

AUDITED FINANCIAL STATEMENTS

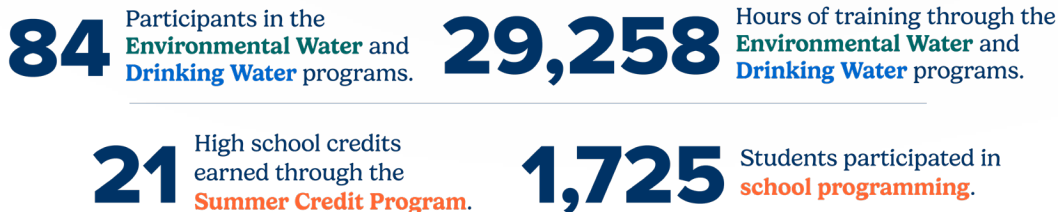
Year Ended August 31, 2024

On behalf of the team at Water First Education & Training Inc., we are pleased to share the audited financial statements for the year ending August 31, 2024.

We're proud of our achievements as we partner with Indigenous communities to ensure sustainable access to safe, clean water. Intentional and incremental growth has been a focus of our work, and is reflected in our strong financial position.

Water First responded to increased requests for our programming by expanding the Drinking Water Internship outside of Ontario and adding an Environmental Water Internship to our offerings.

Water First's 2023-2024 Year in Numbers



Our staff also continues to grow. They are highly skilled, creative, and passionate about our work. I also deeply appreciate the efforts of partner communities and supporters. Together, we have achieved positive outcomes through collaboration and trust.

Our fundraising efforts ended the fiscal year with a positive reserve to support increased programming in the next year. Thanks to our dedicated donors and supporters, Water First can continue to partner with communities, thoughtfully scale up our initiatives, and reach as many interested communities as possible.

Water First was once again rated a [5 Star charity by Charity Intelligence](#), an organization that assesses a charity's transparency and accountability. We are proud to be an organization that donors know they can trust.

You can read more in the Water First 2024 Annual Report, [Growing Well](#). Thank you for your trust, time, and encouragement. It's been another exciting and productive year for the Water First team.

Sincerely,



John D. Millar

Executive Director and Founder, Water First

STRONG COMMUNITIES. SAFE, CLEAN WATER

1-800-970-8467 10 Francis St. E., Creemore, ON L0M 1G0
www.waterfirst.ngo Charitable Registration No: 83852 5269 RR0001

Water First Education and Training Inc.
/L'Eau d'Abord Education et Formation Inc.

Financial Statements
Year Ended August 31, 2024

- audited -

Water First Education and Training Inc.
/L'Eau d'Abord Education et Formation Inc.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Water First Education and Training Inc./L'Eau d'Abord Education et Formation Inc.:

Opinion

We have audited the financial statements of Water First Education and Training Inc./L'Eau d'Abord Education et Formation Inc., which comprise the statement of financial position as at August 31, 2024 and the statement of operations, changes in net assets, 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, the financial statements present fairly, in all material respects, the financial position of Water First Education and Training Inc./L'Eau d'Abord Education et Formation Inc. as at August 31, 2024, and its results of its operations and its cash flows for the year then ended August 31, 2024 in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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 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 opinion.

Emphasis of Matter

We draw attention to Note 3 of the financial statements, which describes the effects of a prior period adjustment. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the *2024 Annual Report - Growing Well*, which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 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.

Independent Auditor's Report continued on next page...

Independent Auditor's Report continued...

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.
- 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.

Ward & Uptigrove

Listowel, Ontario

February 10, 2025

Ward & Uptigrove
Chartered Professional Accountants
Licensed Public Accountants



Water First Education and Training Inc.
/L'Eau d'Abord Education et Formation Inc.

Statement of Financial Position

as at August 31, 2024

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements		2024	2023
			(Restated - Note 3)
ASSETS			
Current Assets			
Cash	2,058,992	1,081,155	
Accounts receivable - Note 5	296,568	264,498	
Public Service Bodies' rebate receivable	51,120	70,054	
Drinking Water Program contracts receivable - Note 6	-	111,026	
	2,406,680	1,526,733	
Other Assets			
Internally restricted cash	3,664,629	2,619,913	
Tangible Capital Assets - Note 7			
Cost	1,617,447	1,580,805	
Less accumulated amortization	318,201	247,553	
	1,299,246	1,333,252	
TOTAL ASSETS	7,370,555	5,479,898	
LIABILITIES AND NET ASSETS			
LIABILITIES			
Current Liabilities			
Accounts payable and accruals	547,659	504,912	
Government remittances payable	35,404	72,190	
Deferred revenue - Note 8	1,606,334	340,216	
Current portion of long term debt	-	14,300	
Callable portion of long term debt	-	340,061	
	2,189,397	1,271,679	
Long Term Liabilities			
Deferred capital contributions - Note 9	161,210	162,543	
Long term debt - Note 10	-	354,361	
Less current portion	-	(354,361)	
	161,210	162,543	
TOTAL LIABILITIES	2,350,607	1,434,222	
NET ASSETS	5,019,948	4,045,676	
TOTAL LIABILITIES AND NET ASSETS	7,370,555	5,479,898	

Water First Education and Training Inc.
/L'Eau d'Abord Education et Formation Inc.

Statement of Operations
year ended August 31, 2024

in dollars

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<i>The Accompanying Notes are an Integral Part of the Financial Statements</i>		
	2024	2023 (Restated - Note 3)
REVENUE		
Individual donors	1,431,987	1,692,433
Fee for service - Note 6	295,092	592,559
Foundations	1,598,626	1,324,509
Federal government grants	728,851	509,224
Corporate donors	1,489,174	1,415,092
Community groups	394,943	81,297
TOTAL REVENUE	5,938,673	5,615,114
EXPENDITURES		
Drinking Water Program - Note 12	1,991,161	1,840,484
Environmental Water Program - Note 12	1,295,765	1,247,150
School Water Program - Note 12	811,233	992,215
Fundraising - Note 12	570,648	453,266
Administration and communications - Note 12	438,302	429,997
TOTAL EXPENDITURES	5,107,109	4,963,112
OTHER REVENUE		
Interest earned	142,708	-
EXCESS OF REVENUE OVER EXPENDITURES	974,272	652,002

Water First Education and Training Inc.
/L'Eau d'Abord Education et Formation Inc.

Statement of Changes in Net Assets
year ended August 31, 2024

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

	2023 Balance <i>(Restated - Note 3)</i>	Allocation of revenues and expenditures	Interfund transfers <i>(Note 13)</i>	2024 Balance
Unrestricted fund	498,389	1,143,185	(1,424,291)	217,283
Invested in tangible capital assets fund	816,348	26,941	294,747	1,138,036
Drinking Water Program fund	958,286	329,993	200,000	1,488,279
Environmental Water Program fund	300,000	(165,132)	465,132	600,000
School Water Program fund	300,000	(360,715)	360,715	300,000
Contingency fund	1,172,653	-	103,697	1,276,350
NET ASSETS	4,045,676	974,272	-	5,019,948

Water First Education and Training Inc.
/L'Eau d'Abord Education et Formation Inc.

Statement of Cash Flows
year ended August 31, 2024

in dollars

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	2024	2023 (Restated - Note 3)
<i>The Accompanying Notes are an Integral Part of the Financial Statements</i>		
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Excess of revenue over expenditures for the year	974,272	652,002
Items not affecting cash		
Amortization of tangible capital assets - Note 7	70,648	70,763
Amortization of deferred capital contributions - Note 9	(26,941)	(34,817)
Loss on disposal of tangible capital assets	-	20,496
	1,017,979	708,444
Changes in non-cash working capital related to operations - Note 15	1,369,969	(1,063,646)
	2,387,948	(355,202)
FINANCING ACTIVITIES		
Deferred capital contributions received (net) - Note 9	25,608	16,455
Repayment of long term debt	(354,361)	(15,611)
	(328,753)	844
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(36,642)	(257,464)
CHANGE IN CASH AND CASH EQUIVALENTS	2,022,553	(611,822)
Cash and cash equivalents, beginning of year	3,701,068	4,312,890
Cash and cash equivalents, end of year	5,723,621	3,701,068
Represented by:		
Cash	2,058,992	1,081,155
Internally restricted cash	3,664,629	2,619,913
	5,723,621	3,701,068

Water First Education and Training Inc. */L'Eau d'Abord Education et Formation Inc.*

Notes to the Financial Statements
year ended August 31, 2024

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

1 PURPOSE OF ORGANIZATION

Water First Education and Training Inc./L'Eau d'Abord Education et Formation Inc. (the "Organization") is a registered Charity and is exempt from the payment of income tax under Section 149(1) of the Income Tax Act. The Organization delivers water focused education and training programs in partnership with Indigenous communities in Canada.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Internally restricted funds

The Organization has set up the following internally restricted funds to be used for the following:

Tangible Capital Assets Fund

The Tangible Capital Assets Fund represents the total equity required to fund the capital assets of the Organization. The balance changes annually by the amount of tangible capital asset additions and disposals, amortization of tangible capital assets, and loss on disposal of tangible capital assets; which is funded by transfers from the unrestricted fund.

Drinking Water Program Fund

The Drinking Water Program addresses the need for locally based technical skills training in the water sciences and supports participants to become certified water treatment plant operators, ensuring sustainable access to safe drinking water in Indigenous communities, now and for the long term. The Organization has seen significant demand from Indigenous communities and collaborations are multi-year, spanning over two or more fiscal years. The Drinking Water Program Fund represents funds to support the costs relating to the Drinking Water Program's expansion, adaptations for different provinces, program implementation and improvement, including identifying and onboarding future community partners and trainees.

Environmental Water Program Fund

The Environmental Water Program supports Indigenous communities seeking local technical skills training and education to build capacity to manage water and fish resources, independently and for the long-term. Training projects include water quality analysis, contaminant studies, and fish habitat restoration, among other topics. The Organization also offers a 15-month environmental water internship program, where participants gain hands-on experience and achieve multiple environmental certifications. Collaborations with Indigenous communities are multi-year and in some cases span over two or more fiscal years. The Environmental Water Program Fund represents funds to support costs relating to the environmental water program's implementation, improvement and expansion, including identifying and onboarding future community partners and trainees.

Water First Education and Training Inc. */L'Eau d'Abord Education et Formation Inc.*

Notes to the Financial Statements
year ended August 31, 2024

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The Accompanying Notes are an Integral Part of the Financial Statements

2.1 Internally restricted funds (continued)

School Water Program Fund

The School Water Program delivers engaging, hands-on water science education programs to school-aged students in Indigenous communities. These programs prepare and motivate students to consider careers in the local water field and provide unique learning experiences that strengthen connections to the land and water. The School Water Program Fund represents funds to support the costs relating to the program's implementation, improvement and expansion, including further integration with the drinking water and environmental water programs and continued outreach with community partners, schools and students.

Contingency Fund

The Contingency Fund represents internally restricted funds for the purpose of fulfilling the Organization's financial obligations, including employment related and lease commitments, and to help fund any significant unforeseen event in the future.

2.2 Financial instruments

The Organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for any investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations. Financial assets measured at amortized cost include cash and accounts receivable.

2.3 Tangible capital assets

Tangible capital assets are stated at cost and are amortized on a diminishing-balance basis utilizing annual rates, as indicated below, which will fully amortize the assets over their estimated useful lives.

Building	40 years
Computer	3 years
Equipment	5 years
Office equipment	20%
Vehicles	7 years

In the year of acquisition, only one half of the above rates are applied.

When a tangible capital asset no longer has any long-term service potential to the Organization, the excess of its net carrying amount over any residual value is recognized as an expenditure in the statement of operations.

Water First Education and Training Inc.
/L'Eau d'Abord Education et Formation Inc.

Notes to the Financial Statements
year ended August 31, 2024

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

2.4 Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions collected in advance for projects where expenditures have not been fully incurred are recorded as deferred revenue.

Unrestricted contributions from individual donors, foundations, government grants, corporate donors and community groups 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.

Revenue from fee for service contracts is recognized as revenue when the service is performed, the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from long-term fee for service contracts is recognized using the percentage of completion method. The amount of work completed is determined by the amount of costs incurred to date versus estimated total costs. The revenue is recognized when persuasive evidence of an arrangement exists, amounts are determinable, and collection is reasonably assured. The effects of the changes to estimates for each contract are accounted for prospectively and included in the determination of the revenue and expenditures for the period of the change and the subsequent periods impacted. The entire expected loss is recognized in the statement of operations when it is probable that total contract costs will exceed total contract revenue. Contracts receivable represents revenue that has been recognized but not yet billed to customers. Deferred revenue represents the excess of amounts received over revenue recognized.

Contributions restricted for the purchase of tangible capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related tangible capital assets.

2.5 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 affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

2.6 Contributed services

A number of volunteers contribute time to the organization, however given the difficulty of determining the fair market value, contributed services are not recognized in the financial statements.

Water First Education and Training Inc.
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Notes to the Financial Statements
year ended August 31, 2024

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

2.7 Allocation of expenditures

The Organization presents expenditures by function: Drinking Water Program, Environmental Water Program, School Water Program, Fundraising, and Administration and communications. Expenditures that are common to all programs are incurred and allocated as follows:

Amortization and gains/losses on disposal of tangible capital assets are prorated to each function in the statement of operations based on total expenditures.

Personnel and administrative costs are allocated monthly based on the percentage of time spent by staff per function.

Occupancy costs, vehicle costs, and bank service charges are allocated based upon percentages determined by each function's use for the year as follows:

Expenditures	Occupancy costs	Vehicle costs	Bank service charges
Drinking Water Program	50%	45%	-
Environmental Water Program	35%	30%	-
School Water Program	10%	20%	-
Fundraising	-	-	95%
Administration and communications	5%	5%	5%

Water First Education and Training Inc.
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Notes to the Financial Statements
year ended August 31, 2024

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The Accompanying Notes are an Integral Part of the Financial Statements

3 ADJUSTMENT OF FEE FOR SERVICE

During the year, it was determined that fees for services revenue incurred during the year was understated in 2023 and overstated in 2024. As a result, the following items appearing in the August 31, 2023 financial statements have been increased (decreased) by the following amounts:

	2023 Previously reported	2023 Restated	Change
Effect on statement of financial position items			
Assets			
Drinking Water Program contracts receivable	-	111,026	111,026
Net Assets	3,934,650	4,045,676	111,026
Effect on statement of operations items			
Revenue			
Fee for service	481,533	592,559	111,026
Excess of revenue over expenditures	540,976	652,002	111,026
Effect on statement of changes in net assets items			
Allocation of revenues and expenditures			
Drinking Water Program fund	256,796	367,822	111,026
Net Assets - 2023 Balance			
Drinking Water Program fund	847,260	958,286	111,026
Effect on statement of cash flows items			
Operating activities			
Excess of revenue over expenditures for the year	540,976	652,002	111,026
Change in non-cash working capital related to operations	(952,620)	(1,063,646)	(111,026)

Water First Education and Training Inc.
/L'Eau d'Abord Education et Formation Inc.

Notes to the Financial Statements

year ended August 31, 2024

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

4 FINANCIAL INSTRUMENTS

The significant risks arising from financial instruments to which the Organization is exposed as at year end are detailed below.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risk relates to its accounts receivable.

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 Organization is not exposed to any significant currency risk.

c) 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 Organization is not exposed to any significant interest rate risk.

During the year, the Organization's exposure to interest rate risk changed from the previous year mainly as a result of the repayment of long term debt.

d) Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is not exposed to any significant liquidity risk.

e) 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. The Organization is not exposed to any significant other price risk.

5 ACCOUNTS RECEIVABLE

	2024	2023
Fee for service receivable	276,626	142,108
Federal government grants receivable	-	82,694
Other receivable	19,942	39,696
	296,568	264,498

Water First Education and Training Inc.
/L'Eau d'Abord Education et Formation Inc.

Notes to the Financial Statements
year ended August 31, 2024

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

6 CONTRACTS RECEIVABLE

As described in Note 2.4 to the financial statements, the Organization recognizes revenue on long-term fee for service contracts using the percentage of completion method, with the degree of completion measured based on the ratio of costs incurred to total estimated costs. Application of this measure of the degree of completion requires management to estimate the costs required to complete each contract at the statement of financial position date, the uncertainty inherent in which will not be resolved until each contract is completed. As at August 31, 2024, the estimated cost to complete all contracts currently in progress is approximately \$313,918 (2023 - \$754,932). It is reasonably possible that this amount could change by a material amount within the year. This could result in a material change to the amount of earned revenue, the cost of earned revenue and excess (deficiency) of revenues over expenditures on some or all of the Organization's long-term contracts recognized in future periods.

The aggregate amount of costs incurred and recognized surplus (less recognized deficits) to date for contracts in progress as at August 31, 2024, accounted for using the percentage of completion method, is \$234,428 (2023 - \$203,291). There are no contracts receivable as at August 31, 2024 (2023 - \$111,026).

7 TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization	2024 Net book value	2023 Net book value
Land	380,000	-	380,000	380,000
Building	829,446	45,099	784,347	791,358
Computer	71,226	47,364	23,862	12,730
Equipment	190,335	145,323	45,012	68,461
Office equipment	14,773	7,936	6,837	6,988
Vehicles	131,667	72,479	59,188	73,715
	1,617,447	318,201	1,299,246	1,333,252

Total amortization for the year amounts to \$70,648 (2023 - \$70,763), of which \$27,544 (2023 - \$25,899) has been included in Drinking Water Program expenditure, \$17,925 (2023 - \$18,682) included in Environmental Water Program expenditure, \$11,222 (2023 - \$13,304) included in School Water Program expenditure, \$6,063 (2023 - \$6,439) included in administration and communications expenditure and \$7,894 (2023 - \$6,439) included in fundraising expenditure.

Water First Education and Training Inc.
/L'Eau d'Abord Education et Formation Inc.

Notes to the Financial Statements

year ended August 31, 2024

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

8 DEFERRED REVENUE

	2024	2023
Balance, beginning of year	340,216	1,352,544
Add: Contributions received during the year	3,331,607	862,980
Less: Amount recognized as revenue in the year	(2,065,489)	(1,875,308)
	1,606,334	340,216

Deferred revenue at the end of the year represents restricted contributions to be used \$1,198,249 for Drinking Water Program, \$194,736 for Environmental Water Program, \$61,431 for School Water Program, and \$151,918 for all three programs in future periods. Contributions are restricted to be used in accordance with agreements over the term specified; after which the contributions may be repayable or agreements be amended to use contributions in subsequent periods.

9 DEFERRED CAPITAL CONTRIBUTIONS

	2024	2023
Balance, beginning of year	162,543	180,905
Add: Contributions received during the year	25,608	74,391
Less: Amortization of deferred capital contributions	(26,941)	(34,817)
Less: Funds reallocated to program expenditures	-	(57,936)
Balance, end of the year	161,210	162,543

Deferred capital contributions represent the unamortized amount of funding and donations received for the purchase of tangible capital assets. Total amortization of deferred capital contributions for the year amounts to \$26,941 (2023 - \$34,817), of which \$1,360 (2023 - \$7,939) has been included in federal government grants, \$12,753 (2023 - \$13,313) included in corporate donors revenue, \$10,660 (2023 - \$10,587) included in foundations revenue, and \$2,168 (2023 - \$2,978) included community groups revenue.

10 LONG TERM DEBT

	2024	2023
Demand loan payable - TD Bank, repaid during the year	-	354,361
	-	354,361

Water First Education and Training Inc.
/L'Eau d'Abord Education et Formation Inc.

Notes to the Financial Statements
year ended August 31, 2024

in dollars

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The Accompanying Notes are an Integral Part of the Financial Statements

11 COMMITMENTS

The Organization has entered into agreements to receive \$1,761,925 in contributions over the next two years to be used for Drinking Water, Environmental Water, and School Water programs.

Contributions to be received over the next 2 years are as follows:

2025	892,380
2026	869,545
	<hr/>
	1,761,925

12 ALLOCATION OF COMMON EXPENDITURES

Communications & administrative personnel and expenditures common to the Organization's program activities were allocated in accordance with policy note 2.7 to the Drinking Water Program, Environmental Water Program, School Water Program and Fundraising on the statement of operations as follows:

	2024	2023
Administration and communications personnel costs (including related staff activities such as program management, program evaluation, program graphic design and program community outreach/onboarding cost):		
Drinking Water Program	283,089	184,509
Environmental Water Program	200,649	122,106
School Water Program	131,452	125,237
General administration and communications costs (including related program expenditures such as program vehicles, program occupancy, program IT, and program related printing costs):		
Drinking Water Program	186,109	154,490
Environmental Water Program	120,175	132,435
School Water Program	79,559	98,660
Fundraising	77,280	72,313

13 INTERFUND TRANSFERS

The board of directors approved \$1,424,291 (2023 - \$1,017,343) to be transferred from unrestricted net assets to internally restricted funds.

Water First Education and Training Inc.
/L'Eau d'Abord Education et Formation Inc.

Notes to the Financial Statements
year ended August 31, 2024

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The Accompanying Notes are an Integral Part of the Financial Statements

14 ONTARIO PUBLIC SERVICE EMPLOYEES UNION PENSION PLAN ("OPSEU")

The Organization participates in the OPSEU Pension Plan, a multi-employer defined benefit pension plan, managed by OPTrust, for organizations within the public and nonprofit sectors. The most recent actuarial report completed in 2024, indicated that, on a going concern basis, as of December 31, 2023, the plan had assets with an actuarial value of \$25,530 million (December 31, 2022 - \$24,294 million) and pension obligations of \$25,348 million (December 31, 2022 - \$24,122 million), resulting in a funding surplus of \$182 million (December 31, 2022 - \$172 million).

Since the OPSEU Pension Plan is a multi-employer benefit pension plan, it is not known what portion of the excess relates to the Organization.

The actuarial report indicated that the plan had 53,426 active members (December 31, 2022 - 51,206), 14,514 former members with entitlements to the plan (December 31, 2022 - 13,030) and 43,192 pensioners (December 31, 2022 - 42,483) as at December 31, 2023.

Under the terms of the plan, eligible employees contribute 3% of pensionable earnings to the plan, employers are required to contribute 3.2% of pensionable earnings for the first two years of participation in the plan and 3% thereafter. The Organization contributes 3% of pensionable employee earnings as at August 31, 2024.

15 STATEMENT OF CASH FLOWS

The net change in non-cash working capital consists of:

	2024	2023 (Restated - Note 3)
Accounts receivable	(32,070)	(23,485)
Public Service Bodies' rebate receivable	18,934	78,127
Prepaid expenditures	-	8,457
Drinking Water Program contracts receivable	111,026	(111,026)
Accounts payable and accruals	42,747	(14,042)
Government remittances payable	(36,786)	10,651
Deferred revenue	1,266,118	(1,012,328)
	1,369,969	(1,063,646)

16 SUBSEQUENT EVENTS

In November 2024, the Organization entered into an agreement with Indigenous Services Canada (ISC) to receive federal government grants in the amount of \$4,880,980 over the next 5 years for enabling program delivery across Canada.

The Organization also committed plans to construct a new building at its Operations Hub location in Creemore, Ontario starting in May 2025.