

The Samaritan's Purse – Canada

Financial Statements
December 31, 2024



Independent auditor's report

To the Members of The Samaritan's Purse – Canada

Our qualified opinion

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of The Samaritan's Purse – Canada (the Organization) as at December 31, 2024 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

What we have audited

The Organization's financial statements comprise:

- the statement of financial position as at December 31, 2024;
- the statement of operations and changes in fund balances for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for qualified opinion

In common with many not-for-profit organizations, the Organization derives revenues from contributions and gifts in kind the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to contributions revenue, gifts in kind revenue, excess (deficiency) of revenue over expenditures and cash provided by operating activities for the years ended December 31, 2024 and 2023, current assets as at December 31, 2024 and 2023 and fund balances as at the beginning and the end of the years ended December 31, 2024 and 2023. Our audit opinion on the financial statements for the year ended December 31, 2023 was modified accordingly because of the possible effects of this limitation in scope.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Independence

We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 Organization'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 Organization 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Calgary, Alberta
April 15, 2025


The Samaritan's Purse – Canada

Statement of Financial Position

As at December 31, 2024

	2024 \$	2023 \$
Assets		
Current assets		
Cash	10,048,889	10,092,931
Short-term investments (note 4)	2,801,358	6,856,354
Accounts receivable (note 5)	1,450,005	1,663,420
Prepaid expenses	500,334	510,665
Inventory	8,263,076	3,135,149
	23,063,662	22,258,519
Investments (note 4)	17,816,216	13,497,754
Capital assets (note 6)	16,034,985	15,099,175
	56,914,863	50,855,448
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 7)	1,532,355	1,372,088
Fund Balances		
Unrestricted	18,069,054	16,208,263
Internally restricted – invested in capital assets	16,034,985	15,099,175
Externally restricted (note 8)	21,278,469	18,175,922
	55,382,508	49,483,360
	56,914,863	50,855,448
Commitments (note 12)		

Approved by the Board of Directors



Director



Director

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

The Samaritan's Purse – Canada

Statement of Operations and Changes in Fund Balances

For the year ended December 31, 2024

	2024			2023
	General Fund \$	Capital Fund \$	Ministry Fund \$	Total \$
Revenue				
Contributions	12,391,357	1,007,750	28,855,702	42,254,809
Gifts in kind (note 9)	6,914	-	29,286,833	29,293,747
Investment income	874,767	-	-	874,767
Gain on sale of capital assets	-	1,694	-	1,694
	13,273,038	1,009,444	58,142,535	72,425,017
Expenditures				
Operation Christmas Child	-	-	26,908,789	26,908,789
International community programming	2,426	-	13,515,971	13,518,397
International disaster response	35,552	-	6,898,908	6,934,460
North American ministries	347,250	-	1,284,072	1,631,322
Ministry support services (note 3)	5,404,519	773,711	4,532,381	10,710,611
	5,789,747	773,711	53,140,121	59,703,579
Fundraising	1,334,603	-	267,542	1,602,145
General and administrative support for ministries	2,464,019	296,684	2,459,442	5,220,145
	3,798,622	296,684	2,726,984	6,822,290
	9,588,369	1,070,395	55,867,105	66,525,869
Excess (deficiency) of revenue over expenditures	3,684,669	(60,951)	2,275,430	5,899,148
Fund balance – Beginning of year	16,208,263	15,099,175	18,175,922	49,483,360
Inter-fund transfer to Ministry Fund	(697,143)	-	697,143	-
Inter-fund transfer – capital asset purchases	(1,126,735)	1,366,761	(240,026)	-
Fund balance – End of year	18,069,054	16,404,985	20,908,469	55,382,508

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

The Samaritan's Purse – Canada

Statement of Cash Flows

For the year ended December 31, 2024

	2024 \$	2023 \$
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenditures in the General Fund	3,684,669	7,386,642
Excess (deficiency) of revenue over expenditures in the Ministry Fund	2,275,430	(7,336,275)
	5,960,099	50,367
Changes in non-cash working capital items		
Accounts receivable	213,415	(461,687)
Prepaid expenses	10,331	(265,852)
Inventory	(5,127,927)	(1,027,937)
Accounts payable and accrued liabilities	160,267	557,366
	1,216,185	(1,147,743)
Investing activities		
Purchase of capital assets	(2,029,011)	(921,867)
Purchase of investments	(7,520,573)	(10,914,762)
Proceeds on sale of investments	7,257,107	12,155,299
Proceeds on sale of capital assets	24,500	1,100
	(2,267,977)	319,770
Financing activities		
Revenue of the Capital Fund related to contributions	1,007,750	-
Decrease in cash during the year	(44,042)	(827,973)
Cash – Beginning of year	10,092,931	10,920,904
Cash – End of year	10,048,889	10,092,931

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

The Samaritan's Purse – Canada

Notes to Financial Statements

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1 Nature of the organization

The Samaritan's Purse – Canada (the Organization) was incorporated under Part II of the Canada Corporations Act in 1973 and was continued under the Canada Not-for-Profit Corporations Act on November 8, 2013. The Organization is a not-for-profit non-denominational evangelical Christian organization providing spiritual and physical aid to hurting people around the world and the Organization distributes gifts in kind, such as gift-filled shoeboxes, medical supplies and equipment in countries where there is need.

Based on the scriptural example of the good Samaritan in Luke 10:25-37, the ministry of the Organization helps meet the needs of people who are victims of war, poverty, natural disasters, disease and famine, with the purpose of sharing God's love through his Son, Jesus Christ. The ministry serves the church worldwide to promote the Gospel of the Lord Jesus Christ.

The Organization is a registered charity under the Income Tax Act (Canada) and, accordingly, is exempt from income taxes.

2 Summary of significant accounting policies

Basis of presentation

The Organization's financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Use of estimates

The preparation of financial statements in conformity with ASNPO requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. These estimates and assumptions are the responsibility of management. These estimates and assumptions are subject to measurement uncertainty and actual results and financial position may differ from those reported in these financial statements. Significant estimates included in the financial statements are the useful lives of capital assets, accruals and valuation of gifts in kind.

Fund accounting

The Organization follows the restricted fund method of accounting for contributions. The Organization maintains the following funds:

- The General Fund reports the assets, liabilities, revenue and expenditures related to the general operating activities of the Organization.
- The Capital Fund reports the assets, liabilities, revenue and expenditures related to the Organization's capital assets.

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- The Ministry Fund reports the assets, liabilities, revenue and expenditures related to the Organization's programs or locations.

Revenue recognition

Unrestricted contributions are recognized as revenue in the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions related to a specific nature, program or location are recognized as revenue of the respective restricted fund in the year received.

Unrestricted investment income is recognized as revenue of the General Fund.

Contributed goods and services

Donations of goods and services are recorded when the fair market value is reasonably determinable and when they would otherwise be purchased by the Organization.

A portion of the Organization's work is dependent on voluntary services from many members and supporters. Because of the difficulty in determining their value, these contributed services are not recognized in the financial statements.

Allocation of expenses

The Organization engages in ministry, fundraising and general programs. The costs of each program include the costs that are 100% related to their respective program. The Organization also incurs various building overhead expenses that are allocated to ministry. General building overhead expenses such as janitorial supplies, building maintenance, ground maintenance and utilities are allocated based on the footprint of the property to ministry activities.

Investments

Corporate and government bonds are carried at amortized cost. The investments are recorded at fair value at time of acquisition and thereafter are measured at amortized cost using the effective interest method. Guaranteed investment certificates are recorded at fair value, which is calculated as the certificate deposit amount plus accrued interest.

Equity investments and investments in fixed income pooled funds are carried at fair market value, determined by reference to published price quotations in an active market. The change in fair market value is recorded directly in the statement of operations and changes in fund balances in the General Fund. Transaction costs are expensed as incurred.

Investments with maturities within one year from the year-end date have been classified as short-term investments.

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Inventory

Inventory comprises equipment, supplies and medications for an emergency field hospital and supplies to be distributed to beneficiaries at no charge. Inventory is recorded at the lower of cost and current replacement cost. Certain items of inventory have expiry dates, and when inventory becomes expired, it is disposed and written off. Writedowns of inventory are recognized as expenditures in the statement of operations and changes in fund balances.

Foreign currency translation

Current assets and liabilities denominated in foreign currencies are translated at exchange rates in effect at the end of the year. Transactions during the year are translated at exchange rates in effect at the date of the transaction. Exchange gains and losses occurring from the date of the transaction to the date of payment are reflected in the statement of operations and changes in fund balances.

Capital assets

Capital assets are recorded at cost less accumulated amortization and any provision for impairment. The cost of contributed capital assets is considered to be fair value at the date of contribution. The cost of capital assets made up of significant separable component parts is allocated to the component parts when practicable and when estimates can be made of the estimated useful lives of the separate components.

Amortization is recorded using the straight-line method over the following estimated useful lives:

Building	15 to 40 years
Computer equipment and software	3 to 5 years
Office furniture and equipment	3 to 5 years
Automobiles	5 years
Project equipment	3 to 5 years

Capital assets are tested for impairment when conditions indicate that a capital asset no longer contributes to the Organization's ability to provide charitable aid, or that the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. When conditions indicate that a capital asset is impaired, the net carrying amount of the capital asset is written down to the asset's fair value or replacement cost. The writedowns of capital assets are recognized as expenditures in the statement of operations and changes in fund balances. Writedowns are not subsequently reversed.

Financial instruments

A financial asset or a financial liability is initially recognized when the Organization becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished. The Organization initially measures financial assets and financial liabilities assumed in an arm's length transaction, at their fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost, other than equity investments and investments in fixed income pooled funds quoted in active markets, which are measured and reported at fair value. The financial assets subsequently measured at

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amortized cost include cash, accounts receivable and corporate and government bonds. The financial liabilities measured at amortized cost consist of accounts payable and accrued liabilities.

Financial assets originated or acquired, and financial liabilities issued or assumed in a related party transaction are initially measured at cost. For financial instruments with repayments terms, cost is determined as the sum of undiscounted cash flows less any impairment losses previously recognized by the transferor. For financial instruments with no repayment terms, cost is determined by reference to the consideration transferred or received by the Organization in the transaction.

Transaction costs related to financial instruments measured at fair value are expensed as incurred. For all other financial instruments, the transaction costs are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method.

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

The Organization has assessed the relevant financial risks of its 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 Organization maintains a low-risk portfolio of investments and does not have a concentration of credit exposure with any one customer or sponsor. The Organization does not consider that it is exposed to undue credit risk. There has been no change to the risk exposure from the prior year.

- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is not exposed to interest rate risk as its investments are in fixed rate instruments with investment terms that are staggered. There has been no change to the risk exposure from the prior year.

- Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is not exposed to liquidity risk as it maintains sufficient cash and cash equivalents to meet its ongoing obligations. There has been no change to the risk exposure from the prior year.

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- Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Organization is exposed to currency risk on ministry expenses denominated in currencies other than Canadian dollars, with the majority of foreign-denominated ministry expenses denominated in US dollars (USD). The Organization mitigates this risk by holding a portfolio of USD fixed rate investments with staggered terms. There has been no change to the risk exposure from the prior year.

Accounting for cloud computing arrangements

The Organization has elected not to use the simplified method to account for Cloud Computing Arrangements as permitted under AcG 20, which came into effect in 2024. Cloud computing arrangements are assessed to identify if they meet intangible assets criteria and are either recognized as an intangible asset or, if the intangible asset criteria are not met, they are expensed as incurred. Implementation costs that are directly attributable to preparing the software service for its intended use as an asset are also assessed to identify if they meet intangible asset criteria. Where the criteria are met, they are recognized as intangible assets and where it is not, the accounting policy choice has been made to capitalize these costs and amortize them over the expected use of the underlying software. The Organization has applied the policy retrospectively. The adoption of this policy did not result in any adjustments.

3 1741990 Alberta Ltd. closure

During the year, the Organization wound up its wholly owned subsidiary, 1741990 Alberta Ltd. (the Company). The Company was established in April 2013 in connection with the Organization's purchase of land and a building for a ministry centre in northern British Columbia. To support evangelistic outreach in the community, the Company planned to operate a small café in the ministry centre. The café never commenced operations, and accordingly, the Company closed in 2024. The financial statements of the Organization are no longer consolidated. The amount of the loss on the wind-up of the Company is \$177,368 and is recorded as a ministry support service expense in the General Fund.

4 Investments

	2024	
	Carrying value \$	Fair market value \$
Government and corporate bonds	20,499,430	20,385,123
Canadian equities	16,500	16,500
Guaranteed investment certificates	101,644	101,644
	<u>20,617,574</u>	<u>20,503,267</u>

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	2023	
	Carrying value \$	Fair market value \$
Government and corporate bonds	20,245,275	19,579,035
Canadian equities	6,799	6,799
Guaranteed investment certificates	102,034	102,034
	<u>20,354,108</u>	<u>19,687,868</u>

Government and corporate bonds have effective interest rates ranging from 1.67% to 4.98% (2023 – 1.67% to 4.85%) and mature between 2025 and 2034. The amount maturing in the next fiscal year is \$2,801,358 (2023 – \$6,856,354).

5 Related party transactions

The Organization and Billy Graham Evangelistic Association of Canada (BGEA – Canada) are considered related parties as each of these organizations share common directors and a close working relationship.

Included in accounts receivable as at December 31, 2024 are amounts receivable from BGEA – Canada of \$125,331 (2023 – \$55,919). These operating amounts are subject to normal trade terms and are included in the respective accounts receivable balances. During the year, the Organization and BGEA – Canada paid reimbursable expenses on behalf of each other.

The Organization and Samaritan's Purse Inc. are considered to be affiliated as each of these have three common directors, common joint project activities and a close working relationship.

Included in accounts receivable as at December 31, 2024 are amounts receivable from Samaritan's Purse Inc. of \$479,846 (2023 – \$443,094). This operating amount is subject to normal trade terms and is included in the accounts receivable balance. During the year, the Organization and Samaritan's Purse Inc. paid reimbursable expenses on behalf of each other.

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

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6 Capital assets

	2024		2023
	Cost \$	Accumulated amortization \$	Net book value \$
Land	1,509,146	-	1,509,146
Building	16,446,248	4,301,849	12,144,399
Construction in progress	501,494	-	501,494
Computer equipment and software	1,917,269	1,621,889	295,380
Office furniture and equipment	1,441,380	1,148,180	293,200
Automobiles	2,433,283	1,959,526	473,757
Project equipment	1,316,223	498,614	817,609
	25,565,043	9,530,058	16,034,985
			15,099,175

During the year, amortization in the amount of \$1,070,395 (2023 – \$1,006,758) was recorded in the Capital Fund.

7 Government remittances payable

As at December 31, 2024, the amount of government remittances payable was \$187,824 (2023 – \$nil).

8 Externally restricted

The externally restricted fund balance consists of contributions restricted by donors for the following programs or locations and was not spent as at December 31, 2024:

	2024 \$	2023 \$
International Community Programming	11,877,400	8,349,757
International Disaster Response	6,451,239	6,983,880
North American Ministries	2,732,179	1,882,509
Operation Christmas Child	217,651	959,776
	21,278,469	18,175,922

Included in North American Ministries is \$370,000 (2023 – \$nil) for future purchase of capital assets.

9 Gifts in kind

The Organization receives gifts in kind in connection with its Operation Christmas Child (OCC) program. Under this program, donors contribute gift-filled shoeboxes, which the Organization distributes to needy children worldwide. Shoebox contents are valued at their estimated fair market values. The OCC program also obtains

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transportation and other supplies and services in kind that are valued and recorded at their estimated fair market values.

10 Allocation of expenses

General building overhead expenses are allocated to the following functional areas based on the usage of space of the property. During the year, the following building overhead expenses were allocated to the following areas: \$281,192 (2023 – \$289,568) to ministry activities, and \$73,459 (2023 – \$76,990) to general and administrative activities.

11 Statutory disclosures

As required by Section 7(2) of the Charitable Fundraising Regulation of Alberta, the Organization discloses that it paid \$840,580 (2023 – \$762,501) to employees whose principal duties involved fundraising.

12 Commitments

The Organization is committed to a continuation of funding of approved ministry projects, as at December 31, 2024, in the amount of \$6,471,931 (2023 – \$5,211,496). During the year, the Organization entered into a contract for an interior development project in its warehouse. Total construction cost is estimated at \$610,833, of which \$67,936 is outstanding as at December 31, 2024.