



**Your
accounting
partners.**

**ASSURANCE.
COMPLIANCE.
ADVICE.**

HELPAGE CANADA / AIDE AUX AÎNÉS (CANADA)

FINANCIAL STATEMENTS

Year ended March 31, 2024

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	1
Statement of Operations	2
Statement of Changes in Net Assets	3
Statement of Cash Flows	4
Notes to the Financial Statements	5



INDEPENDENT AUDITOR'S REPORT

To: The members of HelpAge Canada / Aide aux Aînés (Canada)

Qualified Opinion

We have audited the financial statements of **HelpAge Canada / Aide aux Aînés (Canada)**, which comprise the statement of financial position as at **March 31, 2024**, and the statements of operations, 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 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 its 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 not-for-profit organizations, the organization derives revenue from fundraising activities 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 fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2024 and March 31, 2023, current assets as at March 31, 2024 and March 31, 2023, and net assets at both the beginning and end of the March 31, 2024 and 2023 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 Consolidated Financial Statements section of our report. matter 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 opinion.

Other Matter

The financial statements of the organization for the year ended March 31, 2023 were audited by another auditor who expressed a modified opinion on those financial statements on July 28, 2023. The prior auditor expressed a modified opinion on the basis that revenue from donations and fundraising activities was not susceptible to satisfactory audit evidence with respect to completeness assertions.

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.

INDEPENDENT AUDITOR'S REPORT, continued

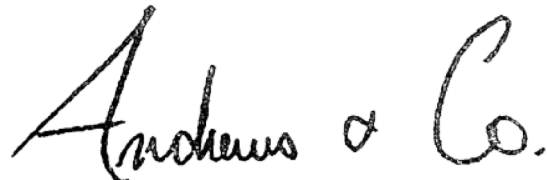
Auditor's Responsibilities for the Audit of the Financial Statements

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.

Ottawa, Ontario
September 27, 2024



CHARTERED PROFESSIONAL ACCOUNTANTS
PROFESSIONAL CORPORATION

AUTHORIZED TO PRACTISE PUBLIC ACCOUNTING BY THE CHARTERED PROFESSIONAL
ACCOUNTANTS OF ONTARIO

HELPAGE CANADA / AIDE AUX AÎNÉS (CANADA)
STATEMENT OF FINANCIAL POSITION
 As at March 31, 2024

	<u>2024</u>	<u>2023</u> (restated)
ASSETS		
CURRENT		
Cash - Note 3	\$ 318,181	\$ 453,376
Marketable securities - Note 4	417,801	-
Accounts receivable	94,220	57,185
Government rebates receivable	15,006	47,618
Prepaid expenses	<u>114,164</u>	<u>23,655</u>
	959,372	581,834
RESTRICTED CASH - NOTE 3	260,000	260,000
PROPERTY, PLANT AND EQUIPMENT - Note 5	<u>17,098</u>	<u>22,357</u>
	<u>\$ 1,236,470</u>	<u>\$ 864,191</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 39,083	\$ 54,178
Due to Caring Organizations for Sponsor A Grandparent - Note 6	72,662	82,586
Deferred project revenues - Note 7	<u>872,389</u>	<u>351,885</u>
	<u>984,134</u>	<u>488,649</u>
Internally Restricted for Contingency Reserve - Note 8	250,000	250,000
Externally Restricted for Endowment Purposes	10,000	10,000
Unrestricted Reserve	<u>(7,664)</u>	<u>115,542</u>
	<u>252,336</u>	<u>375,542</u>
	<u>\$ 1,236,470</u>	<u>\$ 864,191</u>

The accompanying notes are an integral part of these financial statements

Approved on behalf of the board

Members 

Members 

HELPAGE CANADA / AIDE AUX AÎNÉS (CANADA)
STATEMENT OF OPERATIONS
Year ended March 31, 2024

	<u>2024</u>	<u>2023</u>
REVENUES		
Sponsor A Grandparent sponsorships - Note 6	\$ 198,077	\$ 230,583
Canadian projects - Note 7	919,151	935,944
Fundraising	261,826	181,347
International projects - Note 7	999,013	2,204,733
Bequests - Note 9	<u>96,980</u>	<u>17,917</u>
	<u>2,475,047</u>	<u>3,570,524</u>
EXPENDITURES		
Amortization of capital assets	6,569	6,806
Bank charges and interest	12,073	14,131
Communication and marketing	51,620	98,447
Computer expense	44,934	35,366
Consultant and facilitator fees	234,091	320,572
Grants to other organizations	1,180,820	2,144,623
Insurance	17,397	18,226
Membership and subscription fees	4,028	8,981
Miscellaneous expenses	1,027	1,300
Office expenses	14,788	13,308
Professional development	-	5,754
Professional fees	27,045	51,450
Rent	29,729	29,600
Salaries and benefits	919,660	794,699
Travel, accommodations and meals	<u>74,103</u>	<u>62,613</u>
	<u>2,617,884</u>	<u>3,605,876</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES FROM OPERATIONS	<u>(142,837)</u>	<u>(35,352)</u>
OTHER INCOME		
Interest income	19,631	4,477
Gain on sale of property, plant and equipment	<u>-</u>	<u>6,725</u>
	<u>19,631</u>	<u>11,202</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>\$ (123,206)</u>	<u>\$ (24,150)</u>

The accompanying notes are an integral part of these financial statements

HELPAGE CANADA / AIDE AUX AÎNÉS (CANADA)
STATEMENT OF CHANGES IN NET ASSETS
 Year ended March 31, 2024

	<u>Internally Restricted for Contingency Reserve</u>	<u>Externally Restricted for Endowment Purposes</u>	<u>Unrestricted Reserve</u>	<u>Total 2024</u>	<u>Total 2023</u>
BALANCE, BEGINNING OF YEAR	\$ 250,000	\$ 10,000	\$ 115,542	\$ 375,542	\$ 399,692
Deficiency of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(123,206)</u>	<u>(123,206)</u>	<u>(24,150)</u>
BALANCE, END OF YEAR	<u>\$ 250,000</u>	<u>\$ 10,000</u>	<u>\$ (7,664)</u>	<u>\$ 252,336</u>	<u>\$ 375,542</u>

The accompanying notes are an integral part of these financial statements

HELPAGE CANADA / AIDE AUX AÎNÉS (CANADA)
STATEMENT OF CASH FLOWS
Year ended March 31, 2024

	<u>2024</u>	<u>2023</u> (restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Deficiency of revenues over expenditures	\$ (123,206)	\$ (24,150)
Items not affecting cash		
Amortization	6,569	6,806
Gain on sale of property, plant and equipment	-	(6,725)
Accrued interest not yet received	<u>(17,801)</u>	<u>-</u>
	(134,438)	(24,069)
Change in non-cash working capital items		
(Increase) decrease in accounts receivable	(37,035)	126,772
Decrease (increase) in Government rebates receivable	32,612	(12,593)
Increase in prepaid expenses	(90,509)	(12,410)
Decrease in accounts payable and accrued liabilities	(15,095)	(120,524)
Due to Caring Organizations for Sponsor A Grandparent	(9,924)	(22,452)
Increase (decrease) in deferred project revenues	<u>520,504</u>	<u>(196,788)</u>
	<u>266,115</u>	<u>(262,064)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(400,000)	-
Purchase of property, plant and equipment	(1,310)	(19,729)
Proceeds on disposal of property, plant and equipment	<u>-</u>	<u>22,417</u>
	<u>(401,310)</u>	<u>2,688</u>
DECREASE IN CASH	(135,195)	(259,376)
CASH, BEGINNING OF YEAR	<u>713,376</u>	<u>972,752</u>
CASH, END OF YEAR	<u>\$ 578,181</u>	<u>\$ 713,376</u>
CASH CONSISTS OF:		
Cash	\$ 318,181	\$ 453,376
Restricted cash	<u>260,000</u>	<u>260,000</u>
	<u>\$ 578,181</u>	<u>\$ 713,376</u>

The accompanying notes are an integral part of these financial statements

HELPAge CANADA / AIDE AUX AÎNÉS (CANADA)
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2024

1. NATURE OF OPERATIONS

HelpAge Canada / Aide aux Aînés (Canada) (the "Organization") is a non-denominational, non-profit international development organization engaged in meeting the needs of older people in Canada and in the developing world.

The Organization, which was previously administered by a trust, was incorporated as a Canadian corporation without share capital on July 16, 1984 and is a registered charitable organization for income tax purposes. The Organization continued under the Canada Not-for-Profit Corporations Act effective August 26, 2014.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are presented in accordance with Canadian Accounting Standards for Not-for-profit Organizations (ASNPO), which are part of Canadian generally accepted accounting principles. Significant accounting policies are detailed as follows:

(a) Property, plant and equipment

Property, plant and equipment are recorded at cost. The organization provides for amortization using the declining balance method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. The annual amortization rates are as follows:

Office equipment	20%
Computer hardware	30%
Computer software	100%

Property, plant and equipment are reviewed for impairment whenever events or changes in the circumstances indicate that the carrying value may not be recoverable. If the total of the estimated undiscounted future cash flows is less than the carrying value of the asset, an impairment loss is recognized for the excess of the carrying value over the fair value of the asset during the year the impairment occurs.

Website costs are charged to operations as an expense in the fiscal period of acquisition.

(b) Cash and cash equivalents

Cash and cash equivalents include cash and short-term investments with maturities of three months or less from their date of acquisition, which are readily convertible into a known amount of cash, and are subject to an insignificant risk to changes in their fair value.

(c) Contributed materials and services

Directors, committee members and owners volunteer their time to assist in the organization's activities. While these services benefit the organization considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements. Donations in kind require a large amount of space in order to store these types of items and due to space restrictions the Organization usually does not accept this type of donation. If the Organization does accept in-kind donations, the value of these contributions is recognized in these financial statements only if the fair value is reasonably determinable and if the Organization would have otherwise purchased these goods or services.

HELPAGE CANADA / AIDE AUX AÎNÉS (CANADA)
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2024

2. **SIGNIFICANT ACCOUNTING POLICIES, continued**

(d) **Financial instruments**

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost, except for marketable securities, which are measured at fair value. Changes in fair value are recognized in deficiency of revenues over expenditures in the period incurred.

Financial instruments measured at amortized cost include cash, accounts receivable, government rebates receivable, accounts payable, and accrued liabilities .

The organization holds no related party financial instruments at year-end

Impairment

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in deficiency of revenues over expenditures. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in deficiency of revenues over expenditures.

Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in net income over the life of the instrument using the straight-line method.

HELPAGE CANADA / AIDE AUX AÎNÉS (CANADA)
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable when the amount to be received can be reasonably estimated and collection is reasonably assured.

Sponsor A Grandparent revenues are made up of donations and gifts. Revenues for this program are recognized as applicable program expenditures are incurred.

Canadian Project revenues are made up of donations and gifts, and grants. Donations and gifts are recognized when received. Grants are recognized as revenue when certain conditions are met, such as incurring specific expenses or achieving project milestones. If the grant is unconditional, revenue is recognized immediately upon receipt.

Fundraising revenues are made up of donations and gifts which are recognized when received.

International Project revenues are made up of donations and gifts, grants, and fees-for-service. Donations and gifts are recognized when received. Grants are recognized as revenue when certain conditions are met, such as incurring specific expenses or achieving project milestones. If the grant is unconditional, revenue is recognized immediately upon receipt. Fees-for-service amounts are recognized when the service(s) are provided to the customer (when the services are delivered) to reflect the work performed during the reporting period.

Bequests are recorded when the probate process is complete. This relates to when the organization has an irrevocable right to the funds with a reasonably estimable amount and timeline for distribution, and confirmation from the executor or administrator of the estate.

(f) 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are :

- (i) accounts receivable, with respect to estimating collectibility
- (i) capital assets, with respect to estimating remaining useful lives
- (i) accrued liabilities, with respect to estimating various provisions

HELPAGE CANADA / AIDE AUX AÎNÉS (CANADA)
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2024

3. CASH

Cash accounts are held in one financial institution. The Organization has various savings accounts that bear interest on escalating tiered bases. At year-end, the Organization was earning an average interest rate on these accounts of 2.57% (2023 - 1.99%). The Organization also holds operating accounts which are non-interest bearing.

4. MARKETABLE SECURITIES

The Organization holds a prime-linked cashable guaranteed investment certificate ("GIC"). The GIC earns interest at prime minus 2.25% (2023 - NIL) and matures April 4, 2024. The effective interest rate earned on the GIC throughout the 2024 fiscal year was 4.84% (2023 - NIL).

	2024 Cost	2024 Fair Value	2023 Cost	2023 Fair Value
Guaranteed investment certificates	\$ 400,000	\$ 417,801	\$ -	\$ -

5. PROPERTY, PLANT AND EQUIPMENT

	2024			2023
	Cost	Accumulated amortization	Net	Net
Office equipment	\$ 7,649	\$ 4,317	\$ 3,332	\$ 2,692
Computer hardware	38,627	24,861	13,766	19,665
Computer software	3,309	3,309	-	-
Total property, plant and equipment	\$ 49,585	\$ 32,487	\$ 17,098	\$ 22,357

6. DUE TO CARING ORGANIZATIONS FOR SPONSOR A GRANDPARENT

	2024	2023
Deferred revenues, beginning of year	\$ 82,586	\$ 105,038
Less : Amount recognized as revenue in year	(198,077)	(230,583)
Add: Funds received during the year for the program	188,153	208,131
Total	\$ 72,662	\$ 82,586

HELPAge CANADA / AIDE AUX AÎNÉS (CANADA)
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2024

7. DEFERRED PROJECT REVENUES

	<u>2024</u>	<u>2023</u> (restated)
Deferred revenues, beginning of year	\$ 351,885	\$ 548,673
Less : Amount recognized as revenue in year (Canadian and International projects)	(1,918,164)	(3,140,677)
Add: Funds received during the year for projects	<u>2,438,668</u>	<u>2,943,889</u>
 Total	 <u>\$ 872,389</u>	 <u>\$ 351,885</u>

Canadian and International project revenues include certain restricted contributions that are subject to the approval of the various funders after their review of the Organization's financial reports, as well as being subject to future potential reviews of the underlying books and records supporting these reports. Any request for repayment of contributions will be recorded in the year the funder provides notification to the Organization. Management has noted that no such requests have been received to date.

8. INTERNALLY RESTRICTED FOR CONTINGENCY RESERVE

Funds were appropriated by the Board of Directors in 1996 to provide for various corporate contingencies. The internally restricted contingency reserve is a threshold deemed by the Board of Directors as a necessary buffer that would be required to be accessed in such a case that HelpAge Canada could not reasonably be expected to continue as a going concern and a wind-up process would be required. The contingency balance remained at \$250,000 for the 2024 fiscal year, therefore no interfund transfers were made throughout the year (2023 - \$NIL).

9. BEQUESTS

The organization has recognized outstanding pledges and bequests in the current year financial statements. \$77,000 is recognized as a receivable at year-end and is included in bequest revenues for the 2024 fiscal period.

10. PRIOR PERIOD ADJUSTMENT

The comparative amounts have been retroactively restated to reflect classification errors that were not previously recorded. These adjustments do not impact retained earnings as at March 31, 2023.

In the prior year financial statements, some amounts were reported as relating to both accounts receivable and deferred revenues. Upon reconciliation of the deferred revenue accounts, the amounts in question did not meet the characteristics of an asset or liability at the end of the 2023 fiscal period.

The prior year amounts have been adjusted to reclassify those accounts receivable balances related to corresponding balances maintained in the deferred revenue accounts. The impact of this adjustment is as follows:

HELPAGE CANADA / AIDE AUX AÎNÉS (CANADA)
NOTES TO THE FINANCIAL STATEMENTS
Year ended March 31, 2024

10. PRIOR PERIOD ADJUSTMENT, continued

Accounts receivable decreased by \$61,220.00, and deferred revenues decreased by \$61,220.00 as at March 31, 2023. Accordingly, prior year schedules containing details related to the deferred revenues (Note 7) have also been updated to reflect the applicable changes.

11. COMMITMENTS

Office Premises:

As at March 31, 2024, the organization has a lease commitment for office space that expires on November 30, 2024. Minimum lease payments, excluding applicable taxes, over the remaining term of the agreement are \$19,200.

Other:

In connection with its operations, the Organization regularly enters into relatively short-term agreements for the purchase of various supplies and services. Certain of these agreements extend beyond the end of the 2024 fiscal year. In the opinion of management, these agreements are in the normal course of the Organization's operations, are not abnormal in amount or nature and do not include a high degree of speculative risk.

12. RISK MANAGEMENT

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization is exposed to credit risk on the accounts receivable from its customers. The Organization's main credit risk relates to its accounts receivable and government rebates receivable. The organization does not believe there is any significant risk of not collecting these amounts.

Liquidity risk

Liquidity risk is the risk the organization will encounter difficulty meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its current liabilities, its ability to provide the activities related to its deferred revenue and to meet its potential financial commitments set out in Note 9 to these financial statements. Currently, the organization does not hold any financial instruments to mitigate this risk.

Market risk

Market risk is the risk that future cash flows will fluctuate because of changes in market prices. It is comprised of three types of risk: currency risk, interest rate risk, and other price risk. The organization does not believe it is subject to any significant market risks.

There have been no significant changes in the Organization's risk exposures from the 2023 fiscal year.

13. COMPARATIVE FIGURES

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.



**ANDREWS & CO. IS A MEMBER FIRM OF THE
“NEXIA INTERNATIONAL” NETWORK.**

 **Andrews & Co.**

**540 LACOLLE WAY
OTTAWA, ON K4A 0N9**

**+ 613.837.8282
+ 613.837.7482 (FAX)
INFO@ANDREWS.CA**

ANDREWS.CA
