

PROJECT ABRAHAM
FINANCIAL STATEMENTS
DECEMBER 31, 2024

PROJECT ABRAHAM

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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, 2024 and the statements of operations 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, 2024 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 overseeing **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 auditors' 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 auditors' 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 auditors' 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

Richmond Hill, Ontario
May 22, 2025

PROJECT ABRAHAM
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 143,127	\$ 130,872
Grants receivable	12,740	-
GST/HST receivable	<u>4,008</u>	<u>5,178</u>
	159,875	136,050
PROPERTY AND EQUIPMENT (note 2)	<u>4,072</u>	<u>7,787</u>
TOTAL ASSETS	<u>\$ 163,947</u>	<u>\$ 143,837</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Account payable and accrued liabilities	\$ 20,784	\$ 25,405
Payroll liabilities	1,241	1,241
Deferred contributions (note 3)	<u>102,235</u>	<u>119,640</u>
	<u>124,260</u>	<u>146,286</u>
NET ASSETS		
Net assets (deficit) at the beginning of year	(2,449)	12,522
Excess (deficit) of revenue over expenditures for the year	<u>42,136</u>	<u>(14,971)</u>
Balance, end of the year	<u>39,687</u>	<u>(2,449)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 163,947</u>	<u>\$ 143,837</u>

APPROVED BY THE DIRECTORS:

_____ Director

PROJECT ABRAHAM
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
REVENUE		
Administrative income (note 3)	\$ 61,487	\$ 73,972
Donations	47,448	44,638
Grants - IRCC contribution (note 3)	342,866	402,701
Grants - Community Investment Fund Program (note 3)	111,748	-
Sponsorships - Homework Club Program (note 3)	52,474	193,320
Grants - other (note 3)	13,321	12,287
Interest income	1,194	-
	<u>630,538</u>	<u>726,918</u>
EXPENSES		
IRCC expenses (note 3)	387,069	402,701
Community Investment Fund Program expenses (note 3)	87,306	-
Homework Club Program expenses (note 3)	53,326	186,214
Office and general	11,850	10,155
Administrative wages	24,322	72,396
Professional fees	16,909	11,144
Advertising and promotion	-	1,778
Bank charge and fees	808	837
Insurance	2,314	2,926
Subcontractors	-	47,319
Amortization	4,498	6,419
	<u>588,402</u>	<u>741,889</u>
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	<u>\$ 42,136</u>	<u>\$ (14,971)</u>

See accompanying notes

PROJECT ABRAHAM
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess (deficit) of revenue over expenditures for the year	\$ 42,136	\$ (14,971)
Items not affecting cash:		
Amortization	4,498	6,419
Changes in non-cash working capital components:		
- GST/HST receivable	1,170	(324)
- Grants receivable	(12,740)	39,666
- Accounts payable and accrued liabilities	(4,620)	(4,822)
- Deferred contributions	(17,406)	26,624
	<u>13,038</u>	<u>52,592</u>
INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(783)</u>	<u>(5,066)</u>
INCREASE IN CASH	12,255	47,526
CASH AT BEGINNING OF THE YEAR	<u>130,872</u>	<u>83,346</u>
CASH AT END OF THE YEAR	<u>\$ 143,127</u>	<u>\$ 130,872</u>

See accompanying notes

PROJECT ABRAHAM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

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.

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, 2024

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>2024</u>	<u>2023</u>
Computer equipment	\$ 36,870	\$ 32,798	\$ 4,072	\$ 7,787

3. DEFERRED CONTRIBUTIONS

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

	<u>2024</u>	<u>2023</u>
Balance, beginning of the year	\$ 119,640	\$ 93,016
Contributions received during the year	564,490	716,769
Contributions recognized as revenue during the year	<u>(581,895)</u>	<u>(690,145)</u>
	<u>\$ 102,235</u>	<u>\$ 119,640</u>

PROJECT ABRAHAM
NOTES TO FINANCIAL STATEMENTS
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3. DEFERRED CONTRIBUTIONS - continued

- The Organization received a total of \$393,401 restricted government funds from the Minister of Immigration, Refugees and Citizenship ("IRCC"), \$50,535 was recognized as Administrative income according to the agreement and \$387,069 related expenses was incurred in the year. No deferred contribution to be used in the subsequent year;
- The Organization received a total of \$122,700 from Regional Municipality of York for Community Investment Fund Program. \$10,952 was recognized as Administrative income according to the agreement and \$87,306 related expenses was incurred in the year, No deferred contribution to be used in the subsequent year;
- The Organization received total of \$108,518 from Toronto-Dominion Bank, \$52,474 was recognized in revenue and \$53,326 of related expenses was incurred during the year, the remaining balance of \$56,044 was deferred and to be used in the subsequent year;
- The Organization received total of \$51,961 from Foundation of J.Armand Bombardier for a three years period started from October, 2024. \$6,961 include as Grant-other in the year, the remaining balance of \$45,000 was deferred and to be used in the subsequent year;
- An additional \$6,360 has been included in Grant-other with an additional \$1,191 included in deferred contributions for other grants and funding.

4. FINANCIAL INSTRUMENTS

The Organization is exposed to various risks through its financial instruments. The following summary describes the significant risks as at December 31,2024:

(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 Accounts receivable and HST receivable due to the nature of those items, the organization is subject to minimum credit risk.

(b) Liquidity Risk

The organization is exposed to liquidity risk in that the foundation will not have sufficient cash resources to meet its financial obligations as they come due. The organization is exposed to the this risk mainly with its accounts payable and accrued liabilities. The organization manages this risk by actively monitoring its cash flows to ensure resources are available.

(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 subject to minimum market risk as holding of business investor account from the financial institution.

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5. COMPARATIVE FIGURES

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