

SAVE A FAMILY PLAN

Financial Statements

March 31, 2024



Baker Tilly Trillium LLP

**Leamington • Essex • London
Dorchester • Aylmer**

203 Talbot Street West
Leamington, Ontario N8H 1N8
Canada

T: 519.326.2666
F: 519.326.7008

leamington@bakertilly.ca
www.bakertilly.ca

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Save a Family Plan

Qualified Opinion

We have audited the financial statements of Save a Family Plan (the organization), which comprise the statement of financial position as at March 31, 2024, and the statements of revenues and expenses, 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 organization as at March 31, 2024, 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 Qualified Opinion

In common with many charitable organizations, the organization derives revenue from donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, cash flows from operations, current assets and net assets. Our audit opinion on the financial statements for the year ended March 31, 2023 contained a similar modification because of the possible effects of this limitation of scope.

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 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 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.

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AUDIT • TAX • ADVISORY

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Independent Auditor's Report to the To the Board of Directors of Save a Family Plan *(continued)*

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.



Independent Auditor's Report to the To the Board of Directors of Save a Family Plan *(continued)*

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.

Baker Tilly Trillium LLP

Chartered Professional Accountants
Licensed Public Accountants
Leamington, Ontario
June 17, 2024

SAVE A FAMILY PLAN
Statement of Financial Position
As at March 31, 2024

	Operating Fund 2024	Burse Fund 2024	Total 2024	Total 2023
ASSETS				
CURRENT				
Cash	\$ 2,973,623	\$ 46,290	\$ 3,019,913	\$ 1,737,511
Interest receivable	23,244	-	23,244	23,244
Investments (Note 4)	10,901,270	2,297,130	13,198,400	12,290,401
HST receivable	30,014	-	30,014	35,732
Cash surrender value of life insurance	-	-	-	29,927
Prepaid expenses	3,843	-	3,843	3,967
	13,931,994	2,343,420	16,275,414	14,120,782
CAPITAL ASSETS (Note 3)	255,849	-	255,849	268,379
	<u>\$ 14,187,843</u>	<u>\$ 2,343,420</u>	<u>\$ 16,531,263</u>	<u>\$ 14,389,161</u>
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities (Note 7)	\$ 636,048	\$ -	\$ 636,048	\$ 373,823
NET ASSETS				
Externally restricted (Notes 5, 6)	2,452,902	2,343,420	4,796,322	4,753,562
Unrestricted	10,843,044	-	10,843,044	8,993,397
Invested in capital assets	255,849	-	255,849	268,379
	13,551,795	2,343,420	15,895,215	14,015,338
	<u>\$ 14,187,843</u>	<u>\$ 2,343,420</u>	<u>\$ 16,531,263</u>	<u>\$ 14,389,161</u>

ON BEHALF OF THE BOARD

_____ Director
 _____ Director

SAVE A FAMILY PLAN
Statement of Changes in Net Assets
For the Year Ended March 31, 2024

	Operating Fund	Burse Fund	Invested in Capital Assets	2024	2023
NET ASSETS, BEGINNING OF YEAR	\$ 11,328,839	\$ 2,418,120	\$ 268,379	\$ 14,015,338	\$ 13,985,629
Excess of revenues over expenses	1,879,877	-	-	1,879,877	29,709
Net change in investment in capital assets	12,530	-	(12,530)	-	-
Fund transfers (Note 2)	74,700	(74,700)	-	-	-
NET ASSETS, END OF YEAR	\$ 13,295,946	\$ 2,343,420	\$ 255,849	\$ 15,895,215	\$ 14,015,338

SAVE A FAMILY PLAN
Statement of Revenues and Expenses
For the Year Ended March 31, 2024

	2024	2023
REVENUES		
Donations	\$ 3,328,527	\$ 3,272,776
Change in unrealized gain/loss on investments	1,506,600	(255,817)
Realized gain on investments	154,621	17,748
Dividend income	247,012	290,451
Interest income	107,181	81,496
	<u>5,343,941</u>	<u>3,406,654</u>
EXPENSES		
Program		
Family Development Program, India (Note 7)	1,993,801	2,004,813
Public engagement and technological support	64,827	62,032
Community Development Program, India projects (Note 7)		
- Employment rehabilitation initiatives	118,000	312,015
- Housing	200,000	120,000
- Health	266,000	250,000
- Pilot project	100,000	-
	<u>2,742,628</u>	<u>2,748,860</u>
Administrative costs		
Postage and courier	13,303	11,837
Insurance	35,999	3,403
Interest and bank charges	32,667	33,390
Office	17,642	20,049
Professional services	69,819	74,738
Rental	13,211	11,574
Salaries, wages and benefits	316,339	294,193
Telephone	2,622	2,875
Travel	14,640	544
	<u>516,242</u>	<u>452,603</u>
Other expenses		
Amortization	12,530	13,552
Foreign exchange translation gain	-	(17,345)
Fundraising costs	2,963	4,992
Investment advisory fees	189,701	174,283
	<u>205,194</u>	<u>175,482</u>
	<u>3,464,064</u>	<u>3,376,945</u>
EXCESS OF REVENUES OVER EXPENSES	\$ 1,879,877	\$ 29,709

See accompanying notes to financial statements

SAVE A FAMILY PLAN
Statement of Cash Flows
For the Year Ended March 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 1,879,877	\$ 29,709
Items not affecting cash:		
Amortization of capital assets	12,530	13,552
Gain on disposal of investments	(154,621)	(17,748)
Change in unrealized gain/loss on investments	(1,506,600)	255,817
	<u>231,186</u>	<u>281,330</u>
Changes in non-cash working capital:		
HST receivable	5,718	(8,168)
Cash surrender value of life insurance	29,927	-
Prepaid expenses	124	(2,453)
Accounts payable and accrued liabilities	262,225	(197,411)
	<u>297,994</u>	<u>(208,032)</u>
	<u>529,180</u>	<u>73,298</u>
INVESTING ACTIVITIES		
Proceeds on disposal of investments	5,007,051	2,732,802
Purchases of investments	(4,253,829)	(3,372,994)
	753,222	(640,192)
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,282,402	(566,894)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,737,511</u>	<u>2,304,405</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 3,019,913</u>	<u>\$ 1,737,511</u>

See accompanying notes to financial statements

SAVE A FAMILY PLAN
Notes to Financial Statements
Year Ended March 31, 2024

1. NATURE OF OPERATIONS

Save A Family Plan was founded in 1965 and was incorporated in 1986 without share capital under the laws of Canada. It supports sustainable and participatory Family and Community Development Programs in India through partnership with the poor regardless of caste, creed or religious affiliation. It is a registered charity and as such is exempt from income tax.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(b) Fund accounting

The financial statements of Save A Family Plan are maintained in accordance with principles of fund accounting. Accordingly, all financial transactions have been recorded and reported by the Operating Fund and the Burse Fund.

The Operating Fund accounts for program and administrative costs financed by grants, donations and all investment income.

The Burse Fund no longer receives donations as the burse plan was cancelled effective March 31, 2015. Commencing in 2015, donations received from April 1, 1992 to March 31, 2015 are being held in the Burse Fund for a period of twenty years, then at the beginning of the twenty-first year the funds are to be transferred to the Operating Fund (\$74,700 was transferred in the year) until completion in 2036. Unspent donations received prior to April 1, 1992 are being retained in perpetuity in the Burse Fund.

The statement of financial position reports all the assets, liabilities and fund balances of both funds. Interfund balances have been eliminated. The statement of changes in net assets reports the revenue and expenditures of each fund.

(c) Revenue recognition

Donations are recorded as received using the restricted fund method of accounting for contributions. Dividend income, interest income and realized gains and losses on investments are recorded when earned. Changes in unrealized gains/losses on investments are recorded at each reporting period end.

Government and other grants related to operating costs are accounted for as revenue when the grant is received.

(d) Program expenditures

Program expenditures are recorded on an accrual basis for allocation to participating families or developmental projects.

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SAVE A FAMILY PLAN
Notes to Financial Statements
Year Ended March 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) 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 balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. Estimates are made for the useful lives of capital assets.

(f) Cash and cash equivalents

The organization's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition.

(g) Capital assets

Capital assets are stated at cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Computer hardware	5 years
Computer software	10 years
Equipment	5 years
Leasehold improvements	40 years

When conditions indicate that a capital asset is impaired, the net carrying amount of the tangible capital asset shall be written down to the asset's fair value or replacement cost.

(h) Contributed services

The organization receives significant donations of services. Management has chosen to not recognize amounts related to these contributed services as the fair value cannot be reasonably estimated.

(i) Financial instruments

The organization's financial assets consist of cash, interest receivable, investments in fixed income securities, equities and equity funds. The organization's financial liabilities consist of accounts payable and accrued liabilities.

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equity instruments that are quoted in active markets are reported at fair value, with any change in unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Reversals of financial asset impairments may occur and the asset can be written up to its original cost. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

SAVE A FAMILY PLAN
Notes to Financial Statements
Year Ended March 31, 2024

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Computer hardware	\$ 23,414	\$ 22,787	\$ 627	\$ 627
Computer software	67,694	33,634	34,060	40,350
Equipment	32,587	31,785	802	802
Leasehold improvements	279,059	58,699	220,360	226,600
	<u>\$ 402,754</u>	<u>\$ 146,905</u>	<u>\$ 255,849</u>	<u>\$ 268,379</u>

4. INVESTMENTS

Investments are summarized below. Fixed income securities include bonds and term deposits earning interest ranging from 1.35% to 3.37% and maturing over the next 5 years as follows:

	Cost \$	Market Value \$	Face Value \$	Recorded \$
Fixed income securities (recorded at amortized cost)				
2025	\$ 1,057,836	\$ 1,039,988	\$ 1,042,751	\$ 1,057,836
2026	525,479	528,914	542,716	525,479
2027	599,974	602,767	628,572	599,974
2028	114,293	115,804	119,800	114,293
2029	114,281	116,065	119,000	114,281
	<u>2,411,863</u>	<u>2,403,538</u>	<u>2,452,839</u>	<u>2,411,863</u>
Equities and equity funds (recorded at fair market value)	7,403,366	10,786,537	-	10,786,537
	<u>\$ 9,815,229</u>	<u>\$ 13,190,075</u>	<u>\$ 2,452,839</u>	<u>\$ 13,198,400</u>

5. EXTERNALLY RESTRICTED - OPERATING FUND

This amount represents contributions received and not yet disbursed which are restricted for program funding.

6. EXTERNALLY RESTRICTED - BURSE FUND

Net assets of the burse fund consist of the following:

	2024	2023
Prior to 1992	\$ 1,434,329	\$ 1,434,329
Post 1992	909,091	983,791
	<u>\$ 2,343,420</u>	<u>\$ 2,418,120</u>

SAVE A FAMILY PLAN
Notes to Financial Statements
Year Ended March 31, 2024

7. PROGRAM EXPENSES

The organization exercises significant influence over Save A Family Plan (India) by virtue of its ability to appoint the President of the Board of Trustees of Save A Family Plan (India). Save A Family Plan (India) received payments of \$2,677,801 (2023 - \$2,686,828) from the organization during the year. These amounts are recorded at the exchange amount. The organization provided funding for sustainable grass-roots family and community based multi-sector programming including: housing, sanitation, education, income generation (entrepreneurial development), natural resource management and conservation, gender equality, health and hygiene, capacity building, good governance, human rights, child labour, and disaster management and rehabilitation.

Accounts payable includes \$607,851 (2023 - \$329,687) due to Save A Family Plan (India).

8. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2024.

Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is exposed to foreign currency exchange risk on cash and investments held in U.S. dollars. In seeking to minimize currency risk, the organization monitors foreign exchange rates, has implemented an investment policy and uses an investment advisor.

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 organization is exposed to this risk with respect to its investments bearing fixed interest rates. In seeking to minimize the risks of interest rate fluctuations, the organization manages exposure through its normal operating activities, by having an investment policy, and by using an investment advisor.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices other than those arising from interest rate risk or currency 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 organization is exposed to other price risk primarily through its investments in marketable securities. In seeking to minimize other price risk, the organization has implemented an investment policy and uses an investment advisor.

SAVE A FAMILY PLAN
Notes to Financial Statements
Year Ended March 31, 2024

9. COMMITMENT

The organization entered into a rental agreement for office space located within St. Peter's Seminary. Future annual rental costs are summarized as follows:

2025	\$	15,085
2026		17,335

10. CONTINGENT LIABILITY

The organization anticipates entering into an agreement to change the trustee of certain special purpose funds from itself to another registered charity, which would involve the transfer of such funds from the organization to the other registered charity. The timing and amount is not determinable at this time.

11. COMPARATIVE FIGURES

Certain of the comparative figures were reclassified to conform to the current year's presentation.