

Kawartha World Issues Centre  
Financial Statements  
For the year ended September 30, 2023

Contents

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## Independent Auditor's Report

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To the Board of Directors of  
Kawartha World Issues Centre

### Qualified Opinion

We have audited the accompanying financial statements of Kawartha World Issues Centre (the organization), which comprise the statement of financial position as at September 30, 2023, and the statements of revenues and expenses, 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 statement of financial position of the organization as at September 30, 2023, and the statements of revenues and expenses, fund balances and 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 organization derives revenue from donations and cash receipts the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether any adjustments might be necessary to revenues other than grants, excess of revenues over expenses and cash flows from operations for the years ended September 30, 2023 and 2022, current assets as at September 30, 2023 and 2022 and net assets as at October 1 and September 30 for both the 2023 and 2022 years.

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 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 qualified audit opinion.

### Responsibilities of Management and Those Charged with Governance 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.

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.



## 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.

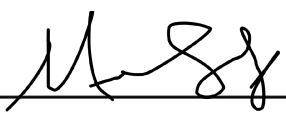
*BDO Canada LLP*

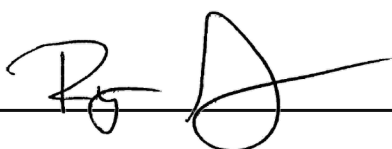
Chartered Professional Accountants, Licensed Public Accountants  
Peterborough, Ontario  
March 28, 2024

## Kawartha World Issues Centre Statement of Financial Position

For the year ended September 30	TRACKS Program	External Partners	General Program	2023	2022
<b>Assets</b>					
<b>Current</b>					
Cash (Note 2)	\$ -	\$ -	\$ 138,062	\$ 138,062	\$ 110,706
Accounts receivable	-	-	12,036	12,036	5,200
Prepaid expenses	-	-	5,181	5,181	4,662
Due to (from) net assets	-	10,183	(10,183)	-	-
	\$ -	\$ 10,183	\$ 145,096	\$ 155,279	\$ 120,568
<b>Liabilities and Net Assets</b>					
<b>Current</b>					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 53,970	\$ 53,970	\$ 48,665
Statutory deductions and Deferred revenue (Note 3)	-	-	24,406	24,406	3,519
	-	-	78,376	78,376	52,184
<b>Net Assets</b>					
Unrestricted	-	10,183	36,720	46,903	38,384
Internally restricted (Note 4)	-	-	30,000	30,000	30,000
	-	10,183	66,720	76,903	68,384
	\$ -	\$ 10,183	\$ 145,096	\$ 155,279	\$ 120,568

On behalf of the Board:

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

The accompanying notes are an integral part of these financial statements

Kawartha World Issues Centre  
Statement of Net Assets

For the year ended September 30	TRACKS Program	External Partners	General Program	2023	2022
Balance - beginning of the year	\$ -	\$ 11,305	\$ 57,079	\$ 68,384	\$ 118,407
Excess of revenue over expenses (expenses over revenue)	-	(1,122)	9,641	8,519	(50,023)
Balance - end of the year	\$ -	\$ 10,183	\$ 66,720	\$ 76,903	\$ 68,384

The accompanying notes are an integral part of these financial statements

## Kawartha World Issues Centre Statement of Revenue and Expenses

For the year ended September 30	TRACKS Program	External Partners	General Program	2023	2022
<b>Revenue</b>					
Grants	\$ 39,150	\$ -	\$ 156,052	\$ 195,202	\$ 210,472
Program revenue	-	2,350	3,835	6,185	4,425
Fundraising activities	-	-	60,202	60,202	3,483
Trillium funding	9,900	-	-	9,900	125,073
Other incomes	-	-	34,848	34,848	22,018
	<u>49,050</u>	<u>2,350</u>	<u>254,937</u>	<u>306,337</u>	<u>365,471</u>
<b>Expenses</b>					
Fundraising costs	-	-	360	360	126
Operations and administration	16,630	-	31,057	47,687	27,962
Program costs	20	3,472	50,547	54,039	61,557
Salaries and benefits	32,400	-	163,332	195,732	325,849
	<u>49,050</u>	<u>3,472</u>	<u>245,296</u>	<u>297,818</u>	<u>415,494</u>
Excess of revenue over expenses (expenses over revenue)	\$ -	\$ (1,122)	\$ 9,641	\$ 8,519	\$ (50,023)

The accompanying notes are an integral part of these financial statements

Kawartha World Issues Centre  
Statement of Cash Flows

For the year ended September 30	TRACKS Program	External Partners	General Programs	2023	2022
Cash Flows from Operating activities					
Excess of revenue over expenses (expenses over revenue)	\$ -	\$ (1,122)	\$ 9,641	\$ 8,519	\$ (50,023)
Changes in non-cash working capital balances					
Accounts receivable	-	-	(6,836)	(6,836)	59,660
Prepaid expenses	-	-	(519)	(519)	(932)
Due to (from) other net assets	-	1,122	(1,122)	-	-
Accounts payable and accrued liabilities	-	-	5,305	5,305	28,932
Statutory deductions and Deferred revenue	-	-	20,887	20,887	(41,128)
Change in Cash Resources	-	-	27,356	27,356	(3,491)
Cash - beginning of the year	-	-	110,706	110,706	114,197
Cash - end of the year	\$ -	\$ -	\$ 138,062	\$ 138,062	\$ 110,706

The accompanying notes are an integral part of these financial statements

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# Kawartha World Issues Centre Notes to Financial Statements

September 30, 2023

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## 1. Summary of Significant Accounting Policies

### a) Nature of the Entity

Kawartha World Issues Centre (the organization) was incorporated in 1989 as a non-profit organization without share capital as a community-based, charitable education and resource centre serving the Peterborough community and surrounding area. The centre is a registered charity with the Canada Revenue Agency, and as such its revenues are exempt from corporate tax under Section 149 of the Income Tax Act.

### b) Basis of Accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

### c) Fund Accounting

Kawartha World Issues Centre maintains its accounts in accordance with the principles of fund accounting using the Restricted Fund Method. Resources are classified for accounting and reporting purposes into funds according to the activity or objective specified.

The general program accounts for the organization's operating activities with respect to unrestricted resources and restricted operating grants.

The TRACKS Program are comprised of unrestricted resources and restricted operating grants for an educational program which provides hands-on experiences for youth interested in intersections of Indigenous and western sciences.

The External Partners are comprised of unrestricted resources for programs such as TEACH Outside the Box, Person's Day Breakfast Program and Other Women's Events that are separate from their normal operating.

### d) Revenue Recognition

The centre utilizes the deferral method of accounting for contributions. Restricted contributions from donors and funders are utilized only for the purpose designated; and 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 can be reasonably estimated and collection is reasonably assured.

### e) Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods cash and investments are reported at fair value. Other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired.

### f) Capital Assets

The organization expenses capital assets when purchased. Capital assets currently used include computer hardware and furniture and fixtures.



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Kawartha World Issues Centre  
Notes to Financial Statements

September 30, 2023

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1. Summary of Significant Accounting Policies (continued)

g) Contributed Materials and Services

Volunteers contribute significant hours each year to assist the organization in carrying out its activities. Because of the difficulty of determining their fair value, these services are not recognized in the financial statements.

Contributed materials and services which are used in the normal course of the organization's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if the fair value can be reasonably estimated.

h) 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 that affect the reported amounts of assets and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. The principal estimates used in the preparation of these financial statements are accounts payable and accrued liabilities and deferred revenue. Actual results could differ from management's best estimates as additional information becomes available in the future.

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2. Cash

Cash is made up of bank accounts held at one financial institution and one credit union.

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Kawartha World Issues Centre  
Notes to Financial Statements

September 30, 2023

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3. Deferred Revenue

Deferred revenues are for funds received for programs for which the expenses are not incurred at the year-end.

	<u>2023</u>	<u>2022</u>
KWIC programs		
Beginning balance	\$ 3,519	\$ 8,904
Additional funding	177,433	37,181
Amounts spent	<u>(156,546)</u>	<u>(42,566)</u>
Ending balance	<u>24,406</u>	<u>3,519</u>
TRACKS program		
Beginning balance	-	35,743
Additional funding	39,150	89,330
Amounts spent	<u>(39,150)</u>	<u>(125,073)</u>
Ending balance	<u>-</u>	<u>-</u>
	<u>\$ 24,406</u>	<u>\$ 3,519</u>

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4. Internally Restricted Net Assets

The general program internally restricted net asset is controlled by the board of directors to meet future operational needs.

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September 30, 2023

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5. Financial Instrument Risk

The organization's financial instruments consists of cash, accounts receivable, accounts payable and accrued liabilities and statutory deductions and withholdings. The financial instruments are subject to several types of risk, the main components being:

Credit Risk

Credit risk arises from the potential that a counterparty will fail to perform its obligation. The organization is exposed to that risk from its funders. Due to the nature of the organization, the credit risk is minimized by the signed contracts received prior to beginning the programs in question.

Liquidity Risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The organization is exposed to this risk mainly in respect of its accounts payable.

The organization's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash flows to fund its operations and to meet its liabilities when due, under both normal and stressed conditions. The organization maintains an internally restricted fund.

Changes in Risk

There have been no significant changes in the organization's risk exposures from the prior year.

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