

CANADA-UKRAINE FOUNDATION
INDEPENDENT AUDITOR'S REPORT
FINANCIAL STATEMENTS
DECEMBER 31, 2024

CANADA-UKRAINE FOUNDATION

DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Canada-Ukraine Foundation:

Opinion

We have audited the accompanying financial statements of Canada-Ukraine Foundation (the "Foundation"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, changes in net assets and cash flow for the year then ended, and the notes to 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 Canada-Ukraine Foundation as at December 31, 2024, and the results of its operations and its cash flow 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.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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.

**Winnipeg, Manitoba
June 7, 2025**

Fort Group
**CHARTERED PROFESSIONAL
ACCOUNTANTS INC.**



**CANADA-UKRAINE FOUNDATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024**

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Endowment Fund</u>	<u>Total 2024</u>	<u>Total 2023</u>
ASSETS					
CURRENT ASSETS					
Cash	\$ 4,481,361	446,661	-	4,928,022	3,229,688
Short-term investments (Note 5)	-	9,929,355	-	9,929,355	14,089,991
Accounts receivable	1,102	-	-	1,102	-
Prepaid expenses	8,894	-	-	8,894	8,670
HST recoverable	71,855	-	413	72,268	207,189
Accrued interest receivable	-	325,958	-	325,958	91,852
Inter-fund balances (Note 9)	<u>550,234</u>	<u>(552,970)</u>	<u>2,736</u>	<u>-</u>	<u>-</u>
	5,113,446	10,149,004	3,149	15,265,599	17,627,390
LONG-TERM INVESTMENTS (Note 6)	-	694,443	734,661	1,429,104	1,219,076
TANGIBLE CAPITAL ASSETS (Note 7)	<u>6,773</u>	<u>-</u>	<u>-</u>	<u>6,773</u>	<u>250,544</u>
	<u>\$ 5,120,219</u>	<u>10,843,447</u>	<u>737,810</u>	<u>16,701,476</u>	<u>19,097,010</u>
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable and accrued liabilities	\$ <u>25,089</u>	<u>106,973</u>	<u>-</u>	<u>132,062</u>	<u>29,806</u>
NET ASSETS					
Internally restricted (Schedule 1 and 2)	-	864,675	-	864,675	861,331
Externally restricted (Schedule 1 and 2)	-	9,871,799	-	9,871,799	12,794,018
Unrestricted	5,095,130	-	-	5,095,130	4,740,757
Endowment Fund	<u>-</u>	<u>-</u>	<u>737,810</u>	<u>737,810</u>	<u>671,098</u>
	<u>5,095,130</u>	<u>10,736,474</u>	<u>737,810</u>	<u>16,569,414</u>	<u>19,067,204</u>
	<u>\$ 5,120,219</u>	<u>10,843,447</u>	<u>737,810</u>	<u>16,701,476</u>	<u>19,097,010</u>

APPROVED BY THE BOARD:




Director
Director

**CANADA-UKRAINE FOUNDATION
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2024**

	General Fund	Designated Funds	Endowment Fund	Total 2024	Total 2023
REVENUE					
Humanitarian project donations	\$ -	8,896,194	-	8,896,194	13,475,779
Donations	1,041,570	1,444,487	-	2,486,057	2,840,101
Investment income	3,990	532,340	37,929	574,259	391,609
Government grants	<u>5,018</u>	<u>320,000</u>	<u>-</u>	<u>325,018</u>	<u>79,183</u>
	<u>1,050,578</u>	<u>11,193,021</u>	<u>37,929</u>	<u>12,281,528</u>	<u>16,786,672</u>
EXPENSES					
Accounting	2,349	-	-	2,349	10,379
Administration	24,762	-	-	24,762	13,129
Advertising	33,535	-	-	33,535	11,035
Amortization of tangible capital assets	251,751	-	-	251,751	591
Audit	31,634	-	-	31,634	29,062
Bank charges	24,862	-	-	24,862	20,334
Communication	148,892	-	-	148,892	144,858
Conference costs	-	-	-	-	759
Contractor fees	16,283	-	-	16,283	4,069
General projects	325,271	-	-	325,271	1,795,051
Insurance	13,426	-	-	13,426	12,762
Legal fees	4,741	-	-	4,741	2,617
Memberships	350	-	-	350	350
Office and postage	43,965	-	-	43,965	50,025
Project expenses	-	13,692,635	5,234	13,697,869	29,948,767
Salaries and benefits	217,858	-	-	217,858	160,728
Travel	7,092	-	-	7,092	15,894
Website	<u>16,846</u>	<u>-</u>	<u>-</u>	<u>16,846</u>	<u>21,291</u>
	<u>1,163,617</u>	<u>13,692,635</u>	<u>5,234</u>	<u>14,861,486</u>	<u>32,241,701</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES BEFORE OTHER ITEMS	(113,039)	(2,499,614)	32,695	(2,579,958)	(15,455,029)
OTHER ITEMS					
Unrealized investment gain	-	59,641	34,017	93,658	86,058
Realized foreign exchange loss	(11,490)	-	-	(11,490)	(23,019)
Processing fees (Note 11 and Schedule 1 and 2)	<u>452,902</u>	<u>(452,902)</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ 328,373</u>	<u>(2,892,875)</u>	<u>66,712</u>	<u>(2,497,790)</u>	<u>(15,391,990)</u>

**CANADA-UKRAINE FOUNDATION
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2024**

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Endowment Fund</u>	<u>Total 2024</u>	<u>Total 2023</u>
NET ASSETS, BEGINNING OF YEAR	\$ 4,740,757	13,655,349	671,098	19,067,204	34,459,194
Excess (deficiency) of revenue over expenses	328,373	(2,892,875)	66,712	(2,497,790)	(15,391,990)
Inter-fund transfers (Note 10 and Schedule 1 and 2)	<u>26,000</u>	<u>(26,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS, END OF YEAR	<u>\$ 5,095,130</u>	<u>10,736,474</u>	<u>737,810</u>	<u>16,569,414</u>	<u>19,067,204</u>

**CANADA-UKRAINE FOUNDATION
STATEMENT OF CASH FLOW
YEAR ENDED DECEMBER 31, 2024**

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Endowment Fund</u>	<u>Total 2024</u>	<u>Total 2023</u>
CASH PROVIDED BY (USED IN):					
OPERATING ACTIVITIES					
Excess (deficiency) of revenue over expenses	\$ 328,373	(2,892,875)	66,712	(2,497,790)	(15,391,990)
Add back (deduct) non-cash items:					
Amortization of tangible capital assets	251,751	-	-	251,751	591
Unrealized gain on long-term investments	<u>-</u>	<u>(59,641)</u>	<u>(34,017)</u>	<u>(93,658)</u>	<u>(86,058)</u>
	580,124	(2,952,516)	32,695	(2,339,697)	(15,477,457)
Change in non-cash working capital:					
Accounts receivable	(1,102)	-	-	(1,102)	-
Prepaid expenses	(224)	-	-	(224)	-
HST recoverable	134,921	-	-	134,921	(138,517)
Accrued interest receivable	-	(255,075)	-	(255,075)	(91,853)
Accounts payable and accrued liabilities	<u>(3,997)</u>	<u>106,253</u>	<u>-</u>	<u>102,256</u>	<u>(237,842)</u>
	<u>709,722</u>	<u>(3,101,338)</u>	<u>32,695</u>	<u>(2,358,921)</u>	<u>(15,945,669)</u>
INVESTING ACTIVITIES					
Purchase of tangible capital assets	(7,980)	-	-	(7,980)	-
Purchase of short-term investments	-	(4,553,267)	-	(4,553,267)	(344,409)
Purchase of long-term investments	-	(87,086)	(32,240)	(119,326)	(29,843)
Proceeds from the maturity of short-term investments	<u>-</u>	<u>8,737,828</u>	<u>-</u>	<u>8,737,828</u>	<u>10,418,791</u>
	<u>(7,980)</u>	<u>4,097,475</u>	<u>(32,240)</u>	<u>4,057,255</u>	<u>10,044,539</u>
FINANCING ACTIVITIES					
Interfund transfer	26,000	(26,000)	-	-	-
Change in interfund balances	<u>997,263</u>	<u>(996,808)</u>	<u>(455)</u>	<u>-</u>	<u>-</u>
CHANGE IN CASH	1,725,005	(26,671)	-	1,698,334	(5,901,130)
CASH, BEGINNING OF YEAR	<u>2,756,356</u>	<u>473,332</u>	<u>-</u>	<u>3,229,688</u>	<u>9,130,818</u>
CASH, END OF YEAR	<u>\$ 4,481,361</u>	<u>446,661</u>	<u>-</u>	<u>4,928,022</u>	<u>3,229,688</u>

**CANADA-UKRAINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. ACCOUNTING ENTITY

Canada-Ukraine Foundation (the "Foundation") is a registered charity that is incorporated federally and exempt from income taxes under the provisions of the Income Tax Act of Canada. The Foundation's objectives are to relieve poverty, advance education and religion and engage in other purposes beneficial to the community in Canada and Ukraine.

The Foundation has charity status in the United States and is exempt from federal income tax under IRC Section 501(c)(3). United States taxpayers may deduct contributions to the Foundation if they have offsetting income from sources in Canada.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

An underlying assumption of the preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations is that the entity will continue for the foreseeable future and will be able to realize its assets and discharge liabilities in the normal course of operations.

The financial statements include the following significant accounting policies:

(a) Tangible Capital Assets

Tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at their fair market value on the date of acquisition. Amortization is provided using methods and rates intended to amortize the cost of assets less salvage value over their estimated useful lives. The Foundation assesses impairment of tangible capital assets on an annual basis.

	<u>Method</u>	<u>Rate</u>
Holodomor bus	Straight-line	10 years
Computers	Straight-line	3 years
Furniture and fixtures	Straight-line	5 years

(b) Contributed Services and Donated Materials

Contributed services and donated materials are not recognized in the financial statements due to the difficulty in determining their fair value.

(c) Revenue Recognition

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

Unrestricted donations are recognized as revenue in the General Fund in the year in which they are received. Restricted donations, including Humanitarian project donations and other donations, are recognized as revenue in the appropriate restricted fund in the year in which they are received.

Investment income is recorded in the year it relates to.

Government grants that do not relate to a restricted fund are recognized as revenue when the related expense is incurred. Government grants that relate to a restricted fund are recognized as revenue when they are received or receivable, and when collection is reasonably assured.

(d) Foreign Currency

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the year-end exchange rate. Revenue and expenses are translated at the rate in effect on the settlement date. Foreign exchange gains and losses are recorded in the statement of operations.

**CANADA-UKRAINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Financial Instruments

Financial instruments held by the Foundation include cash, accounts receivable, short-term investments, long-term investments, and accounts payable and accrued liabilities. The Foundation initially measures its financial instruments at fair value. The Foundation subsequently measures its financial instruments at cost or amortized cost, with the exception of its long-term investments which are reported at fair market value with any unrealized gains or losses recognized in operations. Amortized cost is the amount at which the financial instrument is measured at initial recognition, less principal repayments, plus or minus the cumulative of any difference between that initial amount and the maturity amount, and minus any reduction for impairment.

(f) Use of Estimates

The preparation of the 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 at the date of the financial statements and the reported amounts of revenue and expenses during the year. Estimates include amortization expense and amounts payable for services not billed yet at the time these financial statements were approved and the useful life of tangible capital assets. Actual results may differ from estimates.

3. DESCRIPTION OF FUNDS

The Foundation accounts for its operations using fund accounting.

(a) General Fund

The General Fund accounts for the Foundation's program delivery and administrative activities and accounts for unrestricted contributions to the Foundation. The appropriation of resources from the Unrestricted General Fund is made by majority motion of the Foundation Board's Executive Committee and ratified by the Board of Directors. Appropriations are made to designate and set aside funds for specific commitments approved by the Board.

(b) Internally Restricted Designated Funds

(i) Alberta Learning Fund

The fund is to develop Ukrainian teaching materials for Grades 10, 11 and 12 pursuant to a contract with the Government of Alberta.

(ii) CUF Medical Program Fund

This fund was used to pay for the first seven medical missions that ended in November 2019 due to COVID restrictions. The fund also sponsored psycho trauma therapy for female war veterans at the Open Doors Organization in Kyiv, Ukraine; facilitated transfer of new and used hospital equipment to Ukraine and financed mobile dental clinics at orphanages and boarding schools.

(iii) Liubov Project Fund

The fund is to provide assistance to impoverished children and youth in Ukraine.

(iv) Ukrainian Greek Catholic Church (UGCC) Sobor Fund

The fund was used for the purpose of completing the building of the Patriarchal Cathedral in Kyiv, Ukraine. This fund is now closed, and the balance of funds will be transferred in 2025 to the UGCC for ongoing maintenance costs.

**CANADA-UKRAINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

3. DESCRIPTION OF FUNDS (Continued)

(b) Internally Restricted Designated Funds (Continued)

(v) Ukrainian Leadership Academy Fund

The Ukrainian Leadership Academy is a not-for-profit charitable organization validly established and operating under the laws of Ukraine for the purpose of advancing Ukrainian Civil Society through education and training of students.

(vi) University of Kyiv-Mohyla Fund

The fund was established to assist the National University of Kyiv-Mohyla Academy. This fund is now closed, and balance of funds will be transferred in 2025 to the Kyiv Mohyla Foundation of Canada.

(c) Externally Restricted Designated Funds

(i) Aid for Artists in Ukraine Fund

This fund provides an outlet for the community at large to support the arts and artists of Ukraine. Preserving and advancing Ukrainian culture is now more important than ever.

Projects related to re-establishment, creation and jobs in the arts sector will be considered. Funding will go to individuals, organizations and all genres of visual and performing arts to improve the preservation, promotion and development of Ukrainian arts in Ukraine.

(ii) Fundraising Tour for O. Matviichuk Fund

This fund was for a speaking tour in Ottawa, Montreal, Winnipeg and Toronto by the Nobel laureate Oleksandra Matviichuk to refresh the public's attention to the war in Ukraine, human rights abuses and the need to support Ukraine in its hour of need. This project is one time in nature.

(iii) Canada Ukraine Surgical Aid Program (CUSAP) Fund

The Canada Ukraine Surgical Aid Program (CUSAP) Fund is a collaboration between Sunnybrook Health Sciences Centre and the Canada-Ukraine Foundation that extends until 2025. It will build the capacity of the Ukrainian Health Care System and enable surgeons to train the next generation of Ukrainian surgeons.

In addition, this fund is to be used to run ongoing medical aid programs to provide surgical care to war casualties with extended scope and range of surgical services provided by intensivists, orthopaedic, head and neck, general, vascular, oculoplastic and burn surgeons, in addition to plastic, hand, craniofacial and neurosurgeons.

(iv) Displaced Ukrainians Appeal Fund

The fund is to provide assistance in Canada only to Ukrainians who have been displaced as a result of the war launched by Russia on Ukraine on February 24, 2022.

(v) Druzi-Dzherelo (Friends of Dzherelo) Canada Fund

The Druzi-Dzherelo (Friends of Dzherelo) joined the Foundation as one of their projects when Children of Chernobyl Canadian Fund (CCCCF) was dissolved in early 2019. Druzi decided that the Foundation would be the best fit for them as supporters of Dzherelo in Lviv. The purpose of this program is to raise funds for the valuable and progressive work that Dzherelo-Lviv contributes to the well-being of children and youth with special needs in Ukraine.

**CANADA-UKRAINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

3. DESCRIPTION OF FUNDS (Continued)

(c) Externally Restricted Designated Funds (Continued)

(vi) Holodomor Awareness Fund

The "Holodomor National Awareness Tour", is a joint project between four organizations: the Canada-Ukraine Foundation (the Foundation, the lead on the project), the Ukrainian Canadian Congress (UCC), the Ukrainian Canadian Research and Documentation Centre (UCRDC), and the Holodomor Research and Educational Consortium (HREC). The tour takes place on a customized 42' recreational vehicle (RV), with a state-of-the-art interactive audio-visual technology centre on board. The RV is wheelchair accessible and tours Canada, visiting elementary and secondary schools, universities, government buildings, Ukrainian community and Canadian mainstream events, festivals and gatherings across the country. The goal of the awareness tour is to educate all Canadians about the famine created by Joseph Stalin from 1932-1933, murdering millions of Ukrainians.

The fund received contributions and donations during the year ended December 31, 2024, in the amount of \$9,110 (2023 - \$107,485). Included in government grants is funding from the Province of Ontario in the amount of \$320,000 (2023 - \$79,183).

(vii) Holodomor Research and Education Centre in Ukraine (HREC in Ukraine) Fund

The purpose of this project is to encourage the public to share family history for the creation of an open-source database known as the "Holodomor Family History Global Database".

(viii) Jaraslaw Zajszlyj Memorial Fund

The fund is to sponsor scholarships for the Lviv National Agrarian University in Dubliany, Ukraine in the name of Jaraslaw Zajszlyj.

(ix) Kovaluk Fund

The fund is to be invested, and the interest earned is to be used to fund scholarships in Ukrainian educational institutions.

(x) National Holodomor Museum Fund

The Foundation has entered into a Memorandum of Cooperation with the International Foundation for the Development of the Holodomor-Genocide Museum, a charitable non-profit organization established under Ukrainian law and located in Kyiv, Ukraine. The purpose is to assist the Foundation in a campaign to raise funds abroad to create the Main Exhibition for the Holodomor-Genocide Museum, to outfit the interior of the Museum, and also to establish an Endowment Fund for further sustainable development of the Museum. The Foundation was the official partner responsible for conducting the fundraising campaign outside the territory of Ukraine on a best-efforts basis. At the end of 2021, the Foundation restricted its role in fundraising for the Museum to a passive collection of donations.

(xi) The Cosbild Ukrainian Culture Fund

The fund is to be invested, and the interest earned is to be used to fund three annual scholarships to students of Ivan Franko University in Lviv.

(xii) Okhmatdyt Children's Hospital Project Fund

The funds collected for this project will be used to replace damaged hospital equipment and medicines at the Okhmatdyt Children's Hospital in Kyiv. The damages resulted from attacks in the ongoing war in Ukraine against the Hospital in July 2024 resulting in the creation of the fund.

**CANADA-UKRAINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

3. DESCRIPTION OF FUNDS (Continued)

(c) Externally Restricted Designated Funds (Continued)

(xiii) Ukraine Humanitarian Appeal Fund

In order to raise awareness and foster an informed understanding by Canadians of the shared nature of global humanitarian challenges caused by Russia's military and other forms of aggression in Ukraine, The Canada-Ukraine Foundation and the Ukrainian Canadian Congress signed a Memorandum of Agreement (MOA) that created a joint steering committee titled: "Ukraine Humanitarian Relief Committee" (UHRC) to oversee the implementation of the MOA.

The MOA was signed January 27, 2022, and it expires December 31, 2027. It may be terminated earlier by mutual consent of the Parties.

The Areas of Cooperation covered by the MOA are:

- Assistance to displaced persons in Ukraine and refugees who have fled Ukraine
- Medical Care
- Emergency shelter
- Food security
- Agree to adding additional areas of cooperation as the war evolves

Examples of projects in 2024 within Ukraine include emergency food kits, emergency medical and hygiene kits, emergency shelters, demining robots, the Canada Ukraine Surgical Assistance Program, ambulances, firefighters' equipment, generators and trauma/psychological therapy for children and adults. In Canada, projects include the displaced persons settlement programs.

(xiv) Unbroken Fund

This fund was for the one-time purchase of rehabilitation equipment for the Lviv Territorial Rehabilitation Hospital.

(xv) Unbroken - East Coast Ukrainian Association Fund

East Coast Ukrainian Association has arranged a tour titled Unbroken Ukraine; in partnership with the Foundation, they have fundraised for the Unbroken medical rehabilitation centre in Lviv. Funds were raised in 2024, and equipment is expected to be delivered in 2025.

(xvi) Veterans of Ukraine Humanitarian Fund

The fund is to assist wounded war veterans who have bravely defended their country against Russia's ongoing military aggression in Ukraine. This fund was formerly known as the Defenders of Ukraine Fund.

(d) Externally Restricted Endowment Fund

The Endowment Fund, established by The Ukrainian Senior Citizens Home of Taras H. Shevchenko (Windsor) Inc., supports charitable activities that are consistent with the charitable objects of the Foundation. As per the donor's wishes, up to 5% of the capital plus income for the year may be used annually to fund special projects. However, the remaining principal of the fund shall remain intact.

**CANADA-UKRAINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

4. LINE OF CREDIT

The Foundation has a line of credit, repayable on demand, with the Ukrainian Credit Union Limited (UCU) to a maximum of \$250,000 (2023 - \$250,000) bearing interest at 8.35% (2023 - 9.60%) and is secured by a general security agreement providing first charge over all assets excluding real estate and segregated funds. As at December 31, 2024, the line of credit was not used and there are no fees charged by UCU if the line of credit is not used.

5. SHORT-TERM INVESTMENTS

Short-term investments consist of guaranteed investment certificates with interest rates ranging from 0.90% to 5.00% (2023 - 0.70% to 4.90%) and mature within twelve months of the fiscal year-end. As of December 31, 2024, the Foundation has a short-term investments balance of \$9,929,355 (2023 - \$14,089,991).

6. LONG-TERM INVESTMENTS

The Foundation has invested in bonds and equities with the Ukrainian Canadian Foundation of Taras Shevchenko, Assante Wealth Management, and EdgePoint Wealth Management Inc. Investments at December 31, 2024, consist of the following:

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Market Value</u>	<u>Cost</u>	<u>Market Value</u>
Designated Funds:				
Taras Shevchenko Foundation				
Cosbild Fund	\$ 66,035	66,267	64,488	57,242
Kovaluk Fund	99,099	103,123	96,532	89,078
Jaroslav Zajszlyj Memorial Fund	52,653	55,260	51,296	47,734
Liubov Fund	<u>42,238</u>	<u>44,239</u>	<u>41,134</u>	<u>38,214</u>
	260,025	268,889	253,450	232,268
Assante Wealth Management				
Druzi-Dzherelo	<u>346,570</u>	<u>425,554</u>	<u>269,013</u>	<u>318,403</u>
	606,595	694,443	522,463	550,671
Endowment Fund:				
EdgePoint Wealth Mgmt				
Taras Shevchenko Windsor (Endowment)	<u>622,942</u>	<u>734,661</u>	<u>590,703</u>	<u>668,405</u>
	<u>\$ 1,229,537</u>	<u>1,429,104</u>	<u>1,113,166</u>	<u>1,219,076</u>

**CANADA-UKRAINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

7. TANGIBLE CAPITAL ASSETS

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Cost</u>	<u>Accumulated Amortization</u>
Holodomor bus	\$ 755,277	755,277	755,277	505,277
Computers	125,084	118,311	117,104	116,560
Furniture and fixtures	<u>1,140</u>	<u>1,140</u>	<u>1,140</u>	<u>1,140</u>
	<u>881,501</u>	<u>874,728</u>	<u>873,521</u>	<u>622,977</u>
Net book value	\$ <u>6,773</u>		<u>250,544</u>	

At the time of acquisition of the Holodomor bus, the Foundation had attributed a salvage value of \$250,000. During the current year, the bus was still operational and used in charitable endeavours. Management has determined that the salvage value of the bus is now \$nil and adjusted the net book value.

8. COMMITMENTS

The Foundation entered into a lease agreement for the storage of the Holodomor Tour bus covering a three-year term from June 1, 2022 - May 31, 2025. Future annual payments are as follows:

2025	\$ <u>16,067</u>
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9. INTER-FUND BALANCES

The inter-fund balances are non-interest bearing with no set terms of repayment and not due on demand.

10. INTER-FUND TRANSFERS

During the year, the board approved an inter-fund transfer to the General and Ukraine Humanitarian Appeal Funds from the Canada Ukraine Surgical Aid Program (CUSAP) Fund in the amounts of \$26,000, \$463,000 and (\$489,000), respectively. The purpose of the transfer was to reallocate prior year investment income between the funds.

During the prior year, the board approved a transfer between the Ukrainian Leadership Academy Fund and the Holodomor Awareness Fund to allocate donations to the appropriate funds.

11. PROCESSING FEES

The Foundation charges processing fees for the receipt and administration of certain designated fund donations. The fees range from 2% to 5% on the gross amount of donations and is recorded when the restricted donations are received.

Processing fee revenue is comprised of the following:

	<u>2024</u>	<u>2023</u>
Ukraine Humanitarian Appeal Fund	\$ 444,810	673,789
Atlantic Council	-	22,347
Holodomor Research and Education Centre in Ukraine	6,990	6,794
Liubov Project Fund	<u>1,102</u>	<u>1,585</u>
	<u>\$ 452,902</u>	<u>704,515</u>

**CANADA-UKRAINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

12. THE UKRAINIAN CANADIAN FOUNDATION OF TARAS SHEVCHENKO ENDOWMENT FUND

The Foundation has an endowment fund held in trust by The Ukrainian Canadian Foundation of Taras Shevchenko, which set aside \$125,000 in 1996 for the Canada-Ukraine Foundation. This endowment fund is reported in the financial statements of the Ukrainian Canadian Foundation of Taras Shevchenko. These funds are to be invested, and the income earned is to be donated to the Canada-Ukraine Foundation to assist it in carrying out its mandate. The following conditions apply:

- Canada-Ukraine Foundation is not to encroach on the capital set aside;
- Canada-Ukraine Foundation is to receive 90% of the income earned each year with 10% being added to the capital;
- Canada-Ukraine Foundation must use the funds for designated Canadian purposes and must comply with Ukrainian Canadian Foundation of Taras Shevchenko guidelines for granting and use of funds;
- Ukrainian Canadian Foundation of Taras Shevchenko will monitor the use of the funds; and
- The capital fund will revert to Ukrainian Canadian Foundation of Taras Shevchenko upon formal dissolution of Canada-Ukraine Foundation.

For the year ended December 31, 2024, the income allocation was \$11,060 (2023 - \$5,215), which is included in the general investment income. The fair market value of the endowment fund at December 31, 2024, was \$348,875 (2023 - \$331,343). In addition to the contributed capital of \$125,000 in 1996, \$171,970 of contributions were received from the Tryzub Gala event occurring during the 2022 year-end.

13. FINANCIAL RISK MANAGEMENT

(a) Liquidity Risk

Liquidity risk is the risk that the Foundation will not be able to meet its financial obligations as they come due. Financial liabilities consist of accounts payable and accrued liabilities. Accounts payable and accrued liabilities are paid in the normal course of business and except under certain exceptions, no later than one month.

The Foundation's approach to managing liquidity risk is to manage its cashflow to ensure it will always have sufficient liquidity to meet financial liabilities when due. At December 31, 2024, the Foundation has a cash balance of \$4,928,022 (2023 - \$3,229,688) to cover financial liabilities of \$132,062 (2023 - \$29,806). It is management's opinion that most of the Foundation's investments are liquid enough to cover any of this risk.

(b) 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.

Financial instruments which potentially subject the Foundation to credit risk and concentrations of credit risk consist principally of fixed income investments.

Management manages credit risk by investing in fixed income investments held with a well-established Ontario credit union.

**CANADA-UKRAINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

13. FINANCIAL 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 risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk.

(i) Foreign Currency Risk

Foreign currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The functional currency of the Foundation is the Canadian dollar. The Foundation occasionally transacts in foreign currencies when certain revenues and expenses are denominated in those currencies, or to source certain purchases and services outside of Canada.

The Foundation mitigates its currency risk exposure by having a bank account that is denominated in a currency other than its own.

(ii) Interest Rate Risk

Interest rate cash flow risk is the risk that changes in market interest rates may affect the cash flows associated with some financial instruments. Interest rate price risk is the risk that changes in market interest rates may influence the fair value of other financial instruments.

(iii) 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 all three types of market risk as its investments consist of bonds, term deposits, shares, fixed income and equity mutual funds. The Foundation relies on its investment managers to oversee their investments and follow the Foundation's internal investment management policy to mitigate these risks.

14. COMPARATIVE FIGURES

Certain comparative figures have been restated to reflect the financial statement presentation adopted for the current year.

Schedule 1
CANADA-UKRAINE FOUNDATION
DESIGNATED FUNDS
YEAR ENDED DECEMBER 31, 2024

		Humanitarian project income	Donations	Investment income (loss)	Grants	Expenses	Transfer in (out)	
<u>Internally restricted</u>	<u>2023</u>							<u>2024</u>
Alberta Learning Fund	\$ 17,662	-	-	-	-	-	-	17,662
CUF Medical Program Fund	444,016	-	176	-	-	4,006	-	440,186
Liubov Project Fund	82,616	-	32,602	6,442	-	22,185	-	99,475
UGCC Sobor Fund	6,297	-	-	-	-	6,297	-	-
Ukrainian Leadership Academy	307,352	-	-	-	-	-	-	307,352
University of Kyiv-Mohyla Fund	<u>3,388</u>	-	-	-	-	<u>3,388</u>	-	-
	<u>861,331</u>	-	<u>32,778</u>	<u>6,442</u>	-	<u>35,876</u>	-	<u>864,675</u>
<u>Externally restricted</u>								
Aid for Artists in Ukraine Fund	81,771	35,279	-	-	-	76,961	-	40,089
Fundraising Tour for O. Matviichuk Fund	-	-	699,923	-	-	306,007	-	393,916
Canada Ukraine Surgical Aid Program (CUSAP) Fund	1,019,118	777,082	-	-	-	953,247	(489,000)	353,953
Displaced Ukrainians Appeal Fund	2,036,010	66,189	-	-	-	629,103	-	1,473,096
Druzi-Dzherelo Canada Fund	807,643	-	209,182	39,223	-	187,185	-	868,863
Holodomor Awareness Fund	74,418	-	9,110	-	320,000	338,460	-	65,068
Holodomor Research and Education Centre in Ukraine	325,539	-	342,510	-	-	672,133	-	(4,084)
Jaroslav Zajszlyj Memorial Fund	48,243	-	-	8,046	-	520	-	55,769
Kovaluk Fund	83,408	-	5,124	15,016	-	10,638	-	92,910
National Holodomor Museum Fund	5,347	-	-	-	-	-	-	5,347
The Cosblid Ukrainian Culture Fund	79,926	-	-	9,649	-	20,624	-	68,951
Ohmatdyt Children's Hospital Project Fund	-	922,599	-	-	-	55,117	-	867,482
Ukraine Humanitarian Appeal Fund	6,694,711	7,050,469	-	513,605	-	9,468,861	463,000	5,252,924
Unbroken Fund	1,342,976	-	-	-	-	1,386,651	-	(43,675)
Unbroken - East Coast Ukrainian Association Fund	-	44,576	-	-	-	-	-	44,576
Veterans of Ukraine Humanitarian Fund	<u>194,908</u>	-	<u>145,860</u>	-	-	<u>4,154</u>	-	<u>336,614</u>
	<u>12,794,018</u>	<u>8,896,194</u>	<u>1,411,709</u>	<u>585,539</u>	<u>320,000</u>	<u>14,109,661</u>	<u>(26,000)</u>	<u>9,871,799</u>
	<u>\$ 13,655,349</u>	<u>8,896,194</u>	<u>1,444,487</u>	<u>591,981</u>	<u>320,000</u>	<u>14,145,537</u>	<u>(26,000)</u>	<u>10,736,474</u>

Schedule 2
CANADA-UKRAINE FOUNDATION
DESIGNATED FUNDS
YEAR ENDED DECEMBER 31, 2023

		Humanitarian project income	Donations	Investment income (loss)	Grants	Expenses	Transfer in (out)	
<u>Internally restricted</u>	<u>2022</u>							<u>2023</u>
Alberta Learning Fund	\$ 17,662	-	-	-	-	-	-	17,662
CUF Medical Program Fund	495,266	-	175	-	-	51,425	-	444,016
Liubov Project Fund	89,655	-	24,629	2,200	-	33,868	-	82,616
UGCC Sobor Fund	6,297	-	-	-	-	-	-	6,297
Ukrainian Leadership Academy	635,089	-	-	-	-	-	(327,737)	307,352
University of Kyiv-Mohyla Fund	<u>3,388</u>	-	-	-	-	-	-	<u>3,388</u>
	<u>1,247,357</u>	-	<u>24,804</u>	<u>2,200</u>	-	<u>85,293</u>	<u>(327,737)</u>	<u>861,331</u>
<u>Externally restricted</u>								
Aid for Artists in Ukraine Fund	-	81,771	-	-	-	-	-	81,771
Canada Ukraine Surgical Aid Program (CUSAP) Fund	(708,676)	3,069,242	-	-	-	1,341,448	-	1,019,118
Displaced Ukrainians Appeal Fund	1,952,945	911,548	-	-	-	828,483	-	2,036,010
Druzi-Dzherelo Canada Fund	739,171	-	261,711	32,512	-	225,751	-	807,643
Holodomor Awareness Fund	278,537	-	28,303	-	79,183	311,605	-	74,418
Holodomor Research and Education Centre in Ukraine	-	-	339,700	-	-	341,898	327,737	325,539
Jaroslav Zajszlyj Memorial Fund	46,102	-	-	2,603	-	462	-	48,243
Kovaluk Fund	84,401	-	5,639	4,858	-	11,490	-	83,408
National Holodomor Museum Fund	5,347	-	-	-	-	-	-	5,347
The Cosblid Ukrainian Culture Fund	77,359	-	-	3,122	-	555	-	79,926
Ukraine Humanitarian Appeal Fund	25,775,792	8,070,242	-	348,347	-	27,499,670	-	6,694,711
Unbroken Fund	-	1,342,976	-	-	-	-	-	1,342,976
Veterans of Ukraine Humanitarian Fund	<u>137,242</u>	-	<u>59,562</u>	-	-	<u>1,896</u>	-	<u>194,908</u>
	<u>28,388,220</u>	<u>13,475,779</u>	<u>694,915</u>	<u>391,442</u>	<u>79,183</u>	<u>30,563,258</u>	<u>327,737</u>	<u>12,794,018</u>
	<u>\$ 29,635,577</u>	<u>13,475,779</u>	<u>719,719</u>	<u>393,642</u>	<u>79,183</u>	<u>30,648,551</u>	-	<u>13,655,349</u>