

**PROJECT ABRAHAM**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

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**I N D E X**

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## INDEPENDENT AUDITORS' REPORT

To the Members of:  
**Project Abraham**

We have audited the accompanying financial statements of **Project Abraham** (the Organization), which comprise the statement of financial position as at December 31, 2021 and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, the Organization derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenue was limited to the amounts recorded in the records of the Organization and we were unable to determine whether any adjustments for unrecorded revenue might be necessary to donations, statement of changes in net assets, operations and cash flows.

### *Qualified Opinion*

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenue as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2021 and the results of its operations, changes in net assets and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### *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.

In preparing the financial statements, management is responsible for assessing **Project Abraham'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 **Project Abraham** or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for over seeing **Project Abraham's** financial reporting process.

### *Auditors' Responsibility*

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 **Project Abraham'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 **Project Abraham'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 **Project Abraham** 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

*Yale PGC LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Toronto, Ontario  
April 28, 2022

**PROJECT ABRAHAM**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2021**

	2021	2020
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 146,804	\$ 85,204
Harmonized Sales Tax receivable	<u>9,943</u>	<u>7,925</u>
	156,747	93,129
<b>PROPERTY AND EQUIPMENT</b> (note 2)	<u>10,824</u>	<u>13,449</u>
<b>TOTAL ASSETS</b>	<u>\$ 167,571</u>	<u>\$ 106,578</u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Account payable and accrued liabilities	\$ 35,510	\$ 12,233
Payroll liabilities	5,462	4,997
Deferred contributions (note 3)	<u>108,412</u>	<u>2,000</u>
	149,384	19,230
<b>NET ASSETS</b>		
Net assets at the beginning of year	87,348	(6,875)
Income for the year	<u>(69,161)</u>	<u>94,223</u>
Balance, end of the year	<u>18,187</u>	<u>87,348</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 167,571</u>	<u>\$ 106,578</u>

**APPROVED BY THE DIRECTORS:**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

See accompanying notes

**PROJECT ABRAHAM**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	2021	2020
<b>REVENUE</b>		
Donation received	\$ 91,946	\$ 87,914
Grant - IRCC contribution (note 4)	344,405	252,315
Grant - other	9,546	58,930
Sponsorships (note 5)	15,489	-
Interest income	-	56
	<u>461,386</u>	<u>399,215</u>
<b>EXPENSES</b>		
Advertising and promotion	193	240
Amortization expense	9,207	5,102
Bank charge and fees	1,069	613
Insurance	2,421	2,202
IRCC expenses (note 4)	359,243	220,490
Office and general	5,240	3,572
Payroll expenses	58,928	34,987
Professional fee	4,418	4,016
Sponsor and Supports	67,527	13,445
Subcontractor	22,301	20,325
	<u>530,547</u>	<u>304,992</u>
<b>INCOME (LOSS) FOR THE YEAR</b>	<u>\$ (69,161)</u>	<u>\$ 94,223</u>

See accompanying notes

**PROJECT ABRAHAM**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income (loss) for the year	\$ (69,161)	\$ 94,223
Items not affecting cash:		
Amortization of property, plant and equipment	9,207	5,102
Changes in non-cash working capital components:		
- HST receivable	(2,018)	(4,341)
- Contribution receivable	-	23,370
- Prepaid expenses and deposits	-	3,895
- Accounts payable and accrued liabilities	23,742	4,809
- Deferred contributions	106,412	(34,055)
	<u>68,182</u>	<u>93,003</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of computer equipment	<u>(6,582)</u>	<u>(18,551)</u>
<b>INCREASE (DECREASE) IN CASH</b>	61,600	74,452
<b>CASH AT BEGINNING OF THE YEAR</b>	<u>85,204</u>	<u>10,752</u>
<b>CASH AT END OF THE YEAR</b>	<u>\$ 146,804</u>	<u>\$ 85,204</u>

See accompanying notes

**PROJECT ABRAHAM**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

Project Abraham (formerly "Mozuud Resettlement and Support for Victims of Persecution Corporation") ("the Organization") is a non-for-profit organization without share capital that was incorporated on November 14, 2017 under the laws of Canada. The Organization operates in Toronto, Ontario to provide support and aid to victims of war, persecution, unfair discrimination, and natural disasters, including refugee claimants and their families. The Organization is registered as a charity organization by Canada Revenue Agency. The accompanying financial statements reflect the assets, liabilities and results of operations for the Organization. The Organization is exempt from income tax under the Income Tax Act.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit organizations ("ASNPO") and include the following significant accounting policies:

Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions in the form of grants and sponsorships are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized when payment is received, donation is recognized as income when cash is received and donation receipts are issued.

Donations are recognized as revenue when received or receivable and collection is reasonably assured.

Property and Equipment

Property and equipment are stated at cost. Amortization, unless stated otherwise, is provided on the declining balance basis at the following annual rates based on management's best estimate of their useful lives:

Computer equipment	-	55%
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Amortization on additions is provided at half the above rate.

Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Contributed services

The Organization benefits greatly from donated services in the form of volunteer work for various activities. The value of donated services is not recognized in the financial statements because of the difficulty of measurement.

**PROJECT ABRAHAM**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

Use of estimates

The preparation of the 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 liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates are accruals. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the period in which they become known. Actual results could differ from these estimates.

Financial Instruments

The Financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, the carrying amount incorporates the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations immediately when issued or acquired.

For financial assets measured at cost or amortized cost, the Organization regularly assesses whether there are any indicators of impairment. If there is an indication of impairment, and the Organization determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it immediately recognizes an impairment loss in the Statement of Operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Financial assets measured at cost include cash. Financial liabilities measured at cost include the accounts payable and accrued liabilities and payroll liabilities.

**2. PROPERTY AND EQUIPMENT**

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2021</u>	<u>2020</u>
Computer equipment	\$ 25,133	\$ 14,309	\$ 10,824	\$ 13,449

**3. DEFERRED CONTRIBUTIONS**

Deferred contributions represent as contribution or funding received for which the related costs have not yet been incurred. It consists of the following:

	<u>2021</u>	<u>2020</u>
Restricted government contribution	\$ 47,618	\$ -
Deferred private grant contributions	60,794	2,000
	<u>\$ 108,412</u>	<u>\$ 2,000</u>

## PROJECT ABRAHAM

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

#### 3. **DEFERRED CONTRIBUTIONS** - continued

- The Organization received total of \$392,023 restricted government funds from the Minister of Immigration, Refugees and Citizenship ("IRCC"), \$344,405 related expenses was incurred in the year, the remaining balance of \$47,618 fund received was deferred to be used in the subsequent year;
- For deferred private grants, the Organization received total of \$61,955 grant from TD Sponsorships for TD Homework Club program, and \$15,489 related expenses was incurred during the year, the remaining balance of \$46,466 was deferred and to be used in the subsequent year; the Organization also received total funding of \$25,500 for the Yezidi Education Support ("YES") Extended Teaching Hours Program and \$12,204 related expenses was incurred, the remaining balance of \$13,296 was deferred and to be used in the subsequent year; in addition, The Computer Literacy, Summer Job and other programs had a deferred contribution of \$1,032 to be used in subsequent year.

#### 4. **IRCC CONTRIBUTION**

The Organization and the Minister of Immigration, Refugees and Citizenship ("IRCC") initially entered into a 3 year agreement from April 1, 2020 to March 31, 2023, and the IRCC is providing total funding of \$1,011,535 over 3 years to support the Yezidi Education Support ("YES") program. During the year, the agreement was amended as there is additional support program - the Youth Integration Program, the funding period was extended till March 31, 2025 and the IRCC is providing total funding amount of \$1,867,623 over 5 years. The Organization received total of \$392,023 fund from IRCC during year ended December 31, 2021 (2020 - \$252,315). The IRCC expense are project related expenses incurred by the Organization during the year. As at December 31, 2021, \$47,618 fund received was deferred and to be used in the subsequent year.

#### 5. **TD SPONSORSHIPS**

The Organization and the Toronto-Dominion Bank ("TD") entered into a 3 year agreement from September 1, 2021 to June 30, 2024, and the TD is providing total grant fund of \$185,535 over 3 years to support the Homework Club program. The program is to tutor refugee children in area of reading and math, to bring them up to their appropriate grade level. The Organization received total of \$ 61,955 fund from TD during year ended December 31, 2021. The expense are project related expenses incurred by the Organization during the year. As at December 31, 2021, \$46,466 fund received was deferred and to be used in the subsequent year.

#### 6. **FINANCIAL INSTRUMENTS**

The Organization is exposed to various risks through its financial instruments. The following summary describes the significant risks as at December 31, 2021:

##### (a) Credit Risk

Credit risk is the risk that a borrower may not repay a loan and the lender will lose the principal and interest of the loan. The organization has determined that the primary financial asset with credit risk exposure would be HST receivable due to the nature of those items, the organization is subject to minimum credit risk.

**PROJECT ABRAHAM**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**6. FINANCIAL INSTRUMENTS - continued**

(b) Liquidity Risk

The organization's liquidity risk represents the risk that the organization could encounter difficulty in meeting obligations associated with its financial liabilities. The organization is, therefore, exposed to liquidity risk with respect to its accounts payable. The organization meets its liquidity requirements by preparing and monitoring forecasts of cash flows from operations, anticipating the financing activities and holding assets that can be readily converted into cash, and having facilities available should it be required to meet temporary fluctuations in cash requirements.

(c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk. The Organization is not exposed to any market risk related to financial instruments.

**7. COVID-19**

During the year, the World Health Organization characterized the outbreak of a strain of the novel coronavirus ("COVID-19") as a pandemic, which has resulted in a series of public health and emergency measures that have been put in place to combat the spread of the virus. The duration and impact that the length and severity of these developments will have on the financial results and condition of the Organization in future periods.

**8. COMPARATIVE FIGURES**

The prior year comparative figures have been reclassified to conform with current year's financial statement presentation.

**SIGNATURE CERTIFICATE**

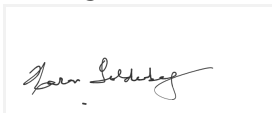
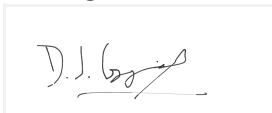


**REFERENCE NUMBER**

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TRANSACTION DETAILS	DOCUMENT DETAILS
<p><b>Reference Number</b> 8EEB0AA5-F6FA-4748-81D6-BBEC316D338E</p> <p><b>Transaction Type</b> Signature Request</p> <p><b>Sent At</b> 05/13/2022 17:05 EDT</p> <p><b>Executed At</b> 05/16/2022 14:30 EDT</p> <p><b>Identity Method</b> email</p> <p><b>Distribution Method</b> email</p> <p><b>Signed Checksum</b> c2efb85b5b7e5ce9ff2b3065d0b584e26a43f983451a02a9a98477f9e557c915</p> <p><b>Signer Sequencing</b> Disabled</p> <p><b>Document Passcode</b> Disabled</p>	<p><b>Document Name</b> Financial Statements</p> <p><b>Filename</b> financial_statements.pdf</p> <p><b>Pages</b> 11 pages</p> <p><b>Content Type</b> application/pdf</p> <p><b>File Size</b> 234 KB</p> <p><b>Original Checksum</b> 72685783cee2e39fd93bc836b537adf1960913cbad9a324de1b55da1affa1c45</p>

**SIGNERS**

SIGNER	E-SIGNATURE	EVENTS
<p><b>Name</b> Karen Goldenberg</p> <p><b>Email</b> karengoldenberg143@gmail.com</p> <p><b>Components</b> 1</p>	<p><b>Status</b> signed</p> <p><b>Multi-factor Digital Fingerprint Checksum</b> 87efa929f609e73738f6dad0a343aa20bbd24dc6e37125625e469e008a8699bf</p> <p><b>IP Address</b> 174.119.154.24</p> <p><b>Device</b> Mobile Safari via iOS</p> <p><b>Drawn Signature</b> </p> <p><b>Signature Reference ID</b> 554D3CA1</p> <p><b>Signature Biometric Count</b> 324</p>	<p><b>Viewed At</b> 05/16/2022 14:30 EDT</p> <p><b>Identity Authenticated At</b> 05/16/2022 14:30 EDT</p> <p><b>Signed At</b> 05/16/2022 14:30 EDT</p>
<p><b>Name</b> Daniel Grzymisch</p> <p><b>Email</b> dgrzymisch@gmail.com</p> <p><b>Components</b> 1</p>	<p><b>Status</b> signed</p> <p><b>Multi-factor Digital Fingerprint Checksum</b> 77bb83b21f4efad8292f25fc8bdddaaff802694fae0e0a91d0034bc5854abfcfe</p> <p><b>IP Address</b> 99.229.73.158</p> <p><b>Device</b> Chrome via Windows</p> <p><b>Drawn Signature</b> </p> <p><b>Signature Reference ID</b> 0825444B</p> <p><b>Signature Biometric Count</b> 308</p>	<p><b>Viewed At</b> 05/13/2022 17:13 EDT</p> <p><b>Identity Authenticated At</b> 05/13/2022 17:16 EDT</p> <p><b>Signed At</b> 05/13/2022 17:16 EDT</p>

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# AUDITS

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05/13/2022 17:05 EDT	Karen Goldenberg (karengoldenberg143@gmail.com) was emailed a link to sign.
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