

MONTREAL
MUSEUM OF FINE ARTS
FOUNDATION



MANAGEMENT
REPORT

FINANCIAL
STATEMENTS 2024-2025

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Cover:
View of one of the Jean-Noël Desmarais Pavilion's contemporary art galleries. In the foreground: David Altmejd (born in 1974), *The Shepherd*, 2008, on loan from the Giverny Capital Collection. In the background: Kareem-Anthony Ferreira (born in 1989), *Kyle's First Birthday*, 2023, MMFA, purchase, Museum Campaign Fund 1998–2002.
Photo: Thibault Carron

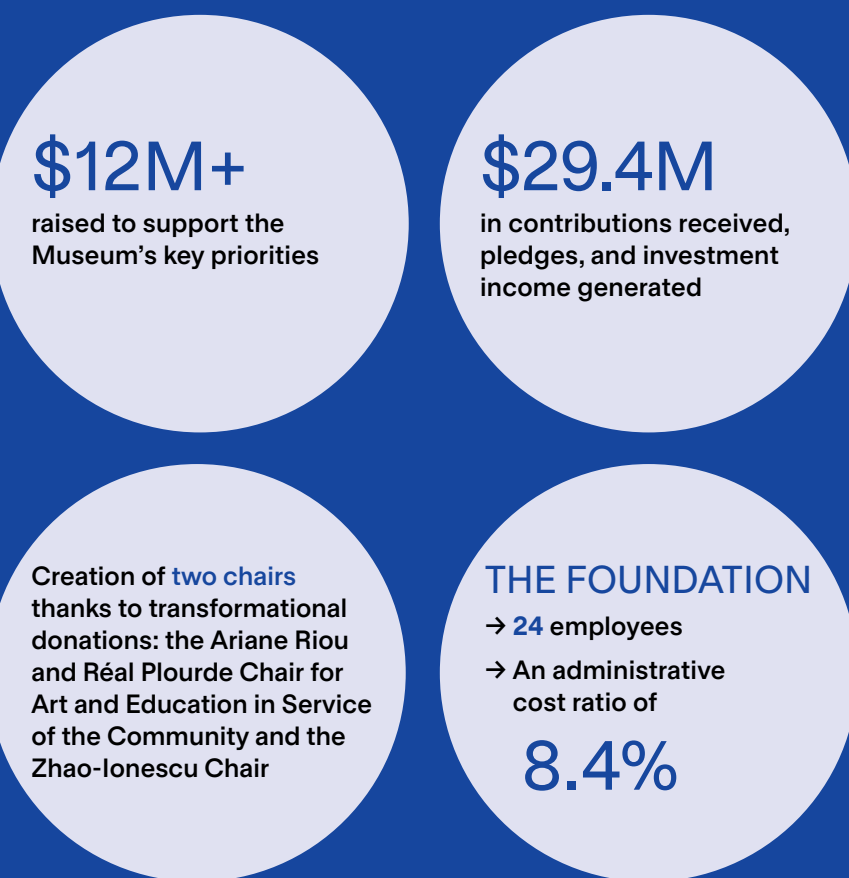
THE YEAR IN REVIEW

The MMFA Foundation plays an active role in ensuring the Museum's sustainability and in advancing its cultural and social mission.

The 2024-2025 year was marked by major achievements, including the creation of two philanthropic chairs, an innovative model within Quebec's cultural sector. These were made possible through transformational gifts as part of the 2023-2028 Major Fundraising Campaign, **The Museum Transforms Lives**. In addition, the annual campaigns and the Museum Ball together generated nearly \$2 million in support of the MMFA, while sponsorships contributed more than \$1 million.

None of this would have been possible without the incredible generosity of our philanthropic community, to whom we extend our sincere gratitude.

Here's an overview of this year's accomplishments, made possible by the community's invaluable support and the outstanding dedication of the Foundation and Museum teams:



2024-2025 ANNUAL CAMPAIGNS

14,000
donors

\$1,747,510

raised in donations to support the MMFA's key priorities

2024-2025 Annual Fundraising Campaign

→ **\$807,108** raised

7 Philanthropic Circles bringing together more than **500** annual donors

→ **\$940,402** raised through the Philanthropic Circles campaign

2023-2028 MAJOR FUNDRAISING CAMPAIGN, THE MUSEUM TRANSFORMS LIVES

\$3,064,147

raised during the 2024-2025 fiscal year

\$465,560

in major gifts and donations from previously pledged commitments

SPONSORSHIPS AND PARTNERSHIPS

\$1,261,711

received

MUSEUM BALL

\$1,773,022

raised at the 2024 edition

ARTWORK ACQUISITIONS

\$1,903,331

in donations dedicated to acquiring artworks that enrich the Museum's permanent collection

Every year, donors whose lives have been transformed by the Museum make a planned donation to foster the MMFA's continued success, so as to preserve our artistic heritage for future generations.

PERFORMANCE REVIEW

2024-2025

CONTRIBUTIONS RECEIVED, PLEDGES GENERATED, AND INVESTMENT INCOME **\$29,394,975.25**

Total cashed revenues from donations and sponsorships	\$10,379,317
Pledged donations and sponsorships generated in 2024-2025 (unpaid)	\$11,350,777
Investment income	\$7,401,272
Grants	\$263,609

ADMINISTRATIVE COST RATIO¹ **8.4%**

DONATIONS AND SPONSORSHIPS **\$12,255,699**

Donations remitted to the Museum	\$11,683,386
Sponsorship revenues collected directly by the Museum	\$572,313

Sponsorship revenues are solicited by the Foundation team but collected directly by the MMFA. They appear in the Museum's financial statements and are not included in the calculation of the Foundation's administrative cost ratio. The efforts of the sponsorship and partnerships team resulted in revenues totalling \$1,261,711 in 2024-2025, spread across various campaigns.

¹ The administrative cost ratio is calculated by dividing administrative expenses (\$823,427) by total revenues reported in the financial statements, excluding investment and grant revenues (\$9,807,003).

OVERALL PERFORMANCE OF THE MUSEUM FOUNDATION

The Foundation team consists of 24 full-time staff members, all driven by a strong desire to contribute to society. They bring their complementary expertise to various fundraising campaigns aimed at bringing together a philanthropic community inspired by the power of art.

At the heart of our shared ambition stands the Montreal Museum of Fine Arts, a remarkable institution we wish to see thrive, offering the best of artistic creation and fully assuming its role within both the national and international cultural ecosystem.

ANNUAL CAMPAIGNS

The 2024-2025 annual campaigns won the hearts of more than 14,000 donors, raising \$1,747,510 in donations to support the MMFA's key priorities.

- For the second year, the 2024-2025 annual campaign was conducted as part of the Foundation's major fundraising initiative, **The Museum Transforms Lives**. Strategies to broaden the donor community proved highly successful, with a record 14,000 people contributing to the MMFA through this campaign. Together, they donated \$807,108, a vital contribution to sustaining the Museum's activities. Once again, the gift-matching initiative helped galvanize this generous community. We would like to extend our heartfelt thanks to Yves Fontaine, Carlos Idarraga, Dixi Lambert, Gordon Lenko and Lucie Charbonneau, as well as Linda Snell and Beverly Rowat, for their exemplary generosity and decisive role in the success of this effort.
- The Philanthropic Circles campaign raised \$940,402 for the Museum, a slight increase over the previous year. As part of the major fundraising campaign, several loyal donors went the extra mile by confirming their five-year commitment to sponsor their favourite gallery. Presenting sponsors also provided valuable support to the Philanthropic Circles, and therefore to the Museum. We are very grateful to BFL Canada, Services Paysagers Dominique Filion, and BMO Bank of Montreal for their ongoing commitment, which increases the impact of these communities' philanthropic efforts.

Tax credit for first major donation to culture

Several donors who contributed to the Foundation's fundraising campaigns also benefited from the Quebec government's tax credit for first major cultural donations. This 25% credit is in addition to the standard tax credits already available for charitable gifts. We invite you to contact a member of the Foundation team to learn more about how to claim this additional tax incentive, which is designed to encourage donations to cultural organizations.

THE MUSEUM BALL

The Museum Ball, the MMFA Foundation's only annual fundraising event, raised \$1,773,022. Total revenues reached nearly \$1.9 million, with some amounts received after the close of the 2024-2025 fiscal year. In addition to these direct revenues, in-kind sponsorships valued at \$120,000 also contributed to the success of this exceptional evening in Montreal. We extend our heartfelt thanks to the honorary co-chairs, Deborah K. Orida, President and Chief Executive Officer of PSP Investments, and Abe Adham, President, Quebec Division of TD Bank Group, for their invaluable contribution to the success of this event.

SPONSORSHIPS

The work of the Foundation's sponsorship and partnerships team raised \$1,261,711 in support of the MMFA's programming and various activities, well above the target of \$900,000. Of this amount, \$572,313 was recorded directly in the Museum's financial statements and will be recognized as revenue when the sponsored activities are completed. The balance of \$690,579 was received in the form of donations for exhibitions or special projects and is recorded under "Annual Campaigns" and "Major Campaigns" in the Foundation's financial statements.

These strategic alliances play an essential role in maintaining the MMFA's financial stability. The Foundation extends its warmest thanks to all of the Museum's partners and sponsors, and would like to especially underline the renewed support from Hydro-Québec, Scotiabank, Air Canada, Air Canada Cargo and Tourisme Montréal.

MAJOR CAMPAIGNS AND EXCEPTIONAL DONATIONS

The 2023-2028 major fundraising campaign, **The Museum Transforms Lives**, raised \$3,064,147 for the Foundation during the 2024-2025 fiscal year, in addition to \$465,560 in major gifts and donations stemming from previous commitments.

This campaign also generated transformational philanthropic commitments ranging from \$700,000 to \$5,000,000, reflecting extraordinary support. The Foundation extends its heartfelt thanks to the Macdonald Stewart Foundation, Power Corporation of Canada, BMO, Jess and Mark Pathy, the Fondation Ariane Riou et Réal Plourde, and Alex Ionescu and Vickie Zhao. These visionary patrons support the MMFA with deep conviction and a shared desire to make a positive difference in the world around them. They inspire us and all who believe in the power of solidarity.

The 2014-2019 major fundraising campaign continues to generate revenue through long-term commitments, with payments totalling \$125,000 included in the 2024-2025 financial statements. This earlier campaign aimed to support the construction of the Michal and Renata Hornstein Pavilion for Peace and the Michel de la Chenelière Centre for Learning and the Arts.

Philanthropic chairs

At a time when the cultural community in Quebec and across Canada is being strained by limited funding, philanthropic chairs form part of a long-term strategy that amplifies the impact of charitable giving. These donations establish capitalized endowment funds, from which a portion of the investment income is used to support the designated project or position. This approach permanently eases pressure on the institution's operating budget. In this spirit, the Foundation team is intensifying its efforts to expand the number of philanthropic chairs at the MMFA.

During the 2024-2025 fiscal year:

- the transformational \$5 million donation from Vickie Zhao and Alex Ionescu led to the creation of the Zhao-Ionescu Chair, which will provide perpetual funding for the position of Chief Curator at the MMFA, along with related activities;
- the transformational \$3 million donation from the Fondation Ariane Riou et Réal Plourde led to the creation of the Ariane Riou and Réal Plourde Chair for Art and Education in Service of the Community.

Through their boldness, vision, and generosity, Alex Ionescu, Vickie Zhao, Ariane Riou, and Réal Plourde join Gail and Stephen A. Jarislowsky in permanently linking their legacy to that of the MMFA. In doing so, they propel the institution into the next chapter of its history, strengthening it and helping it to reach new heights. We offer them our sincere gratitude and assure them that our teams will continue their efforts to confirm endowed chairs for other activities or key positions within the Museum.

PLEDGES

Since the launch of the 2023-2028 major fundraising campaign, **The Museum Transforms Lives**, the Foundation team has been working to secure major multi-year donation agreements, also known as "pledges." Pledged donations and sponsorships to the Foundation that were not received during 2024-2025 total \$11,350,777.

DONATIONS OF ARTWORKS AND DONATIONS TO ACQUISITION FUNDS

Thanks to the exceptional contribution of the Museum's senior management and curatorial team, the Foundation has recorded the significant sum of \$1,903,331 in donations for art acquisitions for the 2024-2025 fiscal year. It should be noted that the MMFA must self-finance a very large proportion of its acquisitions. These donations therefore play an essential role in the strategic development of the Museum's permanent collection, an exceptional collective heritage. They also contribute to promoting Montreal as an international cultural destination.

These donations are recorded under “Major Campaigns” in the financial statements. The Foundation extends its warmest thanks to the Fondation Courtois, the Alan and Roula Rossy Foundation, Alysia Yip-Hoi, Robert Allard, and Charles Cole.

PLANNED GIVING AND ESTATES: LOOKING TO THE FUTURE

The philanthropic development team is increasing its efforts to further expand planned giving, including bequests, life insurance policies and donations of publicly traded securities. This year, the Foundation received bequests totalling \$296,846. In addition, planned gift pledges totalling \$1,500,000 were confirmed, notably from donors such as Bruce Russell, whom the Foundation thanks sincerely.

A major life insurance donation completed in a previous fiscal year also gave rise to a sum of \$90,447 recorded under “Major Campaigns” in the financial statements.

INVESTMENT INCOME AND GRANTS

Investment income recorded in the Foundation’s financial statements as at March 31, 2025, amounted to \$7,401,272. The rate of return for the fiscal year was 11.5%. These favourable results for comparable assets are attributable in particular to the work of a high-calibre investment committee, supported by an external Quebec consulting firm and fund managers who are experts in their field. This team manages a portfolio with net assets of approximately \$100 million.

A recognized contribution under the Ministère de la Culture et des Communications’ Mécénat Placements Culture program and a grant from the Conseil des arts de Montréal for hosting an intern in cultural philanthropy resulted in the recording of \$263,609 under “Grants” in the financial statements.

A SUCCESSFUL YEAR ANCHORED IN A LONG-TERM VISION

At the close of 2024-2025 and the second year of the major fundraising campaign The Museum Transforms Lives, the Foundation team is pleased to announce exceptional results.

Contributions, pledges and investment income totalled \$29.4 million, leading to growth in net assets and a total financial contribution of \$12,255,699 to the Museum (\$11,683,386 in donations and \$572,313 in direct sponsorship revenue). This substantial support advances the key institutional priorities set out in the MMFA’s strategic plan and represents a significant share of the Museum’s operating budget.

We wish to express our sincere gratitude to the philanthropic community for its steadfast support. Your conviction that nurturing human creativity is among the most valuable collective endeavours continues to inspire us.

FINANCIAL STATEMENTS



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Independent Auditor's Report

To the Trustees of
The Montreal Museum of Fine Arts Foundation

Opinion

We have audited the financial statements of The Montreal Museum of Fine Arts Foundation (the "Foundation"), which comprise the statement of financial position as at March 31, 2025, and the statements of operations, changes in fund balances 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 March 31, 2025, 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 audit opinion.

Responsibilities of Management and Those Charged with Governance 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. Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian 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

June 26, 2025

¹CPA auditor, public accountancy permit No. A120628

The Montreal Museum of Fine Arts Foundation Statement of operations Year ended March 31, 2025

	2025						2024		
	General Fund	MCC Matching Fund	Pavilions Fund	Desmarais and Other Exhibitions Fund	Jarislowsky Chair	Ariane Riou and Réal Plourde Chair	Acquisitions Fund	Educational Activities Fund	Total
Fundraising activities									
Contributions									
Major campaigns	2,438,726	—	—	—	—	600,000	1,903,331	706,428	5,648,485
Annual campaigns	1,747,510	—	—	341,140	—	—	—	—	2,088,650
Succession campaigns	296,846	—	—	—	—	—	—	—	296,846
Benefit events	1,773,022	—	—	—	—	—	—	—	1,773,022
	6,256,104	—	—	341,140	—	600,000	1,903,331	706,428	9,807,003
Expenses									
Financing campaigns	1,839,250	—	—	—	—	—	—	—	1,839,250
Benefit events	879,339	—	—	—	—	—	—	—	879,339
	2,718,589	—	—	—	—	—	—	—	2,718,589
Excess of revenues over expenses from fundraising activities	3,537,515	—	—	341,140	—	600,000	1,903,331	706,428	7,088,414
Investments and other activities									
Revenues									
Investment income	936,818	363,557	2,312,833	2,124,821	599,249	25,486	902,072	136,436	7,401,272
Grants	263,609	—	—	—	—	—	—	—	263,609
	1,200,427	363,557	2,312,833	2,124,821	599,249	25,486	902,072	136,436	7,664,881
Expenses									
Investment management and safekeeping	33,161	21,767	136,187	127,216	39,774	1,444	53,991	8,168	421,708
Administrative expenses	823,427	—	—	—	—	—	—	—	823,427
	856,588	21,767	136,187	127,216	39,774	1,444	53,991	8,168	1,245,135
Excess of revenues over expenses from investments and other activities	343,839	341,790	2,176,646	1,997,605	559,475	24,042	848,081	128,268	6,419,746
Excess of revenues over expenses before donations to the Museum	3,881,354	341,790	2,176,646	2,338,745	559,475	624,042	2,751,412	834,696	13,508,160
Donations to the Museum	4,618,710	169,210	1,079,910	1,330,090	180,042	—	2,335,496	1,969,928	11,683,386
Excess (deficiency) of revenues over expenses	(737,356)	172,580	1,096,736	1,008,655	379,433	624,042	415,916	(1,135,232)	1,824,774
									6,485,859

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

The Montreal Museum of Fine Arts Foundation
Statement of changes in fund balances

Year ended March 31, 2025

	2025						2024					
	General Fund	MCC Matching Fund	Pavilions Fund with clause	Desmarais and Other Exhibitions Fund with clause	Ariane Riou and Réal Plourde Chair with clause		Educational Activities Fund					
					with clause	without clause	with clause	without clause				
Fund balances, beginning of year	5,296,384	3,387,138	22,173,889	20,510,913	5,396,706	—	4,519,424	3,876,454	1,315,647	6,453,720	72,930,275	66,444,406
Excess (deficiency) of revenues over expenses	(737,356)	172,580	1,096,736	1,008,655	379,433	624,042	232,364	183,552	64,768	(1,200,000)	1,824,774	6,485,869
Fund balances, end of year	4,559,028	3,559,718	23,270,625	21,519,568	5,776,139	624,042	4,751,788	4,060,006	1,380,415	5,253,720	74,755,049	72,930,275
Consisting of												
Endowments	—	1,599,607	—	—	2,000,000	600,000	—	—	—	—	4,199,607	3,599,607
Restricted, with clause	—	—	23,270,625	21,519,568	3,776,139	24,042	4,751,788	—	1,380,415	—	54,722,577	51,916,579
Restricted, without clause	—	710,111	—	—	—	—	—	4,060,006	—	5,253,720	10,023,837	10,867,705
Internally restricted	—	1,250,000	—	—	—	—	—	—	—	—	1,250,000	1,250,000
Unrestricted	4,559,028	—	—	—	—	—	—	—	—	—	4,559,028	5,296,384
	4,559,028	3,559,718	23,270,625	21,519,568	5,776,139	624,042	4,751,788	4,060,006	1,380,415	5,253,720	74,755,049	72,930,275

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

The Montreal Museum of Fine Arts Foundation
Statement of financial position

As at March 31, 2025

	2025						2024	
	General Fund	MCC Matching Fund	Pavilions Fund	Desmarais and Other Exhibitions Fund	Ariane Riou and Réal Plourde Chair		Educational Activities Fund	Total
					Jarislowsky Chair	with clause		
Assets								
Current assets								
Cash	6,834,134	—	—	—	—	—	—	6,834,134
Accounts receivable	54,479	1,147	6,674	6,707	2,770	62	2,846	75,116
Interfund advances	—	—	—	—	—	—	—	5,253,720*
	6,888,613	1,147	6,674	6,707	2,770	62	2,846	6,909,250
Investments	3	5,998,310	3,558,571	23,263,951	21,512,861	5,960,679	623,980	8,808,948
Advance to the Museum**	1,571,617	—	—	—	—	—	—	1,571,617
	14,458,540	3,559,718	23,270,625	21,519,568	5,963,449	624,042	8,811,794	79,588,151
Liabilities								
Current liabilities								
Accounts payable and accrued liabilities	6,024	—	—	—	—	—	—	6,024
Deferred revenue	247,286	—	—	—	—	—	—	247,286
Due to the Museum	4,079,792	—	—	—	—	—	—	4,079,792
Interfund advances	5,066,410*	—	—	—	187,310*	—	—	5,253,720
	9,399,512	—	—	—	187,310	—	—	9,586,822
Deferred contributions – restricted – 10 years	—	—	—	—	—	—	—	—
Mécénat Placements Culture Program	6	500,000	—	—	—	—	—	500,000
	9,899,512	—	—	—	187,310	—	—	10,086,822
Fund balances								
Endowments	—	1,599,607	—	—	2,000,000	600,000	—	4,199,607
Restricted, with clause	—	—	23,270,625	21,519,568	3,776,139	24,042	4,751,788	54,722,577
Restricted, without clause	—	710,111	—	—	—	—	4,060,006	5,253,720
Internally restricted	7	—	1,250,000	—	—	—	—	1,250,000
Unrestricted	4,559,028	—	—	—	—	—	—	4,559,028
	4,559,028	3,559,718	23,270,625	21,519,568	5,776,139	624,042	8,811,794	74,755,049
	14,458,540	3,559,718	23,270,625	21,519,568	5,963,449	624,042	8,811,794	79,588,151

* These amounts are not included in the Total column since they offset each other.

** Non-interest-bearing, without terms of repayment.

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

Approved by the Board

 Trustee

 Trustee

The Montreal Museum of Fine Arts Foundation
Statement of cash flows
Year ended March 31, 2025

	2025	2024
	\$	\$
Operating activities		
Excess of revenues over expenses	1,824,774	6,485,869
Adjustments for:		
Change in realized fair value of investments	(3,017,231)	(2,885,099)
Change in unrealized fair value of investments	(1,792,925)	(5,071,009)
Donations in shares	(545,047)	(613,617)
Grant and contributions recognized under the Mécénat Placements Culture Program	(250,000)	—
	(3,780,429)	(2,083,856)
Net change in non-cash operating working capital items		
Accounts receivable	(4,976)	(6,633)
Accounts payable and accrued liabilities	(14,240)	10,836
Deferred revenue	125,286	32,000
Due to the Museum	(1,044,650)	3,221,878
	(4,719,009)	1,174,225
Investing activities		
Net change in investments	(23,776)	(320,258)
Advance to the Museum	100,000	(1,671,617)
	(76,224)	(1,991,875)
Net decrease in cash	(4,642,785)	(817,650)
Cash, beginning of year	11,476,919	12,294,569
Cash, end of year	6,834,134	11,476,919
<i>Non-cash transactions</i>		
Donations in shares	545,047	613,617

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

The Montreal Museum of Fine Arts Foundation
Notes to the financial statements
March 31, 2025

1. Status and nature of activities

The Montreal Museum of Fine Arts Foundation (the "Foundation") is incorporated as a not-for-profit organization under Part III of the Companies Act (Quebec). The Foundation is recognized as a registered charity and public foundation within the meaning of the Income Tax Act. The Foundation is involved mainly in soliciting and collecting donations, bequests, and other contributions for the Montreal Museum of Fine Arts (the "Museum") and in administering its funds. In addition, under Article 4 of the agreement between the Foundation and the Museum, the Museum has entrusted the Foundation with the administration of certain investments. These investments are excluded from the Foundation's financial statements.

2. Accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following significant accounting policies:

Restricted fund accounting

The Foundation follows the restricted fund method of accounting whereby resources are classified into the various funds according to their respective activities or objectives.

General Fund

The General Fund presents the assets, liabilities, revenues, and expenses related to the Foundation's day-to-day operating activities as well as any other unrestricted fund item or restricted fund item, the materiality of which does not justify separate reporting.

Restricted Funds

Each restricted fund presents the assets, liabilities, revenues, and expenses related to its own transactions in accordance with its activities and objectives.

The funds separately present the allocation of donations with a minimum ten-year conservation clause as well as those without a similar clause but containing a designation. These donations are recorded in the statement of operations of the fund corresponding to their designation.

The Foundation contributes to the financing of the Museum's operations through the earnings on the investments in accordance with the objective of each fund.

Financial instruments

Initial measurement

Financial assets and financial liabilities originated or exchanged in arm's length transactions are initially recognized at fair value when the Foundation becomes a party to the contractual provisions of the financial instrument. Financial instruments originated or exchanged in related party transactions are initially measured at cost.

The cost of a financial instrument in a related party transaction depends on whether or not the instrument has repayment terms. If it does have repayment terms, cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, cost is determined using the consideration transferred or received by the Foundation as part of the transaction.

2. Accounting policies (continued)

Financial instruments (continued)

Subsequent measurement

All financial instruments are recorded at amortized cost except for the following instruments:

- a) Investments in unlisted equity instruments, which are measured at cost less any impairment loss, if any;
- b) Investments in listed equity instruments and bonds are measured at fair value at the reporting date. The fair value of pooled funds is determined using the fair value of the units established by the fund manager.

Fair value fluctuations, which include interest earned, accrued interest, disposal gains and losses, and unrealized gains and losses, are included in investment income.

Transaction costs

Transaction costs related to financial instruments measured at fair value are expensed as incurred. Transaction costs related to the other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any discount or premium related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in the statement of operations as interest income or expense.

Impairment

With respect to financial assets measured at cost or amortized cost, the Foundation recognizes an impairment, if any, in the statement of operations when it determines that a significant adverse change has occurred during the period in the expected timing or amount of the future cash flows. When the extent of impairment of a previously written-down asset decreases and this decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed in the statement of operations in the period the reversal occurs.

Revenue recognition

Contributions

Donations and bequests are recorded in the year they are received. Revenues from benefit events are recorded in the year during which the event takes place.

Investment income

Investment income is recognized as revenue when earned.

Contributed services

Volunteers contribute a significant amount of time each year to the Foundation, and the Museum's resources and premises are made available to the Foundation. Because of the difficulty in determining the fair value of contributed services, such services are not recognized in the financial statements.

2. Accounting policies (continued)

Breakdown of expenses

The Foundation presents expenses in the statement of operations by function. The costs of each function include staff costs and other expenses directly related thereto as well as a portion of the Foundation's administrative salary expenses. The administrative salary expenses charged to the various functions are allocated proportionally based on the estimated time devoted to each function.

Use of estimates

When preparing financial statements in accordance with Canadian accounting standards for not-for-profit organizations, management must make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

3. Investments

	2025	2024
	\$	\$
Cash	47,166	7,215
Canadian equity securities	275,621	185,174
Canadian Bond Pooled Fund	1,469,067	1,214,664
Canadian Equity Pooled Fund	1,535,091	1,412,472
International Equity Pooled Fund	2,909,355	2,835,555
Units of the Foundation of Greater Montréal Investment Fund	5,480,971	4,989,259
Share in an investment portfolio *	59,390,013	55,083,966
	71,107,284	65,728,305

* The Foundation holds a 70.912% share (70.464% in 2024) of an investment portfolio held jointly with the Museum, which is comprised of the following items:

	2025	2024
	\$	\$
Cash	562,152	959,847
Money Market Fund	644,215	—
Canadian bonds	15,616,444	15,380,371
Canadian equity securities	28,021,172	35,416,674
U.S. and international equity securities	28,408,312	26,416,043
	73,252,295	78,172,935
Units of a real estate fund valued at cost	10,499,867	—
	83,752,162	78,172,935

4. Investment income

The investment income is as follows:

	2025	2024
	\$	\$
Interest and dividends	2,591,116	2,491,787
Change in realized fair value	3,017,231	2,885,099
Change in unrealized fair value	1,792,925	5,071,009
	7,401,272	10,447,895

5. Related party transactions

The Museum is considered, for accounting purposes, as an organization related to the Foundation since certain members of the Museum's Board of Directors are also part of the Foundation's Board of Trustees and since the Museum holds an economic interest given the nature of the Foundation's activities.

Donations paid by the Foundation to the Museum are presented separately in the statement of operations. The statement of financial position items related to these transactions, if any, are also presented separately.

During the year, the Museum charged administrative fees of \$100,000 (\$100,000 in 2024) to the Foundation. These administrative fees are presented in the "Administrative expenses" item of the statement of operations.

These transactions are carried out in the normal course of the Foundation's operations and are recorded at the exchange amount.

6. Mécénat Placements Culture Program

The Foundation has participated five times in the Mécénat Placements Culture Program of the Conseil des arts et des lettres du Québec (CALQ) and of the Ministère de la Culture et des Communications (MCC). For this purpose, fund management agreements were reached with the Foundation of Greater Montréal (FGM).

The following table shows the historical participation of the Foundation and the grants received from the CALQ and the MCC as well as the accounting headings under which the various amounts are recorded in the financial statements.

Period	CALQ/MCC grant		
	Foundation contributions	Restricted funds 10 years	Restricted funds - 2 years
	\$	\$	\$
Before October 1, 2013	500,000 ¹	375,000 ³	125,000 ⁵
After October 1, 2013	1,500,000 ²	750,000 ⁴	—
	2,000,000	1,125,000	125,000

¹ From donations without external restriction. With the 10-year restriction period having elapsed, this amount was recognized as contribution revenue and is included in the fund balances of the General Fund.

6. Mécénat Placements Culture Program (continued)

² From donations with external restriction, recognized in revenue and added to the permanent capital of the Pavilions Fund.

³ With the 10-year restriction period having elapsed, this amount was recognized as grant revenue and is included in the fund balances of the General Fund.

⁴ \$500,000 is presented under Deferred contributions – restricted 10 years – Mécénat Placements Culture Program of the General Fund and \$250,000 was recognized as grant revenue and appears in the fund balance of the General Fund, with the 10-year restriction period having elapsed.

⁵ With the 2-year restriction period having elapsed, this amount was recognized as grant revenue and is included in the fund balances of the General Fund.

Investment income is recognized annually in the statement of operations. The following table presents the changes in the investments:

	Contributions	Investment income	Withdrawals	2025	2024
	\$	\$	\$	\$	\$
Account					
Restricted – 2 years	125,000	95,730	62,500	158,230	144,035
Restricted – 10 years	3,125,000	2,658,770	461,029	5,322,741	4,845,224

7. MCC matching program

The Foundation participated five times in the MCC donations matching program to receive endowments in the form of matching grants (MCC Matching Fund). To satisfy the program criteria, the Foundation allocated an amount of \$1,250,000 (\$1,250,000 in 2024) related to this program. This amount must be kept at all times.

The following table presents the history of the Foundation's participations and the grants received from MCC.

	Foundation contribution	MCC grant
	\$	\$
Financial year 2018-2019	250,000	—
Financial year 2019-2020	250,000	—
Financial year 2020-2021	250,000	605,214 ¹
Financial year 2021-2022	250,000	316,779 ²
Financial year 2022-2023	250,000	341,304 ³
Financial year 2023-2024	—	336,310 ⁴

¹ In May 2020, the Foundation received \$285,714 for its grant matching request of 2018-2019, and in March 2021 it received \$319,500 for its grant matching request of 2019-2020.

² In March 2022, the Foundation received \$316,779 for its grant matching request of 2020-2021.

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Notes to the financial statements

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7. MCC matching program (continued)

³ In March 2023, the Foundation received \$341,304 for its grant matching request of 2021-2022.

⁴ In March 2024, the Foundation received \$336,310 for its grant matching request of 2022-2023.

Investment income is recognized annually in the statement of operations. The following table presents the changes in the investments:

Contributions	Investment income	Payments to the Museum	2025	2024
\$	\$	\$	\$	\$
2,849,607	1,226,971	518,007	3,558,571	3,384,191

8. Financial instruments

Due to its financial assets, the Foundation is exposed to the following risks related to its use of financial instruments:

Market risk

Market risk is the risk that the fair value or the future cash flows of the Foundation's investments will fluctuate because of changes in market prices. Market risk includes currency risk, interest rate risk, and other price risk.

The Foundation is exposed to these risks, as described in the following paragraphs.

a) 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 currency exchange rates. Certain investments, pooled funds, and a share in an investment portfolio in which the Foundation holds interests include foreign securities. The Foundation is therefore directly and indirectly subject to changes in exchange rates. The Foundation does not actively manage this risk.

b) Interest rate risk

The Foundation has fixed-income securities and a share of an investment portfolio that holds fixed-income securities. The fair value of these bonds and the share is therefore directly and indirectly subject to changes in interest rates.

c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Foundation is indirectly exposed to this risk given that it holds a share in the investment portfolio that contains listed shares and that certain pooled funds in which it holds interests include listed shares, the value of which fluctuates according to market price.

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8. Financial instruments (continued)

Credit risk

Credit risk arises from the fact that the Foundation holds investments in bonds and a share in an investment portfolio that holds bonds. There is therefore a risk that the issuer will be unable to pay its obligations towards the Foundation, and this would have an impact on the Foundation's assets.

