



Financial statements

Oakville Community Foundation

December 31, 2025

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# Independent auditor's report

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Doane Grant Thornton LLP  
Suite 800  
201 City Centre Drive  
Mississauga, ON  
L5B 2T4  
T +1 416 366 0100  
F +1 905 804 0509

## To the Members of Oakville Community Foundation

### Opinion

We have audited the financial statements of **Oakville Community Foundation** (“the Foundation”), which comprise the statement of financial position as at December 31, 2025, and the statements of operations and changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Oakville Community Foundation** as at December 31, 2025, and its results of its 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 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 these 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.

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.

*Doane Grant Thornton LLP*

Mississauga, Canada  
April 1, 2026

Chartered Professional Accountants  
Licensed Public Accountants

# Oakville Community Foundation

## Statement of financial position

December 31

2025

2024

### Assets

#### Current

Cash and cash equivalents	\$ 539,064	\$ 663,376
Amounts recoverable	60,167	49,500
Current portion of impact investments (Note 5)	7,983	7,594
Prepays	<u>16,564</u>	<u>18,103</u>
	<u>623,778</u>	<u>738,573</u>
Investments (Note 4)	128,266,570	138,297,397
Long-term portion of impact investments (Note 5)	1,533,455	1,268,800
Capital assets (Note 6)	8,154	6,838
Cash surrender value on life insurance (Note 7)	<u>51,844</u>	<u>52,962</u>
	<u>\$ 130,483,801</u>	<u>\$ 140,364,570</u>

### Liabilities

#### Current

Accounts payable and accrued liabilities	\$ 66,486	\$ 40,652
Funds held on behalf of community organizations (Note 8)	<u>19,499,923</u>	<u>30,628,602</u>
	<u>19,566,409</u>	<u>30,669,254</u>

### Fund balances

Endowed (Note 9)	65,078,916	63,623,229
Externally Restricted (Note 10)	44,340,780	44,535,318
Internally Restricted (Note 11)	989,632	989,024
Operating	<u>508,064</u>	<u>547,745</u>
	<u>110,917,392</u>	<u>109,695,316</u>
	<u>\$ 130,483,801</u>	<u>\$ 140,364,570</u>

Commitments (Note 14)

Approved by the Board:



Director



Director

See accompanying notes to the financial statements.

## Oakville Community Foundation

### Statement of operations and changes in fund balances

Year ended December 31

2025

2024

	Endowed Funds	Externally Restricted Fund	Internally Restricted Funds	Operating Funds	Total	Total
<b>Revenues</b>						
Investment income	\$ -	\$ 5,677,926	\$ 14,335	\$ 66,927	\$ 5,759,188	\$ 9,418,913
Fund additions	690,467	3,853,943	-	-	4,544,410	17,821,910
Grant revenue (Note 12)	-	75,000	-	17,400	92,400	284,500
Administration fees	-	-	-	1,125,022	1,125,022	1,119,956
Sponsorships and donations	-	415	-	117,136	117,551	96,794
Other income (loss)	-	4,886	-	56,852	61,738	42,914
	<u>690,467</u>	<u>9,612,170</u>	<u>14,335</u>	<u>1,383,337</u>	<u>11,700,309</u>	<u>28,784,987</u>
<b>Expenses</b>						
Administration	-	7,755	13,727	1,479,234	1,500,716	1,404,283
Fund development and community programs	-	59,556	-	75,323	134,879	225,629
	<u>-</u>	<u>67,311</u>	<u>13,727</u>	<u>1,554,557</u>	<u>1,635,595</u>	<u>1,629,912</u>
Income (loss) for year before grant disbursements	690,467	9,544,859	608	(171,220)	10,064,714	27,155,075
Grants	-	(8,842,638)	-	-	(8,842,638)	(4,873,506)
Income (loss) for year	690,467	702,221	608	(171,220)	1,222,076	22,281,569
Fund balances, beginning of year	63,623,229	44,535,318	989,024	547,745	109,695,316	87,413,747
Transfers designated for capital protection reserve	703,969	(703,969)	-	-	-	-
Transfers between funds	61,251	(192,790)	-	131,539	-	-
Fund balances, end of year	<u>\$ 65,078,916</u>	<u>\$ 44,340,780</u>	<u>\$ 989,632</u>	<u>\$ 508,064</u>	<u>\$ 110,917,392</u>	<u>\$ 109,695,316</u>

See accompanying notes to the financial statements.

## Oakville Community Foundation

### Statement of cash flows

Year ended December 31

2025

2024

#### Cash flows from (used in) operating activities

Income for year before grant disbursements	\$ 10,064,714	\$ 27,155,075
Grants	(8,842,638)	(4,873,506)

#### Items not affecting cash

Amortization of capital assets	4,145	9,427
Unrealized and realized gains on investments	(7,882,663)	(13,753,434)
Cash surrender value on life insurance	1,118	(2,481)
	<u>(6,655,324)</u>	<u>8,535,081</u>

#### Net change in non-cash working capital balances

Amounts recoverable	(10,667)	(7,022)
Prepays	1,539	11,480
Accounts payable and accrued liabilities	25,834	(58,300)
Deferred contributions	-	(25,000)
Funds Held on Behalf of Community Organizations	(11,128,679)	(5,320,644)
	<u>(17,767,297)</u>	<u>3,135,595</u>

#### Cash flows (used in) from investing activities

Proceeds on sale of investments	19,732,719	11,206,971
Purchase of investments	(1,819,229)	(13,868,314)
Net change in impact investments	(265,044)	(489,691)
Acquisition of capital assets	(5,461)	(2,180)
	<u>17,642,985</u>	<u>(3,153,214)</u>

#### Net change in cash and cash equivalents during the year

(124,312)	(17,619)
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#### Cash and cash equivalents, beginning of year

<u>663,376</u>	<u>680,995</u>
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#### Cash and cash equivalents, end of year

<u>\$ 539,064</u>	<u>\$ 663,376</u>
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See accompanying notes to the financial statements.

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# Oakville Community Foundation

## Notes to the financial statements

December 31, 2025

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### 1. Nature of operations

The Oakville Community Foundation (the “Foundation”) is a non-profit corporation established to benefit and improve the quality of life by receiving, maintaining, managing, controlling and using donations for charitable purposes. In the course of executing its mandate, the Foundation supports other community organizations. The Foundation was incorporated on March 10, 1994 under Part II of the Canada Corporations Act and was continued under the Canada Not-for-Profit Corporations Act on February 25, 2014. The Foundation qualifies for tax-exempt status as a registered charity.

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### 2. Summary of significant accounting policies

#### Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies where alternatives are available:

#### Cash and cash equivalents

Cash and cash equivalents are defined as cash and highly liquid investments. These consist primarily of cash held for operating purposes in demand current accounts and term deposits with terms to maturity of three months or less at the date of purchase.

Cash and cash equivalents that are held for investment purposes rather than operational purposes are classified as investments and are managed by each individual investment manager in accordance with the Investment Policy.

#### Investments and investment income

Investments are recorded at fair market value.

Program-related and other Impact Investments are recorded at amortized cost or at fair market value as applicable.

Investment income (loss) consists of interest and dividends received, realized and unrealized capital gains and losses, less fees paid to outside professional portfolio managers and Foundation administration. Investment income (loss) earned on endowed funds is recorded in the externally restricted funds and allocated in accordance with specific agreements for each Fund.

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# Oakville Community Foundation

## Notes to the financial statements

December 31, 2025

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### 2. Summary of significant accounting policies (continued)

#### Capital assets

Capital assets are recorded at acquisition cost less accumulated amortization. Amortization is recorded at rates intended to write off the cost of the assets over their estimated useful life. Methods and rates used are:

Office furniture	10 years, straight-line basis
Computer equipment and website development	3 years, straight-line basis
Leasehold improvements	straight-line basis over remaining term of the lease
Software	5 years, straight-line basis

#### Funds held on behalf of community organizations

The Foundation accepts amounts from other charitable and not-for-profit organizations for the purpose of investment pooling. These amounts are included in the assets of the Foundation, and the fund balances are recorded as liabilities. Investment income (loss) is recognized as a direct increase (decrease) in the liability. Disbursements and the Foundation cost recovery from such funds are recognized as a decrease in Funds Held on Behalf of Community Organizations.

#### Fund accounting

Donations and funds received are allocated to the various funds which have been established by the Foundation. Allocations among the funds are determined in accordance with specific agreements for each fund:

##### ***Endowed Fund***

Amounts recognized in the Endowed Fund are considered to be permanent in nature, pursuant to restrictions established at the time that donations are received. Amounts disbursed to charitable organizations must meet the criteria related to the purpose for which the Endowed Fund was established.

Certain of these agreements for amounts placed in the Endowment Fund include a clause that allows the donor to direct the transfer of all of the endowment funds then remaining, or any part thereof, to be maintained as permanently endowed to another registered charitable foundation or charity registered under the Income Tax Act.

##### ***Externally Restricted Funds***

Externally restricted funds are those amounts with external restrictions in accordance with specific agreements for each fund. These funds consist of:

##### ***Available for Granting***

Amounts placed in the available for granting include accumulated income earned on Endowed Funds to allow for future granting as defined by the Spending Policy of the Foundation and in accordance with Fundholder Agreements.

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# Oakville Community Foundation

## Notes to the financial statements

December 31, 2025

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### 2. Summary of significant accounting policies (continued)

#### Available for Granting (continued)

The Board of Directors approves all grants in accordance with the Granting Policy. Fundholders may recommend to the Board of Directors recipients of grants generated from the Endowed Fund in any year up to the amount of income allocated for granting in accordance with the Foundation's Spending Policy. In the event that the amounts recommended by the fund holder are less than the income allocated for granting in the fund, the Board of Directors may direct the granting without advice.

#### Flow-Through Gifts

Amounts in the Flow-Through Gifts Fund consist of Flow-Through Gifts and income earned thereon. Grant revenue received for the Foundation's participation in the Investment Readiness Program, the Community Services Recovery Program and the Gender Equality Program are included in the Flow-Through Gifts Funds. The grants distributed through these programs are also recognized in the Flow-Through Gifts.

The original capital along with all income earned in the fund may be granted out to charities registered under the Income Tax Act. Since the amounts can be granted out at any time, they are reported in these financial statements within the Externally Restricted Fund.

#### Programs

Foundation direct programs Community Classroom, Truth and Reconciliation (Debwewin) and Youth out of Care revenue and expenses are included the externally restricted funds.

#### **Operating Fund**

The Operating Fund revenues include the administrative fees charged to funds as well as investment income, donations, grant revenue and sponsorship revenue. The administrative expenses of the Foundation are charged to the Operating Fund.

#### **Internally Restricted Funds**

Internally restricted funds are those funds set aside by the Board of Directors for specific purposes. These funds consist of:

#### Stabilization Reserve Fund

The Stabilization Reserve Fund was established in 2011 to provide for the fiscal stability of the operations of the Foundation.

#### Capital Fund

The Capital Fund represents the unamortized cost of all capital assets plus any reserve for future acquisition of capital assets.

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# Oakville Community Foundation

## Notes to the financial statements

December 31, 2025

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### 2. Summary of significant accounting policies (continued)

#### Revenue recognition

The Foundation follows the restricted fund method of accounting for contribution revenue. Endowed Fund, Externally Restricted Fund and Internally Restricted Funds additions, grant revenue, donations, fundraising events, administrative fees and other income are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations and grants received with restrictions where there is no associated externally restricted fund are recorded as deferred contributions and recognized as income when the related project expenditure is incurred.

#### Use of estimates

In conformity with Canadian accounting standards for not-for-profit organizations, management is required to make estimates and assumptions that could affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the year. Actual results may differ from those reported.

#### Contributed services

Volunteers contribute a substantial number of hours each year to assist the Foundation in carrying out its activities. Due to the difficulty of determining their fair value, contributions of such services are not recognized in the financial statements.

#### Foreign currency translations

Foreign currency denominated monetary assets and monetary liabilities are translated into Canadian dollars at the exchange rate prevailing at the statement of financial position date.

Foreign currency denominated revenue and expenses are translated at the rates prevailing on the transaction date. Gains or losses on monetary assets and liabilities resulting from the translation of foreign currencies are recognized in the statement of operations and changes in fund balances during the year in which they arise.

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### 3. Financial instruments

The Foundation's financial instruments consist of cash and cash equivalents, amounts recoverable, investments, program-related and other impact investments, accounts payable, grants payable and funds held on behalf of community organizations. The Foundation measures all of its financial assets and liabilities at amortized cost, except for investments and funds held on behalf of community organizations, which are measured at fair value.

The Foundation, in the normal course of operations, is exposed to a variety of risks which are actively managed by the Foundation. The Foundation has an ongoing risk assessment process to identify and mitigate any undue risks to the Foundation. There have been no significant changes in the exposure from the prior year.

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## Oakville Community Foundation

### Notes to the financial statements

December 31, 2025

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#### 3. Financial instruments (continued)

##### *Market risk*

Market risk is the risk that the fair market value of future cash flows from investments will decline because of changes in underlying market factors including equity market prices, market volatility, foreign exchange rates, interest rates and credit risks. The Foundation is exposed to market risk on the entire investment portfolio.

##### *Foreign currency risk*

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument denominated in currencies other than Canadian dollars will fluctuate because of changes in foreign exchange rates. Foreign currency exposure arises from the Foundation's holdings of global investments. Foreign exchange exposure is managed within constraints prescribed by the Foundation's Statement of Investment Policy and Guidelines ("Investment Policy").

As at December 31, 2025 \$51,911,897 or 40% (2024 - \$54,579,301 or 39%) of the investment portfolio was subject to foreign currency exposure. The most significant exposure to currency risk is in U.S. dollars, \$41,384,454 or 32% (2024 - \$41,985,327 or 30%).

##### *Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will be affected by changes in interest rates. Interest rate risk predominantly impacts fixed-income securities. It is managed through an active asset-allocation and re-balancing process to determine how much of the investment portfolio should be allocated to fixed-income securities and through the active management of the duration of the fixed-income portfolio by professional investment managers engaged by the Foundation.

##### *Other price risk*

Other price risk is the risk that the fair value of 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. The Foundation is exposed to price risk on its entire investment portfolio. The diversification across various asset classes as mandated by the Foundation's Investment Policy is designed to decrease the volatility of portfolio returns.

##### *Credit risk*

The Foundation is exposed to credit risk in connection with its cash and cash equivalents, investments and impact investments because of the risk that one party to the financial instrument may cause a financial loss for the other party by failing to discharge an obligation. The maximum exposure to credit risk on these instruments is their carrying value. The risk is managed by limiting the credit risk exposure as stipulated by the Foundation's Investment policy. The Foundation places its cash and cash equivalents and investments with institutions of high creditworthiness.

For impact investments, the Foundation considers credit worthiness as part of the Foundation's due diligence process.

# Oakville Community Foundation

## Notes to the financial statements

December 31, 2025

### 3. Financial instruments (continued)

#### *Liquidity risk*

Liquidity risk is the risk that the Foundation cannot meet a demand for cash or fund its obligations as they come due. The majority of the Foundation's assets are in investments that are traded in an active market and can be readily liquidated. As set out in Note 8, with required notice as defined by The Foundation's Agency Pooled Funds Withdrawal Policy, funds held on behalf of community organizations are payable upon request within 3 weeks of the valuation month-end. In addition, as set out in Note 9, the agreements related to certain endowed funds in the Endowed Fund include a clause that allows the donor to direct the transfer as soon as possible of all of the endowed funds then remaining, or any part thereof, to be maintained as permanently endowed to another registered charitable foundation or charity registered under the Income Tax Act. The Foundation's other contractual liabilities are all due within one year, with the exception of lease commitments as set out in Note 14.

### 4. Investments

The Foundation adheres to objectives that are outlined in an Investment Policy to ensure that the Foundation's investments are managed in a prudent manner to optimize the long-term returns while taking into account the Spending Policy needs of the Endowed Fund and remaining in compliance with all regulatory requirements.

The Investment Policy is reviewed by the Investment Committee and approved by the Board of Directors at least annually to ensure all activities are in compliance. The Policy includes guidelines on permitted investments, minimum and maximum amounts in each asset class, the maximum amounts of the market value of an investment manager's holdings invested in the securities of a single issuer, and it prescribes limits around the quality and concentration of the investment portfolio.

The Foundation believes considering environmental, social and governance (ESG) factors in the investment process is consistent with investment objectives and this integration is dictated by the Investment Policy.

The funds within the Foundation's Investment Pool are subject to the Investment Policy of the Foundation. Segregated Funds are managed by Investment Counsel recommended by the fund holders and are not included in the Foundation's Pooled Funds. The asset mix is as follows:

	<u>2025</u>	%	<u>2024</u>	%
Oakville Community Foundation				
Pooled Funds				
Cash and cash equivalents	\$ 7,095,007	6	\$ 10,891,091	8
Fixed income	10,043,313	9	11,173,660	9
Non-traditional income*	37,776,759	32	37,968,113	30
Canadian equities	16,204,900	14	18,401,788	15
Global equities	29,573,825	26	32,905,107	26
Private equity and agriculture**	14,574,802	13	15,233,433	12
	<u>115,268,606</u>	<u>100</u>	<u>126,573,192</u>	<u>100</u>
Segregated Funds				
	<u>12,997,964</u>		<u>11,724,205</u>	
	<u>\$ 128,266,570</u>		<u>\$ 138,297,397</u>	

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## Oakville Community Foundation

### Notes to the financial statements

December 31, 2025

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#### 4. Investments (continued)

\*Non-traditional investments comprise mostly diversified lending; infrastructure and direct real estate. They are considered “non-traditional” because they include holdings such as limited partnerships, loans, and direct investment in infrastructure, and real estate. These investments have been structured to offer monthly liquidity to investors when circumstances permit.

\*\*Both private equity and agriculture are limited partnership holdings that may have longer timelines to achieve liquidity.

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#### 5. Impact investments

The Foundation has made Program-related investments in the form of syndicated loans and promissory notes to charities. The investments’ purpose is to have a greater charitable impact by utilizing the capital itself, and not just the return on that capital, for charitable purposes.

The Foundation has made additional impact investments with the intention to generate positive, measurable social and environmental impact alongside a financial return. The Foundation has invested in an impact bond, a unit trust, two limited partnerships impact funds and a debt fund limited partnership.

	<u>2025</u>	<u>2024</u>
<b>Program-related investments:</b>		
3 year promissory note receivable, 2.3% per annum maturing March 31, 2028	\$ 250,000	\$ -
Loan receivable, secured by first collateral mortgage over the related property owned by the charity. Amortized over 25 years at 5% per annum maturing April 1, 2029	220,742	228,336
3 year promissory note receivable, 5% per annum maturing February 28, 2026	100,000	100,000
Loan receivable, secured by a registered general security agreement covering the majority of the assets of the charity. 5 year compounded annually (annually reset at the Royal Bank of Canada Prime Rate currently 4.95%) maturing June 30, 2028	87,171	160,000
5 year promissory note receivable, 2% per annum matured March 31, 2025	-	50,000
<b>Total program related investments</b>	<b>657,913</b>	<b>538,336</b>
<b>Other impact investments:</b>		
5 year Series A Secured Impact Bond, 5% per annum maturing December 31, 2026	320,673	320,624
Impact Trust Fund units	250,000	250,000
Limited Partnerships Impact Fund units	212,852	167,434
Debt Fund Limited Partnership, 5% per annum maturing January 5, 2032	100,000	-
<b>Total impact investments</b>	<b>1,541,438</b>	<b>1,276,394</b>
Less current portion	<b>(7,983)</b>	<b>(7,594)</b>
Long-term portion	<b>\$ 1,533,455</b>	<b>\$ 1,268,800</b>

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## Oakville Community Foundation

### Notes to the financial statements

December 31, 2025

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#### 5. Impact investments (continued)

The carrying value of the loans will be reduced as principal payments are received.

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#### 6. Capital assets

			<u>2025</u>	<u>2024</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Office furniture	\$ 5,695	\$ (4,848)	\$ 847	\$ 1,054
Computer and office equipment	61,886	(54,579)	7,307	5,784
Website development	33,047	(33,047)	-	-
Leasehold improvements	75,569	(75,569)	-	-
Software	<u>27,560</u>	<u>(27,560)</u>	<u>-</u>	<u>-</u>
	<u>\$ 203,757</u>	<u>\$ (195,603)</u>	<u>\$ 8,154</u>	<u>\$ 6,838</u>

Amortization recorded during the year amounted to \$4,145 (2024 - \$9,427). During the year, capital assets were acquired for cash at an aggregate cost of \$5,461 (2024 - \$2,180).

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#### 7. Cash surrender value on life insurance

The Foundation is the assignee and owner of life insurance policies totalling \$1,052,504 (2024 - \$1,053,652) with a cash surrender value of \$51,844 (2024 - \$52,962). The cash surrender value on these policies has been included in these statements.

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#### 8. Funds held on behalf of community organizations

The Foundation accepts funds, and holds as liabilities, amounts from other charitable and not-for-profit organizations for the purpose of investment pooling. Cost recovery on these funds provides income to the Operating Fund. Activity during the year in these funds was as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 30,628,602	\$ 35,949,246
Capital additions	2,521,569	1,045,998
Income	1,216,723	3,501,385
Disbursements	(14,667,475)	(9,637,813)
Foundation cost recovery	<u>(199,496)</u>	<u>(230,214)</u>
Balance, end of year	<u>\$ 19,499,923</u>	<u>\$ 30,628,602</u>

With required notice as defined by The Foundation's Agency Pooled Funds Withdrawal Policy, Funds Held on Behalf of Community Organizations are payable upon request within 3 weeks of the valuation month-end. As set out in Note 3, the majority of the Foundation's assets are in investments that are traded in an active market and can be readily liquidated to meet such requests.

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## Oakville Community Foundation

### Notes to the financial statements

December 31, 2025

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#### 9. Endowed fund

The Endowed Fund includes \$15,335,067 (2024 - \$15,021,185) where the related agreements include a clause that allows the donor to direct the transfer as soon as possible of all the endowment funds then remaining, or any part thereof, to be maintained as permanently endowed to another registered charitable foundation or charity registered under the Income Tax Act.

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#### 10. Externally restricted funds

Externally Restricted Funds are those amounts with external restrictions in accordance with specific agreements for each fund.

<u>Available for Granting</u>	<u>Flow Through Gifts</u>	<u>Programs</u>	<u>2025</u>	<u>2024</u>
\$ 20,097,728	\$ 24,111,760	\$ 131,292	<b>\$ 44,340,780</b>	\$ 44,535,318

This amount, together with all income earned thereon, may be granted out to charities registered under the Income Tax Act at any time. The Foundation has committed to distribute these grants as soon as possible following receipt of advice from donors, and for some funds within 60 days of the date of direction.

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#### 11. Internally restricted funds

The balance of these internally restricted funds comprise the following:

	<u>Stabilization Reserve Fund</u>	<u>Capital Fund</u>	<u>2025</u>	<u>2024</u>
Fund balances, beginning of year	\$ 691,907	\$ 297,117	<b>\$ 989,024</b>	\$ 970,508
Revenues				
Investment income	-	14,335	<b>14,335</b>	31,062
Expenses				
Administration	-	(13,727)	<b>(13,727)</b>	(12,546)
Fund balances, end of year	<u>\$ 691,907</u>	<u>\$ 297,725</u>	<u><b>\$ 989,632</b></u>	<u>\$ 989,024</u>

The Capital fund includes \$8,154 (2024 - \$6,838) in amortized capital assets and \$289,570 (2024 - \$290,278) as a reserve for future acquisition of capital assets.

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# Oakville Community Foundation

## Notes to the financial statements

December 31, 2025

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### 12. Grant revenue

Grant revenue consists of revenue from the Foundation's participation in recurring and non-recurring programs as broken down in the table below.

	<u>2025</u>	<u>2024</u>
Gender Equality Program	\$ 92,400	\$ 205,000
Other grant revenue	-	98,500
Canada Healthy Communities Initiative	-	1,200
Community Services Recovery Fund	-	1,000
Investment Readiness Program	-	<u>(21,200)</u>
	<u>\$ 92,400</u>	<u>\$ 284,500</u>

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### 13. Transfers

Transfers represent reallocations within the fund balances of the Foundation. Transfers from the Externally Restricted Fund to the Endowed Fund are made in accordance with the Spending Policy of the Foundation and in accordance with Fundholder agreements. Grants may be designated from the Externally Restricted Fund to the Operating Fund or the Endowed Fund. Transfers from the Operating Fund to the Internally Restricted Fund are based on the annual budget and on the policies which govern that reserve.

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### 14. Commitments

Future minimum rental payments required under operating leases that have initial terms in excess of one year are:

2026	\$ 74,204
2027	76,334
2028	<u>58,605</u>
	<u>\$ 209,143</u>