

Financial Statements of

RICK HANSEN FOUNDATION

And Independent Auditor's Report thereon

Year ended March 31, 2025



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INDEPENDENT AUDITOR'S REPORT

To the members of the Board of Directors of Rick Hansen Foundation

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Rick Hansen Foundation (the "Foundation"), which comprise:

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

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the 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 the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.
- 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.

Reporting on Other Legal and Regulatory Requirements

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

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P', with a small upward tick at the right end.

Chartered Professional Accountants

Vancouver, Canada
September 10, 2025

RICK HANSEN FOUNDATION

Statement of Financial Position

March 31, 2025, with comparative information for 2024

	2025	2024
Assets		
Current assets:		
Cash and cash equivalents (note 3)	\$ 7,728,617	\$ 10,063,948
Accounts receivable (note 4)	1,077,773	567,187
Prepaid expenses and deposits	251,416	347,413
	9,057,806	10,978,548
Investments held at fair value (note 5)	6,629,674	7,186,284
Tangible capital assets (note 6)	797,111	638,969
Intangible assets (note 7)	1,648,390	1,069,661
Intellectual property rights (note 8)	1,800,000	1,800,000
	\$ 19,932,981	\$ 21,673,462
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 9)	\$ 1,062,670	\$ 1,322,826
Deferred revenue	230,421	391,936
Deferred contributions (note 10)	7,795,419	8,991,176
	9,088,510	10,705,938
Deferred capital contributions (note 11)	2,349,360	1,569,921
	11,437,870	12,275,859
Net assets:		
Unrestricted	2,156,078	2,379,617
Internally restricted (note 12)	6,205,465	6,884,418
Endowment	133,568	133,568
	8,495,111	9,397,603
Commitments (note 13)		
Related party transactions (note 15)		
	\$ 19,932,981	\$ 21,673,462

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

RICK HANSEN FOUNDATION

Statement of Operations

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

	2025	2024
Revenue:		
Government and other grants (notes 10 and 11)	\$ 7,371,203	\$ 8,471,843
Sponsorships and donations (notes 10 and 11)	3,793,785	2,094,950
Investment income (notes 5 and 10)	554,775	663,049
Other	2,021,083	1,176,651
	13,740,846	12,406,493
Expenses (note 17):		
Accessibility	6,875,505	6,728,312
Awareness	2,206,435	2,236,430
Research	2,452,154	1,675,494
Education and outreach	1,028,694	1,075,140
Other	137,785	29,983
Total programs	12,700,573	11,745,359
Fundraising	747,115	773,995
Management and administration	1,599,895	1,551,652
	15,047,583	14,071,006
Deficiency of revenue over expenses before the undernoted items	(1,306,737)	(1,664,513)
Fair value changes on investments (note 5)	404,277	443,745
Loss on disposal of capital assets	(32)	-
Deficiency of revenue over expenses for the year	\$ (902,492)	\$ (1,220,768)

See accompanying notes to financial statements.

RICK HANSEN FOUNDATION

Statement of Changes in Net Assets

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

March 31, 2024	Unrestricted	Internally Restricted	Endowment	Total
Net assets, beginning of year	\$ 4,245,605	\$ 6,239,198	\$ 133,568	\$ 10,618,371
Surplus (deficiency) of revenue over expenses	(1,865,988)	645,220	-	(1,220,768)
Net assets, end of year	\$ 2,379,617	\$ 6,884,418	\$ 133,568	\$ 9,397,603

March 31, 2025	Unrestricted	Internally Restricted	Endowment	Total
Net assets, beginning of year	\$ 2,379,617	\$ 6,884,418	\$ 133,568	\$ 9,397,603
Deficiency of revenue over expenses	(223,539)	(678,953)	-	(902,492)
Net assets, end of year	\$ 2,156,078	\$ 6,205,465	\$ 133,568	\$ 8,495,111

See accompanying notes to financial statements.

RICK HANSEN FOUNDATION

Statement of Cash Flows

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

	2025	2024
Cash provided by (used in):		
Operating activities:		
Deficiency of revenue over expenses	\$ (902,492)	\$ (1,220,768)
Items not involving cash:		
Fair value changes on investments (note 5)	(404,277)	(443,745)
Amortization of deferred capital contribution (note 11)	(197,755)	(52,714)
Amortization of tangible capital assets	86,997	112,578
Amortization of intangible assets	161,730	-
Loss on disposal of tangible capital assets	32	-
	(1,255,765)	(1,604,649)
Changes in non-cash operating working capital:		
Accounts receivable	(510,586)	(267,602)
Prepaid expenses and deposits	95,997	(116,417)
Accounts payable and accrued liabilities	(260,156)	498,774
Deferred revenue	(161,515)	296,054
Deferred contributions (note 10)	(1,195,757)	(1,950,834)
	(3,287,782)	(3,144,674)
Financing activities:		
Deferred capital contributions received (note 11)	977,194	1,622,635
Investing activities:		
Purchase of tangible capital assets	(246,076)	(561,502)
Proceeds on sale of tangible capital assets	905	-
Purchase of intangible assets	(740,459)	(1,122,375)
Net redemptions (purchase) of investments	960,887	(187,493)
	(24,743)	(1,871,370)
Decrease in cash and cash equivalents	(2,335,331)	(3,393,409)
Cash and cash equivalents, beginning of year	10,063,948	13,457,357
Cash and cash equivalents, end of year	\$ 7,728,617	\$ 10,063,948

See accompanying notes to financial statements.

RICK HANSEN FOUNDATION

Notes to Financial Statements

Year ended March 31, 2025

1. Nature of operations:

The mission of the Rick Hansen Foundation (the "Foundation") is to create and deliver innovative solutions that lead to a global movement to remove barriers and liberate the potential of people with disabilities. The Foundation was incorporated on July 19, 1988 and registered as a charity under the Income Tax Act on September 1, 1989. The Foundation is registered under the *Societies Act* (British Columbia).

It fulfills its mission through programs and initiatives undertaken directly and/or through grants and contributions to other organizations. The Foundation's awareness, accessibility, and education and outreach programs are designed to raise awareness and remove physical barriers to accessibility for people with disabilities.

2. Basis of preparation and significant accounting policies:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook - *Accounting*, and reflect the following significant accounting policies:

(a) Cash and cash equivalents:

Cash and cash equivalents consist of cash and highly liquid short-term investments, which are defined as those having a maturity of less than three months from the date of acquisition.

(b) Revenue recognition:

The Foundation follows the deferral method of accounting for contributions.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. When a portion of such contributions relates to a future period, it is deferred and recognized in the period in which the related expenses are incurred. Contributions restricted for the purchase of tangible capital assets are deferred and recognized as revenue on a straight-line basis, at a rate corresponding with the amortization for the related asset.

Endowment contributions are recorded as direct increases in net assets. These endowment funds are held in perpetuity and will provide investment income allocations to support programs and leadership of the Foundation as determined by each donor's endowment agreement.

Unrestricted donations are generally recognized when received and government assistance is recognized when the amounts are determinable and collection is reasonably assured.

Sponsorship, event and other revenues are recognized in the period when the related services or goods have been provided or on completion of the related event.

Investment income comprising interest and dividends earned on investments and on cash and cash equivalents as well as endowment income are recorded on the accrual basis. Fair value changes on investments are recognized separately and comprise realized and unrealized gains and losses on investments.

RICK HANSEN FOUNDATION

Notes to Financial Statements

Year ended March 31, 2025

2. Basis of preparation and significant accounting policies (continued):

(b) Revenue recognition (continued):

Where the donor restricts the income earned on endowed or restricted funds, the related investment income is deferred and recognized as revenue as the related expenses are incurred. Investment income earned on investments of general funds is recognized as revenue as it is earned.

(c) Financial instruments:

The Foundation's financial instruments consist of cash and cash equivalents, accounts receivable, investments, and accounts payable and accrued liabilities.

Cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities are initially measured at fair value and subsequently carried at amortized cost. Investments are initially measured and subsequently carried at fair value with realized and unrealized gains and losses recognized in the statement of operations as fair value changes.

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

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

(d) Tangible capital assets:

Tangible capital assets are initially recorded at cost. Repairs and maintenance costs are charged to expense. Betterments that extend the estimated life of an asset are capitalized.

Amortization is provided on a straight-line basis over their estimated useful lives as follows:

Asset	Years
Computer hardware	5 years
Office furniture	5 years
Accessible outdoors program vessel	10 years

Amortization on capital assets under construction commences when the asset is completed and available for use.

RICK HANSEN FOUNDATION

Notes to Financial Statements

Year ended March 31, 2025

2. Basis of preparation and significant accounting policies (continued):

(e) Intangible assets:

Intangible assets consist of software developed for the Registry platform and are initially recorded at cost. Subsequently, the Registry platform is amortized over the estimated useful life of the asset, with amortization taken in the year the asset is put into use, using the straight-line method over a period of 7 years.

(f) Impairment of long-lived assets:

The Foundation reviews the carrying amount of its long-lived assets for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to the Foundation's ability to provide services, or that the value of future economic benefits or service potential associated with the asset is less than its carrying amount. If such conditions exist, an impairment loss is measured and recorded in the statement of operations at the amount by which the carrying amount of the asset exceeds its fair value or replacement cost.

(g) Intellectual property rights:

The intellectual property rights were recognized in an amount equal to the fair value as determined by an independent valuation. As the life is considered indefinite, no amortization has been taken. When the asset's life is determined to be no longer indefinite, amortization will be taken over the estimated useful life of the asset.

The Foundation reviews for impairment of the intellectual property rights when changes in events or circumstances indicate that the intangible asset no longer contributes to the Foundation's ability to provide services or that the value of future economic benefits or service potential associated with the asset is less than its carrying amount. When conditions indicate that the asset is impaired, the net carrying amount is written down to the asset's fair value or replacement cost.

(h) Allocation of expenses:

The Foundation engages in Accessibility, Awareness, Research, Education and Outreach and other programs. The Foundation incurs a number of management and administration support costs and allocates these expenses to the programs proportionately based on the time incurred where relevant and proportionately based on full time equivalents for other areas. Management and administration support costs include accounting; human resources; information technology; purchasing; marketing; and occupancy costs. Management reviews the basis of expense allocation on a periodic basis or when there is a significant change in functions or cost structure, and makes any adjustments to the basis of allocation accordingly.

RICK HANSEN FOUNDATION

Notes to Financial Statements

Year ended March 31, 2025

2. Basis of preparation and significant accounting policies (continued):

(i) Use of estimates:

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Areas requiring the use of management estimates include the determination of useful lives of tangible capital and intangible assets for purposes of amortization and the valuation of intellectual property rights, intangible assets and accounts receivable, and provisions for accrued liabilities. Actual results could differ from those estimates.

(j) Contributed materials and services:

Contributed materials are recorded at their fair market values where the amount is reasonably determinable, and the items would otherwise have been acquired.

The Foundation benefits from donated services involving volunteer time for various committees and events. Due to the difficulty of determining its fair value, donated volunteer time is not recognized in these financial statements.

3. Cash and cash equivalents:

The redeemable guaranteed investment certificate included in the 2024 cash and cash equivalents balance of \$2,059,605 and earning interest at 5.5% matured on September 18, 2024.

4. Accounts receivable:

	2025	2024
Government grants receivable	\$ 800,000	\$ 207,491
Other accounts receivable	277,773	359,696
	<u>\$ 1,077,773</u>	<u>\$ 567,187</u>

5. Investments:

Funds contributed to the Foundation for its charitable purposes are managed externally in accordance with the investment policies of the Foundation. Substantially all Foundation investments are in low to moderate risk investments. Cash included within investments relates to timing of investment purchases and is not readily available to the Foundation for operational use.

RICK HANSEN FOUNDATION

Notes to Financial Statements

Year ended March 31, 2025

5. Investments (continued):

Investments, measured at fair value, are as follows:

	2025	2024
Cash and money market funds	\$ 117,083	\$ 127,209
Pooled funds:		
Fixed income	3,250,151	3,433,562
Equities	3,262,440	3,625,513
	\$ 6,629,674	\$ 7,186,284

Investment income comprises the following:

	2025	2024
Interest on investments	\$ 166,267	\$ 125,530
Interest on cash and cash equivalents	241,876	410,646
Dividends	146,632	126,873
	\$ 554,775	\$ 663,049

Fair value changes on investments comprise the following:

	2025	2024
Realized gain (loss) on sale of investments	\$ 127,642	\$ 108,694
Unrealized gain (loss) on investment	276,635	335,051
	\$ 404,277	\$ 443,745

6. Tangible capital assets:

		2025	2024
	Cost	Accumulated amortization	Net book value
Computer hardware	\$ 587,855	\$ 495,873	\$ 91,982
Office furniture	161,006	156,847	4,159
Accessible outdoors program vessel	736,995	36,025	700,970
	\$ 1,485,856	\$ 688,745	\$ 797,111
			\$ 638,969

RICK HANSEN FOUNDATION

Notes to Financial Statements

Year ended March 31, 2025

7. Intangible assets:

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
Registry platform	\$ 1,862,835	\$ 214,445	\$ 1,648,390	\$ 1,069,661

8. Intellectual property rights:

In 2009, the Foundation was donated the right to use and associate the name of Rick Hansen with the Foundation. This right was recorded as an intangible asset at its fair value of \$1,800,000, which was determined by an independent valuation. This asset was determined to have an indefinite useful life and will not be amortized until its life is determined to be no longer indefinite. The rights are tested annually for impairment. This asset is included in unrestricted net assets.

At March 31, 2025, management has assessed there to be no impairment on the carrying value of the asset.

9. Government remittances:

Government remittances consist of amounts (such as sales taxes, worker's compensation premiums, and BC employer health tax) required to be paid to government authorities and are recognized when the amounts become due. At March 31, 2025, \$42,612 (2024 - \$35,424) of government remittances owing are included within accounts payable and accrued liabilities.

10 Deferred contributions:

The Foundation receives grants and other contributions to be held, invested, administered and disbursed in accordance with the related funding agreements. Deferred contributions related to expenses of future periods represent those unspent externally restricted grants and related investment income, which are for the purpose of providing grants to eligible recipients and the payment of expenditures in future periods.

RICK HANSEN FOUNDATION

Notes to Financial Statements

Year ended March 31, 2025

10 Deferred contributions (continued):

	2025	2024
Balance, beginning of year	\$ 8,991,176	\$ 10,938,509
Funds received during the year:		
Government and other grants	5,463,059	5,949,257
Sponsorships and donations	2,894,216	3,353,261
Investment income on Foundation endowment funds including fair value adjustment	159,276	249,012
Amounts recognized as revenue:		
Government and other grants	(7,205,881)	(8,385,195)
Sponsorships and donations	(1,500,612)	(1,482,322)
Investment and endowment income	(28,621)	(8,711)
Amounts transferred to deferred capital contribution	(977,194)	(1,622,635)
Balance, end of year	\$ 7,795,419	\$ 8,991,176

11. Deferred capital contributions:

Deferred capital contributions represent the unamortized amount of funds received from funders and spent on the purchase of depreciable tangible capital and intangible assets. The amortization of deferred capital contributions is recorded in the statement of operations as part of government & other grants revenue and sponsorships and donations.

	2025	2024
Balance, beginning of year	\$ 1,569,921	\$ -
Amounts transferred from deferred contributions	977,194	1,622,635
Amounts recognized as revenue:		
Government and other grants	(154,587)	(52,714)
Sponsorships and donations	(43,168)	-
Balance, end of year	\$ 2,349,360	\$ 1,569,921

12. Internally restricted net assets:

Internally restricted net assets are funds set aside for designated purposes as approved by the Board and consist primarily of the Leadership funds for strategic initiatives to be spent in accordance with the designated purpose. The net asset balance is adjusted by annual gains/losses on internally restricted funds held in investments reported as part of annual surplus/deficit and any funds spent.

RICK HANSEN FOUNDATION

Notes to Financial Statements

Year ended March 31, 2025

13. Commitments:

(a) Grant contributions:

Commitments to provide accessibility improvement grants and other grants to various organizations total \$656,900 (2024 - \$61,300). The grants are payable subject to and at the time when the accessibility and other projects being funded are completed by the funded parties.

The estimated timing of these payments are as follows:

2026	\$	394,400
2027		262,500
		\$ 656,900

(b) Accessibility grants and ratings:

In fiscals 2023 and 2024, the Foundation committed to pay for accessibility grants, ratings, re-ratings and professional fees to various municipalities in British Columbia totaling \$1,365,000. The remaining commitments to these municipalities total \$359,077.

(c) Tuition fees:

In fiscal 2023, the Foundation entered into contracts with a number of post secondary institutions whereby which the Foundation would pay the institutions for the Rick Hansen Accessibility Training course on behalf of students who qualified for funding. As at March 31, 2025 the Foundation has a commitment to pay \$Nil (2024 - \$62,823) in course fees in fiscal 2026.

(d) Operating leases:

The Foundation has operating leases for office space that expire in fiscal 2026. The Foundation also has a number of short-term operating leases expiring at various dates. The estimated remaining annual minimum lease payments are as follows:

2026	\$	144,488
2027		8,113
		\$ 152,601

RICK HANSEN FOUNDATION

Notes to Financial Statements

Year ended March 31, 2025

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

For the year ended March 31, 2025, the Foundation paid total remuneration, for salaries, contractor fees and other related benefits, of \$6,536,247 (2024 - \$4,601,949) to 41 (2024 - 34) employees and contractors whose remuneration was at least \$75,000.

The Foundation does not pay any remuneration to members of its Board of Directors in their capacity as directors.

15. Related party transactions:

The Foundation from time to time receives donation and sponsorship contributions from members of the Board of Directors. During the year, the Foundation received approximately \$227,000 (2024 - \$2,100,000) in contributions from these related parties.

16. Financial instruments and risk management:

The Foundation has exposure to credit risk, liquidity risk and market risk from its financial instruments. The risks associated with these financial instruments and the policies for mitigating these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(a) Credit risk:

Credit risk is the risk of loss resulting from failure of an individual or group to honour their financial obligations. The Foundation holds cash, accounts receivable and investments in which potentially expose it to credit risk. The Foundation does not consider there to be significant risk on its accounts receivable balance as these amounts are generally held with government or other credit worthy parties. As its cash and investments are managed to maintain minimum credit criteria and diversified within various asset pools, the Foundation is not considered to be significantly exposed to credit risk.

(b) Liquidity risk:

Liquidity risk is the risk that the Foundation will not be able to meet its financial obligations as they fall due. The Foundation's approach to managing liquidity risk is to ensure that it will have sufficient working capital and cash flows to fund operations and settle liabilities when due.

RICK HANSEN FOUNDATION

Notes to Financial Statements

Year ended March 31, 2025

16. Financial instruments and risk management (continued):

(c) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks include currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits. These market risks are managed by establishing and monitoring asset allocation strategies and minimum credit criteria, and by diversifying investments within the various asset pools held by the Foundation.

(i) Currency risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Foundation is not exposed to significant currency risk.

(ii) Interest rate risk:

Interest rate risk is the risk that changes in market interest rates will affect the fair value or future cash flows of investments held by the Foundation. The Foundation has an exposure to interest rate risk as a portion of its revenue is derived from interest on its investments held in fixed income pooled funds. The Foundation does not use derivative financial instruments to mitigate this risk. Management reviews its investment portfolio to assess interest rate risks and makes asset allocation adjustments as considered necessary.

(iii) Other price risk:

Other price risk is the risk that the fair value of an investment will fluctuate due to changes in market conditions. Fair value risk is the potential for loss from an adverse movement in the value of a financial instrument. The Foundation is exposed to fair value risk on its investments in pooled funds holding short-term notes, bonds and debentures and marketable equity securities.

There have been no significant changes in risk exposure from the prior year.

RICK HANSEN FOUNDATION

Notes to Financial Statements

Year ended March 31, 2025

17. Allocation of expenses:

- (a) Management and administration support costs are allocated to programs and fundraising as follows:

	2025	2024
Accessibility	\$ 2,406,114	\$ 1,412,752
Awareness	163,460	846,177
Research	380,907	262,644
Education and outreach	380,515	320,013
Fundraising	358,163	379,462
	\$ 3,689,159	\$ 3,221,048

- (b) The Foundation's costs presented by nature are as follows:

	2025	2024
Grants and sponsorships	\$ 2,277,047	\$ 1,421,131
Salaries and benefits	8,291,214	7,249,962
Consulting, contract services and certification fees	1,922,795	3,211,400
General administration and office	1,506,993	1,270,939
Events, travel, meetings and conferences	590,052	636,933
Professional fees	210,755	168,062
Amortization	248,727	112,579
	\$ 15,047,583	\$ 14,071,006