

True Patriot Love Foundation
Non-consolidated Financial
Statements
For the Year Ended March 31, 2025

True Patriot Love Foundation
Non-consolidated Financial Statements
For the Year Ended March 31, 2025

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Independent Auditor's Report

To the Board of Directors of True Patriot Love Foundation

Opinion

We have audited the non-consolidated financial statements of True Patriot Love Foundation (the Foundation), which comprise the non-consolidated statement of financial position as at March 31, 2025, the non-consolidated statements of operations and unrestricted net assets and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Foundation as at March 31, 2025, and its non-consolidated 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 non-consolidated 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 non-consolidated 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 Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated 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 Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated 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 non-consolidated 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 non-consolidated 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 non-consolidated financial statements, including the disclosures, and whether the non-consolidated 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.

Chartered Professional Accountants, Licensed Public Accountants

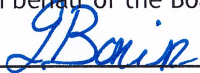
Guelph, Ontario
September 24, 2025

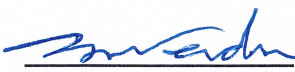
True Patriot Love Foundation

Non-consolidated Statement of Financial Position

March 31	2025	2024
Assets		
Current		
Cash (Note 2)	\$ 194,793	\$ 284,919
Short-term investments (Note 3)	5,247,502	6,169,019
Accounts receivable (Note 5)	1,358,486	1,131,651
Prepaid expenses	243,839	86,494
	<u>7,044,620</u>	<u>7,672,083</u>
Tangible capital assets	<u>47,490</u>	<u>25,374</u>
	<u>\$ 7,092,110</u>	<u>\$ 7,697,457</u>
Liabilities and Unrestricted Net Assets		
Current		
Accounts payable and accrued liabilities (Note 6)	\$ 1,115,275	\$ 964,132
Deferred contributions (Note 7)	3,266,308	3,575,667
	<u>4,381,583</u>	<u>4,539,799</u>
Unrestricted Net Assets	<u>2,710,527</u>	<u>3,157,658</u>
	<u>\$ 7,092,110</u>	<u>\$ 7,697,457</u>

On behalf of the Board: *

 Director

 Director
FCPA

True Patriot Love Foundation

Non-consolidated Statement of Operations and Unrestricted Net Assets

For the year ended March 31	2025	2024
Revenue		
Donations, events and programs (Note 8) (Schedule 1)	\$ 11,846,347	\$ 5,679,636
Grants (Schedule 2)	1,454,444	2,957,056
Investment income	271,818	220,292
	<u>13,572,609</u>	<u>8,856,984</u>
Expenses		
Charitable Programs - Foundation payments to Vancouver Whistler Games Corporation (Note 4)	4,850,207	378,250
Charitable Programs - Foundation activities (Note 9)	3,578,213	3,304,438
Charitable Programs - Foundation grants to qualified donees	3,167,727	2,686,336
Fundraising (Note 9)	2,010,426	1,928,378
Administration (Note 9)	413,167	609,407
	<u>14,019,740</u>	<u>8,906,809</u>
Operating deficit	(447,131)	(49,825)
Recovery from Vancouver Whistler Games Corporation (Note 4)	-	230,242
Charitable Programs - Vancouver Whistler Games Corporation Activities (Note 4)	<u>-</u>	<u>(230,242)</u>
Deficiency of revenues over expenses	(447,131)	(49,825)
Unrestricted net assets, beginning of the year	<u>3,157,658</u>	<u>3,207,483</u>
Unrestricted net assets, end of the year	<u>\$ 2,710,527</u>	<u>\$ 3,157,658</u>

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

True Patriot Love Foundation

Non-consolidated Statement of Cash Flows

For the year ended March 31	2025	2024
Cash flows from operating activities		
Deficiency of revenues over expenses	\$ (447,131)	\$ (49,825)
Items not affecting cash:		
Amortization of tangible capital assets	17,884	10,153
	(429,247)	(39,672)
Changes in non-cash working capital:		
Accounts receivable	(226,835)	(897,453)
Prepaid expenses	(157,345)	39,756
Accounts payable and accrued liabilities	151,143	596,866
Deferred contributions	(309,359)	816,883
	(971,643)	516,380
Cash flows from investing activities		
Purchase of investments	(7,933,131)	(7,015,984)
Proceeds on disposal of investments	8,854,648	5,761,402
Advances to Vancouver Whistler Games Corporation	-	(1,480,000)
Repayment from Vancouver Whistler Games Corporation	-	1,980,000
Purchase of tangible capital assets	(40,000)	-
	881,517	(754,582)
Net decrease in cash	(90,126)	(238,202)
Cash, beginning of the year	284,919	523,121
Cash, end of the year	\$ 194,793	\$ 284,919

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

True Patriot Love Foundation

Notes to Non-consolidated Financial Statements

March 31, 2025

1. Significant Accounting Policies

Nature and Purpose of Organization	<p>True Patriot Love Foundation (the "Foundation") was incorporated without share capital on March 13, 2009 under the Canada Corporations Act as True Patriot Love Foundation for the Support of Military Families. The Foundation continued under the Canada Not-for-Profit Corporations Act on May 22, 2014 and changed its name on that date to True Patriot Love Foundation. The primary objective of the Foundation is to receive and distribute funds to improve the efficiency, well-being and morale of Canada's military and Veteran community by providing support, relief, financial and otherwise.</p> <p>The Foundation is a public foundation registered under the Income Tax Act (Canada) and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes.</p>
Basis of Accounting	<p>The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.</p>
Controlled Entities	<p>Controlled not-for-profit organizations are not consolidated in the Foundation's financial statements to ensure the financial statements reflect only the actual operations of the Foundation. Disclosure is provided instead.</p>
Revenue Recognition	<p>The Foundation follows the deferral method of accounting for contributions.</p> <p>Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Restricted contributions where expenses have not been incurred are recorded as deferred contributions.</p> <p>Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.</p> <p>Investment income is recognized as earned.</p>
Contributed Materials	<p>Contributed materials which are used in the normal course of the Foundation's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated.</p>
Contributed Services	<p>Volunteers contribute many hours per year to assist the Foundation in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.</p>

True Patriot Love Foundation

Notes to Non-consolidated Financial Statements

March 31, 2025

1. Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in accordance 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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates included in the financial statements include the useful life of tangible capital assets, accrued liabilities and deferred contributions. Actual results could differ from those estimates and may have impact on future periods.

Financial Instruments

Financial instruments are recorded at fair value at initial recognition.

Related party financial instruments are recorded at cost at initial recognition.

In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in operations. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

2. Cash

The Foundation's bank accounts are held at one chartered bank.

True Patriot Love Foundation

Notes to Non-consolidated Financial Statements

March 31, 2025

3. Short-term Investments

Short-term investments are comprised of:

	<u>2025</u>	<u>2024</u>
Guaranteed investment certificates	\$ 5,241,238	\$ 4,214,269
Money market funds	<u>6,264</u>	<u>1,954,750</u>
	<u>\$ 5,247,502</u>	<u>\$ 6,169,019</u>

Guaranteed investment certificates earn interest at fixed rates from 3.45% to 5.15% (2024 - 4.75% to 5.80%) and have maturity dates from April 2025 to February 2026 (2024 - April 2024 to February 2025). The Foundation's short-term investments are overseen by the Finance Committee.

4. Controlled Not-for-Profit Organization

The Foundation controls Vancouver Whistler Games Corporation (the "Entity") and is the Entity's sole member. The Entity's principal operations are the organization of the 2025 Invictus Games. The Entity is incorporated under the Canada Not-For Profit Corporations Act and is not subject to income taxes under the Income Tax Act. The Foundation appoints the Entity's Board of Directors.

The Foundation's control of the Entity is disclosed in these financial statements using financial information of the Entity prepared as of June 30, 2025, covering the 15 month period from April 1, 2024 to June 30, 2025. The fiscal periods of the Foundation and the Entity are not coterminous however, there were no significant events or transactions that occurred during the intervening period.

Financial summaries of the unconsolidated Entity as at June 30, 2025 are as follows:

Financial Position

As at	<u>June 30, 2025</u>	<u>March 31, 2024</u>
Total assets	<u>\$ 933,663</u>	<u>\$ 6,592,454</u>
Total liabilities	600,303	736,541
Total net assets	<u>333,360</u>	<u>5,855,913</u>
	<u>\$ 933,663</u>	<u>\$ 6,592,454</u>

True Patriot Love Foundation

Notes to Non-consolidated Financial Statements

March 31, 2025

4. Controlled Not-for-Profit Organization (continued)

Results of Operations

For the period ended	<u>June 30, 2025</u>	<u>March 31, 2024</u>
	(15 months)	(12 months)
Total revenues	\$ 40,448,470	\$ 15,011,017
Total expenses	(45,971,023)	(8,877,641)
Excess (deficiency) of revenues over expenses	<u>\$ (5,522,553)</u>	<u>\$ 6,133,376</u>

Cash Flows

For the period ended	<u>June 30, 2025</u>	<u>March 31, 2024</u>
	(15 months)	(12 months)
Cash from (used in) operations	\$ (4,412,531)	\$ 6,555,954
Cash from (used in) financing activities	(947,399)	(500,000)
Cash used in investing activities	-	(985,768)
Increase (decrease) in cash	<u>\$ (5,359,930)</u>	<u>\$ 5,070,186</u>

There is one significant difference between the accounting policies followed by the Foundation and the Entity. The Entity follows the restricted fund method of revenue recognition and the Foundation follows the deferral method of revenue recognition.

During the year, the Foundation recovered \$NIL (2024 - \$230,242) for program expenses incurred by the Foundation on behalf of the Entity.

During the year, the Foundation and the Entity entered into an intermediary agreement for the purpose of the Entity providing services for the Foundation by administering and delivering the Foundation's charitable activities. The Foundation made payments for charitable programs of \$4,850,207 (2024 - \$378,250) to the Entity during the year.

During the year, the Foundation advanced \$NIL (2024 - \$1,480,000) to the Entity.

These transactions were carried out in the normal course of operations and are recorded at the exchange amount.

True Patriot Love Foundation

Notes to Non-consolidated Financial Statements

March 31, 2025

5. Accounts Receivable

The balance of accounts receivable consists of the following:

	2025	2024
Grants	\$ -	\$ 392,664
Sponsorships	100,000	325,000
Due from Vancouver Whistler Games Corporation	165,000	230,242
HST receivable	166,696	125,362
Donations, events and programs	926,790	58,383
	<u>\$ 1,358,486</u>	<u>\$ 1,131,651</u>

6. Accounts Payable and Accrued Liabilities

The balance of accounts payable and accrued liabilities consists of the following:

	2025	2024
Due to Vancouver Whistler Games Corporation	\$ 709,817	\$ 378,250
Accrued expenses	304,239	215,240
Foundation grants to qualified donees	-	187,500
Trade payables	101,219	183,142
	<u>\$ 1,115,275</u>	<u>\$ 964,132</u>

7. Deferred Contributions

Deferred contributions represent unspent resources restricted for the purposes of various programs and events. The balance of deferred contributions consists of the following:

	2025	2024
Events	\$ 133,346	\$ 75,000
Grants	504,186	533,365
Programs	2,628,776	2,967,302
	<u>\$ 3,266,308</u>	<u>\$ 3,575,667</u>

True Patriot Love Foundation

Notes to Non-consolidated Financial Statements

March 31, 2025

8. Related Party Transactions

During the year, the Foundation transacted business with one company that is related by virtue of common membership on the Board of Directors. The related party transactions are in the normal course of operations and are measured at the exchange amount.

The Foundation received \$214,881 (2024 - \$214,881) of donations from the related party and benefited from services rendered by employees of the related party. The Foundation cannot reliably measure the fair value of the assets and services received because of their nature, and, as such, they are not recognized in the financial statements.

9. Allocation of Expenses

Salaries and benefits expense of the Foundation involve administration, fundraising and program functions. The distribution of these expenses between administration, fundraising and program activities expenses is based on time dedicated to these functions. Salaries and benefits included in the expense lines are as follows:

	2025	2024
Administration	\$ 263,302	\$ 298,936
Fundraising	1,033,587	987,060
Program activities	1,409,455	1,070,669
	<u>\$ 2,706,344</u>	<u>\$ 2,356,665</u>

True Patriot Love Foundation

Notes to Non-consolidated Financial Statements

March 31, 2025

10. Commitments

The Foundation has entered into an operating lease for the use of office space. The lease expires in July 2029. The minimum annual lease payments for the next four years are as follows:

2026	\$	220,718
2027		220,718
2028		220,718
2029		220,718
2030		73,573
		<hr/>
	\$	956,445

True Patriot Love has committed support to programs in British Columbia and across Canada through funds raised for the Invictus Games Vancouver Whistler 2025 legacy program, including the international Veteran community through the Invictus Games Foundation. Funds will be received and disbursed up to at least 2030.

11. Financial Instruments

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation is exposed to credit risk resulting from the possibility that a donor or supporter to a financial instrument defaults on their financial obligations. The Foundation's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. To mitigate this risk, the Foundation diversifies its donor base and does not rely on a single donor to fund operations. This risk has not changed from the prior year.

Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Foundation will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The Foundation is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and commitments. To mitigate this risk, the Foundation structures its short-term investments with differing maturity dates and invests a portion of cash into cashable guaranteed investment certificates to ensure liquidity requirements of operations are met. This risk has not changed from the prior year.

True Patriot Love Foundation
Non-consolidated Schedule of Donations, Events and Programs
Revenue

For the year ended March 31	2025	2024
Donations		
Corporate	\$ 988,301	\$ 1,554,595
Individual, Major Gifts and Philanthropic Giving	1,187,625	754,370
Community Giving	617,831	367,616
	<u>\$ 2,793,757</u>	<u>\$ 2,676,581</u>
Events		
Annual Tribute Dinner	\$ 1,355,576	\$ 1,407,018
Expeditions	413,839	893,091
Captain Nichola Goddard Fund	135,129	147,178
Golf Tournament	103,655	112,033
Other Events	61,958	58,188
	<u>\$ 2,070,157</u>	<u>\$ 2,617,508</u>
Programs		
Invictus Games	\$ 6,982,433	\$ 350,728
Virtual Veterans' Hub	-	33,012
Afghan Resettlement	-	1,807
	<u>\$ 6,982,433</u>	<u>\$ 385,547</u>
Total donations, events and programs revenue	<u><u>\$ 11,846,347</u></u>	<u><u>\$ 5,679,636</u></u>

True Patriot Love Foundation
Non-consolidated Schedule of Grant Revenue

For the year ended March 31	2025	2024
Ontario Ministry of Labour, Immigration, Training and Skills Development	\$ -	\$ 1,329,054
Ontario Ministry of Children, Community and Social Services	1,100,000	1,004,850
Veterans Affairs Canada	276,259	257,215
Sport Hosting Vancouver	-	215,000
Community Services Recovery Fund	62,756	136,695
Other	15,429	14,242
	<u>\$ 1,454,444</u>	<u>\$ 2,957,056</u>