

# **The Terry Fox Foundation**

Financial Statements

**March 31, 2025**

To the Board of The Terry Fox Foundation:

### Opinion

We have audited the financial statements of The Terry Fox Foundation (the "Foundation"), which comprise the statement of financial position as at March 31, 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 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.

### 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 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 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.

Vancouver, British Columbia

June 24, 2025

*MNP LLP*

Chartered Professional Accountants

# The Terry Fox Foundation

## Statement of Financial Position

As at March 31, 2025

	2025 \$	2024 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents (note 3)	12,473,167	14,482,791
International funds held on behalf of the Foundation	444,552	345,102
Short-term investments (note 4)	37,385,569	31,591,684
Merchandise inventory (note 5)	637,599	670,007
Accounts receivable and other assets (note 6)	1,179,712	747,603
	52,120,599	47,837,187
<b>Long-term investments</b> (note 4)	40,000,000	40,000,000
<b>Capital and intangible assets</b> (note 7)	126,295	39,899
	92,246,894	87,877,086
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 8)	1,345,011	1,103,650
<b>Liability for post-retirement benefits</b> (note 10)	41,499	49,055
<b>Deferred revenue</b> (note 11)	111,164	611,581
	1,497,674	1,764,286
<b>Net Assets</b>		
Invested in capital assets	126,295	39,899
Internally restricted (note 12)	40,000,000	40,000,000
Unrestricted	50,622,925	46,072,901
	90,749,220	86,112,800
	92,246,894	87,877,086
<b>Commitments</b> (notes 13 and 14)		

### Approved by the Board of Directors



Director



Director

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

# The Terry Fox Foundation

## Statement of Operations

For the year ended March 31, 2025

	2025 \$	2024 \$
<b>Revenue</b>		
Annual giving		
Canada	36,244,620	28,867,299
International	1,394,945	1,057,349
Bequests and memorials	1,775,634	515,800
Government student grants and other	27,371	213,348
Total fundraising revenue	39,442,570	30,653,796
Investment income, net (note 4)	6,837,385	7,567,962
Sale of merchandise	2,404,047	2,486,184
	48,684,002	40,707,942
<b>Expenses</b>		
Fundraising (note 9)	6,308,475	5,134,445
Administration	4,639,843	4,304,545
Total operating expenses	10,948,318	9,438,990
Cost of merchandise sold (note 5)	1,376,506	1,194,313
	12,324,824	10,633,303
<b>Excess of revenue over expenses before distribution of funds</b>	36,359,178	30,074,639
<b>Distribution of funds and other charitable activities</b>		
The Terry Fox Research Institute (note 8)	29,827,105	23,087,711
International cancer research organizations	1,217,601	1,948,611
Other distributions and charitable activities	678,052	100,054
	31,722,758	25,136,376
<b>Excess of revenue over expenses/distributions</b>	4,636,420	4,938,263

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

# The Terry Fox Foundation

## Statement of Changes in Net Assets

For the year ended March 31, 2025

	Invested in capital assets \$	Internally restricted \$	Unrestricted \$	Total \$
<b>Balance – March 31, 2024</b>	39,899	40,000,000	46,072,901	86,112,800
Excess (deficiency) of revenue over expenses/distributions	(27,385)	-	4,663,805	4,636,420
Investment in capital assets	113,781	-	(113,781)	-
<b>Balance – March 31, 2025</b>	126,295	40,000,000	50,622,925	90,749,220

  

	Invested in capital assets \$	Internally restricted \$	Unrestricted \$	Total \$
<b>Balance – March 31, 2023</b>	89,030	40,000,000	41,085,507	81,174,537
Excess (deficiency) of revenue over expenses/distributions	(54,955)	-	4,993,218	4,938,263
Investment in capital assets	5,824	-	(5,824)	-
<b>Balance – March 31, 2024</b>	39,899	40,000,000	46,072,901	86,112,800

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

# The Terry Fox Foundation

## Statement of Cash Flows

For the year ended March 31, 2025

	2025 \$	2024 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenses/distributions	4,636,420	4,938,263
Items not affecting cash		
Capital assets – amortization	27,385	54,955
Investment income reinvested	(4,270,385)	(2,763,607)
Change in unrealized gain on investments	(2,523,500)	(4,491,521)
Change in liability for post-retirement benefits	(7,556)	(4,941)
	(2,137,636)	(2,266,851)
Changes in non-cash operating working capital		
International funds held on behalf of the Foundation	(99,450)	1,007,252
Merchandise inventory	32,408	135,614
Accounts receivable and other assets	(432,109)	(151,612)
Accounts payable and accrued liabilities	241,361	(335,757)
Deferred revenue	(500,417)	(361,641)
	(2,895,843)	(1,972,995)
<b>Investing activities</b>		
Proceeds on sale of investments	1,000,000	7,000,000
Additions to capital assets	(113,781)	(5,824)
	886,219	6,994,176
<b>Increase (decrease) in cash and cash equivalents</b>	(2,009,624)	5,021,181
<b>Cash and cash equivalents – Beginning of year</b>	14,482,791	9,461,610
<b>Cash and cash equivalents – End of year</b>	12,473,167	14,482,791

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

# The Terry Fox Foundation

## Notes to Financial Statements

For the year ended March 31, 2025

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### 1 General

The Terry Fox Foundation (the Foundation) was established in 1988 to maintain the vision and principles of Terry Fox while raising money for innovative cancer research. In recent years' the Foundation has approved annual Terry Fox runs in many countries around the world and provides funding for cancer research in those countries.

The Foundation is a registered charitable organization under the Income Tax Act and, accordingly, is exempt from income taxes.

The Foundation was established as a Trust on May 26, 1988. On March 12, 1993, the Trustees of the Trust caused the incorporation of an entity known as The Terry Fox Foundation under the laws of Canada. On March 31, 1994, the Trustees transferred all assets and operations of the Trust to the new corporation and the corporation assumed the liabilities of the Trust.

The Terry Fox Research Institute (TFRI) oversees the Foundation's cancer research programs and works with various other organizations that specialize in managing cancer research projects. TFRI has a separate board and is not considered a controlled entity and, accordingly, is not consolidated in these financial statements.

### 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 (CPA Canada) Handbook – Accounting. The Foundation's significant accounting policies are as follows.

#### Revenue recognition

The Foundation follows the deferral method of accounting for contributions. Restricted contributions are deferred and recognized as revenue in the period in which the related expenses are incurred or the restrictions are met. Unrestricted contributions are recognized as revenue in the current period, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from donations, royalties, planned giving and in memoriam gifts received in Canada are recorded in the year received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from the sale of merchandise is recognized when the good is sold, the amount to be received can be estimated and collection is reasonably assured.

Revenue from donations received outside of Canada and used for cancer research in those countries has been combined in these financial statements. The Foundation approves these international activities. Investment income comprises interest and dividends earned on investments. Fair value changes in investments are recognized separately and comprise realized and unrealized gains and losses on investments.



# The Terry Fox Foundation

## Notes to Financial Statements

For the year ended March 31, 2025

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Interest income on short-term and long-term investments is recorded on an accrual basis.

Government grants are recorded as revenue in the fiscal year that the grants are designated to support and when collection is reasonably assured.

### **Cash and cash equivalents**

Cash consists of short-term, highly liquid investments that are subject to insignificant changes in fair value, including cash on hand and deposits with financial institutions that can be withdrawn without prior notice. Cash is carried at cost, which approximates its fair value due to its short-term nature.

### **International funds held on behalf of the Foundation**

The mission and vision of Terry Fox transcends beyond Canadian borders as many nations hold events to raise funds in Terry's name to support and promote cancer research in their countries. The Foundation and TFRI collaborate with local charitable organizations and research institutions to identify cancer research projects and programs for funding. International funds held on behalf of the Foundation represent amounts fundraised internationally and are held on behalf of the Foundation by various international organizations and financial institutions.

### **Distribution of funds**

Research distributions to TFRI support cancer research including translational and discovery projects, research centres and training and the operating costs of managing those research programs. The Foundation recognizes a research distribution expense to TFRI when the transfer of funds has been approved for payment.

The Foundation recognizes international research distribution expenses when an approved research recipient has complied with the conditions of the grant or charitable activities and the Foundation has authorized the release of funds to the grant recipient.

### **Financial instruments**

Financial instruments are recorded at fair value on initial recognition and subsequently at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Foundation has elected to carry its investments at fair value, as there are readily available market prices.

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.

# The Terry Fox Foundation

Notes to Financial Statements  
For the year ended March 31, 2025

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### Investments

Short-term investments include any term deposits, guaranteed investment certificates, treasury bills, bankers' acceptances, income funds, bonds or equities, with a term to maturity more than 90 days and less than one year. Short-term investments are measured at fair value with subsequent changes to fair value recognized as income in the year.

Long-term investments include any term deposits, guaranteed investment certificates, treasury bills, bankers' acceptances, income funds, bonds or equities, with a term to maturity of more than one year or that are related to internally restricted capital where the board intends to hold them for the long term. Long-term investments are measured at fair value with subsequent changes in fair value recognized as income in the year.

### Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and selling costs.

### Capital and intangible assets

Capital and intangible assets are stated at cost, less accumulated amortization. Donated equipment is recorded at fair market value when received. Amortization is provided using the straight-line method and following annual rates:

Furniture and equipment	5 years
Computer equipment	3 years
Leasehold improvements	5 years
Software customization	5 years

### Donated goods and services

Donated goods and services are recorded at fair value if they would have otherwise been purchased and if fair value can be determined.

### Employee future benefit plans

Effective May 1, 2024, the Foundation entered a new defined contribution plan, DBPlus, with The Colleges of Applied Arts and Technology Pension Plan (CAAT). Prior to that, the Foundation participated in a registered pension plan as an Affiliated Organization of the Registered Pension Plan for the Employees of the Canadian Cancer Society and Affiliated Organizations. In the past, the plan offered both a defined contribution plan and a defined benefit plan.

As of January 1, 2016, the defined benefit provision of the pension plan was closed and no further defined benefit current service contributions were added, only grandfathering existing staff. All new and active members

# The Terry Fox Foundation

## Notes to Financial Statements

For the year ended March 31, 2025

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were under the defined contribution provision of the pension plan. As of May 1, 2024, the Registered Pension Plan for the Employees of the Canadian Cancer Society and Affiliated Organizations was terminated.

### Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at the prevailing rates of exchange at the statement of financial position date. Revenue and expenses are translated to Canadian dollars at the exchange rates prevailing on the transaction date. Realized and unrealized exchange gains and losses are included in expenses.

### Use of estimates

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, which require management estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Significant areas requiring management estimates include accrued liabilities and accrued payroll-related liabilities. Actual results could differ from those estimates.

## 3 Cash and cash equivalents

At year-end, total cash and cash equivalents of \$12,473,167 (2024 - \$14,482,791) were held primarily to fund operations and anticipated disbursements to TFRI. Cash and cash equivalents is being held in bank accounts generating between 2.95% and 5.5% interest (2024 - between 4.7% and 5.2%).

## 4 Investments

	2025 \$	2024 \$
Term deposits and GICs	590,152	1,568,207
Fixed income fund	39,558,796	35,027,620
Canadian equities fund	7,514,945	7,015,369
Foreign equities fund	25,774,392	24,469,743
Global infrastructure	2,003,883	1,752,230
Global real estate	1,943,401	1,758,515
Total investments	77,385,569	71,591,684
Short-term investments	37,385,569	31,591,684
Long-term investments	40,000,000	40,000,000

# The Terry Fox Foundation

## Notes to Financial Statements

For the year ended March 31, 2025

Investment income and gains comprise of the following:

	2025 \$	2024 \$
Interest and dividends	4,261,878	3,605,883
Change in unrealized gain on investments	2,523,500	4,491,521
Realized gain (loss) on investments	474,322	(203,159)
Less: investment management fees	(422,315)	(326,283)
	<u>6,837,385</u>	<u>7,567,962</u>

### 5 Merchandise inventory

The costs of inventories recognized as an expense and included in cost of merchandise sold amounted to \$1,118,908 (2024 - \$1,120,375).

### 6 Accounts receivable and other assets

	2025 \$	2024 \$
Sales tax receivable	379,321	104,077
Prepaid expenses	357,796	359,517
Accounts receivable and other assets	<u>442,595</u>	<u>284,009</u>
	<u>1,179,712</u>	<u>747,603</u>

### 7 Capital and intangible assets

	2025			2024
	Cost \$	Accumulated amortization \$	Net \$	Net \$
Furniture and equipment	11,001	1,100	9,901	-
Computer equipment	9,932	9,510	422	2,499
Leasehold improvements	49,663	41,200	8,463	15,121
Software customization	135,253	27,744	107,509	22,279
	205,849	79,554	126,295	39,899

Amortization for the year amounted to \$27,385 (2024 – \$54,955) and is included in administration expenses.

# The Terry Fox Foundation

## Notes to Financial Statements

For the year ended March 31, 2025

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### 8 Related party transactions and balances

During the year, the Foundation distributed funds of \$29,827,105 (2024 – \$23,087,711) to TFRI, which included restricted funding of \$5,364,105 (2024 - \$1,908,711) towards future expenses under the Marathon of Hope Cancer Center network and Digital Health and Discovery Platform projects. TFRI then distributed \$26,990,846 (2024 – \$19,089,600) of the total funds received to various institutes for cancer research.

Included in accounts payable and accrued liabilities is a balance of \$210,018 (2024 – \$NIL) owing to TFRI relating to the transactions noted above.

Information on the distribution is provided in the audited financial statements of TFRI. The total amount of funding provided to TFRI since its inception in 2007 has been \$291,084,797 (unaudited).

TFRI is a not-for-profit organization incorporated by letters patent to promote, advance and fund scientific research into the diagnosis, treatment and prevention of cancer.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

### 9 Fundraising expenses

As required under Section 7(2) of the Charitable Fundraising act Regulation of Alberta, the Foundation discloses the expenses incurred for the purpose of soliciting donations, which were \$6,308,475 (2024 - \$5,134,445). This amount includes total remuneration paid to employees of the Foundation whose principal duties involve fundraising of \$3,040,746 (2024 – \$2,710,609). These amounts are included as part of the Foundation's operating expenses.

There was no disposition that was equal to or greater than 10% of the gross contributions received from Alberta other than the contribution made to Terry Fox Research Institute as disclosed in Note 8 – Related party transactions and balances.

### 10 Employee future benefit plans

The Foundation participates in a registered pension plan with a defined contribution component and a defined benefit component as disclosed in note 2.

#### Defined contribution component

Effective May 1, 2024, the Foundation terminated the registered pension plan and entered into a new defined contribution plan, DBPlus, with The Colleges of Applied Arts and Technology Pension Plan (CAAT). DBPlus is considered a defined contribution plan since the contributions an employer makes are a fixed percentage of earnings, and not dependent on the health of the pension plan.

# The Terry Fox Foundation

## Notes to Financial Statements For the year ended March 31, 2025

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The Foundation made employer contributions to the pension plan in the amount of \$315,064 (2024 – \$194,611).

### Defined benefit component

Defined benefit obligations are measured using actuarial valuations prepared for accounting purposes, based on the projected benefit method prorated on service (which incorporates estimates of future salary levels, other cost escalation, retirement ages of employees and other actuarial assumptions). The measurement date of the plan assets and defined obligations is January 31. The Registered Pension Plan for the Employees of the Canadian Cancer Society and Affiliated Organizations had an unfunded liability for the defined benefit plan of \$19,099,000 as of January 31, 2024, the date of the last actuarial valuation. The unfunded liability is not allocated to individual employers such as the Foundation. Effective May 1, 2024, the plan was terminated, and notices were sent to all members with various options.

The Foundation had 8 employees or retirees eligible under this Plan and made contributions of \$199,490 (2024 – \$86,340), including the final liability to close the defined benefits plan estimated at \$182,000.

### Liability for post-retirement benefits

The Foundation participates in a defined benefit post retirement plan offered by the Canadian Cancer Society to certain employees of the Foundation. The liability as allocated to the Foundation was estimated at \$41,499 (2024 – \$49,055). The following assumptions were used:

	2025 %	2024 %
Discount rate	4.5	4.8
Annual health & dental cost trend	3.0 – 6.0	3.0 – 6.5

## 11 Deferred revenue

Deferred revenue includes cash collected prior to March 31, 2025, designated for the up coming National Ride of Hope of \$111,164 (2024 – \$NIL) and include \$NIL (2024 – \$611,581) of pre-sold merchandise for the up coming run season.

# The Terry Fox Foundation

## Notes to Financial Statements

For the year ended March 31, 2025

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### 12 Internally restricted net asset

Internally restricted net assets consist of the Research Fund, representing funds received from the Province of BC and the Marathon of Hope Legacy Fund. The funds have been internally restricted by the Board of Directors for future use and are as follows:

	2025 \$	2024 \$
Research Fund	30,000,000	30,000,000
Marathon of Hope Legacy Fund	10,000,000	10,000,000
	<u>40,000,000</u>	<u>40,000,000</u>

### 13 Commitments

Future minimum rental commitments under operating leases on leased premises are as follows:

	\$
2026	263,843
2027	254,895
2028	239,444
2029	154,658
2030 and thereafter	<u>628,687</u>
	<u>1,541,527</u>

In addition, a number of the lease commitments for premises and equipment are typically short-term and are subject to annual renewal.

### 14 Distribution commitments

The Foundation's single mission is to raise funds for cancer research. As such, it seeks advice and management for its cancer research programs from other organizations.

TFRI was established in 2007 to focus on translational cancer research projects and the Foundation committed to provide TFRI funding for its research programs and operations. TFRI is also developing and managing training and new investigator programs on behalf of the Foundation. In October 2009, TFRI was given the responsibility of overseeing all of the Foundation's cancer research programs, working in collaboration with others who also specialize in managing cancer research projects.

# The Terry Fox Foundation

## Notes to Financial Statements

For the year ended March 31, 2025

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Subject to available funds, the Foundation has committed to fund cancer research programs to TFRI over the next 5 years as follows:

	\$
2026	20,387,367
2027	17,283,450
2028	10,715,221
2029	5,815,780
2030	851,929
	<hr/>
	55,053,747
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In addition, the Foundation committed to contribute \$444,552 (2024 - \$345,102) to international cancer research programs as required.

### 15 Risk management

- Interest rate risk

The Foundation's fixed income securities are subject to the risk that the values of the investments will fluctuate due to changes in market interest rates. The Foundation mitigates this risk with the advice from their investment advisors whom monitor changes in markets daily and recommend stabilization versus diversification strategies.

- Market risk and foreign currency risk

The Foundation's foreign equities are subject to the risk that values of the investments will fluctuate due to changes in foreign exchange rates. Returns on the Foundation's investments are subject to risk factors specific to general economic conditions. The market value presents the Foundation's exposure to market/credit risk. The Foundation mitigates this risk by investing in a portfolio that is diversified.

### 16 Comparative figures

Certain comparative figures have been reclassified to conform to the current year's financial statement presentation.