

DURHAM CATHOLIC CHILDREN'S FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 2023

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of Durham Catholic Children's Foundation

We have reviewed the accompanying financial statements of Durham Catholic Children's Foundation that comprise the statement of financial position as at December 31, 2023 and the statements of operations and changes in fund balance and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis for Qualified Conclusion

In common with most not-for-profit organizations, Durham Catholic Children's Foundation derives revenue from fundraising and donations, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purposes of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of Durham Catholic Children's Foundation. Therefore, we were unable to determine whether any adjustments might have been found necessary with respect to revenue, excess (deficiency) of revenue over expenditure, assets and fund balance.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Durham Catholic Children's Foundation as at December 31, 2023 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.

Other Matter

We were not engaged to report on the comparative financial statements, and as such, the comparative financial statements for the year ended December 31, 2022 are neither audited nor reviewed.

Baker Tilly KDN LLP

Chartered Professional Accountants
Licensed Public Accountants

Peterborough, Ontario
June 20, 2024

DURHAM CATHOLIC CHILDREN'S FOUNDATION

STATEMENT OF FINANCIAL POSITION As at December 31, 2023

	2023	2022
	\$	\$
		(note 4)
ASSETS		
Current assets		
Cash	203,194	259,306
Accounts receivable	4,414	1,372
	<u>207,608</u>	<u>260,678</u>
LIABILITIES AND FUND BALANCE		
Current liabilities		
Accounts payable and accrued liabilities	16,014	136,430
Fund balance		
Unrestricted	191,594	124,248
	<u>207,608</u>	<u>260,678</u>

The accompanying notes are an integral part of these financial statements

DURHAM CATHOLIC CHILDREN'S FOUNDATION

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE

For the Year Ended December 31, 2023

	2023 \$	2022 \$ (note 4)
Revenue		
Fundraising	126,162	75,227
Donations	35,226	17,071
Interest income	10,524	4,424
Total revenue	171,912	96,722
Expenditure		
Fundraising	56,704	51,256
School reimbursements	37,991	52,638
Administration	9,871	21,152
Total expenditure	104,566	125,046
Excess (deficiency) of revenue over expenditure for the year	67,346	(28,324)
Fund balance - beginning of year	124,248	152,572
Fund balance - end of year	191,594	124,248

The accompanying notes are an integral part of these financial statements

DURHAM CATHOLIC CHILDREN'S FOUNDATION

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2023

	2023	2022
	\$	\$
		(note 4)
CASH PROVIDED FROM (USED FOR):		
Operating activities		
Excess (deficiency) of revenue over expenditure for the year	67,346	(28,324)
Changes in non-cash working capital items		
Increase in accounts receivable	(3,042)	(1,372)
(Decrease) / increase in accounts payable	(120,416)	80,429
	<u>(123,458)</u>	<u>79,057</u>
Net (decrease) / increase in cash from operating activities	(56,112)	50,733
(Decrease) / Increase in cash	(56,112)	50,733
Cash - beginning of year	259,306	208,573
Cash - end of year	<u>203,194</u>	<u>259,306</u>

The accompanying notes are an integral part of these financial statements

DURHAM CATHOLIC CHILDREN'S FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

1. NATURE OF OPERATIONS

Durham Catholic Children's Foundation ('the Foundation') was established to ensure that students are able to attend school with the basic daily necessities of life provided. Through signature fundraising events and donor contributions, the Foundation enables a formal mechanism for coordinating charitable initiatives and raising funds to support student participation in all aspects of school life.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations. Significant aspects of the accounting policies are as follows:

(a) *Recognition of Revenues and Expenditures*

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues in the period in which the transactions or events occurred that give rise to the revenue; expenditures are recognized in the period the goods or services are acquired and a legal liability is incurred or transfers are due.

The Durham Catholic Children's Foundation uses the deferral method of accounting. Restricted contributions are recognized as revenue of the operating fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized when received or receivable.

Donation and fundraising income is recognized when it is received or receivable.

Interest income is recognized as revenue when earned.

(b) *Income Taxes*

The Foundation qualifies as a not-for-profit organization which is exempt from income taxes under the Income Tax Act.

(c) *Use of Estimates*

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 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 year.

DURHAM CATHOLIC CHILDREN'S FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended December 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) *Measurement of Financial Instruments*

(i) Measurement

The Foundation initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Foundation subsequently measures its financial assets and financial liabilities at amortized cost. 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.

The Foundation has no financial instruments measured at fair value.

(ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. When a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset or group of assets, a write-down is recognized in the statement of operations.

3. FINANCIAL INSTRUMENTS

In the opinion of management, the Foundation is not exposed to any significant interest rate, credit, liquidity, market or currency risk.

4. COMPARATIVE FIGURES

The comparative figures presented were not subject to audit or review procedures.