

Financial Statements of

**ST. PAUL'S FOUNDATION
OF VANCOUVER**

And Independent Auditor's Report thereon

Year ended March 31, 2025



KPMG LLP

PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of St. Paul's Foundation of Vancouver

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of St. Paul's Foundation of Vancouver (the "Entity"), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2025, and its results of 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 auditor's 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 the 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 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 cast 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 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 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.
- 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied in preparing and presenting financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding period.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants

Vancouver, Canada
June 25, 2025

ST. PAUL'S FOUNDATION OF VANCOUVER

Statement of Financial Position


March 31, 2025, with comparative information for 2024

| | 2025 | 2024 |
|--|-----------------------|-----------------------|
| Assets | | |
| Cash | \$ 90,883,682 | \$ 37,707,585 |
| Accounts receivable and prepaids (notes 7, 10(c)) | 651,388 | 746,602 |
| Investments (note 3) | 283,695,807 | 282,821,403 |
| Other assets | 95,596 | 184,565 |
| | \$ 375,326,473 | \$ 321,460,155 |
| Liabilities and Net Assets | | |
| Liabilities: | | |
| Accounts payable and accrued liabilities (note 4) | \$ 4,036,565 | \$ 877,864 |
| Due to Providence Health Care Society (note 10(b)) | 816,613 | 871,005 |
| Other liabilities | 92,582 | 93,640 |
| | 4,945,760 | 1,842,509 |
| Net assets: | | |
| Unrestricted | 16,595,632 | 11,833,971 |
| Internally restricted | 30,493,701 | 21,911,196 |
| Externally restricted | 285,204,673 | 252,639,726 |
| Restricted for endowment | 38,086,707 | 33,232,753 |
| | 370,380,713 | 319,617,646 |
| | \$ 375,326,473 | \$ 321,460,155 |

See accompanying notes to financial statements.

Approved on behalf of the Board:


Chair, Board of Directors


Chair, Finance Committee

ST. PAUL'S FOUNDATION OF VANCOUVER

Statement of Operations

Year ended March 31, 2025, with comparative information for 2024

| | Unrestricted | Externally Restricted | Endowment | 2025 Total | 2024 Total |
|---|---------------|--------------------------|--------------|---------------|---------------|
| Revenue: | | | | | |
| Donations and grants (notes 7, 10(a)) | \$ 8,900,349 | \$ 69,369,572 | \$ 2,339,273 | \$80,609,194 | \$ 57,809,403 |
| Parkade revenue (note 10(c)) | - | 1,448,598 | - | 1,448,598 | 1,290,381 |
| Other income | 348,500 | - | (348,500) | - | - |
| | 9,248,849 | 70,818,170 | 1,990,773 | 82,057,792 | 59,099,784 |
| Expenses: | | | | | |
| General fundraising and administrative expenses | 13,240,619 | - | - | 13,240,619 | 11,817,667 |
| Parkade expenses (note 10(c)) | - | 251,665 | - | 251,665 | 224,055 |
| | 13,240,619 | 251,665 | - | 13,492,284 | 12,041,722 |
| Investment income (notes 6, 8) | 18,971,227 | 4,748,724 | 2,862,581 | 26,582,532 | 23,313,067 |
| Excess of revenue over expenses before grants | 14,979,457 | 75,315,229 | 4,853,354 | 95,148,040 | 70,371,129 |
| Transfers to qualified donees | (4,085) | (5,899,187) | - | (5,903,272) | (3,476,830) |
| Grants to Providence Health Care Society (note 10(b)) | (201,309) | (38,280,392) | - | (38,481,701) | (34,718,001) |
| Excess of revenue over expenses | \$ 14,774,063 | \$ 31,135,650 | \$ 4,853,354 | \$ 50,763,067 | \$ 32,176,298 |

See accompanying notes to financial statements.

ST. PAUL'S FOUNDATION OF VANCOUVER

Statement of Changes in Net Assets

Year ended March 31, 2025, with comparative information for 2024

| | Unrestricted | Internally restricted | Externally restricted | Endowment | 2025 | 2024 |
|---------------------------------|---------------|--------------------------|--------------------------|---------------|----------------|----------------|
| Net assets, beginning of year | \$ 11,833,971 | \$ 21,911,196 | \$ 252,639,726 | \$ 33,232,753 | \$ 319,617,646 | \$ 287,441,348 |
| Excess of revenue over expenses | 14,774,063 | - | 31,135,650 | 4,853,354 | 50,763,067 | 32,176,298 |
| Interfund transfers | (10,012,402) | 8,582,505 | 1,429,297 | 600 | - | - |
| Net assets, end of year | \$ 16,595,632 | \$ 30,493,701 | \$ 285,204,673 | \$ 38,086,707 | \$ 370,380,713 | \$ 319,617,646 |

See accompanying notes to financial statements.

ST. PAUL'S FOUNDATION OF VANCOUVER

Statement of Cash Flows

Year ended March 31, 2025, with comparative information for 2024

| | 2025 | 2024 |
|---|---------------|---------------|
| Cash provided by (used in): | | |
| Operations: | | |
| Excess of revenue over expenses | \$ 50,763,067 | \$ 32,176,298 |
| Items not involving cash: | | |
| Change in fair value of investments | (7,910,867) | (8,332,957) |
| Amortization of other assets | 88,969 | 92,033 |
| | 42,941,169 | 23,935,374 |
| Changes in non-cash working capital balances: | | |
| Accounts receivable | 95,214 | 252,965 |
| Accounts payable and accrued liabilities | 3,158,701 | 168,997 |
| Due to Providence Health Care | (54,392) | 359,083 |
| Other liabilities | (1,058) | 40,708 |
| | 46,139,634 | 24,757,127 |
| Investing: | | |
| Net purchase of investments at amortized cost | 6,466,528 | (19,715,689) |
| Net purchase of investments at fair value | 569,935 | (16,544,568) |
| Purchase of other assets | - | (81,924) |
| | 7,036,463 | (36,342,181) |
| Increase (decrease) in cash | 53,176,097 | (11,585,054) |
| Cash, beginning of year | 37,707,585 | 49,292,639 |
| Cash, end of year | \$ 90,883,682 | \$ 37,707,585 |

See accompanying notes to financial statements.

ST. PAUL'S FOUNDATION OF VANCOUVER

Notes to Financial Statements

Year ended March 31, 2025

1. Operations:

On April 3, 2017, St. Paul's Hospital Foundation of Vancouver and Tapestry Foundation for Health Care ("Tapestry") amalgamated to become St. Paul's Foundation of Vancouver (the "Foundation") and is registered under the Societies Act (British Columbia).

The purpose of the Foundation is to fund, facilitate, promote and carry out activities which are consistent with the objectives of the Providence Health Care Society ("PHC") and Providence Living Society ("PL").

The Foundation is a registered charity under the Income Tax Act and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes.

2. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the Chartered Professional Accountants of Canada Handbook - *Accounting*. The Foundation has presented an unclassified statement of financial position which sequences assets according to their nearness of conversion to cash and sequences liabilities according to the nearness of their maturity and resulting use of cash.

Significant accounting policies applied are as follows:

(a) Revenue recognition and fund accounting:

The Foundation follows the restricted fund method of accounting for contributions.

Unrestricted contributions 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.

Externally restricted investment income and contributions other than endowment contributions are recognized as revenue of the Externally Restricted Funds, if an appropriate restricted fund exists. Endowment contributions are recognized as revenue of the Endowment Funds. Externally restricted contributions for future expenses for which a restricted fund does not exist are recorded as deferred revenue and recognized as revenue in the period the related expense is incurred or the restrictions are met.

Parkade revenue is recorded when earned.

For financial reporting purposes, the accounts have been classified into the following funds:

(i) Unrestricted Fund and Internally Restricted Funds:

The Unrestricted Fund comprises donations and investment income that are not specifically designated by donors. Administrative costs pertaining to the Foundation are charged to the Unrestricted Fund.

From time to time, the Board of Directors may impose certain restrictions on fund balances. These amounts are presented on the statement of financial position and statement of changes in net assets as Internally Restricted Funds. These internally restricted amounts are not available for other purposes without approval of the Board of Directors. Investment income earned on Internally Restricted Funds is recorded in the Unrestricted Fund. This balance is substantially comprised of the Sustainability Fund.

ST. PAUL'S FOUNDATION OF VANCOUVER

Notes to Financial Statements (continued)

Year ended March 31, 2025

2. Significant accounting policies (continued):

(a) Revenue recognition and fund accounting (continued):

(ii) Externally Restricted Funds:

The Externally Restricted Funds comprise donations, investment income earned on Endowment Funds and distributed to the Restricted Funds for use as designated by donors (2 (a) (iii)), and restricted income received from the Vancouver Foundation.

(iii) Endowment Funds:

The Endowment Funds comprise donations that are permanently maintained in accordance with donor wishes.

Investment income earned on Endowment Funds is recorded in the Endowment Fund.

For spending purposes, a distribution of income earned is made annually to the relevant Externally Restricted Funds, for use as designated by the donors, unless the donor had indicated that part of that income is to be maintained in the Endowment Funds. Where no restriction on the investment income has been made, the distribution of income earned is recorded in the Unrestricted Fund.

An administration fee is charged on the Endowment Fund annually and recorded as other income in the Unrestricted Fund.

To meet the objectives of financial reporting and stewardship over the Unrestricted, Internally Restricted, Externally Restricted and Endowment Funds, transfers between the funds are made when it is considered appropriate and approved by the Board or in accordance with donor terms of reference. These interfund transfers are recorded in the statement of changes in net assets.

(b) Contributed goods and services:

The Foundation periodically receives donations of goods, including artwork, for which gift-in-kind receipts are issued. These contributed goods are not recognized in the financial statements.

Under an agreement entered into in 2001 between the Foundation and PHC, PHC agreed to pay rent on commercially leased premises near St. Paul's Hospital for the Foundation's office. PHC also provides certain administrative services at no charge. The value of the rent and administrative services provided is not recorded in the financial statements.

A substantial number of volunteers contribute a significant amount of their time to the Foundation each year. Due to the difficulty in determining their fair value, these contributed services are not recognized in the financial statements.

(c) Employee future benefits:

Certain of the Foundation's employees are members of the Municipal Pension Plan, a multi-employer defined benefit plan. The Foundation accounts for contributions to this plan as expenses in the year the contributions are made (note 5).

ST. PAUL'S FOUNDATION OF VANCOUVER

Notes to Financial Statements (continued)

Year ended March 31, 2025

2. Significant accounting policies (continued):

(d) Foreign currency translation:

Monetary assets and liabilities denominated in a foreign currency are translated at exchange rates in effect at the statement of financial position date. Non-monetary assets and liabilities are translated at exchange rates in effect when the assets were acquired or obligations incurred. Revenue and expense items originating in foreign currencies are translated at rates of exchange in effect at the time of the transaction. Foreign exchange gains and losses are included in the statement of operations. Exchange gains and losses related to the translation of foreign currency denominated investments held at fair value are recorded as part of unrealized gains and losses included in investment income.

(e) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Free-standing derivatives that are not designated in a qualifying hedging relationship and equity instruments that are quoted in an active market are measured at fair value without any adjustment for transaction costs that may be incurred on sale or other disposal. Other financial instruments are measured at amortized cost. The Foundation has elected to carry all investments other than guaranteed investment certificates at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

ST. PAUL'S FOUNDATION OF VANCOUVER

Notes to Financial Statements (continued)

Year ended March 31, 2025

3. Investments:

Investments are comprised of the following:

| | 2025 | 2024 |
|-------------------------------------|----------------|----------------|
| Investments held at fair value: | | |
| Money market funds | \$ 95,273 | \$ 152,495 |
| Short-term bond and mortgage fund | 57,717,410 | 57,118,816 |
| Canadian equity | 26,373,252 | 25,829,601 |
| Global equity | 46,162,178 | 46,591,018 |
| Private debt | 18,476,387 | 14,939,387 |
| Infrastructure | 18,116,666 | 15,747,321 |
| Real estate | 14,556,770 | 13,778,366 |
| | 181,497,936 | 174,157,004 |
| Investments held at amortized cost: | | |
| Guaranteed investment certificates | 102,197,871 | 108,664,399 |
| | \$ 283,695,807 | \$ 282,821,403 |

The guaranteed investment certificates have interest rates of 1.60% - 5.77% (2024 - 1.60% - 5.77%) and mature over various dates from June 2025 to December 2027 (2024 - January 2025 to September 2027). The amounts recognized above are inclusive of accrued interest.

The Foundation manages its investments through a Statement of Investment Policies and Guidelines. Invested funds are divided into separate categories to support the Foundation's operations, as well as equipment, patient care, education, and research programs of PHC and PHC-related entities. Each category is invested with different classes of investments according to the needs for liquidity, investment returns, and preservation of capital. These categories include:

- (a) Internally Restricted Funds that are invested in guaranteed investment certificates 45.1% (2024 - 100%) and pooled with Externally Restricted funds 54.9% (2024 - 0%), as shown in Note 3(b)(i).
- (b) Externally Restricted Funds that are invested in the following:
 - (i) Designated funds: money market funds 0.0% (2024 - 0.1%); fixed income 13.9% (2024 - 14.3%); equities 34.1% (2024 - 36.1%); private debt 10.8% (2024 - 9.2%); mortgage 22.0% (2024 - 21.8%); infrastructure 10.5% (2024 - 9.8%); real estate 8.7% (2024 - 8.7%).
 - (ii) Designated funds that require additional liquidity: guaranteed investment certificates 95.4% (2024 - 89.0%); fixed income 2.1% (2024 - 4.8%); equities 2.5% (2024 - 6.2%).
- (c) Endowment Funds that are invested as follows: money market funds 0.1% (2024 - 0.0%); fixed income 8.3% (2024 - 7.6%); equities 58.7% (2024 - 57.3%); private debt 9.3% (2024 - 9.6%); mortgage 7.6% (2024 - 8.4%); infrastructure 9.2% (2024 - 9.3%); real estate 6.8% (2024 - 7.8%).

ST. PAUL'S FOUNDATION OF VANCOUVER

Notes to Financial Statements (continued)

Year ended March 31, 2025

4. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$41,077 (2024 - \$39,541), which includes the employer health tax.

5. Employee future benefits:

The Foundation and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The Plan is a multi-employer defined benefit plan governed by the BC Public Sector Pension Plans Act.

Employer contributions to the Municipal Pension Plan of \$607,400 (2024 - \$577,470) were expensed during the year. Every three years, an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of the Plan funding. The most recent actuarial valuation for the Plan at December 31, 2021 indicated a funding surplus of approximately \$3,761 million. The actuary does not attribute portions of the unfunded liability/surplus to individual employers. The Plan covers approximately 256,000 active members and approximately 128,000 retired members as of December 31, 2023. Active members include approximately 65 (2024 - 70) employees of the Foundation. The next expected actuarial valuation will be as of December 31, 2024 with results available in 2025.

6. Vancouver Foundation Fund:

A permanent Endowment Fund has been established with the Vancouver Foundation whereby the W.J. Van Dusen Foundation matched annual contributions of \$100,000 in 1985, 1986 and 1987 to the Endowment Fund by the St. Paul's Foundation of Vancouver. The total of \$600,000, plus an additional \$12,145 from the Foundation's resources, was transferred to the Vancouver Foundation during those years. The capital of the fund is held permanently by the Vancouver Foundation and accordingly is not recorded on the statement of financial position. Income from the Endowment Fund is to be distributed to the Foundation at least annually and in 2025 amounted to \$55,258 (2024 - \$50,913). This is included in externally restricted investment income.

7. Government contributions:

During the fiscal year, the Foundation recognized the following grant funding from government for specified uses which have been included in the Externally Restricted Fund donations and grants revenue in the statement of operations:

| | 2025 | 2024 |
|--------------------------------------|---------------|--------------|
| Government of Canada | \$ 1,321,588 | \$ 3,358,664 |
| Province of British Columbia | 9,209,677 | 802,700 |
| Provincial Health Services Authority | 2,150 | 114,300 |
| | \$ 10,533,415 | \$ 4,275,664 |

ST. PAUL'S FOUNDATION OF VANCOUVER

Notes to Financial Statements (continued)

Year ended March 31, 2025

7. Government contributions (continued):

There was government funding of nil (2024 – \$196,168) outstanding and included in accounts receivable as at year end.

8. Investment income:

Investment income is comprised of:

| | 2025 | 2024 |
|------------------|----------------------|----------------------|
| Interest | \$ 14,017,532 | \$ 10,170,899 |
| Dividends | 2,195,006 | 2,322,637 |
| Realized gains | 2,459,127 | 2,486,574 |
| Unrealized gains | 7,910,867 | 8,332,957 |
| | <u>\$ 26,582,532</u> | <u>\$ 23,313,067</u> |

9. Financial risks:

(a) Liquidity risk:

Liquidity risk is the risk that the Foundation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Foundation manages its liquidity risk by monitoring its operating requirements and investing in different types of investments with various terms. Additional details related to investments are included in Note 3. The Foundation prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

(b) Credit risk:

Credit risk is the risk of financial loss to the Foundation if a counterparty to a financial instrument fails to meet its contractual obligations. The Foundation's investments in guaranteed investment certificates, income funds and equities are subject to credit risk. The maximum exposure to credit risk on these instruments is their carrying value. The Foundation manages the risk by retaining professional investment counselors who act in accordance with the Foundation's investment policies. These policies include asset mix guidelines and minimum investment grade levels for each asset class.

Other credit risks can arise from holding receivables. The Foundation has minimal accounts receivable outside from with government, and as such the credit risk is minimal.

(c) 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 comprises currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

ST. PAUL'S FOUNDATION OF VANCOUVER

Notes to Financial Statements (continued)

Year ended March 31, 2025

9. Financial risks (continued):

(c) Market risk (continued):

(i) Currency risk:

Investments in foreign securities are exposed to currency risk due to fluctuations in foreign exchange rates.

The Foundation is exposed to currency risk on its foreign equity funds, its foreign market bonds, and investments in foreign infrastructure, foreign private debt, and foreign real estate, as the prices denominated in foreign currencies are converted to Canadian dollars in determining fair value. The objective of the Foundation's investment policy is to manage currency risk by maintaining a geographically diversified portfolio.

From time-to-time, the Foundation's external investment fund managers may hold balances in cash and cash equivalents denominated in non-Canadian currencies. The currency risk related to these balances is not significant.

(ii) Interest rate risk:

Interest rate risk relates to the risk that changes in interest rates will affect the fair value or future cash flows of financial instruments held by the Foundation. The Foundation is invested in a number of fixed income instruments including guaranteed investment certificates and money market funds totaling \$102,293,144 (2024 - \$108,816,894), as well as pooled bond funds and pooled mortgage funds totaling \$57,717,410 (2024 - \$57,118,816) which are subject to interest rate risks.

(iii) Other price risks:

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Equity price risk is the risk that the fair value of equity financial instruments will fluctuate due to changes in market prices. The Foundation is exposed to equity price risk on its investments in its equity fund holdings. The objective of the Foundation's investment policy is to manage equity price risk by maintaining a portfolio which is diversified across geographic and industry sectors. The performance of the Foundation's investments is monitored by measuring against a benchmark consisting of relative weightings of various stock indices.

ST. PAUL'S FOUNDATION OF VANCOUVER

Notes to Financial Statements (continued)

Year ended March 31, 2025

10. Transactions with Providence Health Care and related entities:

During the year, the Foundation had the following transactions with PHC and other PHC related entities:

- (a) PHC and Providence Health Care Research Institute Trust transferred contributions of \$3,051,655 (2024 - \$3,893,854) to the Foundation. These amounts have been recorded in externally restricted donations and grants revenue in the statement of operations in accordance with the terms of the contributions.
- (b) The Foundation provided contributions to PHC and related entities of \$38,481,701 (2024 - \$34,718,001) which have been recorded as grant expenses in the statement of operations.

As at March 31, 2025, the Foundation owed PHC \$816,613 (2024 - \$871,005) for reimbursement of payments made by PHC on behalf of the Foundation which includes \$628,356 (2024 - \$636,297) in payroll related costs. These payroll related costs are amounts owing due to PHC performing payroll processing services for the Foundation as well for any net payments for sharing of certain staff between the two entities during the year.

- (c) On December 31, 2020, the Providence Parkade Trust (the "Trust"), of which the Foundation and PHC were beneficiaries, was terminated and dissolved. The Trust distributed its trust property and a parking facility lease with PHC to the Foundation. The parking facility lease allows the Foundation to operate the parkade with the related revenue and expenses accruing to the Foundation. In accordance with the St. Paul's Hospital ("SPH") Parkade Fund terms of reference signed with PHC, the net revenue derived by the Foundation in its operation of the parkade will be restricted to support PHC. During fiscal 2025, parkade revenue of \$1,448,598 (2024 - \$1,290,381) was received, and expenses of \$251,665 (2024 - \$224,055) were incurred. As at March 31, 2025, \$11,859 (2024 - \$12,725) receivable from PHC related to the SPH Parkade is included in accounts receivable.

11. Remuneration disclosure under Societies Act (British Columbia):

For the fiscal year ending March 31, 2025, the Society paid total remuneration of \$5,080,324 (2024 - \$5,109,723) to 43 (2024 - 42) employees and contractors for services, each of whom received total annual remuneration of \$75,000 or greater.

No remuneration was paid to any members of the Board of Directors.