



# 2022 Annual Impact Report

A YEAR OF INNOVATION

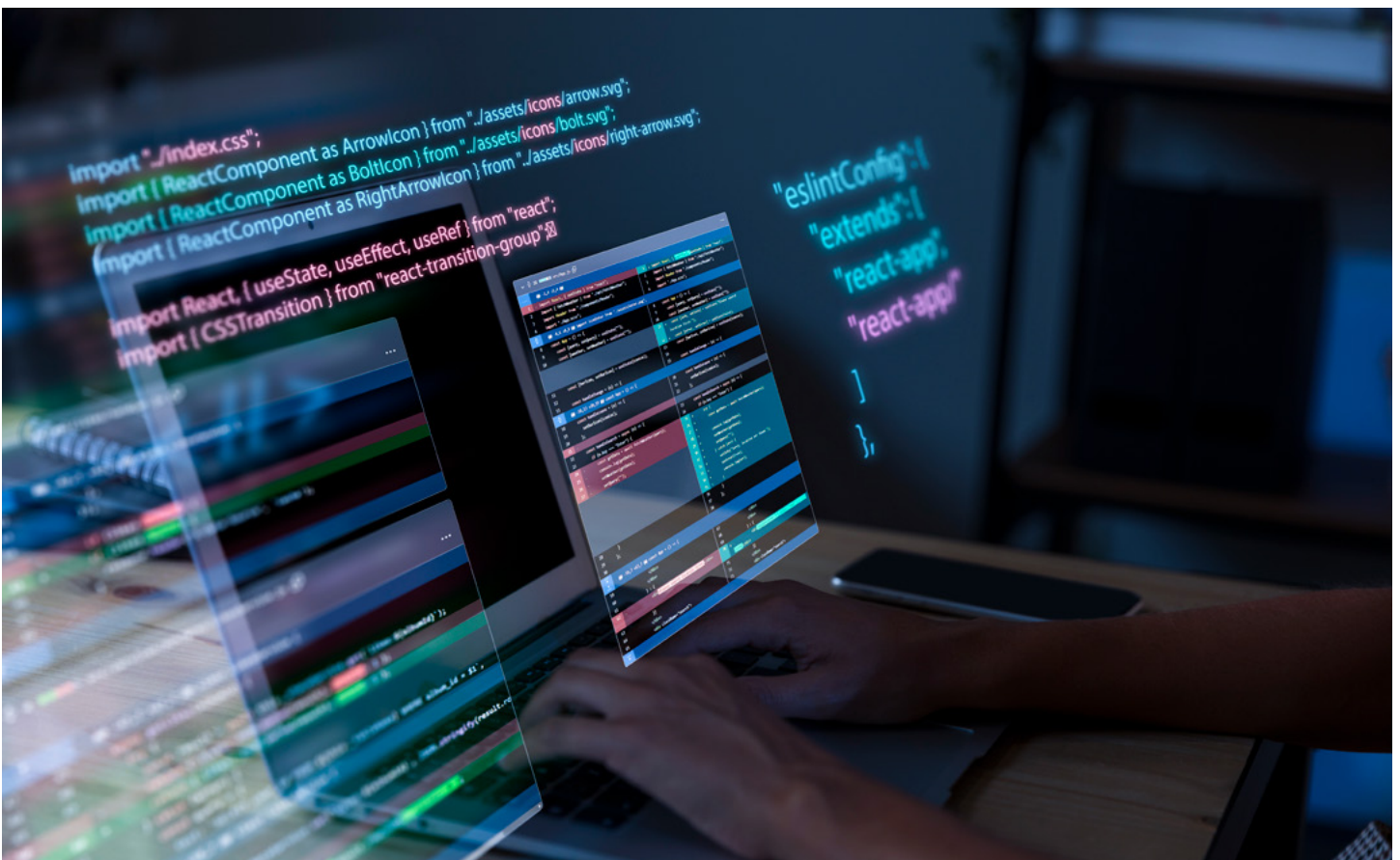


**MedicAlert**  
FOUNDATION CANADA

# A message from our CEO and Chair

We would like to begin this Annual Report by expressing our sincere thanks to every member of the MedicAlert team who are unwavering in their commitment to finding new and innovative ways to manage and deliver high quality health information at a time of need. We would also like to share our thanks to the first responder community who rely on our data each day to ensure better outcomes for those who need MedicAlert. You are often the unsung people whose work lives at the intersection of public safety, health care and community-based services. Last, but certainly not least, we would like to thank our donors, the majority of whom are subscribers. Without your belief in our vision to ensure no one is alone in their time of need, we could not have advanced our programs and services in the way we did in 2022.

For MedicAlert, the 2022 year was one of many firsts in several decades. It was our first foray into significant technology advancements in 20 years. Our digital transformation modernized our services which enables us to keep our data more secure than ever and allows us to keep pace with the pivotal changes occurring in Canada's 9-1-1 services. Digital transformation isn't for the faint of heart, particularly when you are dealing with the most sacred of information, people's health data. But with careful planning and preparation we were able to transition billions of data points to a new system without losing any information. We acknowledge that changing systems can be challenging after so many years. So, we are thankful to our subscribers and their caregivers for the patience extended to us during the transition.



Research was also top of the agenda for MedicAlert in 2022. In fact, it was the first year in our 61-year history that MedicAlert embarked on research designed to understand the potential impact of the data we manage on behalf of Canadians. Two critical peer-reviewed research endeavours were completed in 2022.

The first, in partnership with the University of Guelph, was to identify the public value of our service. What we uncovered was nothing short of remarkable. In some cases, we were able to quantify our impact. This was true of our focus population – those living with Alzheimer’s and other forms of dementia. For every dollar MedicAlert spends on helping to serve those living with this condition, we return \$9.03 of social impact to our collective communities. That is one of the most significant returns on investment in the charitable community. We could not be prouder of this accomplishment.

The second was our research work with the School of Public Health at the University of Waterloo. As the organization that manages Canada’s National Wandering Registry, MedicAlert’s research focused on those living with dementia. This peer reviewed study revealed a litany of significant details about wandering behaviour in those living with dementia. From times of year where wandering is more prevalent to the mean time to first wandering instance, not only is this the first-of-its-kind of research in Canada, but it is also the first-of-its-kind in the world. As we continue our work with the University of Waterloo, our goal is to be able to provide care partners with the best information possible as well as the necessary tools to keep their loved one safe and reduce the number of wandering incidents across the country.

Continuing our innovation theme, our Programs team spent months delving into our work with children through our No Child Without Program®. Research taught us that despite the advancements school boards across Canada have made to develop safe and inclusive classrooms, parents of children with complex health needs are still fearful of sending their child to school in case an emergency arises. That’s where Students Assisting Friends Everywhere, or S.A.F.E., comes in. S.A.F.E. is brand new curriculum for children from junior kindergarten to grade six that gives them the tools they need to self-advocate and help peers understand and empathize. It also helps support teachers to adopt more inclusive approaches in the classroom.

While we are best known for our iconic bracelets, what we truly emphasized in 2022, is that the bracelet is just the beginning. Someone’s time of need isn’t always when an ambulance is called. MedicAlert’s data-rich environment is the key to unlocking innovative ideas, programs and services that can assist Canadians living with chronic health conditions at multiple points in their health journey. We are grateful to all who helped us unlock this potential and look forward to an exciting future.

Sincerely,



A handwritten signature in black ink that reads "Blair Bigham".

**Blair Bigham**  
Chair, Board of Directors



A handwritten signature in black ink that reads "Leslie McGill".

**Leslie McGill**  
President & CEO

# A Year of Investment - Project CIRCE

Digital transformation means different things to different organizations. For MedicAlert it meant the complete overhaul of all our technological systems – 13 of them, to be exact. The primary goals of this major investment were to ensure compliance with evolving privacy legislation across the country, to safeguard our subscribers' health information against ever-increasingly sophisticated cyber attacks, and to prepare ourselves for the major evolution of Canada's 9-1-1 system coming in the next few years.

The undertaking was significant with preparation taking nearly two years before the actual technology development took place. But the benefits to doing this critical work have been significant.

“This is the first significant rework of our technology systems in nearly 20 years,” notes Clint Kimchand, Vice President of Operations. “We’ve been able to take advantage of the significant advances in technology infrastructure that have occurred over the past two decades. Today, we are operating on some of the most-cutting edge IT platforms. We have also built our system to ensure that we can continue to modernize it and add to it as new and important technologies emerge.”

It's not often that we think of charities as needing sophisticated technology systems. However, given that MedicAlert manages one of the largest health information databases in Canada, collects hundreds of thousands of dollars in donations every year, runs a retail operation and a subscription service not to mention programs and research initiatives, it becomes easier to understand why investment in technology is critical.



“The majority of our technology transformation was funded through the generosity of our donors,” says President and CEO, Leslie McGill. “When we come out each year with our various fundraising campaigns, we always ensure people can direct their donation to a specific program or to provide a gift to support our greatest needs. In the past few years, our greatest need has been to fund the technology that allows us to continue our services to subscribers. We could not be more grateful for people’s generosity. Without those gifts, our options would have been limited.”

Where will MedicAlert take this technology investment in the next few years?

“We’re just beginning to explore the potential of this new system,” says Dr. Stefanie Tan, MedicAlert’s Associate Vice President of Research, Innovation and Programs. “For instance, creating a modern data structure has facilitated groundbreaking research in Alzheimer’s and dementia wandering. In turn, the research findings are being translated into new products and services for our subscribers. Prior to our digital transformation, this would not have been possible.”

While technology infrastructure may not be exciting, it is essential to the work we do at MedicAlert, and foundational to helping to protect lives in a health emergency. It also opens the possibility of expanding the kinds of services we offer where there are gaps in the healthcare and emergency response system.

“We are used to high tech evolution in the consumer space,” says McGill. “In health care and emergency response the advances have been slower. So, what people think is in place, may not necessarily be the case. It’s always been our mission to provide high quality health information at a time of need. How we do it is evolving and what is defined as a time of need is changing. We want to be at the forefront of this discussion, and investing in our technology is going to ensure that we are.”



## A gift to herself and a gift to others: Sarah's story

Look past the purple hair, the peacocks, and the pigs in her backyard farm as she calls it, and you will find a respected Canadian military veteran who wears her MedicAlert ID as proudly as she wears any service medal.

Her name is Sarah.

Sarah first became a MedicAlert subscriber nearly 20 years ago. Then, in 2006, as Sarah was in the midst of pre-deployment training, she had a horrific accident. Wearing full military gear – an extra 80 pounds added to her relatively small frame – she jumped off the back of a truck. As she landed, she crushed her spine and her hips. In an instant, her military career was over, but her journey to recovery was just beginning.

After multiple surgeries, gains and setbacks, Sarah was ultimately diagnosed with Postural Orthostatic Tachycardia Syndrome (POTS). POTS is a form of dysautonomia — a disorder of the autonomic nervous system typically caused by trauma. This branch of the nervous system regulates functions we don't consciously control, such as heart rate, blood pressure, sweating and body temperature. The key characteristics of POTS are the specific symptoms and the exaggerated increase in heart rate when standing. Sarah can collapse at any time and is at greater risk of a heart attack or stroke.



POTS can be life changing. It certainly was for Sarah. A single mom with a young son on the autism spectrum, Sarah faced more than health challenges. She faced a battery of worries. One of the biggest risks for people with POTS is falls due to fainting. Sarah was concerned about this because she wasn't sure who would be her voice if she happened to fall and hurt herself and was unable to speak.

It was Apollo, her 125 pound German Sheppard service dog, and MedicAlert to the rescue.

"I had a choice after my accident," says Sarah. "I could be bitter, or I could be better. I chose better."

Sarah likes to call herself a walking billboard. "I always have my MedicAlert ID on my wrist. I never take it off even in the shower where I am at a higher risk of collapsing since higher temperatures affect my condition. I also made a pouch for Apollo that he wears all the time. It says, 'my owner's MedicAlert information is inside' and that's where I put my wallet card that has all the details of my health conditions. I even had a dog tag made for Apollo that says that I am a MedicAlert subscriber. There is no way any first responder can miss this information! It's helped me on so many occasions."

Sarah's passion for MedicAlert and the peace-of-mind it gives to her has spilled over into other areas of her life. She teaches first aid and ensures that all her students are aware of MedicAlert and the need to look for a MedicAlert ID when they are checking someone's pulse.

She also is an active volunteer in her community of Kemptville, about 30 minutes south of Ottawa and has made MedicAlert part of her initiatives.

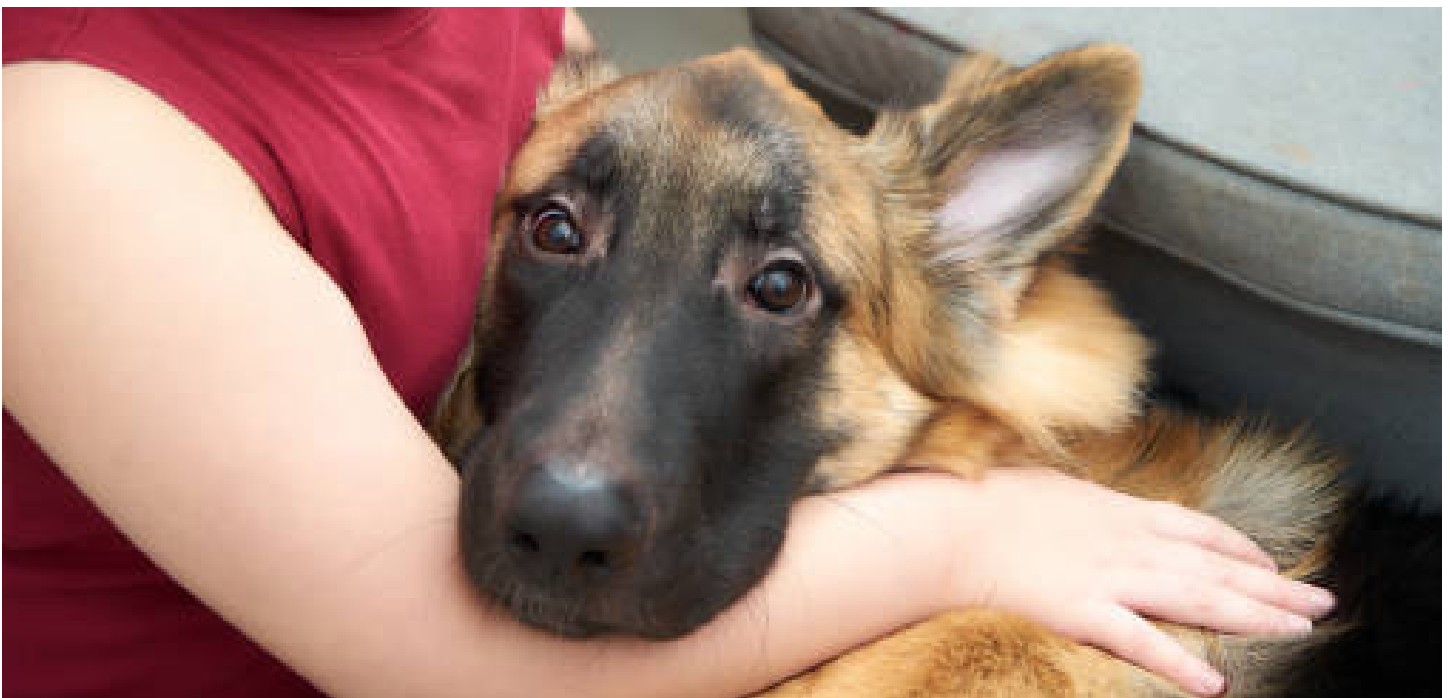
"I give suitcases to Children's Aid for kids moving into foster care," she says. "They suitcases give the kids a bit more dignity than the garbage bags that they usually use to take their belongings to their new homes. I fill the suitcases with little comforts like colouring books or teddy bears, and the necessities like toothbrushes, toothpaste, towels and, of course, MedicAlert."

Sarah's even collaborating with a friend to build something called the Invisible Injuries and Illness Initiative (Four Is for short). "To look at me, or other people with illnesses you can't see, it's hard for people to really understand the challenges we overcome on a daily basis. A lot of time people don't believe you, and they treat you differently. By helping spread awareness, my hope is to help create more empathy for people with invisible conditions. MedicAlert is one of the tools that helps us in this work."

For Sarah, having MedicAlert is a must. She notes that people who have health conditions can't afford to live with "what ifs."

"I'm not sure if people truly understand how affordable it is. When it comes to your health and well-being it is money well spent.

And for those who truly can't afford it, Sarah's philosophy is to pay it forward. "Every time I call to update my health information or renew my service, I donate so that someone else can have the benefit of MedicAlert. You will not find a subscriber that would not say it hasn't saved their life at some point. So, I think everyone should be able to have it."



## Subscriber Story

### Finding Security and Peace of Mind with MedicAlert: Joan's Journey

When Joan's husband Frank was diagnosed with dementia in 2006, her world took an unexpected turn. Unsure of what to expect from Frank's diagnosis, Joan sought guidance and support from the Alzheimer's Society. It was through her Alzheimer support group, she learned about MedicAlert, which she viewed as 'an insurance policy' for the future.

As Frank's dementia progressed, he began to wander. The unpredictability of these incidents left Joan in a state of panic, comparing it to the feeling of losing a child. "There's no warning—all of a sudden, he would be at home and the next minute, he was gone. It was the worst feeling. I didn't know what to do and where to begin," Joan explained.

One time, it became apparent just how crucial and lifesaving having a MedicAlert subscription was. Unbeknownst to Joan, Frank decided to drive from their hometown in Coboconk, Ontario to Toronto to visit their daughter. No one knew where he was, and concern gave way to fear. Joan reached out to the Ontario Provincial Police (OPP), providing them with her husband's MedicAlert ID number. Thankfully, the OPP was able to find him and bring him back home safely.

Joan realized that having MedicAlert was much more than an insurance policy. "MedicAlert provided me with peace of mind and a vital lifeline in a time of uncertainty. It was really reassuring, knowing that MedicAlert was here to help me," Joan expressed with gratitude.

Joan's experience led her to be an advocate for MedicAlert. She's recommended MedicAlert to friends, family, her Alzheimer's support groups and community, highlighting the importance of having a safety net in place.

Her dedication to advocating for MedicAlert has had a positive impact on many people. In particular, Joan recalls a fellow caregiver, who was concerned about her own husband's wandering. She followed Joan's advice and subscribed her husband to MedicAlert's Safe & Found Program. The woman was elated to learn about the invaluable protection having MedicAlert provided. "She had a sense of comfort knowing she has support if her husband wanders," Joan proudly stated.



Despite the emotional weight of her journey, Joan's experience with dementia and MedicAlert allows her to offer empathy and support to other caregivers. "I know what they're going through. If I can be an ear and provide recommendations to help make their lives easier, such as subscribing to MedicAlert, then I've done my job." MedicAlert subscriber. There is no way any first responder can miss this information! It's helped me on so many occasions."



# S.A.F.E. Program

When a parent says goodbye to their child at the school gate, there is always a small sense of “what if?”. Will they be safe, understood, and supported during the day? Will they come bouncing out at the end of the day, healthy, happy and full of confidence?

For parents with children who have special needs or live with medical conditions, concerns loom much larger. In speaking with parents, we learned that having MedicAlert is not always enough to ensure the safety, wellness, and inclusion of their children. That’s why we created Students Assisting Friends Everywhere (S.A.F.E.).

Launched in March 2023, S.A.F.E. is a comprehensive curriculum for elementary schools in Ontario, developed in partnership with the Ontario Physical and Health Education Association (Ophea), the organization responsible for designing the province’s health-based curriculum. It is part of MedicAlert’s No Child Without Program that has been protecting children from across Canada since 2008.

S.A.F.E. is designed to promote a safe and inclusive learning environment within the classroom, and addresses topics of belonging, physical and emotional safety (including mental health and social-emotional learning) and awareness of prevalent medical conditions that affect students.

To ensure we were on the right track, we began with an environmental scan of existing school-based resources to determine where gaps in topics and themes existed, and where content connections could be made. Once the concept of S.A.F.E. was solidified, focus groups with teachers, principals and parents were held to better inform the concept and resource development.



As of August 2023, 25% of Ontario’s 82 school boards have agreed to adopt S.A.F.E., as well as share the benefits of MedicAlert’s No Child Without Program with parents so they understand that they don’t have to navigate the uncertainties of managing their child’s health condition when they are away from home in a setting that can create different challenges.

Without the generous support of our donors, we would not have been able to make S.A.F.E. happen. Donor dollars not only funded the curriculum development, but also provide the ongoing funds for a dedicated program coordinator who ensures more schools get involved and more families are aware of resources available that go beyond what the school system is able to provide. When a child is in a S.A.F.E. school, parents can rest assured that teachers and students will instantly recognize a MedicAlert ID, know how to ask their friend how they can help, get a teacher when needed or simply ensure their friend is included and living their fullest experience in the classroom.

Our goal is to make S.A.F.E. available in every province over the next five years. Donor support will help make this a reality!

# The 2022 MedicAlert Board of Directors

## Officers of the Corporation

**Dr. Blair Bigham** – Chair

**Leslie Quinton** – Vice Chair

**Alex MacBeath** – Treasurer & Chair, Finance and Audit Committee

**Leslie McGill** – Corporate Secretary, President & CEO (*ex-officio*)

## Directors

**Douglas Craig** – Past Chair of the Board

**Dr. Catherine Boivie** – Chair, Digital Transformation Committee

**Dr. Lisa Chillingworth-Watson** – Director

**Jonathan Game** – Director

**Danny Lew** – Chair, Human Resources Committee (March to December)

**Edward Odumodu** – Director

**Isabelle Oliva** – Chair, Human Resources Committee (Jan/Feb)

**Ruth Ramsden-Wood** – Chair, Fundraising Committee

**Sara Jane Snook** – Chair, Governance and Nominating Committee

**Dr. Ahmad Zbib** – Director

## Mission, Vision and Values

### MISSION

To put every Canadian in a position to benefit from high-quality health information at time of need.

### VISION

A world where no one is alone in their time of need.

### VALUES

**EXCELLENCE** - We were founded to save lives and are responsible for excellence in everything we do. We believe in personal accountability and confidently taking bold actions to achieve our mission.

**COLLABORATION** - We multiply our social contribution through collaboration. We learn and innovate by listening to our members, health practitioners, first responders and other key partners. We pro-actively cooperate with all stakeholders because we know that together we can achieve more, faster.

**KINDNESS** - We are respectful, caring, considerate and friendly – striving to walk in the shoes of those we serve to make a difference every day.

**DEDICATION** - We are passionate about the important work we do. Integrity, initiative, professionalism and enthusiasm characterize the way we deliver our services. We take pride and satisfaction in the quality of what we do and offer.

**TRUSTWORTHINESS** - We are honest, reliable and dependable. Our clients can always count on us to follow through and to achieve positive outcomes.

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Financial statements of  
Canadian Medic-Alert  
Foundation Incorporated

December 31, 2022

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Independent Auditor's Report	1-2
Statement of financial position	3
Statement of operations and changes in net assets	4
Statement of cash flows	5
Notes to the financial statements	6-12

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## Independent Auditor's Report

To the Members of  
Canadian Medic-Alert Foundation Incorporated

### Opinion

We have audited the financial statements of Canadian Medic-Alert Foundation Incorporated (the "Foundation"), which comprise the statement of financial position as at December 31, 2022, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2022, 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.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 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.

## 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 GAAS 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 GAAS, 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.

*Deloitte LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
June 3, 2023

# Canadian Medic-Alert Foundation Incorporated



## Statement of financial position

As at December 31, 2022

	Notes	2022 \$	2021 \$
<b>Assets</b>			
Current assets			
Cash		389,533	512,334
Investments	3	6,790,575	7,849,891
Restricted investment	3	100,000	100,000
Accounts receivable	5	80,960	213,683
Inventory		100,757	126,600
Prepaid expenses		32,159	81,883
		<b>7,493,984</b>	8,884,391
Capital assets	4	109,754	64,711
		<b>7,603,738</b>	8,949,102
<b>Liabilities</b>			
Current liabilities			
Accounts payable and accrued liabilities	5	554,414	889,983
Member prepayments		68,005	67,738
Deferred revenue – future services	6	2,535,714	2,826,074
Deferred revenue – restricted contributions	7	—	91,468
		<b>3,158,133</b>	3,875,263
Deferred revenue – long-term future services	6	1,275,333	1,522,822
		<b>4,433,466</b>	5,398,085
<b>Net assets</b>			
Invested in capital assets		109,754	64,711
Operating fund		3,060,518	3,486,306
		<b>3,170,272</b>	3,551,017
		<b>7,603,738</b>	8,949,102

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

Approved by the Board

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**Canadian Medic-Alert Foundation Incorporated**  
**Statement of operations and changes in net assets**  
Year ended December 31, 2022

	Notes	2022 \$	2021 \$
<b>Revenue</b>			
Membership fees	6	4,747,694	4,714,824
Product sales		1,428,833	1,844,674
Restricted contribution revenue	7	114,864	326,210
Donations		587,764	552,663
Other revenue	13	25,522	202,906
		<b>6,904,677</b>	<b>7,641,277</b>
<b>Expenses</b>			
Membership services	8	2,821,356	3,221,669
Marketing and communications	8	843,826	1,358,548
Governance and administration	8	1,180,802	1,640,351
Cost of product sales	8	828,094	1,038,004
Restricted programs	7 and 8	612,794	832,237
Fundraising		448,407	218,636
License fees	9	164,861	198,776
		<b>6,900,140</b>	<b>8,508,221</b>
Excess (deficiency) of revenue over expenses before the undernoted items		<b>4,537</b>	<b>(866,944)</b>
<b>Other income</b>			
Realized gain on sale of investments		315,659	320,749
Unrealized (depreciation) appreciation in the fair value of investments		(904,695)	500,443
Investment income		203,754	218,311
		<b>(385,282)</b>	<b>1,039,503</b>
(Deficiency) excess of revenue over expenses for the year		<b>(380,745)</b>	172,559
Net assets, beginning of year		<b>3,551,017</b>	3,378,458
<b>Net assets, end of year</b>		<b>3,170,272</b>	<b>3,551,017</b>

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



**Canadian Medic-Alert Foundation Incorporated****Statement of cash flows**

Year ended December 31, 2022

	2022	2021
	\$	\$
<b>Operating activities</b>		
(Deficiency) excess of revenue over expenses	<b>(380,745)</b>	172,559
Items not affecting cash		
Amortization	<b>32,150</b>	114,168
Realized gain on sale of investments	<b>(315,659)</b>	(320,749)
Unrealized depreciation (appreciation) of investments	<b>904,695</b>	(500,443)
	<b>240,441</b>	(534,465)
Changes in non-cash operating items		
Accounts receivable	<b>132,723</b>	(3,515)
Inventory	<b>25,843</b>	(28,801)
Prepaid expenses	<b>49,724</b>	10,941
Accounts payable and accrued liabilities	<b>(335,569)</b>	(101,266)
Member prepayments	<b>267</b>	(32,940)
Deferred revenue – future services	<b>(537,849)</b>	81,858
Deferred revenue – restricted contributions	<b>(91,468)</b>	(104,241)
	<b>(756,329)</b>	(177,964)
	<b>(515,888)</b>	(712,429)
<b>Investing activities</b>		
Net redemption of investments	<b>470,280</b>	933,331
Net purchase of restricted investment	<b>–</b>	(100,000)
Additions to capital assets	<b>(77,193)</b>	(37,441)
	<b>393,087</b>	795,890
Net cash (outflow) inflow	<b>(122,801)</b>	83,461
Cash, beginning of year	<b>512,334</b>	428,873
<b>Cash, end of year</b>	<b>389,533</b>	512,334

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

# Canadian MedicAlert Foundation Incorporated

## Notes to the financial statements

December 31, 2022

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### 1. Purpose of the Foundation

The Canadian Medic-Alert Foundation Incorporated (the "Foundation") was incorporated without share capital under the laws of Ontario as a charitable organization to provide essential medical information to emergency health care providers. As of March 17, 2022, the Foundation has continued to the federal Canada Not-for-profit Corporations Act ("CNCA"). The Foundation is a registered charity exempt from income tax under the Income Tax Act.

### 2. Significant accounting policies

These financial statements have been prepared in accordance with the Canadian accounting standards for not-for-profit organizations published by the Chartered Professional Accountants of Canada, using the deferral method of accounting for restricted contributions.

#### *Financial instruments*

Financial assets and financial liabilities are initially recognized at fair value when the Foundation becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost, with the exception of cash and investments which are measured at fair value. Changes in fair value are recorded in the Statement of operations and changes in net assets. Financial instruments reported on the Statement of financial position are measured as follows:

Asset/liability	Category
Cash	Fair value
Short-term investments	Fair value
Restricted investment	Fair value
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Financial assets measured at amortized cost are assessed at each reporting date for indications of impairment. If such impairment exists, the asset is written down and the resulting impairment loss is recognized in the Statement of operations and changes in net assets.

Transaction costs are expensed as they are incurred.

Investments in Pooled and Mutual Funds are recorded at the year-end Net Asset Value which represents fair value, and common shares are recorded at the bid price as of December 31. The restricted investment is recorded at the year-end Net Asset Value which represents fair value.

#### *Inventory*

Inventory is valued at the lower of cost and net realizable value.

#### *Capital assets*

Capital assets are recorded at cost. Amortization is provided over the estimated useful lives using the following methods and annual rates:

Assets	Method	Rate
Computer hardware	Straight-line	4 years
Office equipment	Straight-line	10 years
Leasehold improvements	Straight-line	Over the term of the lease

Capital assets acquired during the year are amortized at one-half the standard annual rate.

## Canadian MedicAlert Foundation Incorporated

### Notes to the financial statements

December 31, 2022

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## 2. Significant accounting policies (continued)

### *Deferred revenue-future services*

Deferred revenue-future services represents membership fees collected but not yet earned as the term of membership has not yet expired.

### *Member prepayments*

Member prepayments represent paid orders which have not yet been processed.

### *Revenue recognition*

Registration fees are recognized when a new member's file is completed and a membership number has been assigned.

Membership fees are recognized on the straight-line basis over the term of the membership.

Product sales are recognized when orders are placed with the product suppliers who deliver the products directly to the customers.

Government grants for financial aid received during the novel coronavirus ("COVID-19") pandemic are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

The Foundation follows the deferral method of accounting for contributions. Restricted contributions and grants are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions and grants are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

### *Allocation of expenses*

Certain officers and employees perform a combination of membership, program and administrative functions; as a result, salaries and benefits are allocated based on the time dedicated to the functional activity. Other organizational expenses used to support the programs are also allocated based on transaction volumes and management estimates. Such allocations are reviewed regularly by the Foundation.

### *Use of estimates*

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Accounts requiring significant estimates and assumptions include the useful lives of capital assets, accrued liabilities and also those expenses subject to allocation.

## Canadian MedicAlert Foundation Incorporated

### Notes to the financial statements

December 31, 2022

### 3. Investments

Investments are comprised of:

	<b>Market value</b>	<b>2022</b>	<b>Market value</b>	<b>2021</b>
	<b>\$</b>	<b>Cost</b>	<b>\$</b>	<b>Cost</b>
		<b>\$</b>		<b>\$</b>
Pooled and Mutual Funds				
FGP Canadian Equity	<b>2,052,304</b>	<b>1,518,981</b>	2,417,302	1,773,582
FGP US Equity	<b>717,665</b>	<b>560,969</b>	955,360	538,778
FGP Bond	<b>3,011,337</b>	<b>3,504,645</b>	3,432,659	3,494,040
FGP Short-term	<b>174,805</b>	<b>174,805</b>	186,584	186,584
FGP Private International Equity	<b>634,966</b>	<b>614,577</b>	631,200	537,417
FGP Corporate Bond Fund	<b>199,498</b>	<b>235,136</b>	226,786	230,281
	<b>6,790,575</b>	<b>6,609,113</b>	7,849,891	6,760,682
Restricted Investments				
Guaranteed Investment Certificate (GIC)	<b>100,000</b>	<b>100,000</b>	100,000	100,000
	<b>6,890,575</b>	<b>6,709,113</b>	7,949,891	6,860,682

Included in investments is a GIC in the amount of \$100,000 (\$100,000 in 2021) which was purchased as security for the Foundation's new lease, and therefore is not available for use by the Foundation. The GIC is renewed annually, and the lessor will no longer require the Foundation to hold the secured investment as of January 31, 2027.

### 4. Capital assets

	<b>Cost</b>	<b>Accumulated</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>amortization</b>	<b>Net book</b>	<b>Net book</b>
		<b>\$</b>	<b>value</b>	<b>value</b>
			<b>\$</b>	<b>\$</b>
Computer hardware	<b>27,600</b>	<b>24,151</b>	<b>3,449</b>	14,289
Office equipment	<b>14,514</b>	<b>12,337</b>	<b>2,177</b>	3,631
Leasehold improvements	<b>114,637</b>	<b>10,509</b>	<b>104,128</b>	46,791
	<b>156,751</b>	<b>46,997</b>	<b>109,754</b>	64,711

### 5. Government remittances/receivables

Included in accounts receivable is a net receivable of \$29,230 (net receivable of \$50,581 in 2021) representing government remittances relating to payroll, commodity tax rebates and commodity taxes receivable.

## Canadian MedicAlert Foundation Incorporated

### Notes to the financial statements

December 31, 2022

#### 6. Deferred revenues – future services

The Foundation has an obligation to maintain an emergency information service for its members and updates their records annually through an outreach campaign. Deferred revenue consists of the unrecognized revenue from the sale of memberships.

The deferred revenue for future services consists of:

	2022	2021
	\$	\$
Balance, beginning of year	4,348,896	4,267,038
Membership fees received	4,209,845	4,796,682
	8,558,741	9,063,720
Membership fees recognized as revenue	(4,747,694)	(4,714,824)
	3,811,047	4,348,896
Less: current portion	(2,535,714)	(2,826,074)
	1,275,333	1,522,822

#### 7. Restricted Programs

	No Child Without	IDEA <sup>(1)</sup>	Education	2022 Total
	\$	\$	\$	\$
Restricted deferred revenue, beginning of year	91,468	—	—	91,468
New donations received	19,766	2,455	1,175	23,396
Donations recognized into revenue	(111,234)	(2,455)	(1,175)	(114,864)
Restricted deferred revenue, end of year	—	—	—	—
Total expenditures incurred on the program	249,140	113,594	250,059	612,794

	No Child Without	IDEA <sup>(1)</sup>	Education	2021 Total
	\$	\$	\$	\$
Restricted deferred revenue, beginning of year	195,709	—	—	195,709
New donations received	176,984	30,115	14,870	221,969
Donations recognized into revenue	(281,225)	(30,115)	(14,870)	(326,210)
Restricted deferred revenue, end of year	91,468	—	—	91,468
Total expenditures incurred on the program	281,225	220,446	330,566	832,237

(1) Formerly known as Membership Assistance

## Canadian MedicAlert Foundation Incorporated

### Notes to the financial statements

December 31, 2022

#### 8. Allocation of expenses

The Foundation allocates salaries, benefits, and other expenses based on the time and resources dedicated to the restricted programs.

Salaries and benefits and other expenses for fiscal 2022 and 2021 are allocated based on management estimates as follows:

	<b>Membership services &amp; other<sup>(1)</sup></b> %	<b>No Child Without</b> %	<b>IDEA<sup>(2)</sup></b> %	<b>2022 Education</b> %
Salaries and benefits	<b>94</b>	<b>3</b>	<b>1</b>	<b>2</b>
Systems	<b>97</b>	<b>1</b>	<b>1</b>	<b>1</b>
Marketing	<b>86</b>	<b>6</b>	<b>8</b>	<b>—</b>
Corporate & Administration	<b>96</b>	<b>2</b>	<b>1</b>	<b>1</b>
Cost of sales	<b>89</b>	<b>5</b>	<b>6</b>	<b>—</b>
	Membership services %	No Child Without %	IDEA <sup>(2)</sup> %	2021 Education %
Salaries and benefits	95	2	2	1
Systems	95	2	2	1
Marketing	86	7	7	—
Corporate & Administration	90	3	4	3
Cost of sales	95	3	2	—

(1) Other is comprised of expenses from Marketing and communications, Governance and administration and Cost of product sales

(2) Formerly known as Membership Assistance

Total expenses subject to allocation:

	<b>2022</b> \$	2021 \$
Salaries and benefits	<b>3,192,317</b>	3,781,280
Systems	<b>393,019</b>	805,316
Marketing	<b>271,159</b>	973,746
Corporate & Administration	<b>646,859</b>	825,677
Cost of sales	<b>185,234</b>	275,073
	<b>4,688,589</b>	6,661,092

## Canadian MedicAlert Foundation Incorporated

### Notes to the financial statements

December 31, 2022

#### 8. Allocation of expenses (continued)

The expenses noted above are allocated on the Statement of operations and changes in net assets as follows:

	2022 \$	2021 \$
Restricted programs <sup>(1)</sup>	272,635	518,714
Membership services <sup>(2)</sup>	2,375,064	2,929,260
Marketing and communications <sup>(3)</sup>	776,606	1,327,435
Governance and administration <sup>(4)</sup>	1,099,263	1,624,440
Cost of product sales <sup>(5)</sup>	165,021	261,243
	<b>4,688,589</b>	<b>6,661,092</b>

(1) Included in Restricted program expenses of \$612,794 (\$832,237 in 2021)

(2) Included in total Membership services expenses of \$2,821,356 (\$3,221,669 in 2021)

(3) Included in total Marketing and communications expenses of \$843,826 (\$1,358,548 in 2021)

(4) Included in total Governance and administration expenses of \$1,180,802 (\$1,640,351 in 2021)

(5) Included in total Cost of product sales expenses of \$828,094 (\$1,038,004 in 2021)

#### 9. Licensing agreement

The Foundation has a renewable license agreement with MedicAlert Foundation United States, Inc. ("licensor") which has been effective since January 21, 2009. The license agreement stipulates that the license term lasts for five years and is automatically extended for a further period of five years upon expiry without limit. The license agreement provides the Foundation with the use of the MedicAlert registered trade name, trademark and service mark. Under the terms of the license agreement, the Foundation pays annual royalties of 3% on membership fees and other income derived from the sale of MedicAlert services and emblems. Additionally, during the year the Foundation purchased \$22,575 (\$2,298 in 2021) of inventory from the licensor.

#### 10. Commitments

The Foundation is committed to a lease for its current premises expiring in 2032. The minimum annual payments are as follows:

	Premises \$	Total \$
2023	28,572	28,572
2024	28,572	28,572
2025	28,572	28,572
2026	28,572	28,572
2027	28,572	28,572
Thereafter	116,670	116,670
	<b>259,532</b>	<b>259,532</b>

## Canadian MedicAlert Foundation Incorporated

### Notes to the financial statements

December 31, 2022

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#### 11. Guarantees

In the normal course of business, the Foundation enters into agreements that meet the definition of a guarantee. The Foundation indemnifies all directors, officers, employees, agents, and members for various items including, but not limited to, all costs to settle suits or actions due to services provided to the Foundation, subject to certain restrictions. The Foundation has purchased liability insurance to mitigate the costs of any potential future suits or actions. The amount of any potential future payment cannot be reasonably estimated.

The nature of these indemnification agreements prevents the Foundation from making a reasonable estimate of the maximum exposure due to difficulties in assessing the amount of liability which stems from the unpredictability of future events and the unlimited coverage offered to counterparties. Historically, the Foundation has not made any significant payments under such or similar indemnification agreements and therefore no amount has been accrued with respect to these agreements.

#### 12. Risk management

##### *Interest rate risk*

The Foundation is exposed to interest rate risk on its investments. The Foundation does not use any hedging instruments to manage this risk.

##### *Credit risk*

The Foundation's credit risk is primarily attributable to its accounts receivables. The Foundation manages this risk through proactive collection polices.

##### *Market risk*

Market risk is the risk that the fair value or future cash flows of the Foundation's financial instruments will fluctuate because of changes in market prices.





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