

**EDUCATIONAL PROGRAM INNOVATIONS CHARITY SOCIETY**

**FINANCIAL STATEMENTS**

**JUNE 30, 2025**

# EDUCATIONAL PROGRAM INNOVATIONS CHARITY SOCIETY

JUNE 30, 2025

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## INDEPENDENT AUDITORS' REPORT

To the Board Members of:  
Educational Program Innovations Charity Society

### **Qualified Opinion**

We have audited the financial statements of Educational Program Innovations Charity Society, which comprise the statement of financial position as at June 30, 2025, and the statements of operations and 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 possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements of Educational Program Innovations Charity Society are prepared, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

### **Basis for Qualified Opinion**

In common with many non-profit organizations, the Society derives part of its revenue from sources which are not susceptible to complete audit certification. Accordingly, our verification of revenue from donations was limited to accounting for the amounts recorded in the records of Educational Program Innovations Charity Society.

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 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 Society for the year ended June 30, 2024, were audited by another auditor who expressed a qualified opinion on those statements on October 1, 2024.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation 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 Educational Program Innovations Charity Society'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 Educational Program Innovations Charity Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Educational Program Innovations Charity Society'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 CASs, 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 Society'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 Educational Program Innovations Charity Society'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 Educational Program Innovations Charity Society 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.

Sydney, Nova Scotia  
September 26, 2025



Chartered Professional Accountants

# EDUCATIONAL PROGRAM INNOVATIONS CHARITY SOCIETY

## STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

### ASSETS

	<u>2025</u>	<u>2024</u>
<b>CURRENT</b>		
Cash	\$ 59,325	\$ 43,748
Short term investments (Note 3)	148,213	115,529
Accounts receivable	7,466	11,391
HST receivable	5,294	2,687
Prepaid expenses	<u>1,296</u>	<u>547</u>
	<u>\$ 221,594</u>	<u>\$ 173,902</u>


### LIABILITIES

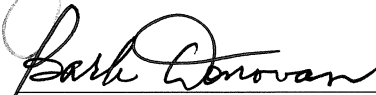
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 9,617	\$ 8,964
Deferred revenue (Note 4)	<u>6,318</u>	<u>37,292</u>
	<u>15,935</u>	<u>46,256</u>

### NET ASSETS

<b>UNRESTRICTED</b>	<u>205,659</u>	<u>127,646</u>
	<u>\$ 221,594</u>	<u>\$ 173,902</u>

APPROVED ON BEHALF OF THE BOARD:

 \_\_\_\_\_ Director

 \_\_\_\_\_ Director

SEE ACCOMPANYING NOTES

# EDUCATIONAL PROGRAM INNOVATIONS CHARITY SOCIETY

## STATEMENT OF OPERATIONS AND NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2025

	<u>2025</u>	<u>2024</u>
<b>REVENUE</b>		
Donations	\$ 31,703	\$ 88,091
Law Foundation of Nova Scotia	55,000	47,500
Province of Nova Scotia	67,974	59,000
United Way of Cape Breton	42,114	41,650
Joyce Family Foundation	50,000	-
Other contributions	<u>26,455</u>	<u>21,478</u>
	<u>273,246</u>	<u>257,719</u>
<b>EXPENDITURES</b>		
Awards	3,500	3,500
Dues and fees	626	480
Equipment	1,238	480
Insurance	2,739	1,369
Interest and bank charges	354	215
Materials	1,180	717
Nutrition	12,163	13,479
Office	2,018	1,833
Professional fees	11,000	10,000
Program development	5,673	6,377
Sub-contracts	41,440	36,359
Telephone	591	570
Transportation	16,018	22,084
Travel	810	810
Unrecoverable HST	2,607	2,671
Wages and benefits	<u>129,550</u>	<u>163,395</u>
	<u>231,507</u>	<u>264,339</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES FROM OPERATIONS</b>	<u>41,739</u>	<u>( 6,620)</u>
<b>OTHER INCOME</b>		
Dividends	3,812	2,786
Gain (loss) on foreign exchange	5,284	(332)
Interest	459	1,854
Loss on sale of marketable securities	(10,219)	(543)
Unrealized gain (loss) on marketable securities	<u>36,938</u>	<u>(1,009)</u>
	<u>36,274</u>	<u>2,756</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	78,013	( 3,864)
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>127,646</u>	<u>131,510</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 205,659</u>	<u>\$ 127,646</u>

SEE ACCOMPANYING NOTES

4.

ROACH PERRY ANDERSON

# EDUCATIONAL PROGRAM INNOVATIONS CHARITY SOCIETY

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2025

	<u>2025</u>	<u>2024</u>
<b>OPERATING ACTIVITIES</b>		
Cash provided by operations		
Excess (deficiency) of revenues over expenditures	\$ 78,013	\$( 3,864)
Add: charges to operations not involving cash		
Loss on disposal of investments	10,219	543
Unrealized (gains) losses on marketable securities	( 36,938)	<u>1,009</u>
	30,856	( 2,312)
 Net change in non-cash working capital		
Accounts receivable	3,925	( 1,285)
Accounts payable and accrued liabilities	652	1,465
Deferred revenue	( 30,974)	7,998
Prepaid expenses	( 749)	329
HST recoverable	( 2,607)	( 461)
	<u>1,103</u>	<u>5,734</u>
 <b>INVESTING ACTIVITIES</b>		
Purchase of marketable securities	( 44,454)	( 37,537)
Proceeds on sale of marketable securities	<u>58,928</u>	<u>46,715</u>
	<u>14,474</u>	<u>9,178</u>
 <b>INCREASE IN CASH AND CASH EQUIVALENTS</b>		
	15,577	14,912
 <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>		
	<u>43,748</u>	<u>28,836</u>
 <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>		
	\$ <u>59,325</u>	\$ <u>43,748</u>

SEE ACCOMPANYING NOTES

# EDUCATIONAL PROGRAM INNOVATIONS CHARITY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

### 1. STATUS AND NATURE OF ACTIVITIES

Educational Program Innovation Charity Society (the "Society") is incorporated under the Societies Act of Nova Scotia. It is a not-for-profit organization that focuses on providing and promoting educational advancement opportunities for the disadvantaged through new educational initiatives and the enhancements of currently successful educational programs. The Society is a registered charity and is exempt from income taxes.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Cash and Cash Equivalents

Cash is defined as cash on hand and cash on deposit net of cheques issued and outstanding at the reporting date.

(b) Capital Assets

Capital assets over \$2,000 are capitalized in the period of acquisition and amounts under \$2,000 are expensed on acquisition.

(c) Revenue Recognition

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

Investment income is recognized as revenue when earned.

(d) Contributed Services and Materials

Volunteers contribute time and resources to assist the Society to carry out its service delivery activities. These contributed services are not reflected in the financial statements because of the difficulty in determining their fair value.

(e) Financial Instruments

The Society initially measures its financial assets and liabilities at fair value. Subsequently, financial assets with actively traded markets are reported at fair value with any unrealized gains and losses reported in income. All other financial assets and liabilities are subsequently measured at cost or amortized cost.

# EDUCATIONAL PROGRAM INNOVATIONS CHARITY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Use of Estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that may affect the reported amount of assets, liabilities, revenues and expenses. These estimates are reviewed periodically with any required adjustments made in the year in which they become known.

### 3. SHORT-TERM INVESTMENTS

	<u>2025</u>	<u>2024</u>
Equity securities	\$ 127,519	\$ 105,295
Term deposits	<u>20,694</u>	<u>10,234</u>
	<u>\$ 148,213</u>	<u>\$ 115,529</u>

### 4. DEFERRED REVENUE

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 37,292	\$ 29,294
Less: amount recognized as revenue in the year	( 37,292)	( 29,294)
Plus: amount received related to the following year	<u>6,318</u>	<u>37,292</u>
Balance, end of year	<u>\$ 6,318</u>	<u>\$ 37,292</u>

### 5. RELATED PARTY TRANSACTIONS

The Society received donations of \$Nil (2024 - \$25,000) from board members of the Society, which is included in the donations reported in the statement of operations.

### 6. FINANCIAL INSTRUMENTS

The financial risks to which the Society is exposed through its financial instruments are interest rate risk and price risk.

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 Society is exposed to interest rate risk as its marketable securities and investments are dependent on market interest rates. The value of the security itself could also fluctuate, resulting in gains or losses recognized in the statement of operations and changes in net assets.

# EDUCATIONAL PROGRAM INNOVATIONS CHARITY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

### 7. FINANCIAL INSTRUMENTS (CONTINUED)

#### b) Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market. The Society is exposed to other price risk through its investments in quoted shares for which the value fluctuates with the quoted market price.

### 8. COMPARATIVE FIGURES

Certain figures of 2024 have been reclassified to conform to the presentation adopted in 2025.