

**Philanthropic Foundations Canada**  
**Financial Statements**  
**December 31, 2025**

Independent Auditor's Report	2 - 4
Financial Statements	
Operations	5
Changes in Net Assets	6
Cash Flows	7
Financial Position	8
Notes to Financial Statements	9 - 14



Raymond Chabot  
Grant Thornton

## Independent Auditor's Report

---

Raymond Chabot  
Grant Thornton LLP  
Suite 2000  
600 De La Gauchetière Street West  
Montréal, Quebec  
H3B 4L8

To the Members of  
Philanthropic Foundations Canada

T 514-878-2691

### Opinion

We have audited the financial statements of Philanthropic Foundations Canada (hereafter "the Organization"), 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 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 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 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 Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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.

*Raymond Chabot Grant Thornton LLP*<sup>1</sup>

Montréal  
April 30, 2026

---

<sup>1</sup> CPA auditor, public accountancy permit no. A131601

# Philanthropic Foundations Canada Operations

Year ended December 31, 2025

	<u>2025</u>	<u>2024</u>
	\$	\$
<b>Revenues</b>		
Contributions (Note 3)	451,345	628,404
Membership fees	1,101,190	957,019
Conference and event	157,813	638,839
Interest	38,744	54,661
	<u>1,749,092</u>	<u>2,278,923</u>
<b>Expenses (Note 4)</b>		
Member engagement and communications	417,456	438,893
Learning and collaboration	515,097	1,012,931
Public affairs and research	256,613	403,519
Governance and operations	467,325	381,486
	<u>1,656,491</u>	<u>2,236,829</u>
<b>Excess of revenues over expenses</b>	<u>92,601</u>	<u>42,094</u>

The accompanying notes are an integral part of the financial statements.

## Philanthropic Foundations Canada Changes in Net Assets

Year ended December 31, 2025

	<u>2025</u>				<u>2024</u>
	<u>Restricted to Emergency Fund (Note 5)</u>	<u>Restricted to Opportunity Reserve Fund (Note 5)</u>	<u>Invested in capital assets</u>	<u>Unrestricted</u>	<u>Total</u>
	\$	\$	\$	\$	\$
Balance, beginning of year	525,371	211,954	5,972	176,972	878,175
Excess (deficiency) of revenues over expenses		38,046	(2,599)	57,154	42,094
Acquisition of tangible capital assets			5,380	(5,380)	
Balance, end of year	<u>525,371</u>	<u>250,000</u>	<u>8,753</u>	<u>228,746</u>	<u>920,269</u>

The accompanying notes are an integral part of the financial statements.

# Philanthropic Foundations Canada

## Cash Flows

Year ended December 31, 2025

	<u>2025</u>	<u>2024</u>
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	92,601	42,094
Non-cash items		
Amortization of tangible capital assets	2,599	1,780
Changes in working capital items		
Other receivables	(3,110)	(26,025)
Contributions receivable	50,000	(50,000)
Prepaid expenses	(7,421)	2,721
Trade payables and other operating liabilities	674	(59,649)
Deferred contributions	75,419	32,360
Deferred membership fees	25,921	73,572
Cash flows from operating activities	<u>236,683</u>	<u>16,853</u>
<b>INVESTING ACTIVITIES</b>		
Term deposits	(1,027,500)	(1,031,815)
Disposal of term deposits	1,031,816	1,059,739
Acquisition of tangible capital assets	<u>(5,380)</u>	<u>(3,636)</u>
Cash flows from investing activities	<u>(1,064)</u>	<u>24,288</u>
<b>Net increase in cash</b>	<b>235,619</b>	<b>41,141</b>
Cash, beginning of year	<u>358,950</u>	<u>317,809</u>
Cash, end of year	<u><u>594,569</u></u>	<u><u>358,950</u></u>

The accompanying notes are an integral part of the financial statements.

# Philanthropic Foundations Canada

## Financial Position

December 31, 2025

	<u>2025</u>	<u>2024</u>
	\$	\$
<b>ASSETS</b>		
Current		
Cash	594,569	358,950
Other receivables (Note 6)	82,844	79,734
Contributions receivable		50,000
Prepaid expenses	<u>46,687</u>	<u>39,266</u>
	724,100	527,950
Long-term		
Term deposits (Note 7)	1,027,500	1,031,816
Tangible capital assets (Note 8)	<u>8,753</u>	<u>5,972</u>
	<u>1,760,353</u>	<u>1,565,738</u>
<b>LIABILITIES</b>		
Current		
Trade payables and other operating liabilities (Note 9)	38,198	37,524
Deferred contributions (Note 3)	197,779	97,360
Deferred membership fees	<u>461,506</u>	<u>410,585</u>
	697,483	545,469
Long-term		
Deferred contributions (Note 3)	25,000	50,000
Deferred membership fees	<u>25,000</u>	<u>50,000</u>
	<u>747,483</u>	<u>645,469</u>
<b>NET ASSETS</b>		
Restricted to Emergency Fund	525,371	525,371
Restricted to Opportunity Reserve Fund	250,000	211,954
Invested in capital assets	8,753	5,972
Unrestricted	<u>228,746</u>	<u>176,972</u>
	1,012,870	920,269
	<u>1,760,353</u>	<u>1,565,738</u>

The accompanying notes are an integral part of the financial statements.

On behalf of the Board,

DocuSigned by:  
Jean-Marc Manzin

DADC3F270E71439...  
Director

DocuSigned by:

Amanda Meyer

D0FA0EDEC0F02417...  
Director

# Philanthropic Foundations Canada

## Notes to Financial Statements

December 31, 2025

---

### **1 - GOVERNING STATUTES AND PURPOSES OF THE ORGANIZATION**

The Organization was incorporated under the *Canada Not-for-profit Corporations Act* for the following purposes:

- To enhance the efficiency and effectiveness of charitable foundations in Canada through educational and other programs in respect of internal governance and operational issues of charitable foundations;
- To encourage and advance the formation and development of charitable foundations in Canada through educational programs relating to the purposes, goals and activities of Canadian charitable foundations;
- To advance public knowledge about the work carried out by Canadian charitable foundations through the performance of research into the activities and benefits of Canadian charitable foundations and the dissemination of the results of that research;
- To engage in such other activities for any purpose, except profit, in furtherance of the above objects, provided that all such activities and purposes shall constitute "charitable activities" for the purposes of the *Income Tax Act*.

It is a not-for-profit organization under the *Income Tax Act*.

### **2 - SIGNIFICANT ACCOUNTING POLICIES**

#### **Basis of presentation**

The Organization's financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

#### **Accounting estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and notes to financial statements. These estimates are based on management's knowledge of current events and actions that the Organization may undertake in the future. Actual results may differ from these estimates.

#### **Revenue recognition**

##### *Contributions*

The Organization follows the deferral method of accounting for contributions. Under this method, contributions restricted for future period expenses are deferred and are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions and donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

##### *Membership fees*

Membership fees are recognized as deferred revenue which are recognized using the straight-line method over the duration of the agreement provided that an agreement exists between the parties and that recovery is reasonably assured.

# Philanthropic Foundations Canada

## Notes to Financial Statements

December 31, 2025

---

### **2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### *Conference and event*

These revenues are recognized when the following criteria are met:

- Persuasive evidence of an arrangement exists;
- The conference or event has occurred;
- The price is fixed or determinable;
- Collection is reasonably assured.

Amounts received that do not meet the revenue recognition criteria are recorded as deferred revenue.

#### *Interest*

Investment transactions are recorded on the transaction date and resulting revenues are recognized using the accrual method of accounting.

Interest income is recognized on a time apportionment basis.

### **Allocation of expenses**

The Organization carries out several types of functions:

- Member engagement and communications;
- Learning and collaboration;
- Public affairs and research;
- Governance and operations.

The cost of each of these functions consists of personnel costs, fees and other expenses directly related to the function.

The Organization allocates general support expenses which are made up of salaries and employee benefits according to the hours worked by resources in each function. This basis of allocation is considered the most representative of the costs concerned. The Organization consistently uses this method year after year.

### **Financial assets and liabilities**

#### *Initial measurement*

Upon initial measurement, the Organization's financial assets and liabilities are measured at fair value, which, in the case of financial assets or financial liabilities that will be measured subsequently at amortized cost, is increased or decreased by the amount of the related financing fees and transaction costs.

#### *Subsequent measurement*

At each reporting date, the Organization measures its financial assets and liabilities at amortized cost (including any impairment in the case of financial assets).

# Philanthropic Foundations Canada

## Notes to Financial Statements

December 31, 2025

### 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Tangible capital assets

Tangible capital assets acquired are recorded at cost. When the Organization receives contributions of tangible capital assets, their cost is equal to their fair value at the contribution date plus all costs directly attributable to the acquisition of the tangible capital assets, or at a nominal value if fair value cannot be reasonably determined.

#### Amortization

Tangible capital assets are amortized over their estimated useful lives according to the straight-line method over a three-year period.

#### Write-down

When conditions indicate that a tangible capital asset is impaired, the net carrying amount of the tangible capital asset is written down to the tangible capital asset's fair value or replacement cost. The write-down is accounted for in the statement of operations and cannot be reversed.

### 3 - CONTRIBUTIONS AND DEFERRED CONTRIBUTIONS

Deferred contributions represent unused resources which, by virtue of external restrictions, are intended to cover operating expenses for the coming year. They include contributions from members and those for collaborative or climate projects.

#### Deferred contributions

	<u>2025</u>	<u>2024</u>
	\$	\$
Balance, beginning of year	147,360	115,000
Amount received related to the following year	430,834	453,360
Amount recognized as revenue during the year from earmarked contributions	<b>(243,055)</b>	(421,000)
Amount recognized as revenue from unearmarked contributions	<b>(112,360)</b>	
Balance, end of year	<b>222,779</b>	147,360
Current portion (to be used in the year ending on December 31, 2026)	<b>197,779</b>	97,360
Long-term portion (to be used in the year ending on December 31, 2027)	<b>25,000</b>	50,000

# Philanthropic Foundations Canada

## Notes to Financial Statements

December 31, 2025

### 3 - CONTRIBUTIONS AND DEFERRED CONTRIBUTIONS (Continued)

#### Contributions

	<u>2025</u>	<u>2024</u>
	\$	\$
Restricted contributions from other not-for-profit organizations recognized as contributions		
Policy work	138,055	
New Power Lab	40,000	
Good Governance Program	35,000	10,000
Climate Initiative	25,000	90,000
Data	5,000	155,000
Dialogue Initiative		129,000
JEDI/DEI		30,000
Loran Scholars Foundation		7,000
	<u>243,055</u>	421,000
Unrestricted contributions from other not-for-profit organizations	<u>208,290</u>	<u>207,404</u>
	<u>451,345</u>	<u>628,404</u>

### 4 - ALLOCATION OF EXPENSES

Operating expenses consisting of salaries and employee benefits of \$1,094,358 (\$1,011,086 in 2024) are detailed as follows:

	<u>2025</u>	<u>2024</u>
	\$	\$
Member engagement and communications	348,975	295,000
Learning and collaboration	322,018	376,828
Public affairs and research	243,353	210,732
Governance and operations	180,012	128,526
	<u>1,094,358</u>	<u>1,011,086</u>

### 5 - INTERNAL ALLOCATIONS

By resolutions in present and previous years, the Organization's Board of Directors restricted resources from the unrestricted fund to the Restricted to Emergency Fund and the Restricted to Opportunity Reserve Fund totalling \$775,371.

Of this amount, an amount of \$525,371 is restricted to deal with catastrophic eventualities and an amount of \$250,000 is restricted for the Organization's special projects and capacity building.

The Organization may not use these internally restricted amounts for other purposes without the prior consent of the Board of Directors.

# Philanthropic Foundations Canada

## Notes to Financial Statements

December 31, 2025

### 6 - OTHER RECEIVABLES

	<u>2025</u>	<u>2024</u>
	\$	\$
Accrued interest	20,988	35,536
Amounts receivable from the government	54,299	21,711
Indirect taxes receivable	7,557	16,737
Membership fees receivable		5,750
	<u>82,844</u>	<u>79,734</u>

### 7 - TERM DEPOSITS

	<u>2025</u>	<u>2024</u>
	\$	\$
Term deposit, 3.15%, maturing in June 2026	500,000	
Term deposits, 3.05% maturing in June 2026	250,000	
Term deposit, 3.5%, maturing in January 2026	200,000	
Term deposit, 3.6%, maturing in January 2026	50,000	
Term deposit, 2.8%, maturing in July 2026	27,500	
Term deposit, 5.2%		750,000
Term deposit, 5.2%		254,316
Term deposit, 4.1%		27,500
	<u>1,027,500</u>	<u>1,031,816</u>

### 8 - TANGIBLE CAPITAL ASSETS

	<u>2025</u>			<u>2024</u>
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net carrying amount</u>	Net carrying amount
	\$	\$	\$	\$
Computer equipment	<u>27,235</u>	<u>18,482</u>	<u>8,753</u>	<u>5,972</u>

For the year ended December 31, 2025, the amortization of tangible capital assets of \$2,599 (\$1,781 in 2024) is included in the statement of operations under Governance and operations.

### 9 - TRADE PAYABLES AND OTHER OPERATING LIABILITIES

	<u>2025</u>	<u>2024</u>
	\$	\$
Trade accounts payable and accrued liabilities	26,648	31,544
Salaries and bonus payable	9,245	4,724
Government remittances	2,305	1,256
	<u>38,198</u>	<u>37,524</u>

### 10 - COMMITMENT

The Organization has entered into a long-term lease agreement expiring on September 30, 2026 which calls for lease payments of \$5,085 for the rental of offices.

# Philanthropic Foundations Canada

## Notes to Financial Statements

December 31, 2025

---

### **11 - FINANCIAL RISKS**

#### **Credit risk**

The Organization is exposed to credit risk regarding the financial assets recognized in the statement of financial position. The Organization has determined that the financial assets with more credit risk exposure are other receivables and contributions receivable (excluding indirect taxes receivable and amounts receivable from the government) since failure of any of these parties to fulfil their obligations could result in significant financial losses for the Organization.

#### **Market risk**

The Organization's financial instruments expose it to market risk, in particular, to interest rate risk, resulting from its investing activities.

##### *Interest rate risk*

The Organization is exposed to interest rate risk with respect to financial assets bearing fixed interest rates.

Term deposits bear interest at a fixed rate and the Organization is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations.

#### **Liquidity risk**

The Organization's liquidity risk represents the risk that the Organization could encounter difficulty in meeting obligations associated with its financial liabilities. The Organization is, therefore, exposed to liquidity risk with respect to all of the financial liabilities recognized in the statement of financial position.