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# Financial statements of Canadian Medic-Alert Foundation Incorporated

December 31, 2024

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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, 2024, 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, 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.

### 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.

The signature "Deloitte LLP" is written in a cursive, handwritten style.

Chartered Professional Accountants  
Licensed Public Accountants  
April 30, 2025

**Canadian Medic-Alert Foundation Incorporated****Statement of financial position**

As at December 31, 2024

	Notes	2024 \$	2023 \$
<b>Assets</b>			
Current assets			
Cash		<b>673,163</b>	745,828
Investments	3	<b>7,615,739</b>	6,287,899
Restricted investment	3	<b>50,000</b>	75,000
Accounts receivable	5	<b>16,194</b>	45,608
Inventory		<b>64,683</b>	66,573
Prepaid expenses		<b>15,776</b>	45,119
		<b>8,435,555</b>	7,266,027
Capital assets	4	<b>85,807</b>	99,843
		<b>8,521,362</b>	7,365,870
<b>Liabilities</b>			
Current liabilities			
Accounts payable and accrued liabilities	5	<b>911,124</b>	611,455
MedicAlert program prepayments		<b>82,874</b>	45,917
Deferred lease liability		<b>86,462</b>	—
Deferred revenue – future services	6	<b>2,164,756</b>	1,977,113
Deferred revenue – restricted contributions	7	<b>168,827</b>	228,000
		<b>3,414,043</b>	2,862,485
Deferred revenue – long-term future services	6	<b>1,189,978</b>	476,226
		<b>4,604,021</b>	3,338,711
<b>Net assets</b>			
Invested in capital assets		<b>85,807</b>	99,843
Operating fund		<b>3,831,534</b>	3,927,316
		<b>3,917,341</b>	4,027,159
		<b>8,521,362</b>	7,365,870

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

Approved by the Board

DocuSigned by:

*Leslie Quinton*

003BCD31858F41C..., Director

Signed by:

*Stacey Myers*

9ED3CA7F1F58408..., Director

**Canadian Medic-Alert Foundation Incorporated**  
**Statement of operations and changes in net assets**  
Year ended December 31, 2024

	Notes	2024 \$	2023 \$
<b>Revenue</b>			
MedicAlert program fees	6	4,416,228	4,510,725
MedicAlert IDs		1,128,062	1,287,150
Restricted contribution revenue	7	293,656	132,598
Donations		555,396	608,871
		<b>6,393,342</b>	<b>6,539,344</b>
<b>Expenses</b>			
MedicAlert program services	8	2,524,391	2,494,851
Marketing and communications	8	929,520	702,764
Governance and administration	8	1,318,789	1,387,856
Cost of MedicAlert IDs	8	521,867	520,613
Restricted programs	7 and 8	1,167,805	683,355
Fundraising		237,076	340,409
License fees	9	190,542	132,500
		<b>6,889,990</b>	<b>6,262,348</b>
(Deficiency) excess of revenue over expenses before the undernoted items		<b>(496,648)</b>	276,996
<b>Other income</b>			
Realized loss on sale of investments		(6,299)	(366,070)
Unrealized appreciation in the fair value of investments		—	740,969
Investment income		393,129	204,992
		<b>386,830</b>	<b>579,891</b>
<b>(Deficiency) excess of revenue over expenses for the year</b>		<b>(109,818)</b>	856,887
Net assets, beginning of year		4,027,159	3,170,272
<b>Net assets, end of year</b>		<b>3,917,341</b>	<b>4,027,159</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, 2024

	2024 \$	2023 \$
<b>Operating activities</b>		
(Deficiency) excess of revenue over expenses	<b>(109,818)</b>	856,887
Items not affecting cash		
Amortization	<b>14,036</b>	17,283
Realized loss on sale of investments	<b>6,299</b>	366,070
Unrealized appreciation of investments	<b>—</b>	(740,969)
	<b>(89,483)</b>	499,271
Changes in non-cash operating items		
Accounts receivable	<b>29,414</b>	35,352
Inventory	<b>1,890</b>	34,184
Prepaid expenses	<b>29,343</b>	(12,960)
Accounts payable and accrued liabilities	<b>299,669</b>	57,041
MedicAlert program prepayments	<b>36,957</b>	(22,088)
Deferred lease liability	<b>86,462</b>	—
Deferred revenue – future services	<b>901,395</b>	(1,357,708)
Deferred revenue – restricted contributions	<b>(59,173)</b>	228,000
	<b>1,325,957</b>	(1,038,179)
	<b>1,236,474</b>	(538,908)
<b>Investing activities</b>		
Net (purchase) redemption of investments	<b>(1,334,139)</b>	877,575
Net redemption of restricted investment	<b>25,000</b>	25,000
Additions to capital assets	<b>—</b>	(7,372)
	<b>(1,309,139)</b>	895,203
Net cash (outflow) inflow	<b>(72,665)</b>	356,295
Cash, beginning of year	<b>745,828</b>	389,533
<b>Cash, end of year</b>	<b>673,163</b>	745,828

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

## **1. Purpose of the Foundation**

The Canadian Medic-Alert Foundation Incorporated ("MedicAlert" or the "Foundation") is a national charitable organization focused on saving lives and protecting individuals by providing personalized medical information to emergency response services. These services ensure that first responders and healthcare providers have immediate access to critical health information, enabling effective and timely care.

Incorporated under the laws of Ontario without share capital, the Foundation continues under the federal Canada Not-for-Profit Corporations Act ("CNCA") and is a registered charity exempt from income tax under the Income Tax Act.

Since 1961, the Foundation has advanced health by offering life-saving services and providing healthcare information to medical professionals, caregivers, and emergency responders. The Foundation also supports education through research on public health and medical issues, and shares these findings to improve health outcomes. Additionally, the Foundation provides educational programs for healthcare providers, schools, and the public to promote health literacy and awareness.

## **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 and amortized cost
Restricted investment	Amortized cost
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.

The Foundation has investments in guaranteed investment certificates, which are recorded at amortized cost using the effective interest method.

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.



## **2. Significant accounting policies (continued)**

### *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.

### *Deferred lease liability*

Deferred lease liability consists of a leasehold improvement allowance which is amortized on a straight-line basis over the term of the lease.

### *Deferred revenue-future services*

Deferred revenue-future services represents MedicAlert program fees (formerly Membership fees) collected but not yet earned as the term of the service plan has not yet expired.

### *MedicAlert program prepayments*

MedicAlert program prepayments (formerly Member prepayments) represent paid orders which have not yet been processed.

### *Revenue recognition*

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

MedicAlert program fees are recognized on the straight-line basis over the term of the service plan.

MedicAlert ID sales (formerly Product sales) are recognized when orders are placed with the ID suppliers.

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 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.

## 2. Significant accounting policies (continued)

### *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 those expenses subject to allocation.

## 3. Investments

Investments are comprised of:

	<b>Market value</b>	<b>2024 Cost</b>	<b>Market value</b>	<b>2023 Cost</b>
	\$	\$	\$	\$
Pooled and Mutual Funds				
FGP Canadian Equity	—	—	1,860,747	1,401,551
FGP US Equity	—	—	665,455	495,022
FGP Bond	—	—	3,023,437	2,796,646
FGP Short-term	—	—	153,079	153,079
FGP Private International Equity	—	—	585,181	526,862
	—	—	6,287,899	5,373,160
Guaranteed Investment Certificates (GIC)				
Restricted GIC	<b>50,000</b>	<b>50,000</b>	75,000	75,000
Unrestricted GIC	<b>7,615,739</b>	<b>7,615,739</b>	—	—
	<b>7,665,739</b>	<b>7,665,739</b>	6,362,899	5,448,160

Included in investments is a GIC in the amount of \$50,000 (\$75,000 in 2023) 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 amortization</b>	<b>2024 Net book value</b>	<b>2023 Net book value</b>
	\$	\$	\$	\$
Computer hardware	<b>7,372</b>	<b>2,765</b>	<b>4,607</b>	6,450
Office equipment	—	—	—	729
Leasehold improvements	<b>114,637</b>	<b>33,437</b>	<b>81,200</b>	92,664
	<b>122,009</b>	<b>36,202</b>	<b>85,807</b>	99,843

## 5. Government remittances/receivables

Included in accounts receivable is a net receivable of \$8,419 (net receivable of \$44,917 in 2023) representing government remittances relating to payroll, commodity tax rebates and commodity taxes receivable.

## Canadian Medic-Alert Foundation Incorporated

### Notes to the financial statements

December 31, 2024

#### 6. Deferred revenues – future services

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

The deferred revenue for future services consists of:

	2024 \$	2023 \$
Balance, beginning of year	2,453,339	3,811,047
MedicAlert program fees received	5,317,623	3,153,017
	7,770,962	6,964,064
MedicAlert program fees recognized as revenue	(4,416,228)	(4,510,725)
	3,354,734	2,453,339
Less: current portion	(2,164,756)	(1,977,113)
	1,189,978	476,226

#### 7. Restricted contributions

	No child without \$	Safe and found \$	IDEA \$	Education \$	Other <sup>(1)</sup> \$	2024 Total \$
Restricted deferred revenue, beginning of year	28,000	200,000	—	—	—	228,000
New donations received	2,818	11,662	3,245	15,440	—	33,165
New grants received	38,500	70,000	—	6,500	59,808	174,808
New lotteries received	9,830	—	16,680	—	—	26,510
Contributions recognized into revenue	(66,648)	(162,992)	(18,823)	(15,440)	(29,753)	(293,656)
Restricted deferred revenue, end of year	12,500	118,670	1,102	6,500	30,055	168,827
Total expenditures incurred on the program	280,472	485,021	119,123	283,189	29,753	1,197,558

- <sup>(1)</sup> Other is comprised of other funding received which has stipulations for the use of the funds. The expenditures incurred of \$29,753 have been included in total MedicAlert program services expenses of \$2,524,391.

	No child without \$	Safe and found \$	IDEA \$	Education \$	Other \$	2023 Total \$
Restricted deferred revenue, beginning of year	—	—	—	—	—	—
New donations received	35,545	59,681	26,407	10,965	—	132,598
New grants received	28,000	200,000	—	—	—	228,000
New lotteries received	—	—	—	—	—	—
Contributions recognized into revenue	(35,545)	(59,681)	(26,407)	(10,965)	—	(132,598)
Restricted deferred revenue, end of year	28,000	200,000	—	—	—	228,000
Total expenditures incurred on the program	237,949	259,092	55,101	131,213	—	683,355

## 8. Allocation of expenses

The Foundation allocates salaries, benefits, and other expenses based on the time and resources dedicated to the restricted programs. Marketing costs incurred on restricted programs were recognized in Restricted program expenses directly.

Salaries and benefits and other expenses for fiscal 2024 and 2023 are allocated based on management estimates as follows:

	<b>MedicAlert program services &amp; other<sup>(1)</sup></b>	<b>No child without</b>	<b>Safe and found</b>	<b>IDEA</b>	<b>2024 Education</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Salaries and benefits	<b>88</b>	<b>4</b>	<b>6</b>	<b>1</b>	<b>1</b>
Systems	<b>95</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>
Corporate and administration	<b>89</b>	<b>2</b>	<b>5</b>	<b>2</b>	<b>2</b>
Cost of MedicAlert IDs	<b>89</b>	<b>5</b>	<b>5</b>	<b>1</b>	<b>—</b>

  

	<b>Membership services &amp; other<sup>(1)</sup></b>	<b>No child without</b>	<b>Safe and found</b>	<b>IDEA</b>	<b>2023 Education</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Salaries and benefits	92	3	4	—	1
Systems	97	1	1	—	1
Corporate and administration	93	2	4	—	1
Cost of MedicAlert IDs	92	6	1	1	—

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

Total expenses subject to allocation:

	<b>2024</b>	2023
	<b>\$</b>	<b>\$</b>
Salaries and benefits	<b>3,320,177</b>	3,159,532
Systems	<b>372,110</b>	407,533
Corporate and administration	<b>712,186</b>	793,420
Cost of MedicAlert IDs	<b>101,454</b>	113,731
	<b>4,505,927</b>	4,474,216

## 8. Allocation of expenses (continued)

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

	<b>2024</b>	2023
	<b>\$</b>	<b>\$</b>
Restricted programs <sup>(1)</sup>	<b>504,902</b>	330,172
MedicAlert program services <sup>(2)</sup>	<b>2,131,444</b>	2,360,192
Marketing and communications <sup>(3)</sup>	<b>622,861</b>	395,518
Governance and administration <sup>(4)</sup>	<b>1,156,060</b>	1,334,606
Cost of MedicAlert IDs <sup>(5)</sup>	<b>90,660</b>	53,728
	<b><u>4,505,927</u></b>	<b><u>4,474,216</u></b>

- (1) Included in Restricted program expenses of \$1,167,805 (\$683,355 in 2023)
- (2) Included in total MedicAlert program services expenses of \$2,524,391 (\$2,494,851 in 2023)
- (3) Included in total Marketing and communications expenses of \$929,520 (\$702,764 in 2023)
- (4) Included in total Governance and administration expenses of \$1,318,789 (\$1,387,856 in 2023)
- (5) Included in total Cost of MedicAlert IDs expenses of \$521,867 (\$520,613 in 2023)

## 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 MedicAlert Program fees and other income derived from the sale of MedicAlert services and emblems. The Foundation also paid \$41,619 (\$40,483 in 2023) in fees for Hotline support. Additionally, during the year the Foundation purchased \$12,768 (\$25,198 in 2023) 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:

	Total
	<b>\$</b>
2025	28,572
2026	28,572
2027	28,572
2028	28,572
2029	28,572
Thereafter	59,526
	<b><u>202,386</u></b>

## **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 MedicAlert program 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 policies.

### *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.