

SAVE A FAMILY PLAN
Financial Statements
March 31, 2022



Baker Tilly Trillium LLP

**Leamington • Essex • London
Dorchester • Aylmer**

39 Maidstone Ave. East
Essex, Ontario N8M 2J3
Canada

T: 519.776.6262
F: 519.776.1293

essex@bakertilly.ca
www.bakertilly.ca

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Save a Family Plan

Qualified Opinion

We have audited the financial statements of Save a Family Plan (the organization), which comprise the statement of financial position as at March 31, 2022, and the statements of revenues and expenditures - operating fund, 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 present fairly, in all material respects, the financial position of the organization as at March 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

In common with many not-for-profit organizations, the organization derives revenue from donations and fundraising activities 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 organization. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2022, current assets and net assets as at March 31, 2022. The predecessor auditor's opinion on the financial statements for the year ended March 31, 2021 was modified accordingly because of the possible effects of this limitation of 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 organization in accordance with 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 audit opinion.

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Independent Auditor's Report to the To the Board of Directors of Save a Family Plan *(continued)*

Other Matter

The financial statements for the year ended March 31, 2021 were audited by another auditor who expressed a qualified opinion on those financial statements on September 20, 2021 for the reasons described in the *Basis for Qualified Opinion* section.

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 ASNPO, 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.

Independent Auditor's Report to the To the Board of Directors of Save a Family Plan *(continued)*

- 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.

Baker Tilly Trillium LLP

Chartered Professional Accountants
Licensed Public Accountants
Leamington, Ontario
September 28, 2022

SAVE A FAMILY PLAN
Statement of Financial Position
As at March 31, 2022

	Operating Fund 2022	Burse Fund 2022	Total 2022	Total 2021
ASSETS				
CURRENT				
Cash	\$ 2,197,771	\$ 106,634	\$ 2,304,405	\$ 3,599,294
Interest receivable	23,244	-	23,244	23,244
Investments (Note 4)	9,461,920	2,426,358	11,888,278	10,342,282
HST receivable	27,564	-	27,564	47,590
Cash surrender value of life insurance	29,927	-	29,927	29,265
Prepaid expenses	1,514	-	1,514	7,781
	<u>11,741,940</u>	<u>2,532,992</u>	<u>14,274,932</u>	<u>14,049,456</u>
CAPITAL ASSETS (Note 3)	<u>281,931</u>	<u>-</u>	<u>281,931</u>	<u>295,483</u>
	<u>\$ 12,023,871</u>	<u>\$ 2,532,992</u>	<u>\$ 14,556,863</u>	<u>\$ 14,344,939</u>
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities	\$ 571,234	\$ -	\$ 571,234	\$ 1,364,882
NET ASSETS				
Externally restricted (Notes 5, 6)	4,901,049	2,532,992	7,434,041	7,715,721
Unrestricted	6,269,657	-	6,269,657	4,968,853
Invested in capital assets	281,931	-	281,931	295,483
	<u>11,452,637</u>	<u>2,532,992</u>	<u>13,985,629</u>	<u>12,980,057</u>
	<u>\$ 12,023,871</u>	<u>\$ 2,532,992</u>	<u>\$ 14,556,863</u>	<u>\$ 14,344,939</u>

ON BEHALF OF THE BOARD

Director

Director

SAVE A FAMILY PLAN
Statement of Changes in Net Assets
For the Year Ended March 31, 2022

	Operating Fund	Burse Fund	Invested in Capital Assets	2022	2021
NET ASSETS, BEGINNING OF YEAR	\$ 9,928,814	\$ 2,755,760	\$ 295,483	\$ 12,980,057	\$ 10,373,827
Excess of revenues over expenses	1,005,572	-	-	1,005,572	2,606,230
Net change in investment in capital assets	13,552	-	(13,552)	-	-
Fund transfers (Note 2)	222,768	(222,768)	-	-	-
NET ASSETS, END OF YEAR	\$ 11,170,706	\$ 2,532,992	\$ 281,931	\$ 13,985,629	\$ 12,980,057

See accompanying notes to financial statements

SAVE A FAMILY PLAN**Statement of Revenues and Expenditures - operating fund****For the Year Ended March 31, 2022**

	2022	2021
REVENUES		
Donations	\$ 3,497,553	\$ 3,851,769
Unrealized gain on investments	614,925	1,066,009
Realized gain on investments	495,159	399,782
Dividend income	194,340	174,513
Interest income	70,350	72,578
Government assistance	-	38,145
	<u>4,872,327</u>	<u>5,602,796</u>
EXPENSES		
Program		
Family Development Program, India	2,231,428	2,247,562
Public engagement and tech support	106,259	71,820
Community Development Program, India projects		
- Health	398,747	-
- Housing	120,000	-
- Employment rehab. initiatives	363,200	-
- Special projects	-	90,000
- Smile Cares - CSSAI	-	30,000
	<u>3,219,634</u>	<u>2,439,382</u>
Administrative costs		
Postage and courier	7,154	15,225
Insurance	11,606	4,560
Interest and bank charges	32,129	34,000
Office	11,614	23,136
Professional services	49,116	24,073
Rental	5,196	6,431
Salaries, wages and benefits	292,833	280,975
Telephone	2,491	2,565
Travel	514	2,722
	<u>412,653</u>	<u>393,687</u>
Other expenditures		
Amortization	13,552	13,021
Foreign exchange (gain) loss	58,633	(82)
Fundraising costs	4,888	1,869
Investment advisory fees	157,395	148,689
	<u>234,468</u>	<u>163,497</u>
	<u>3,866,755</u>	<u>2,996,566</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 1,005,572</u>	<u>\$ 2,606,230</u>

See accompanying notes to financial statements

SAVE A FAMILY PLAN
Statement of Cash Flows
For the Year Ended March 31, 2022

	2022	2021
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 1,005,572	\$ 2,606,230
Items not affecting cash:		
Amortization of capital assets	13,552	13,021
Unrealized gain on investments	(614,925)	(1,066,009)
	<u>404,199</u>	<u>1,553,242</u>
Changes in non-cash working capital:		
Prepaid expenses	6,267	-
Accounts payable and accrued liabilities	(793,648)	1,345,025
Accrued liability - family support	-	(204,126)
HST payable	20,026	(5,649)
Cash surrender value of life insurance	(662)	-
	<u>(768,017)</u>	<u>1,135,250</u>
	<u>(363,818)</u>	<u>2,688,492</u>
INVESTING ACTIVITY		
Purchase of capital assets	-	(10,096)
FINANCING ACTIVITY		
Increase in investments	(931,071)	(64,365)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,294,889)	2,614,031
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>3,599,294</u>	<u>985,263</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,304,405</u>	<u>\$ 3,599,294</u>

See accompanying notes to financial statements

SAVE A FAMILY PLAN
Notes to Financial Statements
For the Year Ended March 31, 2022

1. NATURE OF OPERATIONS

Save A Family Plan was founded in 1965 and was incorporated in 1986 without share capital under the laws of Canada. It supports sustainable and participatory Family and Community Development Programs in India through partnership with the poor regardless of caste, creed or religious affiliation. It is a registered charity and as such is exempt from income tax.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

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

(b) Fund accounting

The financial statements of Save A Family Plan are maintained in accordance with principles of fund accounting. Accordingly, all financial transactions have been recorded and reported by the Operating Fund and the Burse Fund.

The Operating Fund accounts for program and administrative costs financed by grants, donations and all investment income.

The Burse Fund no longer receives donations as the burse plan was cancelled effective March 31, 2015. Donations received from March 31, 1996 to March 31, 2015 are to be held in the Burse Fund for a period of twenty years, then at the beginning of the twenty-first year the funds are to be transferred to the Operating Fund (\$222,768 was transferred in the year). Unspent donations received prior to March 31, 1992 have been retained in the Burse Fund..

The statement of financial position reports all the assets, liabilities and fund balances of both funds. Interfund balances have been eliminated. The statement of changes in net assets reports the revenue and expenditures of each fund.

(c) Revenue recognition

Donations are recorded as received using the restricted fund method of accounting for contributions. Dividend income, interest income, realized gains (losses) on investments, and unrealized gains (losses) on investments are recorded when earned.

Government and other grants related to operating costs are accounted for as revenue when the grant is received.

(d) Program expenditures

Program expenditures are recorded on an accrual basis for allocation to participating families or developmental projects.

(e) 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 disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. Estimates are made for the useful lives of tangible capital assets.

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SAVE A FAMILY PLAN
Notes to Financial Statements
For the Year Ended March 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Capital assets

Capital assets are stated at cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Computer hardware	5 years
Computer software	10 years
Equipment	5 years
Leasehold improvements	40 years

When conditions indicate that a capital asset is impaired, the net carrying amount of the tangible capital asset shall be written down to the asset's fair value or replacement cost.

(g) Cash and cash equivalents

The organization's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition.

(h) Contributed services

The organization receives significant donations of services. Management has chosen to not recognize amounts related to these contributed services as the fair value cannot be reasonably estimated.

(i) Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equity instruments that are quoted in active markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

The company's financial assets consist of interest receivable, marketable securities and cash surrender value of life insurance. The company's financial liabilities consist of accounts payable and accrued liabilities. Except for financial assets with actively traded markets, these financial instruments are measured at amortized cost and evaluated for impairment. Reversals of financial asset impairments may occur and the asset can be written up to its original cost.

SAVE A FAMILY PLAN
Notes to Financial Statements
For the Year Ended March 31, 2022

3. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Computer hardware	\$ 23,414	\$ 21,765	\$ 1,649	\$ 2,671
Computer software	67,694	21,054	46,640	52,930
Equipment	32,587	31,785	802	802
Leasehold improvements	279,059	46,219	232,840	239,080
	<u>\$ 402,754</u>	<u>\$ 120,823</u>	<u>\$ 281,931</u>	<u>\$ 295,483</u>

4. INVESTMENTS

Investments are summarized as follows. Fixed income securities include bonds and term deposits earning interest ranging from 1.91% to 3.15% and maturing over the next 3 years as follows:

	Cost \$	Market Value \$	Face Value \$	Recorded \$
Fixed income securities (recorded at amortized cost)				
2023	\$ 1,501,086	\$ 1,502,208	\$ 1,489,885	\$ 1,501,086
2024	1,450,924	1,445,355	1,440,000	1,450,924
2025	431,560	405,668	413,000	431,560
	<u>3,383,570</u>	<u>3,353,231</u>	<u>3,342,885</u>	<u>3,383,570</u>
Equities and equity funds (recorded at fair market value)	6,434,081	8,504,708	-	8,504,708
	<u>\$ 9,817,651</u>	<u>\$ 11,857,939</u>	<u>\$ 3,342,885</u>	<u>\$ 11,888,278</u>

5. EXTERNALLY RESTRICTED - OPERATING FUND

This amount represents contributions received and not yet disbursed which are restricted for program funding.

6. EXTERNALLY RESTRICTED - BURSE FUND

Net assets of the burse fund consist of the following:

	2022	2021
Prior to 1992	\$ 1,434,329	\$ 1,434,329
Post 1992	1,098,663	1,321,431
	<u>\$ 2,532,992</u>	<u>\$ 2,755,760</u>

SAVE A FAMILY PLAN
Notes to Financial Statements
For the Year Ended March 31, 2022

7. PROGRAMS

The organization exercises significant influence over Save A Family Plan (India) by virtue of its ability to appoint the President of the Board of Trustees of Save A Family Plan (India). Save A Family Plan (India) received payments of \$3,113,375 (2021 - \$2,367,562) from the organization during the year. These amounts are recorded at the exchange amount. The organization provided funding for sustainable grass-roots family and community based multi-sector programming including: housing, sanitation, education, income generation (entrepreneurial development), natural resource management and conservation (including drinking water systems/water wells and rainwater harvesting, watersheds, organic farming, waste management, pollution control, renewable energy/biogas and solar energy initiatives), gender equality, health and hygiene (including HIV/AIDS, TB and malaria initiatives), capacity building, good governance, human rights, child labour, disaster management and rehabilitation, and micro-credit.

8. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2022.

Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is exposed to foreign currency exchange risk on cash and investments held in U.S. dollars. In seeking to minimize currency risk, the organization monitors foreign exchange rates, has implemented an investment policy and uses an investment advisor.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The organization is exposed to this risk with respect to its investments bearing fixed interest rates. In seeking to minimize the risks of interest rate fluctuations, the organization manages exposure through its normal operating activities, by having an investment policy, and by using an investment advisor.

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 or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The organization is exposed to other price risk primarily through its investments in marketable securities. In seeking to minimize other price risk, the organization has implemented an investment policy and uses an investment advisor.

SAVE A FAMILY PLAN
Notes to Financial Statements
For the Year Ended March 31, 2022

9. COMMITMENTS

The organization entered into a rental agreement for office space located within St. Peter's Seminary. Future annual rent costs are summarized as follows:

2023	\$	11,335
2024		12,835
2025		15,085
2026		17,335

10. COMPARATIVE FIGURES

Certain of the comparative figures were reclassified to conform to the current year's presentation.