

Financial Statements

Brampton and Caledon Community Foundation

December 31, 2024

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Independent Auditor's Report

To the Directors of
Brampton and Caledon Community Foundation

Qualified Opinion

We have audited the financial statements of Brampton and Caledon Community Foundation (the "Foundation"), which comprise the statement of financial position as at December 31, 2024, and the statement of operations and changes in fund balances, and statement of 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 paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Foundation derives revenue from the general public in the form of donations, 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 Foundation. Therefore, we were unable to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2024 and December 31, 2023, and current assets and net assets as at December 31, 2024 and December 31, 2023. Our audit opinion on the financial statements for the year ended December 31, 2023 was modified accordingly because of the possible effects of this limitation in 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 Foundation 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 qualified opinion.

Other Matter

The financial statements of the Foundation for the year ended December 31, 2023 were audited by MacGillivray Brampton who expressed a qualified opinion on those financial statements on May 14, 2024. The partners and staff of MacGillivray Brampton joined Doane Grant Thornton LLP on February 1, 2025.

Independent Auditor's Report (continued)

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 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

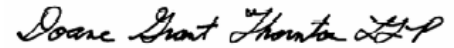
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 Foundation'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 Foundation'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 Foundation 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 (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.

Mississauga, Canada
June 25, 2025

The signature is written in a cursive, handwritten style in black ink, reading "Doane Grant Thornton LLP".

Chartered Professional Accountants
Licensed Public Accountants

Brampton and Caledon Community Foundation
Statement of Financial Position
As at December 31, 2024

	Operating Fund	Restricted Fund	Administered Funds in Trust	December 31, 2024	December 31, 2023
Assets					
Current					
Cash	\$ 15,525	\$ 125,222	\$ -	\$ 140,747	\$ 307,209
Cash in trust	-	-	27,695	27,695	19,922
Investments (Note 3)	314,661	10,354,217	-	10,668,878	9,465,682
Investments in trust (Note 3)	-	-	1,184,119	1,184,119	1,033,205
Prepaid expenses	6,870	-	-	6,870	6,581
Administrative fee and interest receivable	24,148	47	-	24,195	15,994
Harmonized sales tax recoverable	28,121	-	-	28,121	13,042
Donation receivable	-	-	-	-	1,500
Event receivable	-	-	-	-	75
Interfund account (Note 4)	(133,560)	133,560	-	-	-
	<u>255,765</u>	<u>10,613,046</u>	<u>1,211,814</u>	<u>12,080,625</u>	<u>10,863,210</u>
Capital assets (Note 5)	<u>2,617</u>	<u>-</u>	<u>-</u>	<u>2,617</u>	<u>1,708</u>
	<u>\$ 258,382</u>	<u>\$ 10,613,046</u>	<u>\$ 1,211,814</u>	<u>\$ 12,083,242</u>	<u>\$ 10,864,918</u>

See accompanying notes to the financial statements.

Brampton and Caledon Community Foundation
Statement of Financial Position
As at December 31, 2024

	Operating Fund	Restricted Fund	Administered Funds in Trust	December 31, 2024	December 31, 2023
Liabilities					
Current					
Accounts payable and accrued liabilities	\$ 29,011	\$ -	\$ -	\$ 29,011	\$ 83,171
Administered Funds in Trust	-	-	1,211,814	1,211,814	1,053,127
Government remittances payable	4,424	-	-	4,424	4,688
	<u>33,435</u>	<u>-</u>	<u>1,211,814</u>	<u>1,245,249</u>	<u>1,140,986</u>
Commitments (Note 6)					
Fund balances					
Restricted Fund	-	10,613,046	-	10,613,046	9,449,202
Operating Fund	224,947	-	-	224,947	274,730
	<u>224,947</u>	<u>10,613,046</u>	<u>-</u>	<u>10,837,993</u>	<u>9,723,932</u>
	<u>\$ 258,382</u>	<u>\$ 10,613,046</u>	<u>\$ 1,211,814</u>	<u>\$ 12,083,242</u>	<u>\$ 10,864,918</u>

On behalf of the board

_____ Director _____ Director

Brampton and Caledon Community Foundation
Statement of Operations and Changes in Fund Balances
For the Year Ended December 31, 2024

	Operating Fund	Restricted Fund	December 31, 2024	December 31, 2023
Revenue				
Donations	\$ 2,000	\$ 178,582	\$ 180,582	\$ 163,175
Administration fees	254,181	-	254,181	232,723
Realized gains	-	553,074	553,074	277,550
Change in unrealized gains	-	756,343	756,343	314,283
Interest	15,299	40,493	55,792	31,314
Dividends	-	212,668	212,668	228,535
Other investment income	-	25,066	25,066	16,361
CFC honorariums (Note 7)	1,000	-	1,000	207,000
CFC flow-through contributions (Note 7)	-	-	-	1,155,624
Event revenue	9,550	-	9,550	10,925
	<u>282,030</u>	<u>1,766,226</u>	<u>2,048,256</u>	<u>2,637,490</u>
Expenses				
Grants to charities (Note 7)	-	306,658	306,658	1,482,346
Salaries and benefits	207,574	-	207,574	196,523
Administration fees	-	237,055	237,054	237,055
Administrative and other	46,230	-	46,230	40,099
Investment management fees	-	58,669	58,669	55,032
Advertising and marketing	12,275	-	12,275	12,051
Professional fees	50,923	-	50,923	41,620
Insurance	4,014	-	4,014	3,829
Amortization	505	-	505	275
Event expenses	10,292	-	10,292	10,470
	<u>331,813</u>	<u>602,382</u>	<u>934,194</u>	<u>2,079,300</u>
Excess of revenue over expenses (expenses over revenue)	(49,783)	1,163,844	1,114,061	577,735
Fund balances, opening	<u>274,730</u>	<u>9,449,202</u>	<u>9,723,932</u>	<u>9,146,197</u>
Fund balances, ending	<u>\$ 224,947</u>	<u>\$ 10,613,046</u>	<u>\$ 10,837,993</u>	<u>\$ 9,723,932</u>

See accompanying notes to the financial statements.

Brampton and Caledon Community Foundation

Statement of Cash Flows

For the Year Ended December 31, 2024

	2024	2023
Increase (decrease) in cash		
Cash flows from operating activities		
Excess of revenues over expenses	\$ 1,114,061	\$ 577,735
Adjustments for		
Amortization	505	275
Change in unrealized gains	(756,343)	(314,283)
Realized gains	<u>(553,074)</u>	<u>(277,550)</u>
	(194,851)	(13,823)
Change in non-cash working capital items		
Administrative fee and interest receivable	(8,201)	(845)
Harmonized sales tax recoverable	(15,079)	8,468
Prepaid expenses	(289)	(4,544)
Donation receivable	1,500	(1,500)
Event receivable	75	9,000
Accounts payable and accrued liabilities	(54,162)	(126,199)
Deferred revenue	-	(200,000)
Government remittances payable	<u>(264)</u>	<u>367</u>
	<u>(271,271)</u>	<u>(329,076)</u>
Cash flows from investing activities		
Purchase of capital assets	(1,414)	(1,599)
Net purchases and proceeds of investments	<u>106,223</u>	<u>(9,984)</u>
	<u>104,809</u>	<u>(11,583)</u>
Decrease in cash	(166,462)	(340,659)
Cash		
Cash, beginning of year	<u>307,209</u>	<u>647,868</u>
Cash, end of year	<u>\$ 140,747</u>	<u>\$ 307,209</u>

Brampton and Caledon Community Foundation

Notes to the Financial Statements

For the Year Ended December 31, 2024

1. Nature of operations

The purpose of the Brampton and Caledon Community Foundation ("the Foundation") is to improve the quality of life in Brampton and Caledon area by building and managing permanent endowment funds for community betterment. Charitable endeavours in areas such as health, education, youth programs, social services, arts, culture and the environment are supported by distributing the income earned on permanent endowment funds via grants.

The Foundation was incorporated without share capital under the Canada Corporations Act on November 7, 2001 and is a registered charitable organization exempt from taxation under the Income Tax Act. On September 17, 2014, the Foundation received its Certificate of Continuance to continue the Foundation from the Canada Corporations Act to the Canadian Not-for-profit Corporations Act.

2. Significant accounting policies

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

Restricted fund accounting

Operating Fund

The Operating Fund reports resources available for the Foundation's general operating activities including capital assets.

Restricted Fund

The Restricted Fund reports externally restricted resources that are to be held in perpetuity for the purpose of creating investment income for future distribution, as well as donations received that are to be distributed by the end of the following fiscal year in which they are received from the donor.

Administered Funds in Trust

Administered Funds in Trust reports two resources held within the Foundation's assets. The two funds include the Chinguacousy Health Services Centre Fund for the benefit of Wellspring Chinguacousy and the Caledon Meals on Wheels Fund for the benefit of Caledon Meals on Wheel Foundation. With 120 days notice, these funds may need to be returned to the respective fund owners.

Brampton and Caledon Community Foundation

Notes to the Financial Statements

For the Year Ended December 31, 2024

2. Significant accounting policies (continued)

Revenue recognition

The Foundation follows the restricted fund method of accounting for contributions. Unrestricted and restricted contributions and grants are recognized as revenue of the appropriate fund in the year the revenue is earned if the amount can be reasonably estimated and collection is reasonably assured.

Donations are recorded in revenue when they are received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Event revenue is recorded in the period of the related event if the amount can be reasonably estimated and collection is reasonably assured.

Investment income, administration fees and honorariums are recognized as revenue in the period in which they are earned. Investment income from investments in Administered Funds in Trust are not recorded in revenue.

Realized gains and losses related to investments are recognized on the transaction date. Unrealized gains and losses related to investments are recognized at fair value at December 31. Changes in investments in Administered Funds in Trust are not recorded in revenue.

Contributed services

During the year, a number of organizations donate services to the Foundation and a substantial number of volunteers contribute a significant amount of their time. Because of the difficulty in determining the fair value, contributed services are not recorded in the financial statements.

Financial instruments

The Foundation considers any contract creating financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The Foundation accounts for the following as financial instruments:

- cash
- investments
- receivables
- accounts payable

Financial instruments in arm's length transactions

Initial measurement

The Foundation initially measures financial assets and financial liabilities originating, acquired, issued or assumed in arm's length transactions at fair value.

Brampton and Caledon Community Foundation

Notes to the Financial Statements

For the Year Ended December 31, 2024

2. Significant accounting policies (continued)

Financial instruments (continued)

Subsequent measurement

The Foundation subsequently measures these financial assets and financial liabilities from arm's length transactions at amortized cost or amortized cost less any reductions for impairment, except for investments in equity investments that are quoted in an active market, which are measured at fair value. Quoted market prices are used to determine the fair value of investments at the year-end date. Changes in the fair value of investments in the Restricted Fund are included in revenue over expenses. Changes in investments in Administered Funds in Trust are not recorded in excess of revenue over expenses.

Derecognition

The Foundation removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Impairment

A financial asset (or group of similar financial assets) measured at cost or amortized cost are tested for impairment when there are indicators of impairment. Impairment losses are recognized in the statement of operations. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in revenue over expenses.

Capital assets

Capital assets are recorded at cost less accumulated amortization. The Foundation provides for amortization at rates designed to amortize the cost of the asset over its estimated useful life. The annual amortization rates are as follows:

Furniture and fixtures	Declining balance	20%
Computer equipment	Declining balance	30%
Leasehold improvements	Straight-line	10 years

Capital assets 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.

Brampton and Caledon Community Foundation

Notes to the Financial Statements

For the Year Ended December 31, 2024

2. Significant accounting policies (continued)

Leases

An operating lease is a lease where substantially all the benefits and risks incidental to ownership of the property are not transferred to the Foundation.

Lease rentals under operating leases are included in the determination of net income over the lease term on a straight-line basis.

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 disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Such estimates are periodically reviewed and any adjustments necessary are reported in revenue over expenses in the period in which they become known. Actual results could differ from those estimates.

Financial statement items subject to significant management judgment include estimated useful lives of property and equipment, certain accrued liabilities and the valuation of investments.

3. Investments

Operating Fund

	<u>2024</u>	<u>2023</u>
Guaranteed investment certificate bearing interest at 5.40% per annum, and maturing on March 1, 2025	\$ 150,000	\$ -
Guaranteed investment certificate bearing interest at 3.75% per annum, and maturing on December 16, 2025	164,661	-
Guaranteed investment certificate that bearing interest at 5.55% per annum, and matured on December 14, 2024	<u>-</u>	<u>155,955</u>
	<u>\$ 314,661</u>	<u>\$ 155,955</u>

Restricted Fund

	<u>2024</u>	<u>2023</u>
Fixed income investments	\$ 3,844,877	\$ 3,692,413
Canadian equities	2,083,541	1,993,591
Foreign equities	3,451,542	2,853,172
Alternative investments	<u>974,257</u>	<u>770,551</u>
	<u>\$ 10,354,217</u>	<u>\$ 9,309,727</u>

Brampton and Caledon Community Foundation

Notes to the Financial Statements

For the Year Ended December 31, 2024

3. Investments (continued)

The cost of the investments in the Restricted Fund at December 31, 2024 is \$8,623,907 (2023 - \$8,335,760).

Administered Funds in Trust

	2024	2023
Fixed income investments	\$ 421,769	\$ 413,537
Canadian equities	211,744	197,868
Foreign equities	464,430	341,471
Alternative investments	86,176	80,329
	<u>\$ 1,184,119</u>	<u>\$ 1,033,205</u>

The cost of the investments in Administered Funds in Trust at December 31, 2024 is \$1,005,075 (2023 - \$961,260).

Alternative investments are investments in assets other than fixed income, equities or cash, such as convertible debentures and hybrid investments.

The amounts that are held in trust are to be used to grant to charities at the discretion of Chinguacousy Health Services Centre Fund and Caledon Meals on Wheels Fund.

4. Interfund balances

These balances include grants and administrative fees due between the Operating Fund and the Restricted Fund. These balances bear no interest and are payable on demand.

5. Capital assets

	Cost	Accumulated Amortization	2024 Net Book Value	2023 Net Book Value
Furniture and fixtures	\$ 2,035	\$ 535	\$ 1,500	\$ 1,439
Computer equipment	1,611	1,422	189	269
Leasehold improvements	<u>977</u>	<u>49</u>	<u>928</u>	<u>-</u>
	<u>\$ 4,623</u>	<u>\$ 2,006</u>	<u>\$ 2,617</u>	<u>\$ 1,708</u>

6. Commitments

As at December 31, 2024, the Foundation has the following annual lease commitment with respect to its office. Minimum lease payments are as follows:

2025	<u>\$ 16,400</u>
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Brampton and Caledon Community Foundation

Notes to the Financial Statements

For the Year Ended December 31, 2024

7. Government of Canada COVID-19 Support Funding Programs

In a prior year, the Foundation entered into agreements with Community Foundations of Canada ("CFC") to deliver the Community Services Recovery Fund ("CSRF") and Investment Readiness Program ("IRP") in response to the COVID-19 pandemic.

CFC's role in those agreements was to coordinate all activities at the Federal level and to expedite the grant-making process given their access to additional administrative resources. The Foundation's role was to act as the contact for the programs at the local level (i.e. Brampton and Caledon area). The Foundation was also responsible for reviewing and selecting eligible local recipients. The CSRF and IRP have both concluded.

The following amounts were received by the Foundation during the year and distributed to recipients:

	<u>2024</u>	<u>2023</u>
Community Services Recovery Fund	\$ -	\$ 1,055,624
Investment Readiness Program	<u>-</u>	<u>100,000</u>
	<u>\$ -</u>	<u>\$ 1,155,624</u>

The above-mentioned amounts have been recorded as CFC flow-through contributions and grants to charities in the Statement of Operations.

The following amounts were allocated by the Foundation during the year and distributed directly to recipients by CFC:

	<u>2024</u>	<u>2023</u>
Community Services Recovery Fund	<u>\$ -</u>	<u>\$ 626,376</u>

As the above-mentioned grants were made directly by CFC, no revenue or related expenses were recorded in the Statement of Operations.

The Foundation also earned honorariums for their role in the administration of the programs as follows:

	<u>2024</u>	<u>2023</u>
Community Services Recovery Fund	\$ 1,000	\$ 200,000
Investment Readiness Program	<u>-</u>	<u>7,000</u>
	<u>\$ 1,000</u>	<u>\$ 207,000</u>

Brampton and Caledon Community Foundation

Notes to the Financial Statements

For the Year Ended December 31, 2024

8. Financial instruments

The Foundation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Foundation's risk exposures at December 31, 2024.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to interest rate risk through its investments. The Foundation manages the interest rate risk exposure of its fixed income investments by using a laddered portfolio with varying terms to maturity. The laddered structure of maturities helps to enhance the average portfolio yield while reducing the sensitivity of the portfolio to the impact of interest rate fluctuations. Investments in equity securities are not exposed to significant interest rate risk.

(b) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation is exposed to currency risk through its investments. The Foundation mitigates its currency risk exposure of foreign equity securities through diversification by investing in global equities funds comprised of multiple currencies.

(c) Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. The Foundation is exposed to currency risk through its investments. The Foundation manages market risk by diversifying its investments in a variety of industries globally. It maintains a range of securities, including bonds, stocks, and cash and equivalents. The performance on these assets is monitored on a regular basis by an investment committee.

It is management's opinion that the Foundation is not exposed to significant credit or liquidity risk arising from its financial instruments.

Management believes the exposure to these risks has not changed in the past year.

9. 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 excess of revenue over expenses.
