THE CONCORDIA FOUNDATION INC.

FINANCIAL STATEMENTS

March 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the directors of **The Concordia Foundation Inc.**,

Opinion
We have audited the financial statements of The Concordia Foundation Inc., which comprise the statement of financial position as at March 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, the accompanying financial statements present fairly, in all material respects, the financial position of The Concordia Foundation Inc. as at March 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 Opinion
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 entity 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 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 entity'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 entity or to cease operations, or has no realistic alternative but to do so.

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

Gislason Targownik Peters
Chartered Professional Accountants
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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 entity'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 cause significant doubt on the entity'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 disclosure 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 entity 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.

Gislason Targownik Peters

CHARTERED PROFESSIONAL ACCOUNTANTS LLP

Winkler, Manitoba
June 23, 2025

THE CONCORDIA FOUNDATION INC.

Statement of Operations
For the year ended March 31, 2025

	Unrestricted Fund					
	Community Support	Enterprise Operations	Total General Fund	Capital Assets Replacement Fund	Restricted Fund (Note 10)	Total All Funds
REVENUE						
Commissions	$ 45,468	$ 759	$ 46,227	$ -	$ -	$ 46,227
Donations	52,063	-	52,063	-	588,214	640,277
Fundraising	81,979	1,059	83,038	-	-	83,038
Grants	-	278,557	278,557	-	-	278,557
Interest	145,268	783	146,051	14,348	-	160,399
Interfund charges	198,577	(198,577)	-	-	-	-
Other	-	21,982	21,982	-	-	21,982
Parental fees	-	169,578	169,578	-	-	169,578
Parking	-	850,510	850,510	-	-	850,510
Rentals	-	238,953	238,953	-	-	238,953
	523,355	1,363,604	1,886,959	14,348	588,214	2,489,521
EXPENSES						
Equipment	-	62,258	62,258	-	-	62,258
Fundraising	121,929	781	122,710	-	-	122,710
Grants	-	-	-	-	695,761	695,761
Interest on debt	-	43,975	43,975	-	-	43,975
Contractors	26,400	131,843	158,243	-	-	158,243
Salaries and benefits	362,953	424,323	787,276	-	-	787,276
Spiritual care	-	102,379	102,379	-	-	102,379
Supplies and other	34,289	140,024	174,313	-	-	174,313
Utilities, taxes and maintenance	-	166,605	166,605	-	-	166,605
	545,571	1,072,188	1,617,759	-	695,761	2,313,520
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES BEFORE OTHER ITEMS	(22,216)	291,416	269,200	14,348	(107,547)	176,001
Other item						
Amortization of capital assets	-	(233,677)	(233,677)	-	-	(233,677)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	$ (22,216)	$ 57,739	$ 35,523	$ 14,348	$ (107,547)	$ (57,676)

THE CONCORDIA FOUNDATION INC.

Statement of Operations
For the year ended March 31, 2024

	Unrestricted Fund					
	Community Support	Enterprise Operations	Total General Fund	Capital Assets Replacement Fund	Restricted Fund	Total All Funds
REVENUE						
Commissions	$ 260,461	$ 842	$ 261,303	$ -	$ -	$ 261,303
Donations	74,550	-	74,550	-	2,783,633	2,858,183
Fundraising	70,524	1,790	72,314	-	-	72,314
Grants	12	261,680	261,692	-	-	261,692
Interest	126,455	749	127,204	13,900	-	141,104
Interfund charges	172,158	(172,158)	-	-	-	-
Other	710	22,334	23,044	-	-	23,044
Parental fees	-	175,721	175,721	-	-	175,721
Parking	-	674,208	674,208	-	-	674,208
Rentals	-	199,719	199,719	-	-	199,719
	704,870	1,164,885	1,869,755	13,900	2,783,633	4,667,288
EXPENSES						
Equipment	-	63,756	63,756	-	-	63,756
Fundraising	118,201	3,887	122,088	-	-	122,088
Grants	-	-	-	-	1,095,064	1,095,064
Interest on debt	-	48,023	48,023	-	-	48,023
Contractors	27,671	107,082	134,753	-	-	134,753
Salaries and benefits	324,206	411,251	735,457	-	-	735,457
Spiritual care	-	86,631	86,631	-	-	86,631
Supplies and other	44,649	122,947	167,596	-	-	167,596
Utilities, taxes and maintenance	-	78,694	78,694	-	-	78,694
	514,727	922,271	1,436,998	-	1,095,064	2,532,062
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES BEFORE OTHER ITEMS	190,143	242,614	432,757	13,900	1,688,569	2,135,226
Other item						
Amortization of capital assets	-	(231,646)	(231,646)	-	-	(231,646)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	$ 190,143	$ 10,968	$ 201,111	$ 13,900	$ 1,688,569	$ 1,903,580

THE CONCORDIA FOUNDATION INC.

Statement of Changes in Fund Balances
For the year ended March 31, 2025

	Unrestricted Fund					
	Unrestricted	**Invested in Capital Assets**	**Capital Assets Replacement Fund**	**Restricted Fund (Note 10)**	**2025**	2024
BALANCES - beginning	**$ 953,148**	**$ 1,052,393**	**$ 391,108**	**$ 3,243,784**	**$ 5,640,433**	$ 3,736,853
Excess (deficiency) of revenue over expenses	**269,200**	**(233,677)**	**14,348**	**(107,547)**	**(57,676)**	1,903,580
Interfund transfers						
Acquisition	**-**	**43,761**	**(43,761)**	**-**	**-**	-
Appropriation	**(35,016)**	**-**	**35,016**	**-**	**-**	-
Debt payments	**(151,003)**	**151,003**	**-**	**-**	**-**	-
BALANCES - Ending	**$ 1,036,329**	**$ 1,013,480**	**$ 396,711**	**$ 3,136,237**	**$ 5,582,757**	$ 5,640,433

THE CONCORDIA FOUNDATION INC.
Statement of Financial Position
As at March 31, 2025

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash	**$ 932,705**	$ 871,963
Investments - unrestricted	**132,101**	124,472
Accounts receivable	**66,139**	55,663
Prepaid expenses	**3,808**	7,170
Due from related party (Note 3)	**5,891**	7,310
	1,140,644	1,066,578
RESTRICTED CASH AND INVESTMENTS (Note 4)	**3,629,485**	3,709,795
CAPITAL ASSETS (Note 5)	**2,591,760**	2,781,675
	$ 7,361,889	$ 7,558,048

APPROVED ON BEHALF OF THE BOARD:

_______________________________ Director _______________________________ Director

THE CONCORDIA FOUNDATION INC.
Statement of Financial Position
As at March 31, 2025

	2025	2024
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	**$ 138,534**	$ 139,818
Deferred revenue	**54,387**	40,583
	192,921	180,401
Callable debt - Mortgage (Note 7)	**1,586,211**	1,737,214
	1,779,132	1,917,615
NET ASSETS		
Unrestricted	**1,036,329**	953,148
Invested in capital assets	**1,013,480**	1,052,393
Capital assets replacement fund	**396,711**	391,108
Restricted fund (Note 10)	**3,136,237**	3,243,784
	5,582,757	5,640,433
	$ 7,361,889	$ 7,558,048

THE CONCORDIA FOUNDATION INC.
Statement of Cash Flow
For the year ended March 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Excess (Deficiency) of revenue over expenses	$ (57,676)	$ 1,903,580
Non-cash items affecting operations:		
Amortization	233,677	231,646
Net change in non-cash working capital balances	(600)	(10,138)
	175,401	2,125,088
FINANCING ACTIVITIES		
Reduction of loans payable	(151,003)	(146,956)
INVESTING ACTIVITIES		
Acquisition of capital assets	(43,761)	-
Net decrease (increase) in restricted cash and investments	80,105	(1,799,516)
INCREASE IN CASH AND EQUIVALENTS	60,742	178,616
CASH AND EQUIVALENTS - Beginning	871,963	693,347
CASH AND EQUIVALENTS - Ending	$ 932,705	$ 871,963

1. PURPOSE OF THE ORGANIZATION

The Concordia Foundation Inc. is incorporated under the Corporation Act in the Province of Manitoba and is a charitable public foundation exempt from income taxes under Section 149 (1) of the Income Tax Act. The organization serves as the philanthropic arm for the Concordia Campus family including, Concordia Hospital, Concordia Place, Concordia Village, and Concordia Hip and Knee Institute. The organization operates parking, cafeteria, volunteer services and other ancillary services at Concordia Hospital as a means to raise funds and support hospital operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements of the organization have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Financial instruments

Financial assets and liabilities are initially measured at fair value. Subsequent measurement of financial assets and liabilities are at amortized cost unless otherwise noted. Financial assets and liabilities measured at amortized cost consist of cash, accounts receivable, accounts payable and callable debt.

It is management's opinion that the organization is not exposed to significant credit, currency, interest rate, liquidity or market risks arising from these financial instruments, unless otherwise noted.

The organization is exposed to the following significant risks:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization is not exposed to significant credit risk arising from its accounts receivable as the amount is typically collected when it is due.

Interest rate risk

Interest rate risk is the risk that the fair market value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization's exposure to interest rate risk is reduced because the rate applicable to its long-term debt is at a fixed rate.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to liquidity risk as it is dependent on receipt of funds from operations and continued support by financial institutions providing sufficient operating lending facilities.

Fund accounting

The Unrestricted Fund accounts for general operating activities which include community support activities and enterprise operations, and capital assets.

The Capital Assets Replacement Fund reports amounts restricted by the Board of Directors to fund future major repairs and capital asset replacement. The Board of Directors approves an annual appropriation to this fund.

The Restricted Fund reports unspent contributions from donors and appropriations of the Board of Directors to provide research and support to the members of the Concordia Campus and to improve patient care. Funds are granted in accordance with the agreed upon stipulations with donors and criteria specified by the Board of Directors.

Investments

The organization uses the fair value method to record investments traded on an active market. Unrealized gains and losses are reported in income.

Capital assets

Capital assets are recorded at cost and are being amortized on the straight line basis at the following rates based on estimated useful life, except in the year of acquisition, when one-half of the rate is used:

Computer software	1 year
Day care centre leasehold improvements	25 years
Furniture and fixtures	5 to 15 years
Parking lot improvements	25 years
Leasehold improvements	10 to 25 years
Pay station equipment	10 to 15 years

The organization reviews capital assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Revenue recognition

The organization follows the restricted fund method of accounting for contributions. Unrestricted donations are recognized as revenue of the Unrestricted Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized as revenue of the Unrestricted Fund when expenses are incurred. All other restricted contributions are recognized as revenue of the Restricted Fund when received or receivable. Childcare fees are recognized when services are provided. Commissions are recognized when revenue is earned in accordance with the agreement. Sales revenue is recognized when the goods are delivered and services are rendered. Rental revenue is recognized when the service is provided in accordance with the lease agreements. Fundraising and sponsorship revenue are recognized when the event occurs.

Use of estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, as well as reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates include:the estimated useful life of capital assets and accruals. Actual results could differ from these estimates.

Contributed services and materials

A substantial number of volunteers contribute a significant amount of their time each year. The volunteer hours during the reporting period totaled 3,190 hours (2024 - 1,543) and consisted of volunteer activities such as board meetings, board responsibilities, committee work, special visits and fundraising. Due to the difficulty of determining the fair market value, contributed services are not recognized in the financial statements.

Contributed materials which are used in the normal course of the organization's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.

3. RELATED PARTY TRANSACTIONS

The organization has a balance due from Concordia Hospital of $4,697 at March 31, 2025 (March 31, 2024 - $6,712). During the year, the Foundation made the following payments to Concordia Hospital which are included in the following expenses:

	2025	2024
Spiritual Care	$ 102,379	$ 86,631

The balances due between related parties are due on demand, are non-interest bearing, are unsecured and bears no specific terms of repayment. Transactions between related parties are recorded at the exchange amount and arose in the normal course of operations.

4. RESTRICTED CASH AND INVESTMENTS

	2025	2024
Restricted operating	$ 307,061	$ 492,902
Savings	1,017,213	989,516
Equity instruments	207,097	224,616
Guaranteed Investment Certificate	2,098,114	2,002,761
	$ 3,629,485	$ 3,709,795

The savings accounts bears interest ranging from 2.0% to 2.2% (3.8% to 4.0% in 2024). The Guaranteed Investment Certificates bear interest at 1.65% to 5.1% (1.65% to 5.1% in 2024) with maturity dates in June 2025 and July 2028.

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2025	Net 2024
Leasehold improvements	$ 4,383,999	$ 2,185,280	$ 2,198,719	$ 2,360,466
Furniture and fixtures	481,475	436,535	44,940	49,357
Pay station equipment	301,873	135,594	166,279	196,466
Child day care centre leasehold improvements	262,886	144,173	118,713	102,552
Parking lot improvements	243,126	180,017	63,109	72,834
Computer software	9,361	9,361	-	-
	$ 5,682,720	$ 3,090,960	$ 2,591,760	$ 2,781,675

6. BANK INDEBTEDNESS

The organization has a line of credit available to a maximum of $100,000, repayable on demand with interest at the rate of prime plus 1%. Bank indebtedness is secured by a demand promissory note, a general security agreement covering all assets of the organization and a corporate guarantee from Concordia Wellness Projects Inc.

7. CALLABLE DEBT - MORTGAGE

	2025	2024
Steinbach Credit Union Mortgage - repayable $16,248 monthly including interest at a fixed rate of 2.64% until August 1, 2026 at which time the term will be due for renewal. Secured by a demand promissory note, a general security agreement covering all assets of the organization and a corporate guarantee from Concordia Wellness Projects Inc. Matures May 29, 2034.	**$ 1,586,211**	$ 1,737,214
Less: Callable debt	**1,586,211**	1,737,214
	$ -	$ -

Management does not believe that the demand features of the callable debt will be exercised in the current period. Assuming payment of the callable debt is not demanded, regular principal payments that will be required over the next five years are as follows.

	2025
2026	**$ 155,039**
2027	**159,174**
2028	**163,419**
2029	**167,707**
2030	**172,250**

8. COMMITMENTS

The organization has entered into an agreement with Concordia Hospital for the lease of the cafeteria, fitness centre and parking lots. The minimum annual lease requirement is $1 per year.

9. COMPARATIVE FIGURES

Certain balances of the preceding period have been reclassified to conform with the current year's presentation.

10. RESTRICTED NET ASSETS

	Balance Beginning of Year	Transfers In	Revenue	Total	Transfers Out	Expenses	Total	Balance End of Year
Concordia Foundation								
Comfort Care	$ 2,362	$ -	$ 370	$ 370	$ -	$ 38	$ 38	$ 2,694
CORI Robotic Device	-	-	49,972	49,972	-	9,992	9,992	39,980
Centennial Fund	(20,111)	-	-	-	-	8,815	8,815	(28,926)
Concordia Place Fund	5,274	-	5,128	5,128	-	513	513	9,889
Health and Fitness Centre	1,708	-	120	120	-	12	12	1,816
Heart of Care Nursing Station Fund	(24,231)	-	800	800	-	80	80	(23,511)
Learning to Care Fund	1,025	-	-	-	-	4,560	4,560	(3,535)
Operation Walk	6,791	-	13,095	13,095	-	31,994	31,994	(12,108)
OR Renovation Project Fund	337,344	-	-	-	-	1,873	1,873	335,471
SIMs Learning Lab	214,900	-	(16,709)	(16,709)	-	1,426	1,426	196,765
Spiritual Care Fund	900	-	-	-	-	-	-	900
	525,962	-	52,776	52,776	-	59,303	59,303	519,435
Hip and Knee								
Arthroplasty Chair Fund	2,359,591	-	227,654	227,654	-	306,203	306,203	2,281,042
Arthroplasty - Fellowship	227,760	-	262,784	262,784	-	253,053	253,053	237,491
Grant - Research	130,471	-	45,000	45,000	-	77,202	77,202	98,269
	2,717,822	-	535,438	535,438	-	636,458	636,458	2,616,802
	$ 3,243,784	$ -	$ 588,214	$ 588,214	$ -	$ 695,761	$ 695,761	$ 3,136,237

Temporary fund deficits are covered by interfund transfers and future fundraising or grant revenues.

During the fiscal year ended March 31, 2025, the organization issued grants in the amount of $695,761 to restricted funds.
In addition, the following grants were issued by the organization:
    $102,379 was issued to Spiritual care for operations and support staff.
    $64,615 was issued to the Concordia Hospital for various activities and events.
Total grants issued during the year was $862,755. Total donations and fundraising received during the year was $723,315.