

**Amyotrophic Lateral Sclerosis
(ALS) Society of Canada
Financial Statements**
For the year ended December 31, 2024

To the Members of Amyotrophic Lateral Sclerosis (ALS) Society of Canada:

Qualified Opinion

We have audited the financial statements of Amyotrophic Lateral Sclerosis (ALS) Society of Canada (the "Society"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, 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.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Society 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 Qualified Opinion

In common with many charitable organizations, the Society derives significant revenues from public donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of receipts from those sources was limited to the amounts included in the records of the Society and we were unable to determine whether any adjustments might be necessary to fundraising and donations revenues or excess (deficiency) of revenue over expenses for the years ended December 31, 2024 or December 31, 2023, or net assets or total assets as at December 31, 2024 or December 31, 2023.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under Statements section of our report. We are independent of the Society in accordance with the ethical requirements that are those standards are further described in the Auditor's Responsibilities for the Audit of the Financial 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 qualified 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 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 Society'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 Society'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 Society 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.

Mississauga, Ontario

May 30, 2025

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

MNP

Amyotrophic Lateral Sclerosis (ALS) Society of Canada
Table of Contents
For the year ended December 31, 2024

	Page
Independent Auditor's Report	
Financial Statements	
Statement of Financial Position	1
Statement of Operations	2
Statement of Changes in Net Assets	3
Statement of Cash Flows	4
Notes to the Financial Statements	5-11

Amyotrophic Lateral Sclerosis (ALS) Society of Canada
Statement of Financial Position

As at December 31, 2024

In \$	2024	2023
Assets		
Current assets		
Cash	862,851	1,019,306
Short-term investments (Note 3)	10,911,905	11,020,165
Accounts receivable	478,567	218,417
Prepaid expenses and other assets	236,100	300,376
	12,489,423	12,558,264
Capital assets (Note 4)	491,234	548,828
	12,980,657	13,107,092
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	551,739	614,558
Current portion of deferred revenue (Note 7)	483,893	952,679
Current portion of research grants payable (Note 8)	1,418,764	1,229,838
	2,454,396	2,797,075
Long-term deferred revenue (Note 7)	617,752	737,149
Long-term research grants payable (Note 8)	1,234,227	1,252,781
	4,306,375	4,787,005
Commitments (Note 14)		
Net assets		
General Fund	4,260,163	3,408,860
Research Fund	114,119	611,227
Tim E. Noel Endowment Fund	1,300,000	1,300,000
Reserve Fund	3,000,000	3,000,000
	8,674,282	8,320,087
	12,980,657	13,107,092

Approved on behalf of the Board



Director

e-Signed by Richard Ellis
2025-05-30 19:03:32:32 GMT
Director

The accompanying notes form part of these financial statements

Amyotrophic Lateral Sclerosis (ALS) Society of Canada
Statement of Operations

For the year ended December 31, 2024

In \$	General Fund	Research Fund	Tim E. Noël Endowment Fund	2024	2023
Revenue					
Fundraising and donations <i>(Notes 9, 10 and 13)</i>	7,603,027	2,175,977	-	9,779,004	8,875,547
Interest and investment income	383,550	-	74,259	457,809	457,975
	7,986,577	2,175,977	74,259	10,236,813	9,333,522
Expenses <i>(Note 11)</i>					
Research grants <i>(Note 12)</i>	-	1,571,389	-	1,571,389	1,241,009
Other research support	-	1,048,230	-	1,048,230	935,680
Ontario community services <i>(Note 13)</i>	3,143,298	-	-	3,143,298	2,971,167
Advocacy	460,895	-	-	460,895	454,796
National programs	327,084	-	-	327,084	219,279
Public awareness	485,962	-	-	485,962	355,558
Volunteer development	67,038	-	-	67,038	50,871
	4,484,277	2,619,619	-	7,103,896	6,228,360
Other expenses					
Fundraising	2,627,694	-	-	2,627,694	2,675,641
Administrative	118,694	118,694	-	237,388	252,179
Governance	205,577	76,036	-	281,613	252,198
	2,951,965	194,730	-	3,146,695	3,180,018
	7,436,242	2,814,349	-	10,250,591	9,408,378
Excess (deficiency) of revenue over expenses before other items	550,335	(638,372)	74,259	(13,778)	(74,856)
Other items					
Gain on investments	300,968	-	67,005	367,973	71,571
	300,968	-	67,005	367,973	71,571
Excess (deficiency) of revenue over expenses	851,303	(638,372)	141,264	354,195	(3,285)

The accompanying notes form part of these financial statements

Amyotrophic Lateral Sclerosis (ALS) Society of Canada

Statement of Changes in Net Assets

For the year ended December 31, 2024

In \$	General Fund	Research Fund	Tim E. Noël Endowment Fund	Internally Restricted	<i>Total</i>
Balance, January 1, 2023	2,589,768	1,433,604	1,300,000	3,000,000	8,323,372
(Deficiency) excess of revenue over expenses	819,092	(840,296)	17,919	-	(3,285)
Interfund transfers (<i>Note 15</i>)	-	17,919	(17,919)	-	-
Balance, December 31, 2023	3,408,860	611,227	1,300,000	3,000,000	8,320,087
Excess (deficiency) of revenue over expenses	851,303	(638,372)	141,264	-	354,195
Interfund transfers (<i>Note 15</i>)	-	141,264	(141,264)	-	-
Balance, December 31, 2024	4,260,163	114,119	1,300,000	3,000,000	8,674,282

The accompanying notes form part of these financial statements

Amyotrophic Lateral Sclerosis (ALS) Society of Canada

Statement of Cash Flows

For the year ended December 31, 2024

In \$	2024	2023
Cash (used for) provided by the following activities		
Operating activities		
Excess (deficiency) of revenues over expenses	354,195	(3,285)
Adjustments for non-cash items:		
Gain on investments	(367,973)	(71,571)
Reinvested dividends received on investments	(448,767)	(435,138)
Life insurance policy	(25,000)	-
Deferred contributions received	79,804	153,904
Amortization of deferred revenue received	(723,138)	(205,322)
Deferred lease inducement	55,151	10,691
Amortization of capital assets	57,594	12,982
	(1,018,134)	(537,739)
Changes in non-cash working capital items		
Accounts receivable	(260,150)	201,112
Prepaid expenses and other assets	64,276	(34,551)
Accounts payable and accrued liabilities	(62,819)	157,428
Research grant commitments	1,571,389	1,241,009
Research grant payments	(1,401,017)	(1,351,159)
	(1,106,455)	(323,900)
Investing activities		
Purchase of investments	-	(25)
Purchase of capital assets	-	(21,872)
	-	(21,897)
Financing activities		
Proceeds from sale of investments	750,000	-
Proceeds from redemption of life insurance (Note 3)	200,000	-
	950,000	-
Decrease in cash	(156,455)	(345,797)
Cash, beginning of year	1,019,306	1,365,103
Cash, end of year	862,851	1,019,306

The accompanying notes form part of these financial statements

Amyotrophic Lateral Sclerosis (ALS) Society of Canada

Notes to the Financial Statements

For the year ended December 31, 2024

1. Nature of operations

The Amyotrophic Lateral Sclerosis (ALS) Society of Canada (the "Society") was founded in 1977 and is incorporated without share capital. The Society continued under the Canada Not-for-Profit Corporations Act in 2013. It is a registered charitable organization and, as such, is exempt from taxes under the Income Tax Act.

The Society is working to change what it means to live with amyotrophic lateral sclerosis, an unrelenting and currently terminal disease. Grounded in and informed by the Canadian ALS community, the Society addresses the urgent unmet need for life-changing treatments by investing in high-quality research that will fuel scientific discovery and by engaging industry, supporting increased clinical capacity and advocating for equitable, affordable, and timely access to proven therapies.

Responding to the tremendous need for current and credible ALS knowledge, awareness, and education, the Society empowers Canadians affected by ALS to navigate the current realities of ALS, be informed consumers of ALS information, and advocate effectively for change by providing information resources, training and education programs.

Through the ALS Canada research program, the Society funds peer-reviewed research grants, fosters collaboration and builds capacity within Canada's ALS research and clinical community, and invests in new areas of research positioned to have high impact. As the only national dedicated source of funding for ALS research across Canada, the ALS Canada research program aims to accelerate research impact by providing funding for the most promising ALS projects focused on translating scientific discoveries into treatments for ALS.

Within the province of Ontario, the Society provides community-based services to people dealing with an ALS diagnosis, including direct interaction, support groups, assistance with navigating resources as well as providing assistive devices and mobility equipment offered through a loan program and funding assistance for certain purchased or rented equipment.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

Fund accounting

The Society follows the deferral method of accounting for contributions, and reports using fund accounting.

General Fund: This Fund recognizes all non-designated revenue and expenses and reflects all operations of the Society not allocated to other Funds. This Fund also includes net assets invested in capital assets. At the discretion of the Board of Directors, any excess of revenue over expenses in this Fund may be transferred to the Research Fund.

Research Fund: This Fund is restricted to expenses related to research grants and directly associated research costs. Donations designated for research purposes are allocated to this Fund.

Tim E. Noël Endowment Fund: This Fund was established in honor of the late Tim E. Noël, who passed away from ALS and has been restricted as to its use. The \$1,300,000 capital gifts contributed to this Fund are held in perpetuity. Income from the Tim E. Noël Endowment Fund is designated for ALS research.

Reserve Fund: This fund was established by the Society based on the reserve policy of the organization. Under this policy, certain net assets are internally restricted, at the sole discretion of the Board of Directors, to establish a reserve that represents approximately six months of certain operational expenses of the organization.

Amyotrophic Lateral Sclerosis (ALS) Society of Canada

Notes to the Financial Statements

For the year ended December 31, 2024

2. Significant accounting policies (continued)

Revenue recognition

Under the deferral method for recognizing contributions revenue, externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue in the statement of operations in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions are recognized as direct increases in net assets.

Investment income includes realized gains or losses and interest. The interest is recognized as it is earned over the life of the investment. All interest and investment income earned on investments for the year is recognized in the general fund, except for endowment funds, which are reinvested.

Contributed materials and services (gifts in kind)

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Society's operations and would otherwise have been purchased.

The Society benefits from services in the form of volunteer time to fulfill its mission. Since these services are not purchased by the Society and a reasonable estimate of their value cannot be made, they are not recorded in the financial statements.

The Society receives donations of mobility equipment and assistive devices from the public, which are recorded as both a contribution and as an Ontario community services expense at the appraised amount as of the date of the contribution.

Allocation of expenses

Administration, communications and public awareness costs and senior management expenses are incurred to operate the Society and its programs in a cost-effective manner to ensure the success of the Society's mission. These expenses include, but are not limited to, human resources, information technology, facilities, finance, senior management, corporate governance, compliance, and strategic planning. Administrative expenses necessary for research, programs and mission success have been allocated accordingly based on the percentage of the employees' time spent supporting each activity, with the exception of facilities costs which are allocated on square footage. All allocations are reviewed annually. No fundraising costs have been allocated.

Investments

Investments consist of pooled funds, all of which are chosen within the guidelines of an approved investment policy.

Life insurance policy

The Society has been named as a beneficiary of life insurance policies which have been recognized in short-term investments at the amount to be received by the Society (see Note 3).

Capital assets

Capital assets are recorded at cost. Amortization is calculated using the methods set out below applied to the cost of the assets, at annual rates based on their estimated useful lives as follows:

	Rate	Method
Leasehold improvements	Lease term	straight-line

Amyotrophic Lateral Sclerosis (ALS) Society of Canada

Notes to the Financial Statements

For the year ended December 31, 2024

2. Significant accounting policies (continued)

Long-lived assets

Long-lived assets consist of capital assets with finite useful lives. Long-lived assets held for use are measured and amortized as described above. The Society writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Society's ability to provide goods and services. The asset is also written down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Society determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value or replacement cost. Write-downs are not reversed.

Financial instruments

The Society recognizes its arm's length financial instruments when the Society becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

The Society subsequently measures its financial assets and financial liabilities at amortized cost, except for investments in equities with published prices which are measured at fair value, and investments in bonds and guaranteed investment certificates, which the Society has irrevocably elected to subsequently measure at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and research grants payable.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess (deficiency) of revenue over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Society assesses impairment of all its financial assets measured at cost or amortized cost. The Society groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant. Management considers various factors in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Society determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Society reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenue over expenses in the year the reversal occurs.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that 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 revenues and expenses during the reporting period.

Accounts receivables are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where necessary. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess (deficiency) of revenue over expenses in the periods in which they become known.

Amyotrophic Lateral Sclerosis (ALS) Society of Canada

Notes to the Financial Statements

For the year ended December 31, 2024

3. Short-term investments

Investment funds with investment managers are in pooled funds and include all unrealized gains and losses since the funds were invested. All distributions earned on pooled investments are reinvested. Fund balances are reviewed quarterly to ensure they are within an acceptable threshold as outlined in the Society's approved investment policy.

Included in short-term investments, are life insurance policies of \$25,000 (2023 - \$200,000). This represents where an individual has named the Society as the owner and beneficiary of their life insurance policy. For the year ended December 31, 2024, the Society received \$200,000 (2023 - \$Nil) in proceeds from life insurance policies.

4. Capital assets

In \$	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Capital assets				
Leasehold improvements	548,828	57,594	491,234	548,828
	548,828	57,594	491,234	548,828

5. Accounts payable and accrued liabilities

The Society maintains corporate credit cards for use by certain employees. At December 31, 2024, the amount owing on corporate credit cards was \$38,186 (2023 - \$37,915). The maximum credit limit for corporate credit cards at December 31, 2024 was \$100,000 (2023 - \$100,000).

6. Line of credit

The Society has an agreement for a demand operating line of credit of \$650,000 with its commercial banking institution which is intended to be used as overdraft protection for short-term timing differences between the receipt of fundraising and donations revenue and the expenses incurred by the Society. Any amounts drawn from the demand operating line of credit bear interest at the prime rate less 0.25% per annum, are repayable on demand and are secured by a general security agreement. At December 31, 2024, there was \$Nil (2023 - \$Nil) drawn by the Society from the demand operating line of credit.

7. Deferred revenue

Deferred revenue represents restricted contributions received in advance for projects or expenditures in future years and unamortized premiums of a life insurance policy.

In \$	General Fund	Research Fund	2024	2023
Balance, beginning of year	1,226,064	463,764	1,689,828	1,204,679
Contributions	79,804	-	79,804	153,904
Revenue recognized	(531,128)	(192,010)	(723,138)	(205,322)
Deferred lease inducements	-	-	-	536,567
Amortization of deferred lease inducements	55,151	-	55,151	-
Balance, end of year	829,891	271,754	1,101,645	1,689,828
Less: current portion	299,904	183,989	483,893	952,679
Long-term portion	529,987	87,765	617,752	737,149

Amyotrophic Lateral Sclerosis (ALS) Society of Canada

Notes to the Financial Statements

For the year ended December 31, 2024

8. Research grants payable

The Society has entered into grant agreements and as a result has the following future commitments:

2025	1,418,764
2026	1,075,000
2027	159,227
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Total due	2,652,991
Less: current portion	(1,418,764)
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	1,234,227

9. Gaming

The Society sells break-open ticket lotteries through agents. The revenues have been included in the statement of operations in fundraising and donations revenue and expenses have been included in the statement of operations fundraising expense.

The Alcohol and Gaming Commission of Ontario requires various terms and conditions to be met and has predetermined and set allowable expenditures for prize money, retailer commissions, printing costs, management fees, and Provincial and license fees, leaving the charitable organization with a set amount of revenue from ticket sales.

The following information regarding the sale of break-open ticket lotteries under provincial license is required by provincial authorities.

In \$	2024	2023
Revenue	40,538	41,802
Expenses	28,080	23,924
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	12,458	17,878

10. Funds recorded from provincial societies

Provincial partner	WALK for ALS	Additional research funds	2024
ALS Society of Manitoba	35,899	-	35,899
ALS Society of Newfoundland and Labrador	23,294	-	23,294
ALS Society of Prince Edward Island	23,896	-	23,896
ALS Society of Quebec	105,239	150,000	255,239
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	188,328	150,000	338,328
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Provincial partner	WALK for ALS	Additional research funds	2023
ALS Society of Manitoba	38,590	-	38,590
ALS Society of Newfoundland and Labrador	21,597	-	21,597
ALS Society of Prince Edward Island	27,448	-	27,448
ALS Society of Quebec	90,005	175,000	265,005
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	177,640	175,000	352,640

Amyotrophic Lateral Sclerosis (ALS) Society of Canada

Notes to the Financial Statements

For the year ended December 31, 2024

11. Allocation of expenses

The Society allocates marketing and communications support costs and administrative expenses across its charitable purposes. Administration expenditures, including human resources, finance and management support, information technology and facilities costs have been allocated based on time and effort spent for the programs in each area of charitable purpose. The method of allocation applied is consistent with the previous year. Administration expenditures have been allocated as follows:

In \$	2024	2023
Research	382,323	322,370
Advocacy	330,144	276,314
Ontario community services	646,951	558,513
National programs	86,215	71,554
Volunteer development	79,358	50,721
Fundraising	820,354	738,315
Governance	189,078	167,709
	2,534,423	2,185,496

12. Research grants

ALS Canada research grants are awarded based on the results of a rigorous, competitive peer reviewed process, with measures to ensure any conflicts of interest are mitigated. With a relatively small community of ALS researchers in Canada, there can be overlap between applicants to the competitions and individuals involved with the organization. Thus, external, international ALS researchers adjudicate the competitions.

For the year ended December 31, 2024, the grant recipients included no current members of the Board of Directors in the total amount of \$Nil (2023 - \$62,500). This amount was included in research grants expenses.

In addition, \$62,815 (2023 - \$113,111) was paid to the institutions for current Board of Directors Members for grants awarded in previous years.

In partnership with Brain Canada, for the year ended December 31, 2024, \$2,214,000 (2023 - \$2,103,000) was awarded in research grants. The Society's portion of these research grant awards were \$1,107,000 (2023 - \$1,051,500). Additionally, for the year ended December 31, 2024 the Society made additional research grant awards of \$464,389 (2023 - \$214,480).

Offsetting the Society's research grant funding in 2024 was the settlement of grants issued in previous years of \$Nil (2023 - \$24,971) less than the original grant amount due to circumstances that arose in the current year.

13. Ontario community services

In \$	2024	2023
Equipment program	1,699,225	1,664,877
Community services	1,444,073	1,306,290
	3,143,298	2,971,167

Included in equipment program expense are the costs associated with accepting and carrying donations of equipment from the public. These equipment donations are appraised, transported, cleaned, and stored prior to being made available for use by clients. The total value of the donated equipment is \$256,431 (2023 - \$198,713) and is included in fundraising and donations revenue and in Ontario community services expense at the appraised amount as of the date of the contribution. Additional purchases of client equipment were necessary to accommodate the needs of the Society's clients.

Amyotrophic Lateral Sclerosis (ALS) Society of Canada

Notes to the Financial Statements

For the year ended December 31, 2024

14. Commitments

The Society is committed to various leases on its operating premises and office equipment. In addition, the Society is responsible for maintenance and property taxes. The minimum commitment on these lease payments until the end of the leases are as follows:

2025	122,096
2026	125,777
2027	128,406
2028	132,087
2029	134,717
Thereafter	632,863
	<u>1,275,946</u>

15. Interfund transfers

The Society entered into an agreement in 2005 with the sponsor of the Tim E. Noël Endowment Fund to limit the capital of this Endowment Fund at \$1,300,000 and to transfer each year any excess to the Research Fund, where it will be used to fund post-graduate research fellowships.

For the year ended December 31, 2024, the Tim E. Noël Endowment Fund had a gain of original capital after all dividends were reinvested of \$141,264 (2023 – \$17,919). A transfer to the research fund has been made to return the capital amount to \$1,300,000.

16. Financial instruments

The Society, as part of its operations, carries a number of financial instruments. The Society believes that it is not exposed to significant interest, currency, credit, liquidity, or other price risks arising from these financial instruments except as otherwise disclosed.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may influence the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets and liabilities, known as price risk. The Society manages its exposure to interest rate risk by restricting the types of investments it holds and varying the terms to maturity and issuer of the investments.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society is subject to credit risk with respect to its cash, accounts receivable, and investments. The Society places its cash and investments with high credit quality institutions and government-issued bonds. The cumulative total of these financial instruments is in excess of the CDIC insurance limit. Accounts receivable is primarily from the ALS provincial societies, the collectability of which is assessed periodically, and a valuation reserve is recorded as necessary.

Other price risk

Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Society is exposed to fluctuations in equity markets on its investments, which are invested in publicly listed equities. Other price risk is managed through construction of a diversified portfolio of instruments traded on various markets and across various industries.