



The
VERITAS
Foundation

ANNUAL REPORT

2024



The Veritas Foundation is a non-profit charitable foundation registered with the Canada Revenue Agency (#732323126 RR0001). Its mission is to be Canada's authoritative source for individuals, groups and companies to participate in the country's charitable sector and evaluate its effectiveness and impact.

To accomplish this mission, the Veritas Foundation has created the **Veritas Foundation Giving Fund** (VGF) to enable a donor to establish their own Donor Advised Fund (DAF), or endowment. Veritas Foundation receives the proceeds of donations from a donor, invests these proceeds in the VGF, and makes grants over a period of time to a donor's favourite charities, projects, and/or permitted entities ("Eligible Charities").

The Veritas Foundation offers donors the opportunity to:

- Set up a DAF that may be named by the donor;
- Make irrevocable donations to the Veritas Foundation of either cash or securities;
- Receive an official tax receipt for each donation;
- Pay no capital gains on donations of qualified securities and receive a tax receipt for the full fair market value of the securities;
- Scale the impact of giving by running campaigns and events, and allowing others to donate to the DAF;
- Recommend grants to eligible charities, projects, or other entities for the donor's lifetime and beyond;
- Increase the amount that can be granted over time through the tax-free growth of the assets in the DAF; and
- Simplify their charitable giving activities by consolidating their giving activities into one account.

Veritas also provides, to donors and others, independent, fair and respectful research into Canadian registered charities to help them in evaluating and choosing their favoured charities.

The Veritas Foundation is part of the Veritas Group of Companies, including sister companies Veritas Investment Research Corporation and Veritas Asset Management. It will continue to build on their outstanding reputation for conducting independent research and products for Canadians for over 20 years.

SUMMARY OF ACTIVITIES - FISCAL 2024

During the year ended March 31st, 2024, The Veritas Foundation is proud to have accomplished the following:

- Held its annual Buddies Golf Tournament to support several organizations involved in cancer and other community activities. Ninety-one golfers raised a net \$17,000 for Northern Ontario Families of Children With Cancer, Childhood Cancer Canada, Gilda's Club of Greater Toronto, Pediatric Oncology Group of Ontario, Leucan, Food4Kids Muskoka, Niagara Youth Need Sports, and Behind Greatness.
- Materially grew the Veritas Foundation Giving Fund as a donor-advised fund, offering individuals, groups, and companies the opportunity to open their endowed charitable accounts for charitable giving.
- Assisted many Charities with fundraising campaigns through our online Charity Marketplace. As of March 31st, 2024, we assisted 77 Charity Campaigns in raising \$2.1 million from 1,223 unique Donors.
- Created an Events Management online platform to assist our Donor Advised Funds and others in administering fundraising events such as golf tournaments, galas, speaker series, and more.
- Produced monthly Research Reports and Newsletters for our donors, charity management, and the public to help educate them on the importance of community and planned charitable giving.
- Honoured the Fastest Growing Charities in Canada from 2017 to 2022 in 19 charity categories with our annual Veritas500 Awards. These charities excel in their charitable mission through good management, mission awareness, and project impact.
- Worked with our sister companies, Veritas Charity Services Inc. and Veritas Asset Management, to provide superior administration, research, and investment management services to The Veritas Foundation Giving Fund.

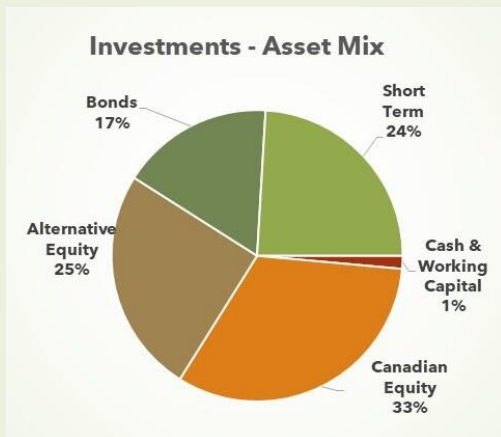
INVESTMENT PORTFOLIO



Investment markets have been volatile throughout the past three years due to the health pandemic, interest rate increases, and global conflicts. However, the assets of the Veritas Foundation Giving Fund have steadily increased during this period.

Investment returns recovered during the latter part of fiscal 2024 as the world economy stabilized, inflation declined, and investors' hopes for interest rate cuts grew.

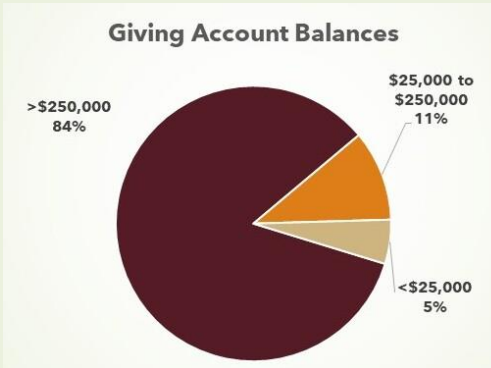
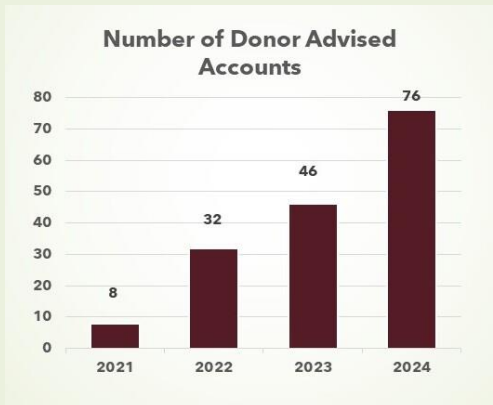
Veritas Foundation Giving Fund Performance Summary To March 31 st , 2024	
Period	Return
1 Month	2.4%
3 Months	3.1%
6 Months	6.8%
1 Year	3.8%
2 Year CAGR	-1.9%
3 Year CAGR	0.2%
Since Inception	-0.4%



The portfolio's asset mix remained conservative and balanced. Bonds and Short-Term Investments provided exceptional and stable returns, while Canadian Equities and Alternative Equities provided moderate upside returns.

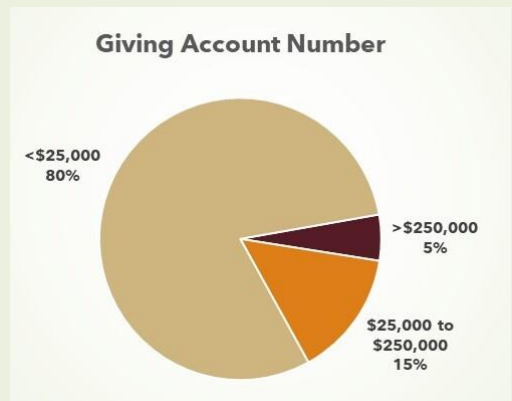
DONORS

Recognizing the tremendous benefits of Donor Advised Funds, donors increasingly turned to this charitable giving product when planning their charitable giving and helping out their community.

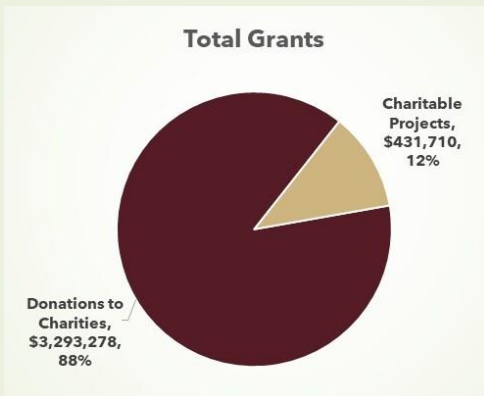


Donor Advised Funds are an attractive charitable giving product across the wealth spectrum. Many individuals, companies, and community groups are embracing a smarter and more flexible way of managing their philanthropic planning.

With a minimum of \$5,000 required to open an account, most balances were under \$25,000, and only 5 percent were greater than \$250,000. Small donors are embracing the opportunity to create a Donor-Advised Fund.

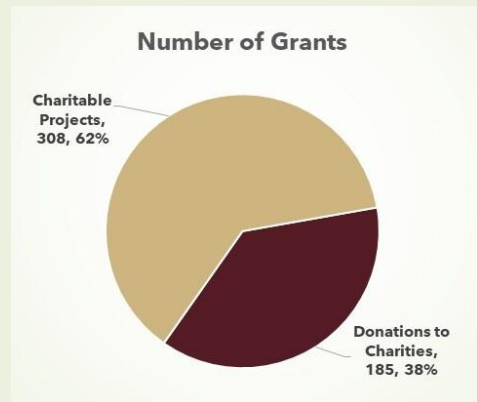


COMMUNITY IMPACT



Despite concerns about the economy, donor grant recommendations remained very strong. Twelve percent of the total represented funding for Charitable Projects created by donors themselves, including scholarships, meals for the homeless, arts projects, and more.

The number of grants for donor Charitable Projects represented the largest component because of their smaller individual grant sizes and frequency of donations. Donors showed support for the causes that interested them personally.



The average amount donated with each grant was sizeable and meaningful to the recipients. Donor's commitment to their causes provides stability and encouragement for non-profits and the communities they serve. Donor support was diverse in size, geographic location, and charitable mission.

65

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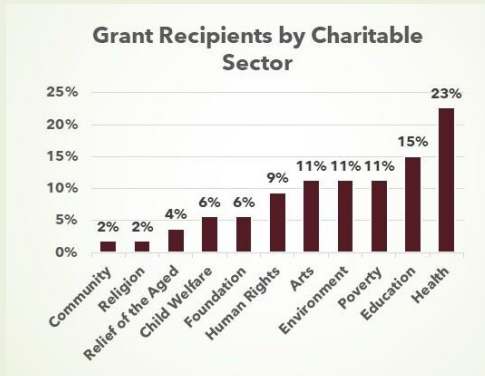
Charities Supported

Charitable Projects Supported

Popular Charities Supported

10,000 Trees for the Rouge
 Alzheimer Society
 Anishnawabe Health Foundation
 Arthritis Society of Canada
 Baycrest Foundation
 BC Cancer Foundation
 Blake Boulton Youth Outreach Services
 Buffalo Toronto Public Media
 Canadian Cancer Society
 Canadian Journalism Foundation
 Canadian Wildlife Federation
 CanEducate for Life
 CIUT
 Daily Bread Food Bank
 Friends of Allan Gardens
 Georgian Bay Forever
 Georgian Bay General Hospital Foundation
 Georgian Bay Land Trust
 Hospice Huronia
 Human Rights Watch
 Jack.Org
 Make A Wish Canada

Making Art Making Change
 Musiccounts
 Not Far From the Tree
 Owen Sound Regional Hospital Foundation
 Parents Engaged in Education
 Parkinson Canada
 Princess Margaret Cancer Foundation
 Rainbow Charity Network
 Rainbow Faith & Freedom
 Ride to Conquer Cancer
 Sick Not Weak Charitable Foundation
 The ArQuives
 The Corporation of Massey Hall and Roy
 Thomson Hall
 The Education Bank
 The North Toronto Collegiate Institute
 Foundation
 University of Toronto
 We Are The Villagers
 West End Phoenix
 West Parry Sound Health Centre Foundation
 Yonge Street Mission



Monthly Research Reports

The Veritas Foundation is proud to contribute to the public knowledge and discourse of charitable giving in Canada through its monthly Research Reports. These reports cover diverse topics such as *Activities of Small Charities And Foundations in Canada*, *Top Risks and Opportunities Facing the Charity Sector in 2024*, *Fundraising Methods Used By Canada's Charities: Past, Present and Future*, and *Real Estate in Canada's Charitable Sector*. Reports are available individually or by annual subscription. To order, visit our **Online Shop**.



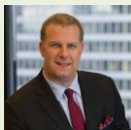
Charity Reviews

We offer an extensive Charity Review program to assist Veritas Foundation Giving Fund Accountholders, the public, and Charity management in assessing the effectiveness and impact of an individual Charity or Foundation. We have rated over 56,000 Canadian Charities based on their financial performance and operations, make recommendations on how to improve the charity's impact, have interactive meetings with management and the Board to gain in-depth knowledge of the Charity, and assign a rating of the Charity from 1 star to 5 stars. **Our searchable database of rated charities is available on a subscription basis.**



LEADERSHIP

Board of Directors



Anthony Scilipoti, Chair
President & CEO
Veritas Group of Companies

Frank Anderson ^
Retired Executive and Consultant



James Burn *^
Partner and Co-founder,
BrandActive

Edna Chu #^
Executive Regulatory
Compliance Consultant



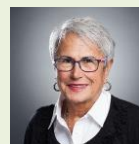
Lou Fabiano #
Vice President, Products
Aviso Financial

Sam Labell #^
Portfolio Manager
Veritas Asset Management



Joseph Mauko #*
Cybersecurity Consultant
Awake Security

Dina Palozzi ^*
Retired Executive and
Governance Consultant



*Governance Committee

^Audit Committee

#Investment Committee

Management



Mark S. Bonham, M.Sc. (Econ), ICD.D, B.Comm.
Executive Director

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of The Veritas Foundation

Opinion

We have audited the financial statements of The Veritas Foundation (the Foundation), which comprise the statement of financial position as at March 31, 2024, and the statement of operations and changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including 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 The Veritas Foundation as at March 31, 2024, 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 our 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 Responsibility 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.



Concord, Ontario
June 5th, 2024

Valenzano & Pillo LLP
Licensed Public Accountants

THE VERITAS FOUNDATION
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2024

	2024	2023
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash	62,487	143,866
Prepaid Expenses and other Current Assets (note 3)	59,119	413
Funds held in trust (note 4)	<u>188,311</u>	<u>181,353</u>
	309,917	325,632
INVESTMENTS (note 3)	<u>5,656,281</u>	<u>5,007,435</u>
	<u>5,966,198</u>	<u>5,333,067</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	39,972	14,381
Trust liability (note 7)	<u>188,311</u>	<u>181,353</u>
	228,283	195,734
NET ASSETS	<u>5,737,915</u>	<u>5,137,333</u>
	<u>5,966,198</u>	<u>5,333,067</u>

APPROVED ON BEHALF OF THE BOARD

"Anthony Scilipoti"

DIRECTOR

"Sam LaBell"

DIRECTOR

See accompanying notes to the financial statements

THE VERITAS FOUNDATION
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2024

	2024	2023
	\$	\$
REVENUE		
Donations	4,118,671	4,288,582
Unrealized increase in fair value of investments	233,657	166
Investment Income	115,637	54,165
Realized gain(loss) on securities trades	<u>109,867</u>	<u>(56,332)</u>
	4,577,832	4,286,581
EXPENSES		
Administrative expenses	99,314	67,541
Investment management expense	81,717	62,775
Custodial Fees	39,296	33,418
Events (note 6)	17,521	2,169
Professional fees	7,985	7,611
Rent and overhead	<u>6,429</u>	<u>6,402</u>
	252,262	179,916
NET SURPLUS BEFORE UNDERNOTED	4,325,570	4,106,665
Awards, grants and disbursements	<u>3,724,988</u>	<u>859,657</u>
NET SURPLUS	600,582	3,247,008
NET SURPLUS, BEGINNING OF YEAR	<u>5,137,333</u>	<u>1,890,325</u>
NET SURPLUS, END OF YEAR	<u>5,737,915</u>	<u>5,137,333</u>

See accompanying notes to financial statements.

THE VERITAS FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2024

	2024	2023
	\$	\$
CASH FLOWS PROVIDED FROM OPERATING ACTIVITIES		
Net surplus	600,582	3,247,008
Items not requiring use of cash		
Loss/(Gains) on disposal of investments	(109,868)	56,332
Unrealized gains on marketable securities	<u>(233,657)</u>	<u>(166)</u>
	257,057	3,303,174
Changes in non-cash working capital:		
Prepaid expenses and other current assets	(58,706)	(413)
Accounts payable and accrued liabilities	<u>25,591</u>	<u>1,724</u>
	<u>223,942</u>	<u>3,304,485</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of marketable securities	(600,189)	(3,287,876)
Proceeds from sale of marketable securities	<u>294,868</u>	<u>-</u>
	<u>(305,321)</u>	<u>(3,287,876)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES		
	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		
	(81,379)	16,609
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR		
	<u>143,866</u>	<u>127,257</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR		
	<u>62,487</u>	<u>143,866</u>

THE VERITAS FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024

The Foundation was incorporated as a corporation without share capital on January 18, 2017 under the laws of Canada. It received its charitable status as a private organization effective November 28, 2018. The Organization offers individuals, families, groups and corporations a platform to establish their own Donor Advised Fund in the Veritas Foundation Giving Fund.

Its purpose is to make sustainable improvements to the Charitable sector through research and granting programs. The primary investment objective of the Foundation is to manage donors' original capital to disburse the funds over a multi-year horizon to charitable organizations and causes selected by the donors. The Foundation's secondary objective is to grow donors' original capital through investment income and capital appreciation, with a view to increasing the impact of each donation and extending the potential timeline of disbursements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). ASNPO requires entities to select policies appropriate for their circumstances from policies provided in these standards. The following are the policies selected by the Foundation and applied in these financial statements.

Unrestricted Funds

Unrestricted funds reflect amounts remaining after externally and internally restricted funds, and are available to fund operations of current and future periods as required.

Revenue recognition

The Foundation follows the deferral method of accounting for donations, which are recognized in revenue when received or receivable. Grants to charities which are recommended by donors are at the discretion of the Foundation.

Income from investments is recorded as earned. Gains and losses from changes in the fair value of investments are recorded, whether realized or unrealized.

Use of estimates

In preparing the financial statements, management is required to make estimates

assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Financial instruments

The Foundation's financial instruments consist of cash and investments. A financial asset or liability is recognized when the Foundation becomes party to contractual provisions of the instrument. Financial assets or liabilities are initially measured at their fair value.

The Foundation subsequently measures its financial assets and financial liabilities at cost or amortized cost, except for its investments which are quoted in an active market and are subsequently measured at fair value. If there is no quoted price in an active market then the Foundation uses valuation techniques that maximize the use of relevant observable inputs and minimize the unobservable inputs. Changes in fair value are recognized in the statement of operations and changes in net assets.

For financial assets measured at cost or amortized cost, the Foundation regularly assesses whether there are any indications of impairment. If there is any such indication of impairment, and the Foundation determines that there is a significant adverse change in the expected timing or amount of future cash flows from that financial asset, it recognizes an impairment loss in the statement of operations and changes in net assets. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Volunteer service

The work of the Organization is partially accomplished by the contribution of voluntary services. The Organization does not record the value of volunteer services unless the fair value can be reasonably estimated. These services are received gratuitously; therefore, no value has been included in these financial statements as the fair value is not readily determinable.

2. FINANCIAL RISK MANAGEMENT

The Foundation is exposed to various risks through its financial instruments. The Foundation manages these risks by maintaining a diversified portfolio of investments.

Liquidity risk

Liquidity risk is the risk that the Foundation cannot meet its financial obligations as they come due. The majority of the Foundation's investments are traded in an active market and can be readily liquidated. In addition, the Foundation aims to retain sufficient cash positions to maintain liquidity. Therefore, the Foundation's liquidity risk is considered minimal.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation is not exposed to currency risk.

Equity price risk

Security price risk is the risk that the value of financial instruments will fluctuate due to changes in market prices. The Foundation is exposed to price risk through its holdings in publicly traded equities.

Credit risk

Credit risk is the potential for financial loss should a counterparty in a transaction fail to meet its obligations. The Foundation's investments in certain securities including fixed income and private commercial mortgages are subject to credit risk. The maximum exposure to credit risk on these financial instruments is their carrying value.

Investment Policy

Funds must be managed in adherence to the principles of consistency and continuity. The principle of conservatism predominates when the investment committee, advisers, and securities custodians are engaged in decision making and applying strategies.

The objective is to optimize the return on the fund while considering the risk that the Foundation is prepared to assume as well as specific constraints set out in the investment policy. Risk stems from the uncertainty inherent to several factors (loss in value of specific investments, decrease in fair value caused by financial market fluctuations, etc.), the combined actions of which could have consequences on the Foundation's ability to meet its commitments.

Return is optimized through an ideal combination of financial assets, diversification, and sufficient latitude to use investment vehicles with higher return potential depending on the periods.

3. PREPAID EXPENSES AND OTHER CURRENT ASSETS

The Foundation's investments consist of the following:

	2024	2023
	\$	\$
GST/HST Recoverable	<u>59,119</u>	<u>-</u>

4. FUNDS HELD IN TRUST

Funds Held in Trust are managed on behalf of another Registered Canadian Charity under a Trustee Agreement dated January 4, 2021. Under the Agreement, The Veritas Foundation is responsible for administrative functions including, maintaining accounting and operating records. The Registered Canadian Charity may withdraw funds at any time with written notice.

5. INVESTMENTS

The Foundation's Investments consist of the following:

	2024	2023
	\$	\$
Cash, marketable securities and mutual funds	<u>5,656,281</u>	<u>5,007,435</u>

The investments are in line with the investment policy statement adopted by the Board of Directors. Certain of the investments are managed by Veritas Asset Management Inc.

6. EVENTS

During the year, The Foundation organized a number of fund raising events.

	2024	2023
	\$	\$
Event revenues	76,385	14,051
Event expenses	<u>93,906</u>	<u>16,220</u>
NET (COST) SURPLUS FROM EVENTS	<u>(17,521)</u>	<u>(2,169)</u>

Revenue does not include receipted Donations collected during the event. These donations are included in Donations presented on the Statement of Operations and Change in Net Assets.

6. RELATED PARTIES AND SERVICE AGREEMENT

The Foundation has entered into a service agreement with Veritas Charity Services Inc. to perform or arrange for administrative, marketing and promotion services. The provision of these services is included in administrative expenses. It has also entered into a service agreement with Veritas Asset Management Inc. for investment management services. The service agreements are on normal commercial terms. These two companies are subsidiaries of VIRC Holdings Inc. Two of the Foundation's directors are principals of VIRC Holdings Inc.

	2024	2023
	\$	\$
Expense	189,873	94,713
Accounts Payable	17,171	15,043

8. OTHER INFORMATION ON THE STATEMENT OF FINANCIAL POSITION

The Income Tax Act rules for Charitable organizations stipulates that certain minimum amounts be disbursed during their fiscal year. The Foundation has exceeded the requirements set out in the Act.

7. COMPARATIVE FIGURES

Certain of the 2023 figures have been reclassified to conform with current presentation.



Our Vision

We will participate in a thriving Canadian philanthropic sector where the most impactful charities with the highest governance standards are celebrated and supported by donor capital.

Our Mission

The Veritas Foundation aims to be Canada's authoritative source for participating in the country's charitable sector and evaluating its effectiveness and impact.

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