Hunter, Executive Director
 - b. Annual Animal Care statistics – Christie Haaima, Director, Animal Services
 - c. Audited Financials/Financial Report – Cory Watkins, MNP
 - d. Designation of Auditor for 2026 – Nikki Lance, Director, Operations
 - e. Confirmation of slate for Board of Directors – Gord Hunter Executive Director
- 5. Awards presentations**
 - a. 2026 Humane Hero award
 - b. 2026 Compassionate Care award
- 6. New Business**
- 7. Thank you - adjournment**



Kingston Humane Society
Annual General Meeting MINUTES
May 23, 2025
Artillery Park – General Purpose Room

1. Welcome and Call to Order – Meeting commenced at 5:07 PM

Gord Hunter (Executive Director) – Welcome to the Annual General Meeting

- a. Introduced himself to the attendees and thanked everyone for attending.

2. Motion to Approve Agenda

Moved by: Megan Blundell

Seconded by: Joe Tomasich

No questions or concerns were brought forward.

All in favour – Motion carried

3. Approval of Minutes of the May 23, 2024 AGM

Moved by: Sarah Bennett

Seconded by: Geoffrey Hodgetts

No questions or concerns were brought forward.

All in favour – Motion carried

4. Business of the Society, 2024

a. President's Report – Patty Taylor

Patty made remarks about the expansion of the Spay/Neuter Clinic and expanded the Foster System. Additionally, she congratulated the staff and our volunteers for returning our animal numbers to below pre-Covid 19 numbers.

b. Executive Director's Report – Gord Hunter

Gord highlighted the success of our Direct Mail campaign (approx. \$175,000). Gord was able to bring our fundraising campaign to the attention of the media, which helped with the success of the campaign despite the mailing strike.

c. Audited Financials/Financial Report – Cory Walker, MNP

Cory is a manager at MNP and has worked on the Kingston Humane Society's audit for the past five years.

- i. Cory briefly touched upon the purpose of the audit.
- ii. Clarification of line item on Page 2 of the MNP Report regarding "Identified or Suspected Non-Compliance with Laws and Regulations". During preliminary analysis, the auditors had thought that the Charity may have exceeded \$50,000 in taxable supplies over the last 4 years and the KHS would have to register for and collect HST.
 1. However, MNP later determined after the publication of the report for the AGM that the Kingston Humane Society did not meet that threshold because of the organization's Charity Status. An amended report will be provided to the Kingston Humane Society.
- iii. The rest of the report is fairly standard with no identified or suspected fraud being found and the accounting policies found to be appropriate and consistently applied.

- iv. Presented a high-level overview with accompanying explanations of the core 2024 Financial Statements.

d. Designation of Auditor for 2025

Cory Walker was asked to leave for the designation of 2025 auditor.

Motion to re-appoint MNP for 2025 moved by Patty Taylor

Seconded by Dana Babcock

No questions or concerns were brought forward.

All in favour – Motion carried

e. Confirmation of slate for Board of Directors

The current, new, and returning board members are outlined on the final page of the Annual Report distributed for this AGM. Gord Hunter introduced them one-by-one.

f. Approval of ONCA standardized bylaws

Kingston Humane Society's bylaws were updated last Fall. Our lawyer reviewed and confirmed that these new bylaws met the standards of the Ontario Not-For-Profit Corporations Act. The new bylaws were approved by the Board of Directors at the November 2024 Board Meeting.

Gord Hunter asked if there were any questions or concerns regarding the new bylaws.

Attendee asked for clarification on the quorum. The only significant change to the bylaws is the calculation of the quorum.

- i. The quorum used to be 30 people
- ii. The quorum for the AGM is now twice the board + 1. This means that the Board of Directors does not have a majority for voting on matters of the organization.
- iii. The quorum for Board of Directors meetings is half of the board + 1 (6 of 10 board members needed to approve matters).

Motion to approve all of the Business of the Society moved by Luke MacDonald.

Seconded by Ginette Blais

No questions or concerns were brought forward.

All in favour – Motion carried.

5. Awards Presentations

a. 2025 Humane Hero Award – Rebecca Fuerst

The Humane Hero Award is presented annually to the individual that goes above and beyond in the service of animal welfare.

“This year’s Humane Hero Award winner is always looking for new ways to support animals. Since January, she’s facilitated 11 transfers out and helped save 67 animals through transfers in. Her commitment goes beyond direct rescues. She takes initiative in exploring new programs to enhance animal welfare and has stepped up efforts to showcase more of our animals on social media, increasing their chances of finding loving homes. I would like to call up Becca Fuerst.

Becca’s program is a new program and it is really working out well in terms of having someone focused directly on transfers in and out.” (Presented by Gord Hunter)

b. 2025 Compassionate Care Award – Alyssa Gardiner-Kay

The Compassionate Care Award is presented annually to a member of the Animal Care staff that exhibits exceptional compassion and dedication in their role.

“This year’s Compassionate Care Award winner consistently goes above and beyond to ensure animals receive the proper care – whether taking the time to comfort them, moving patiently through treatments, or attending to their needs as a ward attendant she prioritizes their well-being. Her dedication extends beyond the workplace as she has lovingly fostered multiple sets of bottle-fed kittens and puppies, providing them with the nurturing start that they need.

Beyond her compassionate approach to animal care, she is always willing to support her colleagues: by stepping in when needed, helping to relieve staff, and sharing her expertise in training dogs. Her kindness and commitment make a lasting impact on both her team and the animals she cares for. I would like to call up Alyssa Gardiner-Kay.”
(Presented by Gord Hunter)

6. **New Business**

Question brought forward asking whether there are upcoming projects from the Kingston Humane Society.

- a. Gord Hunter spoke about the Building Campaign.
 - i. We are well into the beginning of the planning stages for our new building.
 - ii. The campaign now has a printed case for support. The lists why we need a new building and compares what we have to what we could have. It also compares where we’re at compared to other cities of a similar size that deal with high animal welfare numbers.
 - iii. We have a local filmmaker who is helping us make a video case for support. The video case will focus on an emotional plea for support and will contain interviews with Dr. Hart, various staff members, Gord Hunter, and some local, well-known figures. Once that’s finished, we’re directly going out to members of the public and to our partners.
 - iv. The building committee has had a meeting with the City of Kingston and asked them for \$1.5 million to put towards the building. The building committee’s plan is to ask for more than that from the provincial government because, between Ottawa and Toronto, we are really the only facility that the province can come to in order to get veterinary care for animals they have removed from situations of abuse and neglect. We’ve received indications from both the City of Kingston and the province that they are on board for that.
 - v. We have also received the first large donation towards the campaign from an estate: the gentleman left \$48,500 towards operations and \$48,500 as the first donation towards the Building Campaign.
 - vi. Gord is hopeful that we will be halfway to our goal within 12-18 months. Our goal for the Building Campaign is \$12.5 million and to be in the new building in the next 3-5 years.

No additional New Business or questions brought forward.

7. **Thank You – Adjournment**

Motion to adjourn moved by Joe Tomasich

Seconded by Dana Babcock

All in favour – Motion carried

Meeting adjourned at 5:45 PM

Post-Meeting Remarks

We have Board Members who are leaving because their terms have concluded. We really want to thank them. It takes a lot to be a member of our Board. It’s monthly meetings but it’s also committee meetings, special meetings, and email for help with certain approvals, so we really want to thank:

- o Courteney Murphy
- o Emma Clarke

- Alicia Turney
- Joe Tomasich



Executive Director's Report

2025 was a year of transition for the Kingston Humane Society.

For the first time in four years, our animal intakes began to stabilize. Despite reaching a daily capacity of 200 animals several times throughout the year, we never reached 250 animals in care, which is the number at which we close our doors to surrenders and discretionary intakes. Our annual intake dropped to 1,299, down one hundred from the previous year. Normally that would give our overworked staff and our cramped, aging shelter a bit of a reprieve. Sadly, the small decrease in numbers was outweighed by a significant increase in requests to surrender owned animals.

The corporatization of clinics in Canada and the subsequent increase in clinic fees has created a detrimental and cascading effect on the overall health of domestic animals which in turn, puts more stress on the animal welfare system.

As a Humane Society, we don't aspire to care for privately owned animals. We have our hands full treating stray, abandoned, abused and neglected animals. Sadly, the skyrocketing cost of veterinary care has added another area of concern to our crowded intake stream. Basic procedures like spays and neuters as well as dentistry, urinary issues and musculoskeletal injuries are priced so high that many pet owners are feeling as if their only option is to turn their beloved pet over to us. These animals often require extended care or lengthy recovery times which increases their length of stay and subsequently, our expenses. As a result, our cost per animal has risen from an average of \$816 in 2024 to \$938 in 2025, pushing our annual animal care costs up by more than \$158,000. Without the encouragement of our community, that forecast of increased expenses would be alarming. However, with your willingness to donate, foster, volunteer and attend our events, we have the confidence to overcome any obstacle and even, to look ahead to a future that includes a brand-new shelter.

By supporting our fundraising campaigns, our social media pleas and our signature events you stand side by side with the animals, the staff and the volunteers of the Kingston Humane Society.

We simply couldn't do it without you.

A handwritten signature in blue ink, appearing to read 'Gord Hunter', is positioned above the name and title of the Executive Director.

Gord Hunter
Executive Director

2025 animal care statistics

All animals entering the KHS shelter

In 2025, the Kingston Humane Society received 1,284 animals: 852 cats, 419 dogs, and 13 other animals, including rabbits, birds, guinea pigs, hamsters, rats, and mice.

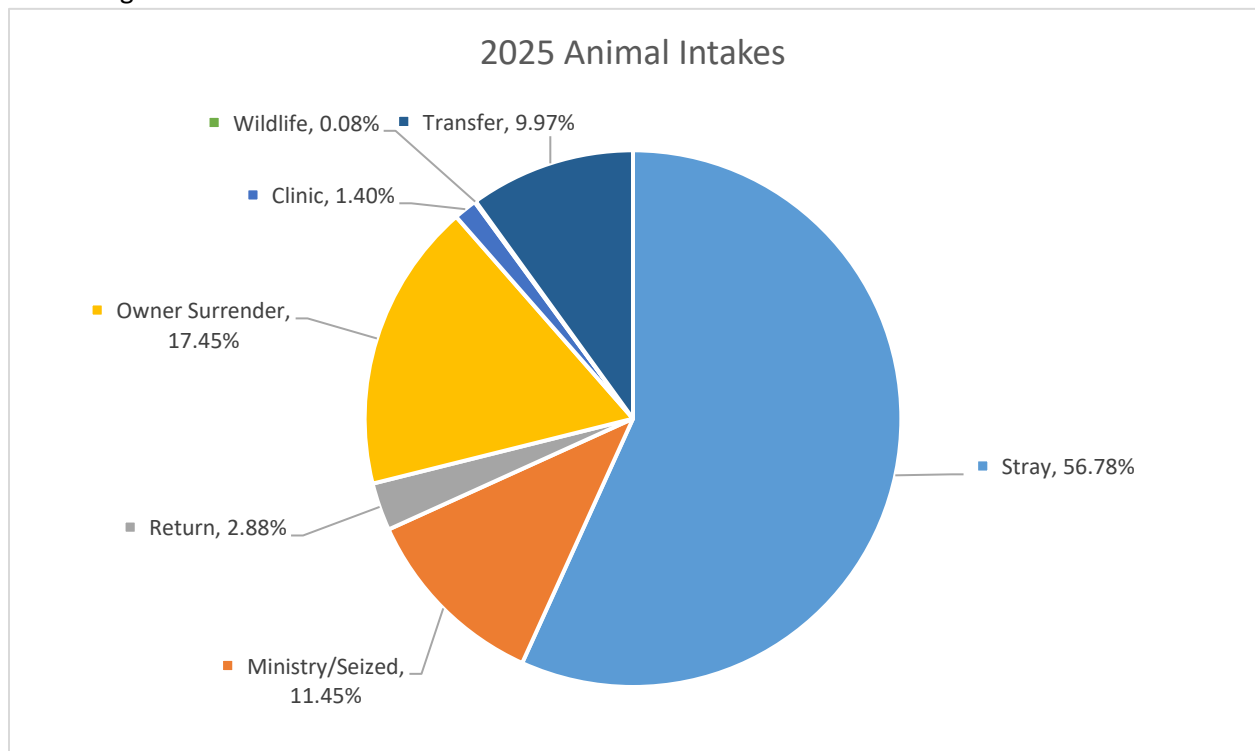
Total stray animals – those accepted through pound services contracts and those brought in directly, exclusive of pound contracts – represented 56.78% of our intakes.

Animals surrendered by their owners made up 17.45% of our intakes.

Animals coming into our care through seizure by police, animal welfare inspectors, or other authorities represented 11.45%.

Animals that were admitted through returned adoptions or clinic procedures accounted for 2.88% and 1.40% respectively.

The KHS is not equipped to house wildlife, but will accept seriously injured animals in emergencies, accounting for 0.08% of intakes, and 9.97% of intakes came in through transfer from other shelters or rescue organizations.



Animals entering KHS through pound services

The KHS provides pound services for a number of municipalities. In 2025, 503 cats and 222 dogs entered through pound services. We applaud our community pet owners, who in 2025 reclaimed their cats and dogs at rates well above the provincial average. Cats were reclaimed at a rate of 11.92% and dogs were reclaimed at a rate of 45.95% both higher than the provincial averages. A total of 563 unclaimed animals were transferred into the KHS program.

Animals entering as seized/custody

The KHS provides shelter and medical care to animals removed from a home or situation where they are deemed to be in distress by an animal welfare agent or police officer under the *PAWS Act*. Many of these animals were medically compromised and/or faced behavioural challenges that are not seen in typical stray or owner-surrendered animals. A total of 147 animals were taken in as seized/custody. Of these, 135 were transferred into the care of the KHS.

Animals coming directly into KHS's care and pound and seized/custody animals transferred to KHS

The information and graphs that follow refer to those animals who came into the care of the KHS in the past year. As a charity, dependent on donations and support of the community, these statistics reflect the work that we do, as a result of that support, for the homeless, abused, or unwanted pets in our community with nowhere else to go.

A total of 1271 animals were admitted into the KHS program in several ways: directly from their owners, by transfer through pound services, after being seized, or as strays in a jurisdiction where there is no pound contract. Of overall intakes, 66.36% were cats, 32.63% were dogs, and 1.01% were other animals. Adoptive homes were found for 76.43% of these animals, which is significantly above the Ontario average (48.8%). A total of 3.71% of intakes were transferred to KHS's Barn Buddies program or to rescue organizations as they required behavioural intervention, palliative care, or treatments not manageable in a shelter environment.

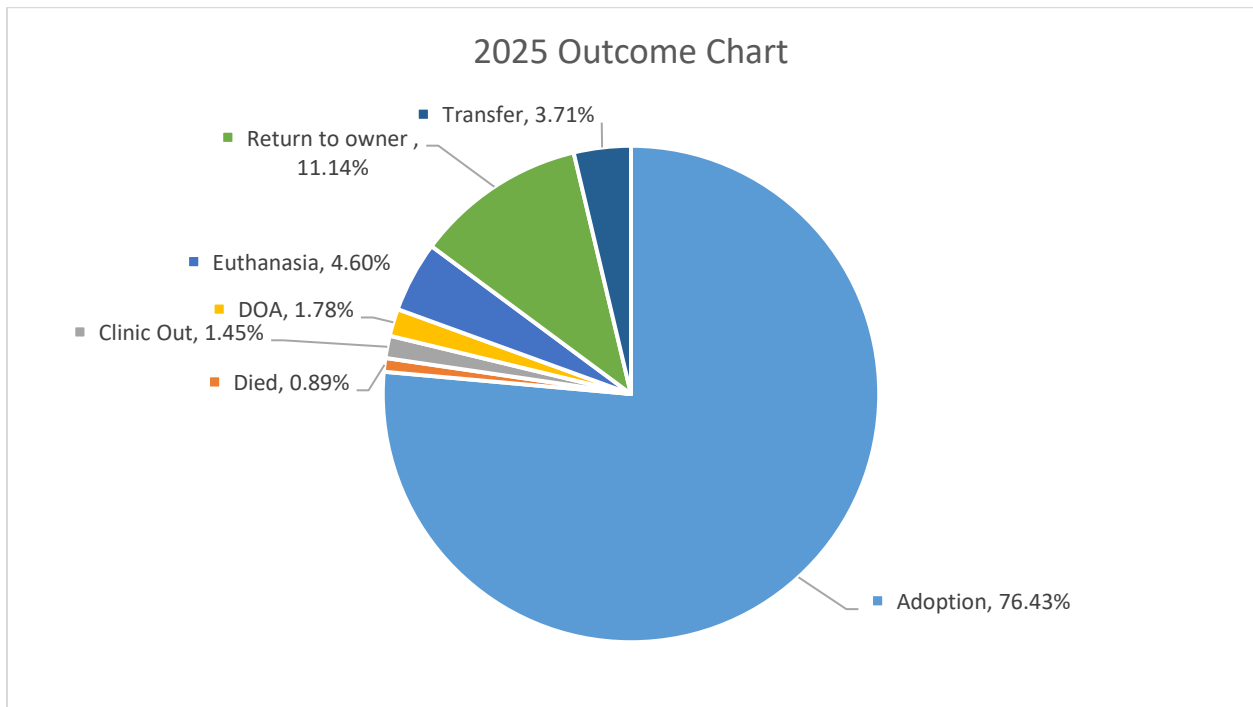


FIGURE: KHS Outcomes

A total of 1043 surgeries were completed on KHS animals, including 725 spays and neuters and 308 other life-saving surgeries, such as dental surgery, limb amputations, eye enucleations, laceration repairs, and foreign body surgeries, with spays and neuters in combination. These surgeries ensured that animals would have a good quality of life and would qualify for the KHS adoptions program.

The KHS never euthanizes animals because of space or time constraints, or treatable medical conditions. All humane euthanasia is carried out by and under agreement with a veterinarian and is performed based on the following strict criteria: chronic/untreatable medical conditions, where rescue transfer is not an option, or behaviour that causes a risk to public safety. KHS animals requiring humane euthanasia accounted for 4.60% which is well below Ontario's shelter average of 14.4% The KHS also provides a service to community pet owners, allowing them to surrender a pet in need of humane euthanasia when they are unable to assume this cost, in order to prevent unnecessary suffering of our community's pets. An additional 32 pets were surrendered into this community support program.

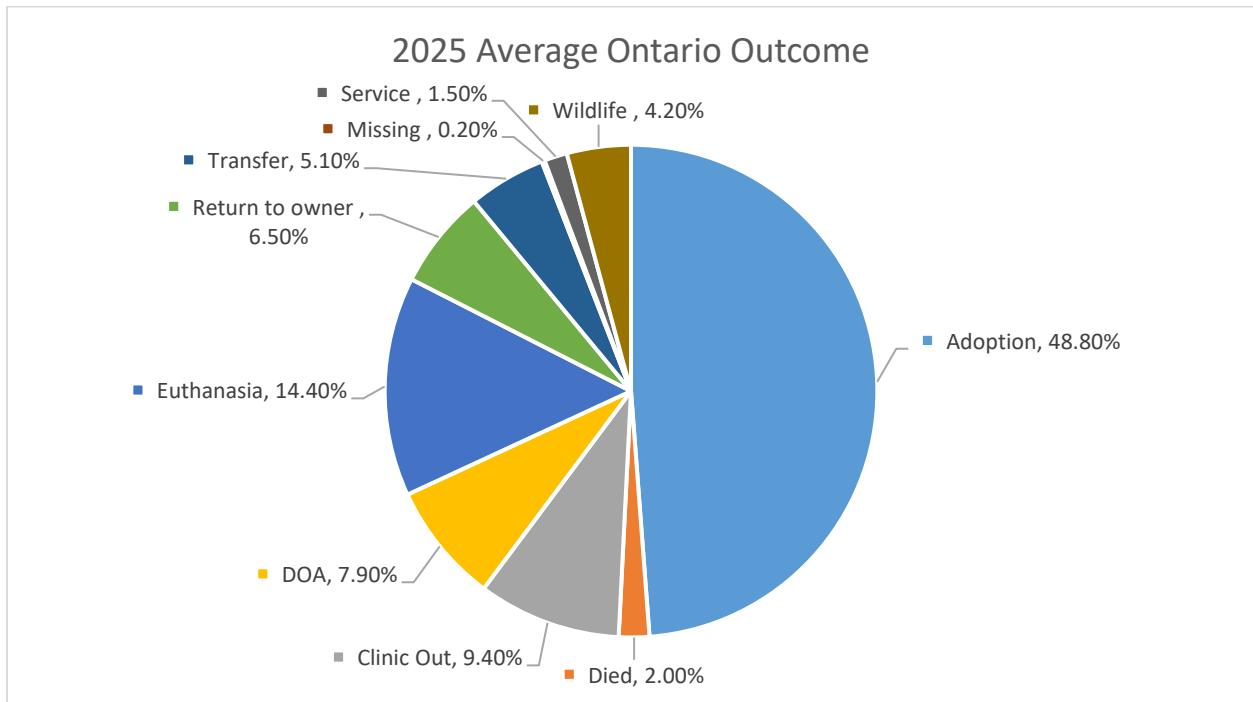


FIGURE: Average Outcomes in Ontario

The Kingston Humane Society
Financial Statements
December 31, 2025

To the Board of The Kingston Humane Society:

Qualified Opinion

We have audited the financial statements of The Kingston Humane Society (the "Charity"), which comprise the statement of financial position as at December 31, 2025, 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 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 Charity as at December 31, 2025, and its financial performance 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 Organization derives revenue from fundraising and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenues, donations, excess of revenues over expenses and cash flows from operations for the year ended December 31, 2025, current assets as at December 31, 2025 and net assets as at January 1 and December 31, 2025. Our audit opinion on the financial statements for the year ended December 31, 2024 was modified accordingly because of these possible effects.

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 Charity 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 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 Charity'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 Charity or to cease operations, or has no realistic alternative but to do so.

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

Kingston, Ontario

April 29, 2026

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

The Kingston Humane Society

Statement of Financial Position

As at December 31, 2025

	2025	2024
Assets		
Current		
Cash (Note 3)	340,502	121,939
Accounts receivable	100,815	117,921
Prepaid expenses and other assets	2,229	4,467
HST recoverable	60,578	57,302
	504,124	301,629
Capital assets (Note 4)	747,383	763,438
Investments (Note 5) (Note 6)	1,246,679	1,220,955
Endowment fund (Note 6)	107,437	92,685
	2,605,623	2,378,707
Liabilities		
Current		
Accounts payable and accrued liabilities	100,296	112,954
Deferred contributions (Note 7)	147,358	10,312
Government remittances payable	9,332	18,627
	256,986	141,893
Deferred contributions related to capital assets (Note 8)	56,062	62,613
	313,048	204,506
Net Assets		
Invested in capital assets	708,350	717,855
Other endowment purposes	107,437	92,685
Gibson Legacy	100,000	100,000
Watters-Morley Legacy	11,000	11,000
Unrestricted	1,365,788	1,252,661
	2,605,623	2,378,707

Approved on behalf of the Board of Directors

Director

Director

The accompanying notes are an integral part of these financial statements

The Kingston Humane Society

Statement of Operations

For the year ended December 31, 2025

	2025	2024
Revenue		
Adoption fees	210,297	212,281
Amortization of deferred contributions <i>(Note 8)</i>	6,550	7,932
Bequests	200,985	307,243
Capital campaign contributions	10,270	50
Donations and memberships	858,710	678,550
Fundraising	97,027	77,973
Grant revenue	4,934	15,407
Income from investments measured at fair value	87,143	61,851
Incoming and reclaim fees	6,605	10,330
Lotteries and bingo	142,870	255,110
Municipalities	839,072	621,441
Rent	-	6,390
Shop sales and other income	56,484	44,272
Vet services	24,035	21,700
	2,544,982	2,320,530
Expenses		
Advertising	14,228	5,827
Amortization	54,705	55,620
Donation processing fees and bank charges	34,281	31,269
Food and adoption costs	125,992	128,452
Fundraising	63,679	57,369
Insurance	20,096	22,981
Lotteries and bingo	92,296	160,175
Medicine	161,109	154,534
Office and other	53,003	51,287
Professional fees <i>(Note 10)</i>	56,939	52,784
Repairs and maintenance	71,651	60,179
Shelter supplies	10,256	7,871
Telecommunication	24,949	22,143
Travel and education	6,690	6,201
Utilities	54,601	59,608
Vehicle	980	1,020
Veterinary fees	36,602	45,742
Wages and benefits	1,572,149	1,506,316
	2,454,206	2,429,378
Excess (deficiency) of revenue over expenses before other items	90,776	(108,848)
Change in fair market value of investments	12,846	93,417
Excess (deficiency) of revenue over expenses	103,622	(15,431)

The accompanying notes are an integral part of these financial statements

The Kingston Humane Society
Statement of Changes in Net Assets

For the year ended December 31, 2025

	<i>Invested in capital assets</i>	<i>Other endowment purposes</i>	<i>Gibson Legacy</i>	<i>Watters- Morley Legacy</i>	<i>Unrestricted</i>	<i>2025</i>	<i>2024</i>
Net assets, beginning of year	717,855	92,685	100,000	11,000	1,252,661	2,174,201	2,177,414
Excess (deficiency) of revenue over expenses	(48,155)	-	3,594	395	147,788	103,622	(15,431)
Capital assets purchased	38,650	-	-	-	(38,650)	-	-
Endowment contributions	-	2,507	-	-	-	2,507	300
Distributions of endowment fund income	-	(1,628)	-	-	-	(1,628)	(1,427)
Net investment gain on endowment fund	-	13,873	-	-	-	13,873	13,345
Transfers	-	-	(3,594)	(395)	3,989	-	-
Net assets, end of year	708,350	107,437	100,000	11,000	1,365,788	2,292,575	2,174,201

The accompanying notes are an integral part of these financial statements

The Kingston Humane Society

Statement of Cash Flows

For the year ended December 31, 2025

	2025	2024
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	103,622	(15,431)
Non-cash items		
Amortization	54,705	55,620
Amortization of deferred contributions	(6,550)	(7,932)
Donation of shares	(14,074)	(14,563)
Investment distributions reinvested	(38,965)	(37,619)
Realized gain on sale of investments	(47,149)	(24,209)
Change in fair market value of investments	(12,846)	(93,417)
Investment management fees	12,308	13,193
	51,051	(124,358)
Changes in working capital accounts		
Accounts receivable	17,106	17,045
HST recoverable	(3,276)	(3,896)
Government remittances payable	(9,295)	3,426
Prepaid expenses and other assets	2,238	3,416
Accounts payable and accrued liabilities	(12,658)	(30,960)
Deferred contributions	137,046	(15,407)
	182,212	(150,734)
Investing		
Purchase of capital assets	(38,650)	(15,796)
Withdrawals from investments	75,000	75,000
	36,350	59,204
Increase (decrease) in cash resources	218,562	(91,530)
Cash resources, beginning of year	121,939	213,469
Cash resources, end of year	340,501	121,939

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

The Kingston Humane Society (the "Charity") was incorporated under the authority of the province of Ontario as a not-for-profit corporation and is a registered charity and thus is exempt from income taxes under section 149 of the Income Tax Act ("the Act").

The Charity's purpose is to provide service to Kingston and surrounding communities by caring for injured, abused and homeless animals, finding homes for animals, providing pound services, promoting spay and neutering programs and assisting with the education of veterinary technology students.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Financial instruments

The Charity recognizes financial instruments when the Charity becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Charity may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Charity has not made such an election during the year.

The Charity subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Charity's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Charity assesses impairment of all its financial assets measured at cost or amortized cost. The Charity groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant, etc. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments etc. in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Charity determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Charity reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

2. Significant accounting policies *(Continued from previous page)*

Financial instruments *(Continued from previous page)*

For related party debt instruments initially measured at cost, the Charity reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party equity instruments initially measured at cost, the Charity reduces the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Charity reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenses in the year the reversal occurs.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Building	4 %
Vehicles	30 %
Computer hardware	50 %
Computer software	100 %
Furniture and equipment	20 %
Parking lot	4 %

Revenue recognition

The Charity follows the deferral method of accounting for contributions. Restricted contributions 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 to be received can be reasonably estimated and collection is reasonably assured. 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.

Adoption fees, shop sales and incoming and reclaim fees are recognized as animals, products and services are provided to customers and payment is tendered or collection is reasonably assured.

Donations and membership, fundraising, bingo and lottery revenues are recognized when the amounts are received. Restricted donations relating to the capital campaign are deferred and recognized consistently with the amortization on the funded assets.

Revenue from municipalities, grants and rental revenue are recognized on a monthly basis under the terms of service and rental agreements in place.

Revenue from bequests are recognized as funds are received from trustees.

Unrestricted investment income is recognized as revenue when earned. Endowment investment income is recognized as a direct increase in the fund balance.

The Kingston Humane Society
Notes to the Financial Statements
For the year ended December 31, 2025

2. Significant accounting policies (Continued from previous page)

Contributed materials

The work of the Charity is dependent on the voluntary services of many members. Since these services are not normally purchased by the Charity and because of the difficulty of determining fair market value, the value of these contributed services is not recognized in the financial statements.

Government assistance

Government assistance, which includes wage subsidies, is recognized in revenue in the same period as the related expenses.

Measurement uncertainty (use of estimates)

The preparation of financial statements 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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Significant estimates specifically relate to the Charity's estimated useful lives of capital assets.

3. Restricted cash

Cash includes \$141,980 (2024 - \$Nil) of donor-restricted funds relating to the Organization's capital campaign for the development and construction of the Charity's new location. These funds are externally restricted and are not available for general operating use.

The restricted funds have been deferred on the statement of financial position and will be recognized as revenue in future periods as the related capital assets are acquired and amortized.

4. Capital assets

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Land	110,000	-	110,000	110,000
Building	1,229,829	707,855	521,974	527,484
Vehicles	54,642	54,508	134	192
Computer hardware	84,266	75,223	9,043	6,579
Computer software	10,526	10,526	-	-
Furniture and equipment	353,155	259,896	93,259	105,669
Parking lot	23,932	10,959	12,973	13,514
	1,866,350	1,118,967	747,383	763,438

The Kingston Humane Society
Notes to the Financial Statements
For the year ended December 31, 2025

5. Investments

	2025	2024
Measured at cost:		
Investment account cash	184,540	171,343
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Measured at fair value:		
Fixed income funds (cost \$626,046, 2024 - \$666,385)	617,336	660,717
Equities and equity fund (cost \$309,049, 2024 - \$269,332)	444,802	388,895
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	1,062,138	1,049,612
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The cumulative unrealized gain on investments is \$127,444 (2024 - \$114,598)

6. Endowment funds

The Charity has an endowment fund which is administered by the Community Foundation for Kingston & Area. The funds are pooled with other funds for investment purposes.

In 2008, the Charity was the beneficiary of the Gibson legacy contribution in the amount of \$100,000 which is included in investments. The principal amount of this contribution is to be maintained in perpetuity. Investment income earned from this contribution in the amount of \$3,594 (2024 - \$3,382) is to be used for the purposes of medical procedures on sheltered animals.

In 2012, the Charity was the beneficiary of the Watters-Morley legacy contribution in the amount of \$10,000 which is included in investments. An additional \$1,000 was received in 2015. The principal amount of this contribution is to be maintained in perpetuity. During the year, investment income in the amount of \$395 (2024 - \$372) was earned from this contribution.

7. Deferred contributions

Deferred contributions consist of restricted donations received that are related to subsequent periods. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are incurred.

Changes in the deferred contribution balance are as follows:

	2025	2024
Balance, beginning of year	10,312	25,719
Deferred capital campaign contributions	152,250	-
Less: Amount recognized used for qualifying expenses	(15,204)	(15,407)
<hr/>		
Balance, end of year	147,358	10,312
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The Kingston Humane Society
Notes to the Financial Statements
For the year ended December 31, 2025

8. Deferred contributions related to capital assets

Deferred capital contributions consist of the unamortized amount of restricted donations received for the purchase of capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized.

Changes in deferred capital contributions are as follows:

	2025	2024
Balance, beginning of year	62,613	70,545
Less: Amounts recognized as revenue during the year	(6,550)	(7,932)
	56,063	62,613

9. Bequests

The Charity is the beneficiary of a perpetual trust, created by an estate. The income is recognized as revenue when it is paid to the Charity by the trustee, Royal Trust Corporation of Canada. During the year, \$45,232 (2024 - \$31,824) was received and included in bequests revenue.

10. Professional fees

Professional fees consist of:

	2025	2024
Audit and other professional services	21,149	21,195
Bookkeeping and other services	23,482	19,393
Investment management fee	12,308	12,196
	56,939	52,784

11. Credit facilities

The Charity has credit card facilities in place with an aggregate limit of \$8,500 (2024 - \$8,500) of which \$256 (2024 - \$Nil) was utilized and is included in accounts payable and accrued liabilities at year end. The Charity has an available bank line of credit in the amount of \$350,000 (2024 - \$350,000), secured by investments, of which \$Nil (2024 - \$Nil) was utilized at year end.

12. Financial instruments

The Charity, as part of its operations, carries a number of financial instruments. It is management's opinion that the Charity is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

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 foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Charity is exposed to other price risk as a result of its investment accounts. The Charity manages this risk by working with professional investment managers to set investment strategies and monitor investment performance.

12. Financial instruments *(Continued from previous page)*

Credit concentration

Credit risk is the risk that one party will cause loss to another by failing to discharge a financial instrument. The Charity is exposed to credit risk as a result of its accounts receivable balance.

Accounts receivable from the City of Kingston represents 39% (2024 - 36%) of total accounts receivable as at December 31, 2025.

Accounts receivable from the Ministry of the Solicitor General represents 49% (2024 - 45%) of total accounts receivable as at December 31, 2025.

The Charity believes that there is minimal risk associated with the collection of these amounts, due to the overall credit worthiness of the City and the Ministry, as well as a signed agreement in place regarding the services provided. The Charity performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

Liquidity risk

Liquidity risk is the risk that the Charity will encounter difficulty in meeting obligations associated with financial liabilities. The Charity is exposed to liquidity risk arising primarily from its accounts payable and accrued liabilities. The Charity's ability to meet its obligations depends on the receipt of funds from the City of Kingston, members of the surrounding community and other organizations.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Charity is exposed to foreign currency risk through their USD investments held.

The Charity believes that there is minimal risk associated with these investments as they represent only a portion of their total investment portfolio and are managed by a third party investment advisor.



Board Member Biographies

Incumbent Board Members

Patty Taylor: PRESIDENT, AGM COMMITTEE CHAIR, FINANCE COMMITTEE, OPERATIONS COMMITTEE

Dana Betournay: MARKETING COMMITTEE CHAIR, ANIMAL CARE COMMITTEE

Megan Blundell: TREASURER, FINANCE COMMITTEE, HR COMMITTEE CHAIR

Luke MacDonald: BUILDING COMMITTEE CHAIR, OPERATIONS COMMITTEE

Sarah Bennett: MARKETING COMMITTEE

Dana Babcock: ANIMAL CARE COMMITTEE, AGM COMMITTEE

Jaclyn Quail: FINANCE COMMITTEE, HR COMMITTEE

Phil Casey: BUILDING COMMITTEE, MARKETING COMMITTEE

Brad Weese: FINANCE COMMITTEE

Returning Board Members

Courtney Murphy: Courtney returns to the KHS board after serving six consecutive years and taking a year off. In fact, Courtney has been a board member for the Kingston Humane Society since 2007 taking time off twice after her terms were up. Her historical knowledge of the KHS is unparalleled, and her love of animals shines through in everything she does.

Joe Tomasich: Like Courtney, Joe has a long history with the KHS and took last year off after serving six consecutive years. Joe is a retired professional accountant who has lived the majority of his life in this area, nearly 40 years in the City of Kingston. He and his wife Lynn are long-time pet owners and have adopted three dogs from the KHS.

IN MEMORIAM - GEOFF HODGETTS – 1947-2025

On November 22, 2025, we lost a wonderful board member and a man who made an extraordinary contribution to his community. Born and raised in Kingston, a graduate of KCVI and Queens Medicine, Dr. Geoff Hodgetts joined the KHS board mid-year in 2019 and was confirmed as a board member in 2020. Throughout his time on the board, his quiet leadership and advice helped steer the organization to success. He was never the loudest voice in a conversation, but his words carried weight and compassion in equal amounts. Geoff was also a Professor Emeritus of Family Medicine at Queen's University and played a significant role in training many family doctors. Internationally, he helped rebuild family medicine in Bosnia and Herzegovina and supported the training of a new generation of physicians in Afghanistan and other challenging settings. We'll miss you Geoff.