

CanadaHelps CanaDon

Financial Statements

For the Year Ended June 30, 2025



INDEPENDENT AUDITOR'S REPORT

To the Members of CanadaHelps CanaDon

Opinion

We have audited the financial statements of CanadaHelps CanaDon (the "Organization"), which comprise the statement of financial position as at June 30, 2025, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at June 30, 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 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

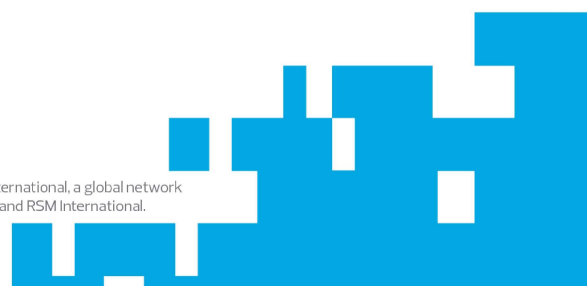
Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that 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.

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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.

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
November 14, 2025
Toronto, Ontario

CanadaHelps CanaDon
Statement of Financial Position
As at June 30, 2025

| | 2025 | 2024 |
|---|---------------|---------------|
| Assets | | |
| Current | | |
| Cash | \$ 3,776,686 | \$ 2,735,724 |
| Restricted cash | 1,104,738 | 2,651,952 |
| Restricted short-term deposits (Note 3) | 2,456,627 | 3,348,048 |
| Harmonized sales tax receivable | 98,994 | 103,801 |
| Prepaid expenses and other current assets | 503,653 | 580,281 |
| Designated cash (Notes 7 and 10) | 11,019,785 | 10,028,476 |
| | 18,960,483 | 19,448,282 |
| Capital assets (Note 5) | 11,750 | 17,797 |
| Intangible assets (Note 6) | 2,997,078 | 2,770,031 |
| Restricted long-term deposits (Note 4) | 2,438,635 | - |
| | \$ 24,407,946 | \$ 22,236,110 |

Liabilities

| | | |
|--|------------|------------|
| Current | | |
| Accounts payable and accrued liabilities | \$ 917,836 | \$ 818,323 |
| Deferred revenue | 650,467 | 610,673 |
| Current portion of long-term debt (Note 8) | 33,075 | 33,075 |
| Contributions due to designated charities (Notes 7 and 10) | 11,019,785 | 10,028,476 |
| | 12,621,163 | 11,490,547 |
| Long-term debt (Note 8) | 65,220 | 98,295 |
| | 12,686,383 | 11,588,842 |

Net Assets

| | | |
|--|---------------|---------------|
| Unrestricted net assets | 2,712,735 | 1,966,307 |
| Operating reserve | 5,000,000 | 5,000,000 |
| Invested in intangible and capital assets | 3,008,828 | 2,680,961 |
| Special program fund | 1,000,000 | 1,000,000 |
| | 11,721,563 | 10,647,268 |
| | \$ 24,407,946 | \$ 22,236,110 |

Approved by the Board

Signed by:

052E80EB3C844C2...
Director

Signed by:

54C6227F5DB94CB...
Director

CanadaHelps CanaDon
Statement of Operations
Year Ended June 30, 2025

| | 2025 | 2024 |
|--|---------------------|---------------------|
| Revenue | | |
| Donations of cash and securities (Note 9) | \$ 486,453,375 | \$444,570,530 |
| Subscription revenue | 1,167,413 | 1,271,390 |
| Interest | 802,656 | 866,210 |
| Event transaction fees | 694,076 | 640,397 |
| Undisbursable funds (Note 10) | 348,624 | 497,481 |
| Grants from foundations | 300,000 | 46,013 |
| Other income | 187,910 | 196,460 |
| Corporate donations and sponsorships | 96,590 | 512,021 |
| | 490,050,644 | 448,600,502 |
| Expenses | | |
| Donations to charities | 467,074,451 | 426,283,424 |
| Staffing costs | 10,961,722 | 10,121,384 |
| Bank charges and credit card fees | 6,918,739 | 6,472,761 |
| Amortization of intangible assets | 1,574,992 | 1,424,773 |
| Software subscription and license | 738,652 | 549,966 |
| Marketing and charity education | 715,116 | 1,064,713 |
| Consulting and other professional fees | 322,717 | 524,505 |
| Legal, audit and insurance | 232,218 | 225,812 |
| Office supplies | 210,224 | 204,023 |
| Rent and occupancy costs | 96,764 | 303,939 |
| Travel and conferences | 65,605 | 75,976 |
| Amortization of capital assets | 65,149 | 31,780 |
| | 488,976,349 | 447,283,056 |
| Excess of revenues over expenses for the year | \$ 1,074,295 | \$ 1,317,446 |

CanadaHelps CanaDon
Statement of Changes in Net Assets
Year Ended June 30, 2025

| | 2025 | | | | 2024 | |
|---|----------------------------|----------------------|----------------------------|--|----------------------|----------------------|
| | Unrestricted Net Assets | Operating Reserve | Special Program Fund | Invested in Intangible and Capital Assets | Total | Total |
| Balance - at beginning of year | \$ 1,966,307 | \$ 5,000,000 | \$ 1,000,000 | \$ 2,680,961 | \$ 10,647,268 | \$ 9,329,822 |
| Excess of revenues over expenses for the year | 1,074,295 | - | - | - | 1,074,295 | 1,317,446 |
| Inter-fund transfers representing: | | | | | | |
| Purchase of capital assets | (9,779) | - | - | 9,779 | - | - |
| Purchase and development of intangible assets | (1,865,225) | - | - | 1,865,225 | - | - |
| Amortization of intangible assets | 1,574,992 | - | - | (1,574,992) | - | - |
| Amortization of capital assets | 65,149 | - | - | (65,149) | - | - |
| Transfer from unrestricted | (106,867) | - | - | 106,867 | - | - |
| Loss on intangible assets write-off | 13,863 | - | - | (13,863) | - | - |
| Balance - at end of year | \$ 2,712,735 | \$ 5,000,000 | \$ 1,000,000 | \$ 3,008,828 | \$ 11,721,563 | \$ 10,647,268 |

CanadaHelps CanaDon
Statement of Cash Flows
Year Ended June 30, 2025

| | 2025 | 2024 |
|---|----------------------|----------------------|
| Cash provided by (used in) | | |
| Operations | | |
| Donations received | \$ 486,453,375 | \$445,134,433 |
| Donations paid | (467,074,451) | (425,129,053) |
| Fees, sponsorships and other contributions to CanadaHelps | 2,794,613 | 2,651,741 |
| Cash paid to employees and suppliers | (19,205,768) | (20,265,831) |
| Interest received | 802,656 | 866,210 |
| | 3,770,425 | 3,257,500 |
| Investing | | |
| Proceeds from sale of short-term deposits | 3,348,048 | 3,652,655 |
| Purchase of short-term deposits | (2,400,000) | (3,200,118) |
| Purchase of long-term deposits | (2,400,000) | - |
| Purchase of capital assets | (9,779) | (18,736) |
| Purchase and development of intangible assets | (1,865,225) | (1,675,116) |
| Proceeds from disposal of capital assets | 74,663 | 3,001,105 |
| | (3,252,293) | 1,759,790 |
| Financing | | |
| Repayment of loan | (33,075) | (840,538) |
| Net change in cash | 485,057 | 4,176,752 |
| Cash, beginning of year | 15,416,152 | 11,239,400 |
| Cash, end of year | \$ 15,901,209 | \$ 15,416,152 |

Cash is represented by

| | | |
|-----------------|----------------------|----------------------|
| Cash | \$ 3,776,686 | \$ 2,735,724 |
| Restricted cash | 1,104,738 | 2,651,952 |
| Designated cash | 11,019,785 | 10,028,476 |
| | \$ 15,901,209 | \$ 15,416,152 |

CanadaHelps CanaDon
Notes to Financial Statements
Year Ended June 30, 2025

1. ORGANIZATION

CanadaHelps CanaDon ("CanadaHelps") is a non-profit corporation without share capital incorporated under the Canada Not-for-Profit Corporations Act and is a registered charity under the Income Tax Act (Canada) and, as such, is generally exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, CanadaHelps must meet certain requirements within the Act.

CanadaHelps' mission is to spark generosity and power positive change towards a vision of a world where everyone can thrive.

CanadaHelps offers donors a range of giving solutions in support of any Canadian charity or cause, including single and monthly gifts, gifts of securities, charity gift cards, fundraising pages, cause funds, and more. For charities, CanadaHelps is a trusted partner, offering affordable and right-sized tools to help them raise more to maximize impact.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared using Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Fund Accounting

Unrestricted net assets represents cumulative excess of revenue over expenses that are not restricted and available for general use by CanadaHelps.

The operating reserve was established by the Board of Directors to provide working capital for future operating costs. The objective of the operating reserve is to obtain a minimum operating reserve amount of approximately six months of average operating expenses. A matching amount of cash and short-term deposits has been internally restricted to fund the operating reserve.

Invested in intangible and capital assets represents the net book value of all intangible and capital assets, less any related debt.

The special program fund was established in June 2024 with the objective to fund the remaining 2 years of the 3-year strategic initiatives. A matching amount of cash and short-term deposits has been internally restricted to fund the special program fund.

Financial Assets and Liabilities

CanadaHelps initially measures its financial assets and liabilities at fair value. CanadaHelps subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets and liabilities include cash, restricted cash, restricted short-term and restricted long-term deposits, designated cash, accounts payable and accrued liabilities, long-term debt and contributions due to designated charities.

Short-term and Long-term Deposits

Short-term and long-term deposits are comprised of guaranteed investment certificates and are recorded at amortized cost plus accrued interest.

CanadaHelps CanaDon
Notes to Financial Statements
Year Ended June 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives at the following annual rates:

| | |
|-------------------|-------------------------------|
| Computer hardware | - 2 years straight-line basis |
|-------------------|-------------------------------|

Intangible Assets

Intangible assets are recorded at cost and amortized over their estimated useful lives at the following annual rates:

| | |
|---------------------------|-------------------------------|
| Software | - 2 years straight-line basis |
| Website development costs | - 3 years straight-line basis |
| Donor Management System | - 3 years straight-line basis |
| CanadaHelps Ensemble | - 3 years straight-line basis |

Software Services

During the year, CanadaHelps adopted Accounting Guideline AcG-20, "Customer's Accounting for Cloud Computing Arrangements" which is effective for fiscal years beginning on or after January 1, 2024. The guideline was adopted retrospectively. There was no material impact on the adoption of this guideline as there were no changes in recording or software service fees and other expenses related to cloud computing arrangements on adoption. Capitalized implementation costs and software service fees and other expenses related to cloud computing arrangements are expensed as incurred, which are recorded in office supplies and expense in the statement of operations.

Impairment

When conditions indicate an intangible or capital asset is impaired, the carrying value of the asset is written down to the asset's fair value or replacement cost. The write down is recorded as an expense in the statement of revenue and expenses. A write-down shall not be reversed.

Revenue Recognition

CanadaHelps follows the deferral method of accounting for contributions. Contributions include donations of cash and securities, corporate and other donations and sponsorships. Unrestricted contributions are recorded as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Where a portion of a contribution relates to a future period, it is deferred and recognized in that subsequent period.

Undisbursable funds represent cheques and electronic fund transfers that are deemed undisbursable after reasonable attempts to contact the charity and/or the donor. These also include gift cards that have not been redeemed after 18 months. These funds are included in the contributions due to designated charities in the Statement of Financial Position. The Board of Directors approved the policy that any donation that is deemed undisbursable shall be used to support CanadaHelps' programs and services on an annual basis. Notwithstanding the policy, CanadaHelps will always honour and redeem any and all gift cards, even if they were declared undisbursable.

CanadaHelps CanaDon
Notes to Financial Statements
Year Ended June 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue Recognition (Cont'd)

Subscription revenue includes subscription fees from Donor Management System and CanadaHelps Ensemble that are billed annually and the revenue is deferred and recognized in the month in which the performance obligation is satisfied.

Event transaction fees are recognized at the date of the transaction.

Interest and other income is recorded as earned.

Use of Estimates

The preparation of CanadaHelps' 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year.

Key areas of estimates made by management include useful lives for amortization of intangible assets. Actual results could differ from these and other estimates, the impact of which would be recorded in future periods.

3. RESTRICTED SHORT-TERM DEPOSITS

Details of restricted short-term deposits are as follows:

| | | 2025 | 2024 |
|-------------|-------------------------------------|---------------------|---------------------|
| \$ 250,000 | GIC - 3.35%, due October 14, 2025 | \$ 253,465 | \$ - |
| \$ 700,000 | GIC - 3.95%, due October 20, 2025 | 719,317 | - |
| \$ 500,000 | GIC - 3.95%, due October 21, 2025 | 513,636 | - |
| \$ 250,000 | GIC - 3.40%, due April 17, 2026 | 251,723 | - |
| \$ 700,000 | GIC - 3.78%, due April 20, 2026 | 718,486 | - |
| \$1,700,000 | GIC - 6.15%, due August 1, 2024 | - | 1,795,957 |
| \$ 500,118 | GIC - 4.00%, due September 20, 2024 | - | 524,968 |
| \$1,000,000 | GIC - 5.50%, due January 2, 2025 | - | 1,027,123 |
| | | \$ 2,456,627 | \$ 3,348,048 |

CanadaHelps CanaDon
Notes to Financial Statements
Year Ended June 30, 2025

4. RESTRICTED LONG-TERM DEPOSITS

Details of restricted long-term deposits are as follows:

| | 2025 | 2024 |
|--|---------------------|-------------|
| \$ 700,000 GIC - 3.63%, due October 19, 2026 | \$ 717,752 | \$ - |
| \$ 250,000 GIC - 3.45%, due October 19, 2026 | 251,749 | - |
| \$ 500,000 GIC - 3.63%, due October 23, 2026 | 512,432 | - |
| \$ 950,000 GIC - 3.48%, due April 19, 2027 | 956,702 | - |
| | \$ 2,438,635 | \$ - |

5. CAPITAL ASSETS

| | Cost | Accumulated Amortization | Net 2025 | Net 2024 |
|-------------------|------------|-----------------------------|-------------|-------------|
| Computer hardware | \$ 409,103 | \$ 397,353 | \$ 11,750 | \$ 17,797 |

6. INTANGIBLE ASSETS

| | Cost | Accumulated Amortization | Net 2025 | Net 2024 |
|-------------------------------|---------------------|-----------------------------|---------------------|---------------------|
| Software | \$ 329,342 | \$ 252,615 | \$ 76,727 | \$ - |
| Website development costs | 7,182,060 | 5,086,051 | 2,096,009 | 2,210,584 |
| Donor Management System (DMS) | 1,415,083 | 1,141,365 | 273,718 | 559,447 |
| CanadaHelps Ensemble | 654,769 | 104,145 | 550,624 | - |
| | \$ 9,581,254 | \$ 6,584,176 | \$ 2,997,078 | \$ 2,770,031 |

7. DESIGNATED CASH AND CONTRIBUTIONS DUE TO DESIGNATED CHARITIES

Designated cash and contributions due to designated charities represent funds set aside by CanadaHelps policy for immediate payment to charities. CanadaHelps remits the donations received to the designated charities every week, by electronic funds transfer. Where a charity does not permit electronic funds transfer, the donations are remitted by cheque on a monthly basis. Included in the designated cash are restricted donations of equity securities which have not been liquidated and distributed to the appropriate charity. The fair market value of these securities at year end is \$328,428 (2024 - \$448,496). Since the assets are designated for the charities, any gains or losses as a result of change in the fair market value of equity securities at the time of disposition is not recognized in the statement of operations. The disbursement to the designated charities is based on the proceeds at the time of sale. During July 2025, \$8,942,124 (July 2024 - \$8,203,202) of the designated cash and contributions due to designated charities were processed through electronic funds transfer and cheque.

CanadaHelps CanaDon
Notes to Financial Statements
Year Ended June 30, 2025

8. LONG-TERM DEBT

During the 2015 fiscal year, CanadaHelps entered into a loan facility agreement with The Muttart Foundation to help finance costs related to its technology and product road map. CanadaHelps has available a loan facility of up to \$455,000. In January 2015, CanadaHelps had drawn \$35,000 from the loan facility. On April 17, 2018, the purpose and term of the loan was amended such that the loan can also be used to finance the purchase of real property and will be payable until December 31, 2028. In the 2019 fiscal year, CanadaHelps drew a further \$306,250 from the loan facility for a remaining principal of \$330,750, prior to the annual principal payment of \$33,075. Interest is payable at 3.5% per annum and the principal is payable in equal installments over the term of the loan.

Details of the long-term debt are as follows:

| | 2025 | 2024 |
|-----------------------------|------------------|------------|
| Balance - beginning of year | \$ 131,370 | \$ 971,908 |
| Repayments during the year | (33,075) | (840,538) |
| | 98,295 | 131,370 |
| Less: current portion | (33,075) | (33,075) |
| Long-term portion | \$ 65,220 | \$ 98,295 |

Principal payments due in the next five years and thereafter are as follows:

| | |
|------|------------------|
| 2026 | \$ 33,075 |
| 2027 | 33,075 |
| 2028 | 32,145 |
| | \$ 98,295 |

9. DONATIONS OF CASH AND SECURITIES

Included in the donations of cash and securities is \$1,682,288 (2024 - \$1,999,793) donated to CanadaHelps to be used solely to further its charitable objectives.

10. UNDISBURSABLE FUNDS

Undisbursable funds recorded as revenue in the Statement of Operations was \$348,624 (2024 - \$497,481). In accordance with the accounting policy (see Note 2), undisbursable funds will be recognized as operating revenue at the beginning of each fiscal year. As a result, an amount of \$321,517 of undisbursable funds will be recognized as revenue on July 1, 2025.

CanadaHelps CanaDon
Notes to Financial Statements
Year Ended June 30, 2025

11. FINANCIAL INSTRUMENTS AND RISK EXPOSURE

CanadaHelps is exposed to various risks through its financial instruments. The following analysis provides a measure of CanadaHelps risk exposure at the statement of financial position date.

Liquidity Risk

Liquidity risk is the risk that CanadaHelps will encounter difficulty in meeting obligations associated with financial liabilities. CanadaHelps is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and long term debt. CanadaHelps expects to meet these obligations as they come due by generating sufficient cash flow from operations.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. CanadaHelps is exposed to interest rate risk resulting from its investments. This risk is mitigated through the nature of CanadaHelps investments, which is comprised of GIC's.

12. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation. Donor management system was changed to Subscription revenue. New lines were created for Grants from Foundation, Corporate donations and sponsorships, and Other income. Prior year's Licensing was moved to Other income. Amortization of capital and intangible assets were split out into Amortization of intangible assets and Amortization of capital assets. Software subscription and license were split out from Office supplies and expense. Excess of revenue over expenses has not been affected by these reclassifications.