

FINANCIAL STATEMENTS
For
ST. PATRICK'S HOME OF OTTAWA FOUNDATION
For year ended
DECEMBER 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the directors of

ST. PATRICK'S HOME OF OTTAWA FOUNDATION*Qualified Opinion*

We have audited the financial statements of St. Patrick's Home of Ottawa Foundation (the Foundation), which comprise the statement of financial position as at December 31, 2024 and the statements of operations and 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 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 St. Patrick's Home of Ottawa Foundation as at December 31, 2024 and the results of its operations, the changes in its net assets, 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 Foundation derives revenues from fundraising and donations, 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 Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, net expense, and cash flows from operations for the years ended December 31, 2024 and 2023, current assets as at December 31, 2024 and 2023 and net assets as at January 1 and December 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended December 31, 2023 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 Foundation 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

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

Welch LLP

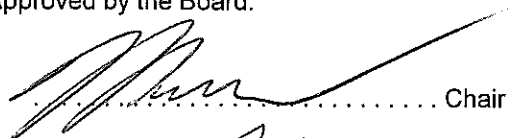
Chartered Professional Accountants
Licensed Public Accountants

Ottawa, Ontario
September 23, 2025.

ST. PATRICK'S HOME OF OTTAWA FOUNDATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024

	<u>2024</u>	<u>2023</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 202,821	\$ 166,763
Accounts receivable	31,654	56,274
Government remittances receivable	7,429	5,716
Prepaid expense	<u>3,817</u>	<u>8,064</u>
	245,721	236,817
INVESTMENTS (note 4)	<u>1,810,379</u>	<u>1,549,640</u>
	<u>\$ 2,056,100</u>	<u>\$ 1,786,457</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 21,358	\$ 15,364
Owing to St. Patrick's Home of Ottawa (note 5)	299,248	163,935
Deferred revenue	<u>1,023</u>	<u>-</u>
	321,629	179,299
NET ASSETS		
Unrestricted	<u>1,734,471</u>	<u>1,607,158</u>
	<u>\$ 2,056,100</u>	<u>\$ 1,786,457</u>

Approved by the Board:

..... Chair

..... Director

(See accompanying notes)

ST. PATRICK'S HOME OF OTTAWA FOUNDATION
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2024

	<u>2024</u>	<u>2023</u>
Revenue		
Fundraising - per schedule	\$ 253,006	\$ 300,584
Interest and other	12,673	18,570
Realized gain on investments	2,138	12,713
Lottery	<u>450</u>	<u>2,261</u>
	<u>268,267</u>	<u>334,128</u>
Expenses		
Fundraising expenses - per schedule	282,713	331,008
Investment fees	13,935	13,519
Professional fees	6,236	7,237
Liability insurance	<u>4,494</u>	<u>4,256</u>
	<u>307,378</u>	<u>356,020</u>
Operating loss	(39,111)	(21,892)
Distributions to St. Patrick's Home of Ottawa (note 5)	<u>(102,033)</u>	<u>(93,756)</u>
	(141,144)	(115,648)
Increase in market value of investments	<u>268,457</u>	<u>106,387</u>
Net revenue (expense)	127,313	(9,261)
Net assets, beginning of year	<u>1,607,158</u>	<u>1,616,419</u>
Net assets, end of year	<u>\$ 1,734,471</u>	<u>\$ 1,607,158</u>

(See accompanying notes)

ST. PATRICK'S HOME OF OTTAWA FOUNDATION

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2024

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM (USED IN):		
OPERATING ACTIVITIES		
Net revenue (expense)	\$ 127,313	\$ (9,261)
Adjustments for non-cash items:		
Increase in market value of investments	(268,457)	(106,387)
Realized gain on investments	(2,138)	(12,713)
Reinvested investment distributions	<u>(2,162)</u>	<u>(20,285)</u>
	(145,444)	(148,646)
Changes in level of:		
Accounts receivable	24,620	(37,016)
Government remittances receivable	(1,713)	(2,809)
Prepaid expenses	4,247	6,596
Accounts payable and accrued liabilities	5,994	8,422
Deferred revenue	<u>1,023</u>	<u>-</u>
	<u>(111,273)</u>	<u>(173,453)</u>
INVESTING ACTIVITIES		
Proceeds from disposal of investments	1,026,092	754,460
Acquisition of investments	<u>(1,014,074)</u>	<u>(590,400)</u>
	<u>12,018</u>	<u>164,060</u>
FINANCING ACTIVITIES		
Increase in amount owing to St. Patrick's Home of Ottawa	<u>135,313</u>	<u>7,303</u>
INCREASE (DECREASE) IN CASH	36,058	(2,090)
CASH, BEGINNING OF YEAR	<u>166,763</u>	<u>168,853</u>
CASH, END OF YEAR	<u>\$ 202,821</u>	<u>\$ 166,763</u>

(See accompanying notes)

ST. PATRICK'S HOME OF OTTAWA FOUNDATION
SCHEDULE OF FUNDRAISING REVENUE AND EXPENSES
YEAR ENDED DECEMBER 31, 2024

	<u>2024</u>	<u>2023</u>
Fundraising revenue		
Donations:		
Direct mail	\$ 90,230	\$ 111,172
Other	226	1,242
Grants	23,764	12,198
Special initiatives	97,330	121,860
Planned gifts	41,456	54,112
	<u>\$ 253,006</u>	<u>\$ 300,584</u>
 Fundraising expenses		
Salaries	\$ 221,388	\$ 247,101
Office	15,006	37,180
Special initiatives	46,319	46,727
	<u>\$ 282,713</u>	<u>\$ 331,008</u>

(See accompanying notes)

ST. PATRICK'S HOME OF OTTAWA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

1. ORGANIZATION AND PURPOSE

The Foundation was incorporated under the laws of Canada on November 27, 1986 and is qualified for tax-exempt status as a registered charity under paragraph 149(1)(f) of the Income Tax Act effective from January 1, 1987. The primary purpose of the Foundation is to assist St. Patrick's Home of Ottawa, an organization that provides resident-centred, long-term care as well as respite and outreach services to persons of all religious and ethnic origins in the Ottawa region.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Financial instruments

Cash and investments are measured at fair value at the financial statement date.

All other financial instruments are measured at cost or amortized cost at the financial statement date.

Transaction costs

Transaction costs associated with the acquisition of investments are capitalized. Disposal cost reduces the proceeds of disposal.

Investments

Investments are recorded at market value. Fair values of mutual funds are determined by reference to published price quotations in an active market at year-end.

The purchase and sale of investments are accounted for using settlement date accounting. Investment management fees are expensed as incurred.

Revenue recognition

The Foundation 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 they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue associated with the lottery program is deferred until the lottery is completed.

Revenue from donations, grants, events, special initiatives and planned gifts is recognized upon receipt and revenue from investments is recognized as earned.

Pledges

The amount of donation pledges to the Foundation is not included in revenue until such time as funds are received.

ST. PATRICK'S HOME OF OTTAWA FOUNDATION

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED DECEMBER 31, 2024

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

Computer, software and equipment

Computer, software and equipment costing in excess of \$10,000 are capitalized at acquisition cost. Amortization is provided on a straight-line basis over 5 years.

Donated materials and services

Donated materials and services are not recognized in the financial statements unless the fair value is determinable; the donated materials or services are used in the normal course of operations and would have otherwise been purchased and the value is significant. The most significant of these donations is contributed services. Volunteers contribute many hours per year to assist the Foundation in carrying out its operations which have not been recorded in these financial statements.

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.

Management makes estimates when determining the collectibility of its accounts receivable and settlement of accrued liabilities. Actual results could differ from these estimates.

3. **FINANCIAL INSTRUMENTS**

The Foundation is exposed to various risks through its financial instruments.

The Foundation does not use derivative financial instruments to manage its risks.

Credit risk

The Foundation is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The Foundation's maximum exposure to credit risk is the carrying value of its cash, investments, and accounts receivable. The Foundation's cash is deposited with a Canadian chartered bank and investments are in money market funds and bond funds consisting mainly of government issued investments. As a result, management believes the risk of loss on those items to be remote. Management believes that the Foundation's credit risk with respect to accounts receivable is limited. The Foundation manages its credit risk by reviewing accounts receivable aging monthly and diligently following up on collection of outstanding amounts.

Liquidity risk

Liquidity risk is the risk that the Foundation cannot meet a demand for cash or fund its obligations as they become due. The Foundation meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flow from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash.

ST. PATRICK'S HOME OF OTTAWA FOUNDATION

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED DECEMBER 31, 2024

3. **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 because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

i) *Currency risk*

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The Foundation's financial instruments are all denominated in Canadian dollars and the Foundation transacts primarily in Canadian dollars. As a result, management does not believe it is exposed to significant currency risk.

ii) *Interest rate risk*

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

The Foundation manages its interest rate risk exposure through its investment in money market funds and bond funds. The money market funds minimize interest rate risk by investing in short-term investments which reduces the sensitivity of the portfolio to the impact of interest rate fluctuations. The bond funds minimize interest rate risk by using a laddered portfolio with varying terms to maturity. The laddered structure of maturity helps to enhance the average portfolio yield while reducing the sensitivity of the portfolio to the impact of interest rate fluctuations.

iii) *Other price risk*

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The Foundation is exposed to other price risk due to its investment in equity and bond funds and common shares. Risk and volatility of investment returns are mitigated through diversification of investments in different government and business sectors.

Changes in risk

There have been no significant changes in the Foundation's risk exposures from the prior year.

ST. PATRICK'S HOME OF OTTAWA FOUNDATION

NOTES TO FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED DECEMBER 31, 2024

4. INVESTMENTS

The Foundation's investments are comprised as follows:

	2024		2023	
	Market value	Cost	Market value	Cost
Bond funds	\$ 406,396	\$ 371,943	\$ 388,488	\$ 371,899
Equity funds	1,130,226	742,910	900,594	736,054
Other assets	<u>273,757</u>	<u>182,953</u>	<u>260,558</u>	<u>197,599</u>
	<u>\$ 1,810,379</u>	<u>\$ 1,297,806</u>	<u>\$ 1,549,640</u>	<u>\$ 1,305,552</u>

Investments are managed by investment managers who are under the direction of the Board of Directors. It is the investment policy of the Foundation to invest in a conservative portfolio with expected nominal rate of return of 4.60% per annum, after fees, over a four-year period.

5. RELATED PARTY TRANSACTIONS

The transactions with the St. Patrick's Home of Ottawa occurred in the normal course of business and have been recorded at their exchange amounts which is the amount agreed upon by both parties.

Amounts due to the Home at December 31, 2024 were \$299,248 (2023 - \$163,935). The amount owing to the Home, an affiliated organization is non-interest bearing and payable on demand.

During the year, the Foundation distributed \$102,033 (2023 - \$93,756) to St. Patrick's Home of Ottawa.