
Financial statements of Kids Help Phone Foundation

December 31, 2025

Independent Auditor's Report	1-2
Statement of financial position	3
Statement of revenue and expenses	4
Statement of changes in fund balances	5
Statement of cash flows	6
Notes to the financial statements	7-13

Independent Auditor's Report

To the Members of
Kids Help Phone Foundation

Opinion

We have audited the financial statements of Kids Help Phone Foundation (the "Foundation"), which comprise the statement of financial position as at December 31, 2025, and the statements of revenue and expenses, 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 December 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


Chartered Professional Accountants
Licensed Public Accountants
May 11, 2026

Kids Help Phone Foundation
Statement of financial position
As at December 31, 2025

	Notes	2025 \$
Assets		
Current assets		
Cash		2,519,527
Accounts receivable	7	75,430
		2,594,957
Restricted cash and investments		
Reserve Fund	4	4,000,000
acceleratorKHP Fund		9,465,876
Clinical Services and Service Programs Fund		5,177,180
		18,643,056
		21,238,013
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	6	26,951
Fund balances		
Operating Fund		
General	3 and 8	2,568,006
Restricted Funds		
Reserve Fund		4,000,000
acceleratorKHP Fund		9,465,876
Clinical Services and Service Programs Fund		5,177,180
		21,211,062
		21,238,013

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


_____, Chair of the Board


_____, Treasurer

Kids Help Phone Foundation
Statement of revenue and expenses
Year ended December 31, 2025

	Operating Fund		Restricted Funds		
	General	Reserve	acceleratorKHP	Clinical Services and Service Programs	2025 Total
	\$	\$	\$	\$	\$
Revenue					
General donations and grants					
Annual Giving	4,411	—	—	—	4,411
Major Gifts	190,022	—	—	1,324,978	1,515,000
Investment income	19,694	—	42,361	35,038	97,093
Unrealized gain on investments	4,786	—	20,612	4,367	29,765
Gift from Kids Help Phone					
Cash	2,375,000	783,735	183,240	945,391	4,287,366
In-kind	—	3,216,265	9,219,663	2,867,406	15,303,334
	2,593,913	4,000,000	9,465,876	5,177,180	21,236,969
Expenses					
General and administrative	25,907	—	—	—	25,907
	25,907	—	—	—	25,907
Excess of revenue over expenses	2,568,006	4,000,000	9,465,876	5,177,180	21,211,062

Notes

7

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

Kids Help Phone Foundation
Statement of changes in fund balances
Year ended December 31, 2025

	Operating Fund		Restricted Funds		
	General	Reserve	acceleratorKHP	Clinical Services and Service Programs	2025 Total
	\$	\$	\$	\$	\$
Fund balances, beginning of year	—	—	—	—	—
Excess of revenue over expenses	2,568,006	4,000,000	9,465,876	5,177,180	21,211,062
Fund balances, end of year	2,568,006	4,000,000	9,465,876	5,177,180	21,211,062

Notes
8

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

Kids Help Phone Foundation**Statement of cash flows**

Year ended December 31, 2025

	2025
	\$
Operating activities	
Excess of revenues over expenses	21,211,062
Items not affecting cash	
Unrealized gain on investments	(29,765)
Gift from Kids Help Phone, in-kind	(15,303,334)
	5,877,963
Changes in non-cash working capital items	
Accounts receivable	(75,430)
Accounts payable and accrued liabilities	26,951
	5,829,484
Investing activities	
Proceeds from sale of restricted investments	346,502
Purchases of restricted investments	(91,393)
	255,109
Cash, end of year	6,084,593
Comprised of	
Restricted cash	3,565,066
Unrestricted cash	2,519,527
	6,084,593

1. Description of the organization

Kids Help Phone Foundation (the "Foundation") was incorporated under the *Canada Not-for-Profit Corporations Act* on July 17, 2024, and started operations on January 1, 2025.

The Foundation inspires generosity and raises funds across Canada to deliver on Kids Help Phone's promise to youth. Kids Help Phone was incorporated under the *Canada Corporations Act* and continued under the *Canada Not-for-Profit Corporations Act* on October 1, 2013. The mandate of Kids Help Phone is to provide anonymous and confidential professional counselling, volunteer-led confidential text-based support, referrals and information in English and French for young people in Canada.

The Foundation received registered charity status under the *Income Tax Act (Canada)* with the Canada Revenue Agency on January 1, 2025 and, as such, is not subject to income tax provided certain disbursement requirements are met.

2. Significant accounting policies

Financial statement presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations published by Chartered Professional Accountants of Canada using the restricted fund method of reporting restricted contributions.

Revenue recognition

General grant revenue is recorded in the year to which it relates if collection is reasonably assured. General donations revenue is recorded when received. Revenue relating to special events or programs which have not yet occurred is recorded as deferred revenue and recognized as revenue in the year the events occur or program expenses are incurred.

Contributed goods and services

Donors contribute gifts-in-kind which are recognized at their fair market value when such value can be reasonably estimated. Donated materials and services are recorded at fair value when fair value can be reasonably estimated and when the materials and services are normally purchased by the Foundation and would be paid for if not donated. Received gifts-in-kind are recognized as revenue and expenses when received.

Financial instruments

Financial instruments included on the statement of financial position are measured either at fair value or amortized cost based on the characteristics of the instrument and the Foundation's accounting policy choices. All financial instruments reported on the statement of financial position are classified as follows:

Asset/liability	Category
Cash	Fair value
Accounts receivable	Amortized cost
Restricted cash and investments	Fair value
Accounts payable and accrued liabilities	Amortized cost

2. Significant accounting policies (continued)

Financial instruments (continued)

Financial assets and financial liabilities are initially recognized at fair value when the Foundation becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Foundation is in the capacity of management, are initially measured at cost. When the instrument has repayment terms, cost is determined using its undiscounted cash flows, excluding interest payments, less any impairment losses. Otherwise, the cost is determined using the consideration transferred or received by the Foundation.

Subsequently, all financial instruments are measured at amortized cost or fair value as described in the above table. Changes in fair value are recognized in the statement of revenue and expenses.

Financial assets measured at amortized cost are assessed at each reporting date for indications of impairment. If such impairment exists, the asset is written down and the resulting impairment loss is recognized in the statement of revenue and expenses.

Transaction costs are expensed as they are incurred.

Fair value

The fair value of equities is determined based on bid prices. The fair value of short-term investments approximates their cost due to the short-term maturity of these instruments.

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions. These estimates and assumptions 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 revenue and expenses during the reporting period. Actual results could differ from those estimates. Amounts requiring estimates and assumptions include investments measured at fair value and certain accrued liabilities.

3. Funds

Fund accounting

In order to ensure observance of the limitations and restrictions placed on the use of resources available to the Foundation, the accounts are maintained in accordance with the principles of fund accounting. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the donors. For financial reporting purposes, the accounts have been classified into the following funds:

Operating Fund

The general portion of the Foundation's Operating Fund (the "Operating Fund") records the day-to-day operations of the Foundation.

3. Funds (continued)

Restricted Funds

Restricted Funds include both externally restricted funds raised that are designated toward specific programs and special projects and internally restricted funds and transfers from unrestricted fund balances.

Reserve Fund

The Reserve Fund represents funds internally restricted by the Foundation's Board of Directors to offset potential operating shortfalls of the Foundation, or for special projects. The interest earned on this fund is recorded in the general portion of the Operating Fund.

acceleratorKHP Fund

The acceleratorKHP Fund represents funds restricted for innovation and applied research. The fund is to be used for continual development and research to enable progress toward a personalized mental health and well-being experience.

Clinical Services and Service Program Fund

The Clinical Services and Service Program Fund ("CSSP") consists of funds restricted for clinical services, service programs and health and e-mental health promotion.

4. Restricted cash and investments

Restricted cash and investments are comprised of the following:

	Fair value \$	Range of interest rates %	2025 Range of due dates
Reserve Fund			
Short-term			
Restricted cash	842,744	n.a.	n.a.
Guaranteed investment certificates	42,000	4.40	August 2026
Fixed-income securities	108,998	3.00 - 5.25	May 2026 - August 2026
	993,742		
Long-term			
Fixed-income securities	1,319,761	3.00 - 5.25	June 2027 - September 2037
Canadian equities	868,778	n.a.	n.a.
U.S. and global equities	817,719	n.a.	n.a.
	3,006,258		
	4,000,000		
acceleratorKHP Fund			
Short-term			
Restricted cash	616,485	n.a.	n.a.
Long-term			
Fixed-income securities	5,333,605	0.50 - 6.03	June 2027 - December 2057
Canadian equities	1,893,727	n.a.	n.a.
U.S. and global equities	1,622,059	n.a.	n.a.
	8,849,391		
	9,465,876		
Clinical Services and Service Program Fund			
Short-term			
Restricted cash	2,105,837	n.a.	n.a.
Guaranteed investment certificates	274,000	4.40 - 5.25	May 2026 - August 2026
Fixed-income securities	275,000	3.00 - 4.43	January 2026 - August 2026
	2,654,837		
Long-term			
Fixed-income securities	2,334,827	1.25 - 5.68	January 2027 - September 2037
Canadian equities	187,516	n.a.	n.a.
	2,522,343		
	5,177,180		
	18,643,056		

4. Restricted cash and investments (continued)

The fixed-income securities are comprised of corporate bonds, mortgage-backed securities, government T-bills and government bonds from Canadian entities.

The cost of the above investments is \$15,048,225.

5. Contingencies and guarantees

In the normal course of business, the Foundation enters into agreements that meet the definition of a guarantee. The Foundation's primary guarantees are as follows:

- (a) An indemnity has been provided to all directors and/or officers of the Foundation for various items including, but not limited, all costs to settle suits or actions due to their involvement with the Foundation, subject to certain restrictions. The Foundation has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of the indemnification is not explicitly defined, but is limited to the period over which the indemnified party served as a director or officer of the Foundation. The maximum amount of any potential future payment cannot be reasonably estimated.
- (b) In the normal course of business, the Foundation has entered into agreements that include indemnities in favour of third parties, such as confidentiality agreements, engagement letters with advisors and consultants, outsourcing agreements, leasing contracts, information technology agreements and service agreements. These indemnification agreements may require the Foundation to compensate counterparties for losses incurred by the counterparties as a result of breaches in representation and regulations or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The terms of these indemnities are not explicitly defined and the maximum amount of any potential reimbursement cannot be reasonably estimated.

The nature of these indemnification agreements prevents the Foundation from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability which stems from the unpredictability of future events and the unlimited coverage offered to counterparties. Historically, the Foundation has not made any significant payments under such or similar indemnification agreements and therefore no amount has been accrued in the statement of financial position with respect to these agreements.

6. Government remittances

There are nil amounts payable with respect of government remittances as at December 31, 2025.

Kids Help Phone Foundation
Notes to the financial statements
December 31, 2025

7. Related party transactions

During the year, Kids Help Phone gifted to the Foundation cash of \$4,287,366 and investments with a fair value of \$15,303,334. As at December 31, 2025, the Foundation has a payable to Kids Help Phone of \$1,044.

8. Fund balances

Fund balances include the following:

	General	Reserve	accelerator KHP	Clinical Services and Service Programs	2025 Total
	\$	\$	\$	\$	\$
Unrestricted	2,568,006	—	—	—	2,568,006
Internally restricted	—	4,000,000	9,465,876	3,852,202	17,318,078
Externally restricted	—	—	—	1,324,978	1,324,978
	2,568,006	4,000,000	9,465,876	5,177,180	21,211,062

9. Financial risk management

Interest rate risk

The Foundation is exposed to interest rate risk in its fixed-income securities investments. The Foundation does not use any hedging instruments to manage this risk.

Market risk

The Foundation is exposed to market risk as a result of its investments in equity securities and fixed-income securities. Fluctuations in the market expose the Foundation to a risk of loss. The Foundation manages this risk through policies and controls to monitor concentration levels maintaining a diversified portfolio of securities.

Currency risk

The Foundation is exposed to currency risk on its non-Canadian securities such as U.S. and global equities. The Foundation manages this risk through maintaining a diversified portfolio of securities.

Credit rate risk

The Foundation's credit risk is primarily attributable to its fixed-income securities investments and accounts receivables. The Foundation manages this risk through purchasing fixed-income securities from reputable and creditworthy parties and proactive collection policies.