

ANGLICAN UNITED REFUGEE ALLIANCE - AURA

(a charitable organization)

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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INDEPENDENT AUDITORS' REPORT

To the members of **Anglican United Refugee Alliance - AURA**

Opinion

We have audited the accompanying financial statements of Anglican United Refugee Alliance - AURA, which comprise the statement of financial position as at December 31, 2023, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization 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.

Basis for Opinion

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 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.



CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

Markham, Ontario
May 6, 2024

ANGLICAN UNITED REFUGEE ALLIANCE - AURA

(a charitable organization)

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2023

	2023	2022
ASSETS		
Current		
Cash and equivalents	\$ 195,527	\$ 179,310
Funds held for sponsors (note 2)	747,624	520,719
Reserve fund (note 3)	115,000	115,000
Assurance fund (note 4)	102,530	102,530
Prepaid expenses and sundry receivables	<u>7,646</u>	<u>3,652</u>
	1,168,327	921,211
Fixed assets, net (note 5)	<u>1,127</u>	<u>840</u>
Total assets	<u><u>\$1,169,454</u></u>	<u><u>\$ 922,051</u></u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 5,410	\$ 5,380
Withholding taxes payable	3,140	2,419
Funds held for sponsors (note 2)	747,624	520,719
CEBA loan payable (note 6)	<u>-</u>	<u>40,000</u>
Total liabilities	<u>756,174</u>	<u>568,518</u>
NET ASSETS		
Net assets	<u>413,280</u>	<u>353,533</u>
Total net assets	<u>413,280</u>	<u>353,533</u>
	<u><u>\$1,169,454</u></u>	<u><u>\$ 922,051</u></u>

Approved on behalf of the Board:

J. Nelson Director

S. S. S. Director

The accompanying notes form an integral part of these financial statements.

ANGLICAN UNITED REFUGEE ALLIANCE - AURA
(a charitable organization)
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2023

	Total 2023	Total 2022
BALANCE - Beginning of year	\$ 353,533	\$ 319,062
Add - Excess of revenue over expenses	<u>59,747</u>	<u>34,471</u>
BALANCE - End of year	<u>\$413,280</u>	<u>\$353,533</u>

The accompanying notes form an integral part of these financial statements.

ANGLICAN UNITED REFUGEE ALLIANCE - AURA

(a charitable organization)

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2023

2023 2022

REVENUES

Donations	\$ 95,127	\$ 91,505
Anglican Church sources	91,150	72,583
IRCC funding for STEPS	64,532	71,086
United Church sources	66,881	56,987
Government of Canada	4,756	8,944
Interest	<u>7,828</u>	<u>184</u>
	<u>330,274</u>	<u>301,289</u>

EXPENSES

Wages and wage costs	167,926	165,413
STEPS program expenses	52,470	63,517
Office	12,803	11,165
Professional fees	12,654	6,150
Rent	12,300	12,000
Insurance	4,907	3,498
Fundraising costs	2,915	1,254
Telephone and internet	1,871	2,224
Bank charges	1,498	537
Dues and memberships	700	700
Amortization	<u>483</u>	<u>360</u>
	<u>270,527</u>	<u>266,818</u>

EXCESS OF REVENUES OVER EXPENSES \$ 59,747 \$ 34,471

ANGLICAN UNITED REFUGEE ALLIANCE - AURA

(a charitable organization)

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2023

	2023	2022
Cash and cash equivalents provided (used):		
Operating activities:		
Excess of revenue over expenses	\$ 59,747	\$ 34,471
Adjustments for:		
Amortization of capital assets	<u>483</u>	<u>360</u>
	60,230	34,831
Changes in non-cash working capital:		
Increase in prepaid expenses and sundry assets	(2,581)	(1,033)
Decrease in withholding taxes payable	(693)	(195)
Decrease in accounts payable and accrued liability	31	2,833
Increase in funds held for sponsors	<u>226,905</u>	<u>237,365</u>
Cash flow from operating activities:	<u>283,892</u>	<u>273,801</u>
Cash flow from investing activities:		
Acquisition of capital assets	<u>(770)</u>	<u>(1,200)</u>
Cash flow from financing activities	<u>(40,000)</u>	<u>-</u>
Net increase in cash and cash equivalents	243,122	272,601
CASH AND CASH EQUIVALENTS - Beginning of year	<u>917,559</u>	<u>644,958</u>
CASH AND CASH EQUIVALENTS - End of year	<u><u>\$1,160,681</u></u>	<u><u>\$ 917,559</u></u>

The accompanying notes form an integral part of these financial statements.

ANGLICAN UNITED REFUGEE ALLIANCE - AURA

(a charitable organization)

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-for-Profit organizations in Part III of the Chartered Professional Accountants of Canada ("CPA Canada") Handbook.

(a) PURPOSE OF THE ORGANIZATION

AURA is a Canadian Charitable Corporation assisting in the sponsorship and resettlement of refugees.

The organization is incorporated under the laws of the Province of Ontario as a not-for-profit organization and is a registered Canadian charitable organization, registration number 108221938 RR0001 and is exempt from income taxes under Section 149 of the Income Tax Act.

(b) CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of highly liquid bank accounts and marketable securities.

(c) GRANTS AND ACCOUNTS RECEIVABLE

Grants and accounts receivable include amounts due from government contracts and as well as service receivables from daycare, memberships and other revenue sources. Unless otherwise provided for, all receivables are expected to be collected within 90 days.

(d) REVENUE RECOGNITION

The organization uses a deferral method of accounting for contributions. Accordingly, contributions subject to externally imposed restrictions are initially recorded as deferred revenue and are subsequently recognised as revenue in the year in which the related expenses are incurred.

(e) CAPITAL ASSETS

Capital assets are recorded at cost and are amortized over their estimated useful lives using the straight line method as follows:

Computer equipment	- 30% of unamortized cost
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(f) DONATED GOODS AND SERVICES

Donated goods and services are not recorded in the accounts of the organization, except when a fair value of such goods and services can be reasonably estimated and when the goods and services are normally purchased by the organization and would be paid for if not donated.

(g) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires the organization's management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Actual results may differ from these estimates.

ANGLICAN UNITED REFUGEE ALLIANCE - AURA

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NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(h) FINANCIAL INSTRUMENTS

The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, withholding taxes payable.

2. SPONSORSHIP FUND

AURA holds funds raised by sponsor groups who are not Anglican or United Churches to ensure Sponsorship Agreement Holder obligations to Immigration, Refugees and Citizens Canada are met. Such obligations include assurance that all projected refugee settlement costs have been raised in advance of the settlement application. Interest earned on these funds accrues to the benefit of the sponsor group and hence the refugees supported.

3. RESERVE FUND

AURA relies on donations for substantially all revenues. The timing and amount of donations can be unpredictable, and the reserve fund exists to ensure operations are properly maintained in the event of unforeseen cashflow distribution.

4. ASSURANCE FUND

AURA from time to time and at its sole discretion may use this fund to close timing gaps in sponsorship funds in order to accelerate settlement applications. Funds are returned to the assurance fund once full sponsorship funding has been achieved. Interest earned on these funds accrues to AURA for its general purposes.

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	2023 Net	2022 Net
Computer equipment	\$ <u>5,962</u>	<u>4,835</u>	\$ <u>1,127</u>	\$ <u>840</u>

6. CEBA LOAN

The CEBA loan is non-interest bearing until December 31, 2023. The loan was fully paid during the year.

ANGLICAN UNITED REFUGEE ALLIANCE - AURA

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NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

7. FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash and temporary investments, grants receivable, prepaid expenses and sundry assets and accounts payable and accrued liabilities. It is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The carrying values of the financial instruments approximate their fair market values because of the relatively short period to maturity of the instruments or because they are receivable or payable on demand.

Liquidity Risk

- (a) Liquidity risk is a risk that the organization will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The organization is exposed to liquidity risk arising primarily from the requirement to pay its payables and withholding taxes. The organization's ability to meet these obligations depends on the receipt of funds from its operations, which it monitors closely.
- (b) The organization believes that it is not exposed to significant interest, currency, credit, market or other price risks arising from holding financial instruments