

FINANCIAL STATEMENTS
For
PANCREATIC CANCER NORTH AMERICA
For year ended
DECEMBER 31, 2025

PANCREATIC CANCER NORTH AMERICA

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DECEMBER 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the members of the

PANCREATIC CANCER NORTH AMERICA*Qualified Opinion*

We have audited the accompanying financial statements of the Pancreatic Cancer North America (the Organization), which comprise the statement of financial position as at December 31, 2025, and the statements of operations and changes in fund balances 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 possible 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 Organization 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.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, 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 and donation revenue, excess of revenue over expenses and cash flows from operations for the years ended December 31, 2024 and 2025, current assets as at December 31, 2024 and 2025, and net assets as at January 1 and December 31 for both the 2024 and 2025 years. The audit opinion on the financial statements for the year ended December 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

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 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 audit 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 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.

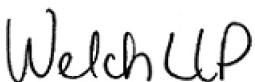
Auditor's Responsibilities for the Audit of the Financial Statements

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. 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.

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.



Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
May 1, 2026.

PANCREATIC CANCER NORTH AMERICA


STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2025

<u>ASSETS</u>	<u>2025</u>	<u>2024</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 891,355	\$ 1,206,761
Accounts receivable	63,651	77,215
HST recoverable	39,737	23,351
Prepaid expenses and deposits	<u>317,139</u>	<u>59,679</u>
	1,311,882	1,367,006
DUE FROM RELATED PARTY (note 5)	8,879	150,000
TANGIBLE CAPITAL ASSETS (note 4)	<u>1,328</u>	<u>4,802</u>
	<u>\$ 1,322,089</u>	<u>\$ 1,521,808</u>
<u>LIABILITIES AND FUND BALANCES</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 119,787	\$ 386,428
Deferred contributions (note 6)	<u>-</u>	<u>144</u>
	<u>119,787</u>	<u>386,572</u>
FUND BALANCES		
Operations fund	(183,876)	(8,703)
Externally restricted funds	1,023,567	781,328
Internally restricted funds (note 10)	<u>362,611</u>	<u>362,611</u>
	<u>1,202,302</u>	<u>1,135,236</u>
	<u>\$ 1,322,089</u>	<u>\$ 1,521,808</u>

Approved by the Board:

 Director


Director

(See accompanying notes)

PANCREATIC CANCER NORTH AMERICA

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2025

	<u>Operations Fund</u>		<u>Externally Restricted Funds</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenue						
Community development	\$ 111,334	\$ 173,413	\$ -	\$ -	\$ 111,334	\$ 173,413
Major gifts	2,185,066	1,107,585	242,203	327,590	2,427,269	1,435,175
Special events	755,040	950,392	36	25,160	755,076	975,552
Corporate partnerships	5,156	32,955	-	-	5,156	32,955
	<u>3,056,596</u>	<u>2,264,345</u>	<u>242,239</u>	<u>352,750</u>	<u>3,298,835</u>	<u>2,617,095</u>
Expenses (note 9)						
Administration (notes 4 and 5)	674,233	589,869	-	-	674,233	589,869
Fundraising	1,126,629	1,079,914	-	-	1,126,629	1,079,914
Mission	1,254,441	879,834	-	-	1,254,441	879,834
	<u>3,055,303</u>	<u>2,549,617</u>	<u>-</u>	<u>-</u>	<u>3,055,303</u>	<u>2,549,617</u>
Excess (deficiency) of revenue over expenses before the undernoted	1,293	(285,272)	242,239	352,750	243,532	67,478
Investment income (note 3)	<u>20,062</u>	<u>30,667</u>	<u>-</u>	<u>-</u>	<u>20,062</u>	<u>30,667</u>
Excess (deficiency) of revenue over expenses before grants	21,355	(254,605)	242,239	352,750	263,594	98,145
Grant recoveries	51,781	-	-	-	51,781	-
Grants awarded	<u>(248,309)</u>	<u>(375,961)</u>	<u>-</u>	<u>-</u>	<u>(248,309)</u>	<u>(375,961)</u>
Excess (deficiency) of revenue over expenses	<u>\$ (175,173)</u>	<u>\$ (630,566)</u>	<u>\$ 242,239</u>	<u>\$ 352,750</u>	<u>\$ 67,066</u>	<u>\$ (277,816)</u>

(See accompanying notes)

PANCREATIC CANCER NORTH AMERICA
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2025

	December 31, 2025			<u>Total</u>
	<u>Operations Fund</u>	<u>Externally Restricted Funds</u>	<u>Internally Restricted Funds</u>	
Fund balances, beginning of year	\$ (8,703)	\$ 781,328	\$ 362,611	\$ 1,135,236
Excess (deficiency) of revenue over expenses	<u>(175,173)</u>	<u>242,239</u>	<u>-</u>	<u>67,066</u>
Fund balances, end of year	<u>\$ (183,876)</u>	<u>\$ 1,023,567</u>	<u>\$ 362,611</u>	<u>\$ 1,202,302</u>

	December 31, 2024			<u>Total</u>
	<u>Operations Fund</u>	<u>Externally Restricted Funds</u>	<u>Internally Restricted Funds</u>	
Fund balances, beginning of year	\$ 621,863	\$ 428,578	\$ 362,611	\$ 1,413,052
Excess (deficiency) of revenue over expenses	(630,566)	352,750	-	(277,816)
Interfund transfers (note 10)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ (8,703)</u>	<u>\$ 781,328</u>	<u>\$ 362,611</u>	<u>\$ 1,135,236</u>

(See accompanying notes)

PANCREATIC CANCER NORTH AMERICA

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2025

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM (USED IN)		
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses:		
Operating fund	\$ (175,173)	\$ (630,566)
Restricted funds	<u>242,239</u>	<u>352,750</u>
	67,066	(277,816)
Items not affecting cash:		
Amortization of tangible capital assets	<u>5,034</u>	<u>5,496</u>
	72,100	(272,320)
Changes in non-cash operating items:		
Accounts receivable	13,564	(77,215)
HST recoverable	(16,386)	31,459
Prepaid expenses and deposits	(257,460)	(8,974)
Due from related party	141,121	-
Accounts payable and accrued liabilities	(266,641)	293,067
Deferred contributions	<u>(144)</u>	<u>144</u>
	<u>(313,846)</u>	<u>(33,839)</u>
INVESTING ACTIVITIES		
Sale of investments	-	7,536
Purchase of tangible capital assets	<u>(1,560)</u>	<u>(2,761)</u>
	<u>(1,560)</u>	<u>4,775</u>
DECREASE IN CASH AND CASH EQUIVALENTS	(315,406)	(29,064)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,206,761</u>	<u>1,235,825</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 891,355</u>	<u>\$ 1,206,761</u>

(See accompanying notes)

PANCREATIC CANCER NORTH AMERICA
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025

1. NATURE OF OPERATIONS

The Pancreatic Cancer North America (the "Organization") is a not-for-profit organization incorporated without share capital under the laws of Ontario. During the year ended December 31, 2025 the Organization changed its operating name from Pancreatic Cancer Canada to Pancreatic Cancer North America. The Organization is engaged in the operation of promoting awareness and to fund research into early detection and treatment of pancreatic cancer. The Organization is a registered charity under the Income Tax Act and, as such, is exempt from income taxes and may issue income tax receipts to donors.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements of the Organization have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are as follows:

Revenue recognition

The Organization follows the restricted fund method of accounting for contributions, which consists of donations, bequests, proceeds from special events, and investment income.

Revenue from donations, corporate partnerships and other contributions including gifts in kind, is recorded when received. Restricted contributions are recorded as revenue of the appropriate restricted fund. Events revenue from ticket sales is recognized when the event has occurred and when collection is reasonably assured, while donations derived from events are recognized when collectability is reasonably assured.

Investment income is accrued as it is earned and includes interest income. General investment income earned on the assets of the Restricted Funds is recognized as revenue of the Restricted Funds. General investment income earned on the assets of the Operations Fund is recognized as revenue of the Operations Fund.

Cash and cash equivalents

Cash equivalents include highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value. An investment normally qualifies as a cash equivalent when it has a short maturity of approximately three months or less from the date of acquisition.

Funds

The financial statements separately disclose the activities of the following funds maintained by the Organization:

Operations fund

- The Operations Fund comprises amounts available for immediate use for the general purpose of the Organization as determined by the Board of Directors.

Restricted funds

- The Restricted Funds comprises amounts that are to be used for specific purposes as specified by the donors, the Board of Directors, or as stipulated by the fundraising appeal.

PANCREATIC CANCER NORTH AMERICA
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED DECEMBER 31, 2025

2. **SIGNIFICANT ACCOUNTING POLICIES - Cont'd.**

Contributed goods and services

Donors contribute gifts in kind for use in special fundraising events, and for the Organization's use in operations and would otherwise have been purchased. These gifts are recognized at their fair market value when such value can be reasonably determined.

Contributed securities

Gifts of publicly-traded securities are recognized at estimated fair value based on the published closing price on the date of receipt, when such information is available, or other estimated fair value as applicable.

Volunteer services

The work of the Organization is dependent on the volunteer activities of many individuals. Because these services are not normally purchased by the Organization and because of the difficulty in determining their fair value, donated services are not recognized in these financial statements.

Foreign currency translation

Revenue and expenses denominated in foreign currencies are translated into Canadian dollars at the transaction date. Investments and other monetary items denominated in foreign currencies are translated at the year end rate. Translation gains and losses are included in the statement of operations and changes in fund balances.

Financial instruments

The Organization initially recognizes financial instruments at fair value and subsequently measures them at each reporting date as follows:

<u>Asset/liability</u>	<u>Measurement</u>
Cash and cash equivalents	Fair value
Investments	Amortized cost
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Tangible capital assets

Purchased tangible capital assets are stated at cost less accumulated amortization. Amortization based on the estimated useful life of the asset is calculated as follows:

	<u>Method</u>	<u>Estimated useful life</u>
Furniture and equipment	Straight line	5 years
Computer equipment	Straight line	3 years

PANCREATIC CANCER NORTH AMERICA
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED DECEMBER 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

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 amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available. Areas requiring significant estimates and assumptions include determining the useful life of tangible capital assets and the amount of accrued liabilities.

Allocation of costs by function

The Organization records a number of its expense by function: administration and general, fundraising, and mission.

While direct costs are allocated directly to each function, certain overhead costs are allocated on the following basis:

- Salary costs: Based on the time worked by each employee for each function
- Rental costs: Based on the space used for each function
- Other indirect costs: Based on the activities of each function

3. INVESTMENT INCOME

Investment income earned consists of the following:

	<u>2025</u>	<u>2024</u>
Interest income	\$ 22,083	\$ 30,914
Realized gain on sale of investments	59	190
Unrealized foreign exchange loss	<u>(2,080)</u>	<u>(437)</u>
	<u>\$ 20,062</u>	<u>\$ 30,667</u>

4. TANGIBLE CAPITAL ASSETS

Tangible capital assets consist of the following:

	2025		2024	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Furniture and equipment	\$ 23,438	\$ 23,438	\$ 23,438	\$ 23,002
Computer equipment	<u>34,785</u>	<u>33,457</u>	<u>33,225</u>	<u>28,859</u>
	58,223	<u>\$ 56,895</u>	56,663	<u>\$ 51,861</u>
Less: accumulated amortization	<u>(56,895)</u>		<u>(51,861)</u>	
	<u>\$ 1,328</u>		<u>\$ 4,802</u>	

Included in administration and general expense is \$5,034 (2024 - \$5,496) of amortization expense.

PANCREATIC CANCER NORTH AMERICA
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED DECEMBER 31, 2025

5. RELATED PARTY

In March 2020, Pancreatic Cancer North America, Inc. (U.S.) (formerly PancOne) was incorporated without share capital in Delaware, U.S. and subsequently approved as a public charity in July 2020. Pancreatic Cancer North America, Inc. (U.S.) was created to provide financial and other resources to aid research into treatments and cures for pancreatic cancer, and provide support to families and individuals affected by pancreatic cancer.

The Organization has significant influence over Pancreatic Cancer North America, Inc. (U.S.) by virtue of several common board members and the same CEO. The Organization currently provides on-going administrative and back office support to Pancreatic Cancer North America, Inc. (U.S.) at no cost.

As at December 31, 2025 \$8,879 (2024 - \$150,000) included in due from related party was owed by Pancreatic Cancer North America, Inc. (U.S.) to the Organization for expense incurred on Pancreatic Cancer North America, Inc. (U.S.)'s behalf but paid directly by the Organization. During the year \$150,000 of the amounts due from Pancreatic Cancer North America, Inc. (U.S.) were written off as it was determined that the amount was uncollectible.

For the year ended December 31, 2025, there were \$173,609 (2024 - \$194,961) in grants which were made to related parties.

These related party transactions occurred in the normal course of operations and are measured at the exchange amounts, which is the amount of consideration agreed upon by the related parties.

6. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent operations fund received in the current period and related to events or expenses of a subsequent period. Changes in deferred contributions are as follows:

	<u>2025</u>	<u>2024</u>
Opening balance	\$ 144	\$ -
Add: donations received in the year	109,327	301,854
Less: amounts recognized as revenue in the year	<u>(109,471)</u>	<u>(301,710)</u>
Ending balance	\$ -	\$ 144

7. COMMITMENTS

The Organization has a lease for office premises on Yonge Street which began September 1, 2020 and continues until August 31, 2026. This lease was amended in September 2024 to include additional space.

During the year the organization entered into a new lease agreement for new office premises once the aforementioned lease expires, starting November 1, 2026 and continues until October 30, 2036.

The approximate annual payments due under this amended lease are as follows:

2026	\$ 107,486
2027	146,764
2028	147,522
2029	151,312
2030	152,070
Thereafter	<u>589,815</u>
	<u>\$ 1,294,969</u>

PANCREATIC CANCER NORTH AMERICA
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED DECEMBER 31, 2025

8. PENSION

Substantially all employees are eligible to be members of the Healthcare of Ontario Pension Plan (“the Plan”) which is a multi-employer defined benefit pension plan. Plan members will receive benefits based on the length of service and on the average of annualized earnings during the five consecutive years prior to retirement, termination or death that provides the highest earnings.

The most recent actuarial valuation of the Plan was conducted on December 31, 2025. As of December 31, 2025, the Plan is in a surplus position with value of net assets of \$131,607 million and value of pensions obligations of \$120,833 million.

Contributions to the Plan made during the year by the Organization on behalf of participating employees amounted to \$146,286 (2024 - \$133,660) and are included in the statement of operations.

9. ALLOCATION OF COSTS BY FUNCTION

	<u>Direct expenses</u>	<u>Allocated fundraising expenses</u>	<u>Allocated general support expenses</u>	<u>2025 Total</u>	<u>2024 Total</u>
Administration	\$ 339,071	\$ -	\$ 335,162	\$ 674,233	\$ 589,869
Fundraising	23,284	115,357	987,988	1,126,629	1,079,914
Mission	<u>16,893</u>	<u>42,733</u>	<u>1,194,815</u>	<u>1,254,441</u>	<u>879,834</u>
	<u>\$ 379,248</u>	<u>\$ 158,090</u>	<u>\$ 2,517,965</u>	<u>\$ 3,055,303</u>	<u>\$ 2,549,617</u>

10. INTERNALLY RESTRICTED FUNDS

During fiscal year 2025 there were no interfund transfers.

11. FINANCIAL INSTRUMENTS

The Organization, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments: currency risk, credit risk and liquidity risk.

Credit risk

The Organization is exposed to credit risk arising from its Harmonized sales tax receivable and other receivables. The majority of the Organization’s receivables are from government sources. The risk has not changed from the previous year. As well, the Organization’s bank accounts are held at a major financial institution and are in excess of the amount insured by agencies of the Federal government.

Liquidity risk

The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Organization’s approach to managing liquidity is to ensure that it will always have sufficient cash flows to fund its operations and to meet its liabilities when due, under both normal and stressed conditions.

PANCREATIC CANCER NORTH AMERICA
NOTES TO THE FINANCIAL STATEMENTS - Cont'd.
YEAR ENDED DECEMBER 31, 2025

11. **FINANCIAL INSTRUMENTS - Cont'd.**

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market risk. Market risk is comprised of currency risk, interest rate risk, and other price risk. It is management's opinion that unless otherwise noted, the Organization is not exposed to significant market risk arising from its financial instruments.

i) *Currency risk*

Current 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 Organization's accounts payable and accrued liabilities include amounts due to US suppliers, the value of which fluctuates in part due to changes in foreign exchange rates.

Changes in risk

There have been no significant changes in the Organization's risk exposure from the prior year.