
Financial statements of Women's College Hospital Foundation

March 31, 2025

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Independent Auditor's Report

To the Board of Directors of
Women's College Hospital Foundation

Opinion

We have audited the financial statements of Women's College Hospital Foundation (the "Foundation"), which comprise the statement of financial position as at March 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 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at March 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 ("ASNPO").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 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 ASNPO, 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 GAAS 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 GAAS, 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 Hospital 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.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
July 28, 2025

Women's College Hospital Foundation**Statement of financial position**

As at March 31, 2025

	Notes	Unrestricted \$	Restricted \$	2025 Total \$	2024 Total \$
Assets					
Current assets					
Cash and cash equivalents		6,142,046	1,764,706	7,906,752	11,694,284
Accounts receivable		719,816	109,486	829,302	890,529
Prepaid expenses		54,486	—	54,486	59,185
		6,916,348	1,874,192	8,790,540	12,643,998
Investments	3	9,889,674	78,661,608	88,551,282	80,874,777
Other assets		1	—	1	1
		16,806,023	80,535,800	97,341,823	93,518,776
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	7	875,376	267,588	1,142,964	2,528,664
Derivative liability	4	157	750	907	189,105
		875,533	268,338	1,143,871	2,717,769
Fund balances					
General fund		15,930,490	—	15,930,490	13,500,966
Restricted fund		—	80,267,462	80,267,462	77,300,041
		15,930,490	80,267,462	96,197,952	90,801,007
		16,806,023	80,535,800	97,341,823	93,518,776

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

Approved by the Board

 _____, Director

Women's College Hospital Foundation
Statement of operations and changes in fund balances
Year ended March 31, 2025

	Notes	Unrestricted \$	Restricted \$	2025 Total \$	2024 Total \$
Revenue					
Donations	7	3,316,503	6,843,266	10,159,769	18,154,198
Bequests		452,823	1,159,757	1,612,580	1,048,045
Events		702,083	701,873	1,403,956	1,536,204
		4,471,409	8,704,896	13,176,305	20,738,447
Net investment income	6	3,334,458	4,763,915	8,098,373	6,879,500
		7,805,867	13,468,811	21,274,678	27,617,947
Expenses					
Salaries and benefits		3,982,395	—	3,982,395	4,329,785
Fundraising costs	7	1,204,109	14,136	1,218,245	1,634,859
Administration		522,446	—	522,446	443,830
		5,708,950	14,136	5,723,086	6,408,474
Excess of revenue over expenses before grants		2,096,917	13,454,675	15,551,592	21,209,473
Grants	8	(1,147,408)	(9,007,239)	(10,154,647)	(12,338,674)
Excess of revenue over expenses for the year		949,509	4,447,436	5,396,945	8,870,799
Fund balances, beginning of year		13,500,966	77,300,041	90,801,007	81,930,208
Interfund transfers	9	1,480,015	(1,480,015)	—	—
Fund balances, end of year		15,930,490	80,267,462	96,197,952	90,801,007

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

Women's College Hospital Foundation**Statement of cash flows**

Year ended March 31, 2025

	Notes	2025 \$	2024 \$
Operating activities			
Excess of revenue over expenses for the year		5,396,945	8,870,799
Items not affecting cash			
Change in fair value of investments and derivatives	6	(3,338,033)	(4,617,358)
Investment income reinvested		(4,526,670)	(1,776,938)
Gifts of investments		(225,084)	(6,335,978)
Changes in non-cash working capital items			
Accounts receivable		61,227	(418,066)
Prepaid expenses		4,699	(14,880)
Accounts payable and accrued liabilities		(1,385,700)	701,135
		(4,012,616)	(3,591,286)
Investing activity			
Proceeds from sale of investments		225,084	4,359,316
(Decrease) increase in cash and cash equivalents during the year		(3,787,532)	768,030
Cash and cash equivalents, beginning of year		11,694,284	10,926,254
Cash and cash equivalents, end of year		7,906,752	11,694,284

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

Women's College Hospital Foundation

Notes to financial statements

March 31, 2025

1. Nature of operations

Women's College Hospital Foundation (the Foundation) is a corporation without share capital and is incorporated under the laws of the Province of Ontario. The Foundation is a registered charity under the Income Tax Act (Canada) and is exempt from income taxes provided certain requirements of the Income Tax Act (Canada) are met. The Foundation was established to solicit, receive, manage and distribute funds in respect of the advancement of health science research and education and the improvement of patient care in support of the legislated and strategic priorities of Women's College Hospital (the Hospital).

In carrying out its mission, the Foundation solicits, receives, manages and distributes funds and other property for the benefit and use of the Hospital and other organizations in the community with objectives similar to those of the Hospital.

2. Summary of significant accounting policies

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). The financial statements include the following significant policies.

Fund accounting

The Foundation follows the restricted fund method of accounting for contributions. The financial statements separately disclose the activities of the following funds maintained by the Foundation:

- The Unrestricted Fund reflects the general fundraising, investing, granting and administrative activities and reports on unrestricted resources available for immediate use.

The Unrestricted Fund is used to support Foundation operations and make grants to the Hospital for the highest priority needs of the Hospital. The Unrestricted Fund also includes a transfer from the Restricted Fund of an allocation against restricted purpose gifts. The allocation ensures donors of both Unrestricted and Restricted Funds contribute to the operations of the Foundation.
- The Restricted Fund reflects those resources arising from fundraising, investing, granting and administrative activities, the purpose for which has been internally or externally restricted.
 - Restricted Operating Funds are externally and internally restricted resources and include investment income (loss) generated on Endowment Fund balances.
 - Restricted Endowment Funds are internally and externally restricted resources, which may include an internal or external requirement that the principal must be maintained. Investment income (loss) generated on Endowment Funds is recorded as income (expense) within the Restricted Operating Funds.

Revenue recognition

Donations are recognized as revenue when received. In cases where the Foundation has entered into a funding agreement with a granting agency, donations are recognized as revenue when earned in accordance with the agreement and collection can be reasonably assured. Unrestricted, restricted, and restricted endowment donations are recorded as revenue in the Unrestricted and Restricted Operating and Restricted Endowment Funds, respectively. Bequests, which include non-cash property, are recorded at the fair value of the property on the date of receipt by the Foundation. Unrestricted bequests are recorded in the Unrestricted Fund and may be transferred with approval from the Board of Directors to the internally Restricted Endowment Fund or other Board Restricted Funds.

2. Summary of significant accounting policies (continued)

Revenue recognition (continued)

Restricted bequests are recorded in the appropriate Restricted Operating or Restricted Endowment Fund. Amounts received relating to fundraising events to be held after the year-end are deferred and recognized on completion of the specific fundraising event.

Investment income (loss) generated on Endowment Funds is allocated to the Restricted Operating Fund. Distribution income on pooled funds is recorded when received. Dividend income is recorded when declared. Investment income (loss) earned on Unrestricted and Restricted Operating Funds is allocated to the Unrestricted Operating Fund.

Cash and cash equivalents

Cash represents cash on hand and cash at the bank. Restricted cash consists of funds in the restricted fund balances. Cash equivalents consist of amounts held in money market funds which are readily convertible to cash.

Investments

Publicly traded securities are valued based on the closing prices, and pooled funds are valued based on reported unit values. The Foundation's investments are held in a segregated account with a custodian and are managed by an independent investment manager.

Non-marketable investments represent interests in Limited Partnerships (LPs). They are valued based on the Foundation's percentage ownership in each of the LPs, applied to independent quarterly valuations of the underlying LPs. Because these interests are not readily traded, their estimated values are subject to measurement uncertainty.

The fair value of financial derivative instruments (Note 4) on initial recognition is the transaction price. Subsequent to initial recognition, fair values are estimated based on foreign exchange rates at the reporting date. The resulting change in the fair value of derivative assets and liabilities is included within investment income (Note 6). The estimated value of derivative instruments resulting in derivative assets and liabilities is, by its very nature, subject to measurement uncertainty.

Other assets

The Foundation has registered the trademark Women's College Hospital Foundation, which has been valued at a nominal amount.

Contributed services

Volunteers make a substantial contribution of time each year to assist the Foundation in carrying out its activities. Due to the difficulty in determining the fair value of such services, they are not recognized in these financial statements.

Financial assets and financial liabilities

The Foundation initially measures its financial assets and financial liabilities at fair value. The Foundation subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments and derivatives, which have been measured at fair value as described in this note. Changes in fair value are recognized in the statement of operations and changes in fund balances. Financial assets are tested for impairment at the end of each reporting period when there are indicators the assets may be impaired.

Financial assets and financial liabilities measured at amortized cost include cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities.

2. Summary of significant accounting policies (continued)

Use of estimates

The financial statements of the Foundation have been prepared by management in accordance with ASNPO, which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the revenue and expenses for the reporting period. Actual results could differ from those estimates.

3. Investments

The Foundation's investments are as follows:

	2025 \$	2024 \$
Cash equivalents	9,365,031	8,693,785
Pooled funds		
Canadian equity	8,404,138	9,920,850
Global equity	20,426,488	19,397,800
Fixed income	34,008,814	27,018,450
Alternative pooled funds	2,754,000	5,274,017
Non-marketable investments	13,592,811	10,569,875
	79,186,251	72,180,992
	88,551,282	80,874,777

As of March 31, 2025, the unfunded commitments related to non-marketable investments was \$8,625,797 (USD 6,239,300) (\$3,687,759 (USD 2,725,113) in 2024).

4. Derivatives

To mitigate currency risk associated with investments in USD denominated securities, the Foundation periodically enters into currency forward contracts. The market value of these contracts at year-end is determined based on the prevailing USD/CAD foreign exchange rate and is reflected as either a derivative asset or derivative liability within the statement of financial position.

As of March 31, 2025, the Foundation held a derivative liability of \$907 (\$189,105 in 2024).

The following tables summarize the Foundation's commitment to sell US dollars for Canadian dollars under foreign exchange forward contracts as at March 31:

Derivative Type	Notional Amount (USD)	Exchange rate	Maturity date	2025 \$
Liability	\$1,460,500	1.4391	May 2, 2025	(263)
Liability	\$1,460,500	1.4388	May 2, 2025	(682)
Liability	\$1,460,500	1.4387	May 2, 2025	(840)
Liability	\$1,460,500	1.4388	May 2, 2025	(599)
Asset	\$338,000	1.4474	May 2, 2025	(2,767)
Asset	\$1,505,000	1.4364	May 2, 2025	4,243
				(907)

4. Derivatives (continued)

Forward contracts with a total Notional Amount of \$4,510,000 USD were renewed prior to expiry with maturity dates of August 5, 2025, and exchange rates ranging between 1.3773 and 1.3814.

5. Pledges

Pledges of future donations are recorded as donations in the financial statements when payment is received. As at March 31, 2025, total outstanding pledges are \$5,314,690 (\$7,638,366 in 2024), which are receivable in future years.

6. Net investment income

	2025	2024
	\$	\$
Interest income	392,375	449,880
Distributions from pooled funds	4,367,965	1,812,262
Change in fair value of investments including derivatives	3,338,033	4,617,358
Net investment income	8,098,373	6,879,500

Investment income is net of investment management fees of \$454,889 (\$325,756 in 2024).

7. Related party transactions

Women's College Hospital (the "Hospital")

The Hospital is an independent corporation without share capital and with its own board of directors. The Hospital is affiliated with the Foundation as a result of some board members in common between the two organizations.

The Hospital provides certain services at no cost to the Foundation and pays some expenses, including payroll, on behalf of the Foundation. The Foundation reimburses the Hospital for all direct costs associated with the services provided and expenses paid.

As at March 31, 2025, \$598,398 (\$2,010,445 in 2024) was owed by the Foundation to the Hospital and is included in accounts payable and accrued liabilities.

Women's Health Collective Canada ("WHCC")

The Foundation exercises significant influence over Women's Health Collective Canada ("WHCC") by virtue of its ability to participate in the election of WHCC's Directors and its ability to participate in WHCC's policy-making processes. WHCC was established to raise funds for the use of the Foundation and of other organizations in Canada with similar objectives to those of the Foundation. WHCC is incorporated under the Canada Not-for-Profit Corporations Act and is a registered charity under the Income Tax Act.

As a member of WHCC, the Foundation pays membership dues to WHCC and receives a portion of funds raised annually by WHCC. The Foundation also provides certain services at no cost to WHCC.

7. Related party transactions (continued)

For the year ended March 31, 2025, \$95,000 (nil in 2024) in membership dues was paid to WHCC and are included in Fundraising costs. Grants received from WHCC was \$321,947 (nil in 2024) and are included within Donations.

At March 31, 2025 there was nil (nil in 2024) owed between the Foundation and WHCC.

8. Grants

	Unrestricted	Restricted	2025 Total	2024 value
	\$	\$	\$	\$
Grants paid to the Hospital Program and operational Chairs and standing support	1,147,408	6,207,711	7,355,119	5,718,680
Capital expenditures	—	1,179,147	1,179,147	1,125,416
Academic awards	—	1,088,876	1,088,876	5,118,344
	—	531,505	531,505	376,234
	1,147,408	9,007,239	10,154,647	12,338,674

9. Restricted Funds

	Operating	Internal	Endowment External	2025 Total	2024 Total
	\$	\$	\$	\$	\$
Revenue					
Donations	8,682,303	—	22,593	8,704,896	15,349,976
Investment income	4,763,915	—	—	4,763,915	4,497,866
	13,446,218	—	22,593	13,468,811	19,847,842
Expenses	(14,136)	—	—	(14,136)	(14,991)
Excess of revenue over expenses before grants	13,432,082	—	22,593	13,454,675	19,832,851
Grants	(9,007,239)	—	—	(9,007,239)	(12,248,674)
Excess of revenue over expenses for the year	4,424,843	—	22,593	4,447,436	7,584,177
Fund balances, beginning of year	29,512,536	4,462,038	43,325,467	77,300,041	71,089,481
Board designations					
Capital preservation (a)	(1,183,900)	110,400	1,073,500	—	—
Board endowed funds (b)	(32,900)	—	—	(32,900)	(32,300)
Interfund transfers					
Allocation (c)	(1,452,104)	—	4,989	(1,447,115)	(1,341,417)
Fund balances, end of year	31,268,475	4,572,438	44,426,549	80,267,462	77,299,941

- (a) Represents an allocation from the Restricted Operating Funds to the Endowment Funds to maintain the purchasing power of the Endowment Funds.
- (b) Represents an allocation from the board Endowment Fund to the Unrestricted Funds.
- (c) The Interfund transfer represents an allocation of 5% – 12.5% of eligible restricted donations received in the year and 1% of endowment capital under management transferred from the Restricted Operating Fund to the Unrestricted Operating Fund. Both allocations are made in accordance with the Foundation's allocation policy.

10. Financial risk management

The main risks to which the Foundation's financial instruments are exposed are as follows:

Credit risk

Credit risk is the risk of non-payment of scheduled interest and/or principal payments. The Foundation is exposed to credit risk as it holds investments in fixed income securities (Note 3), deposits cash with various financial institutions, and periodically enters into foreign exchange currency contracts (Note 4). Credit risk on fixed income securities is managed by the Foundation's investment managers whose responsibility it is to regularly monitor credit exposures and follow guidelines on credit quality. Credit risk on cash is managed by making deposits with reputable and financially stable organizations.

Credit risk on foreign exchange contracts is managed by the Foundation's investment managers through the careful selection of its derivative counterparties.

Liquidity risk

The Foundation believes it has moderate to low liquidity risk given the composition of its accounts payable and accrued liabilities.

The Foundation has a revolving line of credit with a Canadian chartered bank secured by investments held. Maximum borrowings under the agreement are \$3,000,000 (\$3,000,000 in 2024). Interest on any borrowings is calculated at the bank's prime rate. As at March 31, 2025, the outstanding balance under the line of credit is nil (nil in 2024).

Market risk

Market risk arises as a result of trading in equity securities and fixed income securities. Fluctuations in the market expose the Foundation to a risk of loss.

Currency risk

Currency risk is the risk that the value or future cash flows of an investment will change due to fluctuations in foreign exchange rates. The Foundation is exposed to currency risk as it holds investments denominated in currencies other than Canadian dollars and has unfunded investment commitments denominated in US dollars (see Note 3).

The Foundation periodically enters into foreign exchange forward contracts to mitigate currency risk relating to its non-Canadian investments (Note 4).

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of fixed income securities held by the Foundation.

To manage these risks, the Foundation has established investment policies, which include a target mix of investment types and concentration limits designed to achieve an appropriate return within reasonable risk tolerances.