
Financial statements of
Fondation de l'Hôpital du
Sacré-Cœur de Montréal

December 31, 2024

Independent Auditor’s Report	1-2
Statement of operations and changes in fund balances	3
Statement of financial position	4-5
Statement of cash flows	6
Notes to the financial statements	7-15

Independent Auditor's Report

To the Members of
Fondation de l'Hôpital du Sacré-Cœur de Montréal

Opinion

We have audited the financial statements of the Fondation de l'Hôpital du Sacré-Cœur de Montréal (the "Foundation"), which comprise the statement of financial position as at December 31, 2024, 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 December 31, 2024, 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 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.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the annual report prior to the date of this auditor's report. If, based on the work performed on this other information contained in the annual report, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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 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.

Deloitte S.E.N.C.R.L./s.r.l.

Le 28 mai 2025

Fondation de l'Hôpital du Sacré-Cœur de Montréal
Statement of operations and changes in fund balances
Year ended December 31, 2024

		2024					2023	
Notes	General Fund	Capital Fund	Development Fund	Endowment Fund	Specific Fund	Total	Total	
	\$	\$	\$	\$	\$	\$	\$	
Revenues								
Contributions	3	1,266,291	—	3,404,618	—	2,593,224	7,264,133	7,430,658
Investment income	4	7,243,901	—	1,463,941	34,053	2,331,835	11,073,730	6,584,247
Fundraising activities	5	1,102,783	—	239,800	—	61,853	1,404,436	1,066,191
		9,612,975	—	5,108,359	34,053	4,986,912	19,742,299	15,081,096
Expenses								
Expenses inherent to contributions	3	270,882	—	274,323	—	—	545,205	693,892
Investment management and custody		468,399	—	—	—	—	468,399	414,538
Fundraising activities	5	753,400	—	106,356	—	19,080	878,836	771,335
Administration		1,671,645	—	—	—	7,000	1,678,645	1,730,167
Amortization of capital assets		—	11,863	—	—	—	11,863	12,305
		3,164,326	11,863	380,679	—	26,080	3,582,948	3,622,237
Excess (deficiency) of revenues over expenses before donations		6,448,649	(11,863)	4,727,680	34,053	4,960,832	16,159,351	11,458,859
Donations to CIUSSS du Nord-de-l'Île-de-Montréal / Hôpital du Sacré-Cœur de Montréal and Hôpital en santé mentale Albert-Prévost		2,632,246	—	98,208	—	1,586,132	4,316,586	5,686,627
Excess (deficiency) of revenues over expenses		3,816,403	(11,863)	4,629,472	34,053	3,374,700	11,842,765	5,772,232
Fund balances, beginning of year		19,239,252	27,759	18,677,033	12,380,415	16,740,382	67,064,841	61,292,609
Interfund transfers	7	(98,190)	691	—	97,499	—	—	—
Fund balances, end of year		22,957,465	16,587	23,306,505	12,511,967	20,115,082	78,907,606	67,064,841

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

Fondation de l'Hôpital du Sacré-Cœur de Montréal
Statement of financial position
As at December 31, 2024

							2024	2023	
Notes	General Fund	Capital Fund	Development Fund	Endowment Fund	Specific Fund	Total	Total		
	\$	\$	\$	\$	\$	\$	\$		
Assets									
Investments and accrued interest									
	Investments	8	76,225,544	—	—	—	—	76,225,544	64,333,827
	Accrued interest		10,886	—	—	—	—	10,886	22,873
			76,236,430	—	—	—	—	76,236,430	64,356,700
Other assets									
	Cash		2,926,166	—	—	—	—	2,926,166	2,646,609
	Accounts receivable		223,842	—	—	—	—	223,842	175,586
	Amounts due by the General Fund to other funds	11	—	—	23,306,505*	12,511,967*	20,115,082*	—	—
	Prepaid expenses and other assets		659,089	—	—	—	—	659,089	667,860
	Capital assets	9	—	16,587	—	—	—	16,587	27,759
			3,809,097	16,587	23,306,505	12,511,967	20,115,082	3,825,684	3,517,814
			80,045,527	16,587	23,306,505	12,511,967	20,115,082	80,062,114	67,874,514

Fondation de l'Hôpital du Sacré-Cœur de Montréal
Statement of financial position (continued)

As at December 31, 2024

		2024					2023
Notes	General Fund	Capital Fund	Development Fund	Endowment Fund	Specific Fund	Total	Total
	\$	\$	\$	\$	\$	\$	\$
Liabilities							
Accounts payable and accrued liabilities	10	1,151,581	—	—	—	1,151,581	724,533
Deferred revenues		2,927	—	—	—	2,927	85,140
Amounts due by the General Fund to other funds	11	55,933,554 *	—	—	—	—	—
		57,088,062	—	—	—	1,154,508	809,673
Fund balances							
Invested in capital assets		—	16,587	—	—	16,587	27,759
Externally restricted	12	—	23,306,505	5,190,852	20,115,082	48,612,439	40,570,214
Internally restricted		—	—	7,321,115	—	7,321,115	7,227,616
Unrestricted		22,957,465	—	—	—	22,957,465	19,239,252
		22,957,465	16,587	23,306,505	12,511,967	20,115,082	78,907,606
		80,045,527	16,587	23,306,505	12,511,967	20,115,082	80,062,114

* The items are not included in the total column since they offset each other.

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

Approved by the Board of Directors

_____, Director

_____, Director

Fondation de l'Hôpital du Sacré-Cœur de Montréal**Statement of cash flows**

Year ended December 31, 2024

	2024	2023
	\$	\$
Operating activities		
Excess of revenues over expenses	11,842,765	5,772,232
Adjustments for:		
Change in the fair value of investments	(8,673,234)	(4,819,094)
Amortization of capital assets	11,863	12,305
	3,181,394	965,443
Changes in non-cash operating working capital items		
Accrued interest	11,987	(10,926)
Accounts receivable	(48,256)	260,920
Prepaid expenses and other assets	8,771	(137,560)
Accounts payable and accrued liabilities	427,048	3,400
Deferred revenues	(82,213)	(12,343)
	3,498,731	1,068,934
Investing activities		
Net change in investments	(3,218,483)	(1,596,938)
Purchase of capital assets	(691)	(5,101)
	(3,219,174)	(1,602,039)
Net increase (decrease) in cash	279,557	(533,105)
Cash, beginning of year	2,646,609	3,179,714
Cash, end of year	2,926,166	2,646,609

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

Fondation de l'Hôpital du Sacré-Cœur de Montréal

Notes to the financial statements

December 31, 2024

1. Statutes and nature of operations

The Fondation de l'Hôpital du Sacré-Coeur de Montréal (the "Foundation") incorporated under Part III of the *Companies Act* (Québec), is a public foundation created to help achieve the objectives of the Centre intégré universitaire de santé et de services sociaux du Nord-de-l'Île-de-Montréal / Hôpital du Sacré-Cœur de Montréal and Hôpital en santé mentale Albert-Prévost ("Hôpital du Sacré-Cœur de Montréal"). It is recognized as a registered charity under the *Income Tax Act*.

2. Accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following significant accounting policies:

Fund accounting

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

General Fund

The General Fund reports on the Foundation's service delivery and administration activities.

Capital Fund

The Capital Fund presents the capital assets held by the Foundation as well as the related revenues and expenses.

Development Fund

The Development Fund reports on major campaign activities and presents the resources assigned to the fundraising of major development projects at Hôpital du Sacré-Cœur de Montréal (construction, development, and medical equipment acquisition), to education, and to the awarding of research or postdoctoral scholarships.

Endowment Fund

Externally restricted

The externally restricted Endowment Fund presents resources contributed for endowment. Investment income earned on Endowment Fund resources is presented in the General Fund except in cases where instruction is provided by the contributors of the funds for endowment.

Internally restricted

The internally restricted Endowment Fund presents the amounts transferred by the General Fund's board of directors to ensure capital growth in the Endowment Fund. These amounts cannot be used without the prior consent of the board of directors, except for revenues earned on these resources that are recognized as revenue in the General Fund.

Specific Fund

The Specific Fund presents the resources assigned to project fundraising, as specified by the donors.

2. Accounting policies (continued)

Revenue recognition

Contributions

Restricted contributions are recognized as revenue of the appropriate fund at the time they are collected.

Unrestricted contributions are recognized as revenue of the General Fund at the time they are collected.

Endowment contributions are recognized as revenue of the Endowment Fund at the time they are collected.

Pledges and deferred donations (bequests, life insurance, annuities, etc.) are presented in the notes to the financial statements.

Investment income

Restricted investment income earned on resources of the Endowment Fund is recognized in the Development Fund or, when stipulated by the donors, in the Endowment Fund.

Unrestricted investment income earned on resources in the Endowment Fund is recognized as revenue of the General Fund. Investment income earned on resources of the Development Fund and the Specific Fund is recognized as revenue in the respective funds. Other investment income is recognized as revenue in the General Fund.

Fundraising activities

Restricted revenue from fundraising activities is recognized as revenue in the Development Fund or the Specific Fund. Unrestricted revenue from fundraising activities is recognized as revenue in the General Fund.

Allocation of expenses

The various expense categories in the statement of operations and changes in fund balances include direct expenses, except for the salaries and benefits of employees assigned to fundraising activities and communications, which are allocated between the "fundraising activities" function and the "administration" function. The allocation between the two functions is based on the time allocated to the two functions by the employees concerned.

Donations to CIUSSS du Nord-de-l'Île-de-Montréal / Hôpital du Sacré-Cœur de Montréal and Hôpital en santé mentale Albert-Prévost

Donations are approved by the board of directors and are recognized when they are paid or become payable.

Financial instruments

Initial measurement

Financial assets and financial liabilities originated or exchanged in arm's length transactions are initially recognized at fair value when the Foundation becomes a party to the contractual provisions of the financial instrument. Financial instruments originated or exchanged in related party transactions are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether or not the instrument has repayment terms. If it does have repayment terms, cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. If it does not have repayment terms, cost is determined using the consideration transferred or received by the Foundation as part of the transaction.

2. Accounting policies (continued)

Financial instruments (continued)

Subsequent measurement

All financial instruments are measured at amortized cost, except for investments that are recognized at fair value on the reporting date. Fluctuations in fair value, which include interest earned, accrued interest, gains and losses realized upon the disposal of unrealized gains and losses, are included in investment income.

Transaction costs

Transaction costs related to financial instruments measured at fair value are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying amount of the asset or netted against the carrying amount of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in the statement of operations and changes in fund balances as interest income or expense.

Impairment

With respect to financial assets measured at amortized cost, the Foundation recognizes an impairment loss, if any, in the statement of operations and changes in fund balances when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the statement of operations and changes in fund balances in the period the reversal occurs.

Capital assets

Capital assets are recorded at cost and amortized over their estimated lives using the straight-line method at the following annual rates:

Leasehold improvements	10%
Furniture	10%
Computer equipment	25%

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Fondation de l'Hôpital du Sacré-Cœur de Montréal

Notes to the financial statements

December 31, 2024

3. Contributions

	2024		
	Revenues	Expenses	Net amount
	\$	\$	\$
General Fund	1,266,291	270,882 ⁽¹⁾	995,409
Development Fund	3,404,618	274,323 ⁽²⁾	3,130,295
Specific Fund	2,593,224	—	2,593,224
	7,264,133	545,205	6,718,928

	2023		
	Revenues	Expenses	Net amount
	\$	\$	\$
General Fund	2,331,636	312,707 ⁽¹⁾	2,018,929
Development Fund	2,241,745	381,185 ⁽²⁾	1,860,560
Specific Fund	2,857,277	—	2,857,277
	7,430,658	693,892	6,736,766

⁽¹⁾ Direct mail campaign expenses

⁽²⁾ Expenses inherent to major campaigns

4. Investment income

	2024	2023
	\$	\$
Income from investment funds units	2,237,624	1,579,773
Interest	162,150	184,693
Dividends	722	687
Change in the fair value of investments	8,673,234	4,819,094
	11,073,730	6,584,247
Allocation of investment income:		
General Fund	7,243,901	4,551,392
Development Fund	1,463,941	668,733
Endowment Fund	34,053	22,185
Specific Fund	2,331,835	1,341,937
	11,073,730	6,584,247

Fondation de l'Hôpital du Sacré-Cœur de Montréal

Notes to the financial statements

December 31, 2024

5. Fundraising activities

	2024		
	Revenues	Expenses	Net amount
	\$	\$	\$
General Fund			
Golf Open	212,654	98,015	114,639
Gala	446,027	399,464	46,563
Gala – Lottery	117,050	55,932	61,118
Car show	129,903	77,345	52,558
Wine tasting	65,188	38,654	26,534
Third-party activities	131,961	83,990	47,971
	1,102,783	753,400	349,383
Development Fund			
Lottery – Public	239,800	106,356	133,444
Specific Fund			
Third-party activities	20,294	5,619	14,675
Vélo-Onco	41,559	13,461	28,098
	61,853	19,080	42,773
	1,404,436	878,836	525,600
			2023
	Revenues	Expenses	Net amount
	\$	\$	\$
General Fund			
Golf Open	170,054	94,798	75,256
Gala	430,611	420,638	9,973
Car show	100,851	30,476	70,375
Wine tasting	69,897	32,965	36,932
Generations challenge	13,607	25,499	(11,892)
Third-party activities	1,740	20	1,720
	786,760	604,396	182,364
Development Fund			
Golf Griffon	58,177	20,510	37,667
Lottery – Public	7,235	—	7,235
	65,412	20,510	44,902
Specific Fund			
Third-party activities	173,290	126,425	46,865
Vélo-Onco	40,729	20,004	20,725
	214,019	146,429	67,590
	1,066,191	771,335	294,856

Fondation de l'Hôpital du Sacré-Cœur de Montréal

Notes to the financial statements

December 31, 2024

6. Allocation of expenses

Salaries and benefits totaling \$1,304,208 (\$1,313,266 in 2023) were allocated between the "Fundraising activities" function, in an amount of \$147,095 (\$123,459 in 2023), the "Administration" function, in an amount of \$1,099,080 (\$1,137,941 in 2023) and the "Expenses inherent to contributions" function, in an amount of \$58,033 (\$51,865 in 2023).

7. Interfund transfers

The interfund transfers made during the year were as follows:

	2024			
	General Fund	Capital Fund	Endowment Fund	Specific Fund
	\$	\$	\$	\$
Restricted for research purposes by the board of directors	(97,499)	—	97,499	—
Purchase of capital assets	(691)	691	—	—
	(98,190)	691	97,499	—
	2023			
	General Fund	Capital Fund	Endowment Fund	Specific Fund
	\$	\$	\$	\$
Restricted for research purposes by the board of directors	(551,765)	—	551,765	—
Purchase of capital assets	(5,101)	5,101	—	—
	556,866	5,101	551,765	—

Fondation de l'Hôpital du Sacré-Cœur de Montréal

Notes to the financial statements

December 31, 2024

8. Investments

	2024	2023
	\$	\$
Equity investment funds units		
Canadian	24,461,902	22,799,904
American	7,970,273	3,798,153
Foreign	38,345,215	32,093,264
Diversified funds units	1,477,691	3,009,260
Real estate funds units	3,655,080	1,977,263
Shares	147,807	113,848
Cash held by the securities custodian	38,822	417,051
Other	128,754	125,084
	76,225,544	64,333,827

9. Capital assets

	2024			2023
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Leasehold improvements	183,065	178,050	5,015	9,072
Furniture	75,941	66,607	9,334	11,131
Computer equipment	82,927	80,689	2,238	7,556
	341,933	325,346	16,587	27,759

10. Accounts payable and accrued liabilities

	2024	2023
	\$	\$
Accounts payable	302,877	441,675
Salaries payable	108,591	134,639
Amounts due to Hôpital du Sacré-Cœur de Montréal	740,113	148,219
	1,151,581	724,533

11. Amounts due by the General Fund to other funds

Amounts due by the General Fund to other funds bear interest at the rate of return realized by the General Fund on these funds.

Fondation de l'Hôpital du Sacré-Cœur de Montréal

Notes to the financial statements

December 31, 2024

12. Balances of externally restricted funds

The major categories of externally imposed restrictions on fund balances are as follows:

	2024	2023
	\$	\$
Development Fund	23,306,505	18,677,033
Endowment Fund		
The income of a first fund must be used to attribute research scholarships	1,000,000	1,000,000
The income of a second fund must be used as follows: 92% of the income must be used to improve direct care to patients and 8% must be added to the initial endowment	845,940	834,973
The income of a third fund must be used as follows: 92% of the income must be used to finance priority projects and 8% must be added to the initial endowment	2,027,812	2,000,726
The income of a fourth fund must be used to support cardiology research	291,100	291,100
The income of a fifth fund must be used to support orthopedic research	526,000	526,000
The income of a sixth fund must be used to support research in cardiovascular illness	500,000	500,000
	5,190,852	5,152,799
Specific Fund	20,115,082	16,740,382
	48,612,439	40,570,214

13. Related party transactions

Transactions carried out with Hôpital du Sacré-Cœur de Montréal, which is a related party given the nature of the Foundation's activities, as well as the related debit and credit balances, are presented in the financial statements or in the accompanying notes, except for an amount of \$12,238 (\$1,000 in 2023) that is included in accounts receivable. Hôpital du Sacré-Cœur de Montréal contributed \$228,690 to the Foundation during the year (\$481,466 in 2023) for the Specific Fund Respiratory Health. These transactions were made in the normal course of business and have been recorded at the exchange amounts.

14. Financial instruments

Due to its financial assets and liabilities, the Foundation is exposed to the following risks related to the use of financial instruments:

Market risk

Market risk is the risk that the fair value or future cash flows of the Foundation's financial instruments will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk, and other price risk. The Foundation is exposed to one of these risks as described in the following paragraph.

14. Financial instruments (continued)

Market risk (continued)

Other price risk

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. The Foundation is exposed to other price risk through its funds units and investments in listed shares, for which the value fluctuates with the quoted market price.

Liquidity risk

The Foundation's objective is to have sufficient liquidity to meet its liabilities when due. The Foundation monitors its cash balances and cash flows generated from operations to meet its requirements. As at December 31, 2024, the most significant financial liabilities are the accounts payable and accrued liabilities.