

**DAVID MCANTONY GIBSON FOUNDATION**  
*(Operating as GlobalMedic)*  
**Financial Statements**  
**Year Ended May 31, 2023**

**DAVID MCANTONY GIBSON FOUNDATION**  
*(Operating as GlobalMedic)*  
**Index to Financial Statements**  
**Year Ended May 31, 2023**

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**Chaggares & Bonhomme**  
CHARTERED PROFESSIONAL ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

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To the Members of David McAntony Gibson Foundation operating as GlobalMedic

*Opinion*

We have audited the financial statements of David McAntony Gibson Foundation, operating as GlobalMedic, (the organization), which comprise the statement of financial position as at May 31, 2023, and the statements of revenues and expenditures, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at May 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

*Basis for 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 organization in accordance with 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 the financial statements in accordance with ASNPO, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

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*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 organization'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 organization'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 organization 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.

*Chaggares & Bonhomme*

Newmarket, Ontario  
October 26, 2023

**Chaggares & Bonhomme**  
**Chartered Professional Accountants**  
Licensed Public Accountants

**DAVID MCANTONY GIBSON FOUNDATION**  
*(Operating as GlobalMedic)*  
**Statement of Financial Position**  
**May 31, 2023**

	2023	2022
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 9,539,425	\$ 8,216,144
Term deposits (Note 4)	1,542,937	1,501,490
Accounts receivable	23,019	88,544
Government assistance receivable (Note 5)	58,808	59,707
Inventory (Note 6)	1,013,037	988,199
Prepaid expenses	17,674	16,102
	<b>12,194,900</b>	10,870,186
PROPERTY AND EQUIPMENT (Note 7)	2,711,821	2,762,352
LONG TERM INVESTMENTS (Note 4)	129,708	123,507
	<b>\$ 15,036,429</b>	<b>\$ 13,756,045</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 8)	\$ 831,820	\$ 332,567
Deferred revenue (Note 9)	4,809,348	5,308,773
	<b>5,641,168</b>	5,641,340
DEFERRED CAPITAL GRANTS (Note 10)	-	1,059
	<b>5,641,168</b>	5,642,399
<b>NET ASSETS</b>		
General fund	9,395,261	8,113,646
	<b>\$ 15,036,429</b>	<b>\$ 13,756,045</b>

ON BEHALF OF THE BOARD

*Rahul Singh*

Director

*Jim Dainard*

Director

See notes to financial statements

**DAVID MCANTONY GIBSON FOUNDATION**  
*(Operating as GlobalMedic)*  
**Statement of Revenues and Expenditures**  
**Year Ended May 31, 2023**

	2023	2022
<b>REVENUES</b>		
Donations <i>(Note 11)</i>	\$ 12,029,491	\$ 11,346,085
Federal government funding	104,268	171,073
Foreign exchange gain (loss)	150,810	85,614
Fundraising	18,298	19,648
Investments & other income	269,383	28,462
	<b>12,572,250</b>	<b>11,650,882</b>
<b>EXPENSES</b>		
<b>Humanitarian programs</b>		
Domestic operations <i>(Note 12)</i>	1,585,828	1,271,892
International operations <i>(Note 13)</i>	9,417,706	8,025,529
<b>Support services</b>		
Administration	82,277	144,407
Amortization	167,952	169,056
Fundraising expenses	36,872	2,568
	<b>11,290,635</b>	<b>9,613,452</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 1,281,615</b>	<b>\$ 2,037,430</b>

See notes to financial statements

**DAVID MCANTONY GIBSON FOUNDATION**

*(Operating as GlobalMedic)*

**Statement of Changes in Net Assets**

**Year Ended May 31, 2023**

	<b>2023</b>	2022
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 8,113,646</b>	\$ 6,076,216
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>1,281,615</b>	2,037,430
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 9,395,261</b>	\$ 8,113,646

See notes to financial statements

**DAVID MCANTONY GIBSON FOUNDATION**  
*(Operating as GlobalMedic)*  
**Statement of Cash Flows**  
**Year Ended May 31, 2023**

	2023	2022
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 1,281,615	\$ 2,037,430
Item not affecting cash:		
Amortization of property and equipment	167,952	169,056
	<b>1,449,567</b>	2,206,486
Changes in non-cash working capital:		
Accounts receivable	65,525	(68,247)
Government assistance receivable	899	9,409
Inventory	(24,838)	(401,060)
Accounts payable and accrued liabilities	499,282	262,944
Deferred revenue	(499,425)	3,059,165
Prepaid expenses	(1,572)	(1,472)
Deposit for goods	-	43,660
	<b>39,871</b>	2,904,399
Cash flow from operating activities	<b>1,489,438</b>	5,110,885
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(118,479)	(2,753,903)
Purchase of intangible assets	(47,678)	(36,797)
Cash flow used by investing activities	<b>(166,157)</b>	(2,790,700)
<b>INCREASE IN CASH FLOW</b>	<b>1,323,281</b>	2,320,185
Cash - beginning of year	<b>8,216,144</b>	5,895,959
<b>CASH - END OF YEAR</b>	<b>\$ 9,539,425</b>	\$ 8,216,144

See notes to financial statements



**DAVID MCANTONY GIBSON FOUNDATION**  
*(Operating as GlobalMedic)*  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended May 31, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are liquid short term investments.

Contributed services

The operations of the Foundation depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements. No value is assigned to goods received where a tax receipt is not issued. In addition, storage space was donated to the Foundation at no charge, which cannot be reasonably determined and is therefore not reflected in these financial statements.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Foreign currency translation

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Non-monetary assets have been translated at the rate of exchange prevailing at the date of transaction. Revenues and expenses have been translated at the exchange rate in effect on the dates they occur.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

Goods and services tax

Sales taxes paid on purchase of taxable supplies are recoverable at 69.7% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

Income taxes

The Foundation is registered as a charitable organization and therefore is exempt from income tax according to section 149(1)(l) of the Canadian Income Tax Act.

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**DAVID MCANTONY GIBSON FOUNDATION**  
*(Operating as GlobalMedic)*  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended May 31, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a weighted average cost basis.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life at the following rates and methods:

Buildings	4%	declining balance method
Computer equipment	55%	declining balance method
Equipment	20%	declining balance method
Leasehold improvements	5 years	straight-line method
Motor vehicles	30%	declining balance method

The Foundation regularly reviews its equipment to eliminate obsolete items. Government grants are amortized and expensed over the life of the equipment.

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Revenue recognition

David McAntony Gibson Foundation follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Government grants are recognized as revenue in the year in which eligible expenses are incurred.

Gifts-in-Kind ("GIK") are valued at 100% of their estimated fair market values. Invoices must be provided by the donor at the time of the donation. If there is no invoice provided the donation will not be accepted. All invoices are assessed for reasonableness. GIK are recorded as revenue when the foundation takes possession of the contribution. GIK are recorded as an expense when the goods are deployed for charitable purposes.

Investment income, which includes interest income and gains (losses) on foreign currency accounts, is recognized as revenue when earned.

**DAVID MCANTONY GIBSON FOUNDATION**  
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**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended May 31, 2023**

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**2. PURPOSE OF THE ORGANIZATION**

David McAntony Gibson Foundation (the "Foundation") was registered as a charitable organization on June 1, 2002 founded by constitution, and incorporated federally on June 23, 2020 under the Canada Not-for-profit Corporations Act. As a registered charity the Foundation is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The David McAntony Gibson Foundation, which operates as GlobalMedic, is dedicated to providing humanitarian aid to people affected by poverty, disaster and/or conflict. GlobalMedic is committed to delivering the right aid to the right people at the right time. Founded by a first responder, staffed by professional humanitarians, and backed by a team of emergency workers and skilled volunteers, GlobalMedic has been able to respond to over 244 disasters in 80 countries including Canada since 2002. The organization has provided humanitarian support such as food, water purification, hygiene supplies, shelter, and medical services to over 4.4 million people in need since inception.

**3. FINANCIAL INSTRUMENTS**

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of May 31, 2023.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its receipt of funds from its donors and accounts payable.

Currency risk

Currency risk is the risk to the Foundation's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Foundation is exposed to foreign currency exchange risk on cash held in U.S. dollars. The company does not use derivative instruments to reduce its exposure to foreign currency risk.

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. The Foundation is exposed to interest rate risk primarily through its investments.

Unless otherwise noted, it is management's opinion that the Foundation is not exposed to significant other price risks arising from these financial instruments.

**DAVID MCANTONY GIBSON FOUNDATION**  
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**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended May 31, 2023**

**4. TERM DEPOSITS**

The Foundation holds the following Guaranteed Investment Certificates (GICs):

Non-redeemable GIC which matures on May 20, 2024 and carries an annual interest rate of 5.20%. This GIC has a face value of \$514,500 and accrued interest of \$880.

Cashable GIC which matures on December 8, 2023 and carries an annual interest rate of 3.50%. This GIC has a face value of \$1,010,695 and accrued interest of \$16,862.

Non-redeemable GIC which matures on July 11, 2023 and carries an annual interest rate of 5.25%. This GIC has a face value of \$123,933 and accrued interest of \$5,775.

**5. GOVERNMENT ASSISTANCE RECEIVABLE**

	<b>2023</b>		<b>2022</b>
GST/HST Public Service Bodies' Rebate	\$ 43,861	\$	59,707
Property tax rebate (City of Toronto)	14,947		-
	<b>\$ 58,808</b>	\$	<b>59,707</b>

**6. INVENTORY**

	<b>2023</b>		<b>2022</b>
Opening inventory	\$ 988,199	\$	587,139
Purchases	4,305,977		4,789,410
Cost of goods donated	(4,281,139)		(4,388,350)
Closing inventory on hand	<b>\$ 1,013,037</b>	\$	<b>988,199</b>

**DAVID MCANTONY GIBSON FOUNDATION**  
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**NOTES TO FINANCIAL STATEMENTS**  
Year Ended May 31, 2023

**7. PROPERTY AND EQUIPMENT**

	Cost	Accumulated amortization	<b>2023 Net book value</b>	2022 Net book value
Land	\$ 509,295	\$ -	\$ 509,295	\$ 509,295
Buildings	2,131,146	165,687	<b>1,965,459</b>	2,022,978
Equipment	148,525	64,575	<b>83,950</b>	68,459
Motor vehicles	129,664	83,725	<b>45,939</b>	65,627
Computer equipment	72,674	55,795	<b>16,879</b>	10,304
Leasehold improvements	176,057	85,758	<b>90,299</b>	85,689
	<b>\$ 3,167,361</b>	<b>\$ 455,540</b>	<b>\$ 2,711,821</b>	<b>\$ 2,762,352</b>

During the year, \$1,059 (2022 - \$1,059) of a deferred capital grant was amortized against the related capital asset's depreciation expense for the year.

**8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

The following government remittances were included in accounts payable at year end:

	<b>2023</b>	2022
Payroll liabilities	<b>\$ 15,154</b>	\$ 12,026

**DAVID MCANTONY GIBSON FOUNDATION**

*(Operating as GlobalMedic)*

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended May 31, 2023**

**9. DEFERRED REVENUE**

Restricted contributions are recognized as revenue when related expenditures are incurred. Any excess of contributions over related expenditures are deferred until related expenditures are incurred.

	<b>2023</b>	<b>2022</b>
<b>International</b>		
Bangladesh	\$ -	\$ 22,706
Indonesia	75,248	86,551
Nepal	341,439	345,190
Pakistan	63,863	-
Saint Vincent	-	527,577
Sudan	-	3,142
Tonga	366,735	496,000
Turkiye / Syria	290,085	-
Ukraine	2,866,682	2,712,069
<b>Canada</b>		
Atlantic Canada Hurricane	64,221	-
B.C. Flooding	-	189,820
Community Medic	250,000	250,000
COVID-19	-	42,530
Grassroots Revolution	471,670	537,103
Hygiene Program	19,405	96,085
	<b>\$ 4,809,348</b>	<b>\$ 5,308,773</b>

**10. DEFERRED CAPITAL GRANTS**

Grants used to acquire capital assets are deferred as a liability and amortized to income based on the amortization of capital assets acquired with grants. The following capital grants were deferred at year end:

	<b>2023</b>	<b>2022</b>
Unamortized opening balance	\$ 1,059	\$ 2,118
Grant amortization	(1,059)	(1,059)
	<b>\$ -</b>	<b>\$ 1,059</b>

**DAVID MCANTONY GIBSON FOUNDATION**  
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**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended May 31, 2023**

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**11. NON-MONETARY TRANSACTIONS**

During the year, the Foundation received donated goods in response to the ongoing COVID-19 pandemic, global disasters and other emergencies. These goods were sent internationally and consisted of medical supplies, shipping supplies and various electronic equipment. These transactions are accounted for at the fair value of the goods provided. During the year, these transactions totaled \$1,396,757 (2022 - \$4,291,243) and did not generate any excess of revenues over expenses.

**12. DOMESTIC OPERATIONS**

During the year, the Foundation ran the following programs in Canada: Atlantic Canada Hurricane Response, British Columbia Flood Response, COVID-19 Response, Grassroots Revolution Program, Hygiene Program, and RescUAV Team Training. Costs charged to each program include costs of material aid, shipping, flights, staffing and office costs.

**13. INTERNATIONAL OPERATIONS**

During the year, the Foundation responded to disasters and complex emergencies in the following countries: Armenia, Bangladesh, Chad, Haiti, Jamaica, Lebanon, Moldova, Pakistan, Philippines, Romania, St. Vincent & the Grenadines, Somalia, Sudan, Syria, Turkiye, Tonga, and Ukraine. Costs charged to each response include costs of material aid, shipping, flights, in-country operations, staffing and office costs.

**DAVID MCANTONY GIBSON FOUNDATION**  
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**NOTES TO FINANCIAL STATEMENTS**  
Year Ended May 31, 2023

**14. DUE TO RELATED PARTIES**

The following is a summary of the organization's related party transactions:

	2023	2022
<u>Related party transactions</u>		
Chantel Kehoe <i>(The Foundation's Director of Administration, as well as spouse of the Foundation's Executive Director)</i>		
Gross wages	\$ 64,166	\$ 60,000
2590274 Ontario Inc. <i>(A corporation jointly owned by the Foundation's Executive Director and Director of Administration)</i>		
Rental payments and TMI	\$ 72,310	\$ 67,350
GlobalFire <i>(A charity which shares board members with DMGF)</i>		
Reimbursement of program expenses received	\$ -	\$ 2,381

The Foundation leases premises from 2590274 Ontario Inc. under a long-term lease that expires on April 30, 2025. Under the lease, the Foundation is required to pay base rent for a 15,700 square foot building in Etobicoke (35 Coronet Road) of \$5,000 per month plus utilities, maintenance, leasehold improvements, and other related costs for the leased premises. There is a renewal option included in the lease on expiry in April 2025.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**15. SUBSEQUENT EVENT**

In September 2023, the Foundation initiated the purchase of three condo units (Units 6, 7, and 8) located at 1321 Blundell Rd Mississauga, ON L4Y 1M6 for the price of \$3,648,655 Canadian dollars. These units have no separator walls and will be used as one large storage space.