Summary Financial Statements of

HEALTHCARE EXCELLENCE CANADA/ EXCELLENCE EN SANTÉ CANADA

And Report of the Independent Auditor on the Summary Financial Statements

Year ended March 31, 2025
(In thousands of dollars)

KPMG LLP
150 Elgin Street, Suite 1800
Ottawa, ON K2P 2P8
Canada
Telephone 613 212 5764
Fax 613 212 2896

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Board of Directors of Healthcare Excellence Canada/Excellence en santé Canada

Opinion

The summary financial statements of the Healthcare Excellence Canada/Excellence en santé Canada, which comprise:

- the summary statement of financial position as at March 31, 2025
- the summary statement of operations and changes in net assets for the year then ended
- the summary statement of changes in net assets for the year then ended
- and related notes

are derived from the audited financial statements of the Healthcare Excellence Canada/Excellence en santé Canada as at and for the year ended March 31, 2025 (the "audited financial statements").

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the criteria disclosed in note 1 in the summary financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading Healthcare Excellence Canada/Excellence en santé Canada's audited financial statements and the auditor's report thereon.

The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the criteria disclosed in note 1 in the summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards 810, Engagements to Report on Summary Financial Statements.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Canada

June 25, 2025

HEALTHCARE EXCELLENCE CANADA/ EXCELLENCE EN SANTÉ CANADA

Summary Statement of Financial Position

March 31, 2025, with comparative information for 2024
(In thousands of dollars)

		2025		2024
Assets				
Current:				
Cash and cash equivalents	$	**1,518**	$	1,135
Accounts receivable		**586**		631
Prepaid expenses		**533**		374
Partner funding deposits		**879**		2,669
Short-term investments		**29**		28
Total current assets		**3,545**		4,837
Tangible capital and intangible assets		**834**		1,030
Investments - reserve		**14,136**		14,161
Total assets	$	**18,515**	$	20,028
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued liabilities	$	**1,686**	$	2,211
Deferred revenue		**544**		931
Total current liabilities		**2,230**		3,142
Deferred lease inducement		**233**		241
Deferred capital contributions for leasehold improvements		**140**		190
Deferred contributions:				
Restricted operations		**1,776**		2,294
Restricted reserve		**14,136**		14,161
Total liabilities		**18,515**		20,028
Net assets	$	**–**	$	–

See accompanying notes to summary financial statements.

Approved by the Board:

Blair O'Neill
Chair, Board of Directors

Jeanette Edwards
Chair, Governance & Audit Committee

Jennifer Zelmer
President & CEO

Christine LaRocque
Vice-President, Organizational Performance & Corporate Services

HEALTHCARE EXCELLENCE CANADA/
EXCELLENCE EN SANTÉ CANADA

Summary Statement of Operations and Changes in Net Assets

Year ended March 31, 2025, with comparative information for 2024
(In thousands of dollars)

	2025	2024
Revenue:		
Recognition of deferred contributions:		
Operations of current period	$ **25,897**	$ 31,074
Leasehold improvements	**50**	50
Program support	**2,342**	217
Total revenue	**28,289**	31,341
Expenses:		
Build capabilities to enable excellence in healthcare	**6,041**	3,680
Drive rapid adoption and spread of quality and safety innovations	**12,421**	11,011
Find and promote innovators and innovations	**2,917**	3,544
Catalyze policy change	**2,861**	1,748
Communications and marketing	**1,787**	1,510
Office of the President, corporate services	**2,262**	8,554
Total expenses	**28,289**	30,047
Excess of revenue over expenses	**–**	1,294
Net assets, beginning of year	**–**	–
Loss on remeasurement and other items related to employee future benefits	**–**	(1,294)
Net assets, end of year	$ **–**	$ –

See accompanying notes to summary financial statements.

1. Description of the organization:

Healthcare Excellence Canada/Excellence en santé Canada (“HEC”) is a registered charity incorporated under the *Canada Not-for-Profit Corporations Act*, which works with partners to spread innovations, build capability, and catalyze policy changes so that everyone in Canada has safe and high-quality healthcare. Through collaboration with patients, caregivers and people working in healthcare, we turn proven innovations into lasting improvements in all dimensions of healthcare excellence. HEC was created on October 1, 2020 as a result of the amalgamation of the former Canadian Foundation for Healthcare Improvement (“CFHI”) and the former Canadian Patient Safety Institute (“CPSI”).

HEC is a Canadian registered charity and, accordingly, is exempt from income taxes under paragraph 149(1)(f) of the *Income Tax Act* (Canada).

On March 31, 2021, HEC signed a Contribution Agreement with Health Canada, providing $124.7 million for its operations until March 2026. In the fiscal year ended March 31, 2022, HEC’s Health Canada Contribution Agreement for the period ended March 31, 2026 was amended to include an additional $1 million in funding for the LTC+ Acting on Pandemic Learning Together program in response to the devastating effects of the pandemic on long-term care and retirement homes. The agreement was further amended in August 2022 to include additional funding of $2 million, or $500,000 per fiscal year starting in 2023 for four years, to support the Palliative Care program.

On January 9, 2023, HEC signed an agreement with the Ministry of Indigenous Services of $1 million to boost the capacity of participating teams to engage meaningfully with the local First Nations, Inuit, and Métis community, ultimately supporting relationship building and long-term cultural safety improvements.

The Contribution Agreement with Health Canada was further amended on December 5, 2024 to include $100,000 in the current fiscal year to support the Improving Equity in Access to Palliative Care program.

On March 6, 2025, HEC signed agreements with the Waltons Trust and the Worwin UK Foundation providing for $1,230,000 and $1,772,876 respectively over three years until April 30, 2028, aimed at expanding the Nursing Homes Without Walls initiative to additional provinces throughout Canada.

2. Summary financial statements:

The summary financial statements are derived from the complete audited financial statements, prepared in accordance with Canadian accounting standards for not-for-profit organizations, as at and for the year ended March 31, 2025.

The preparation of these summary financial statements requires management to determine the information that needs to be reflected in the summary financial statements so that they are consistent, in all material respects, with or representing a fair summary of the audited financial statements.

These summary financial statements have been prepared by management using the following criteria:

(a) Whether the information in the summary financial statements is in agreement with the related information in the complete audited financial statements; and

(b) Whether, in all material respects, the summary financial statements contain the information necessary to avoid distorting or obscuring matters disclosed in the related complete audited financial statements, including the notes thereto.

Management determined that the statement of cash flows does not provide additional useful information and as such it has not been included as part of the summary financial statements.

The complete audited financial statements of HEC are available upon request by contacting HEC.