

COURAGE IN ACTION INC.
Financial Statements
Year Ended December 31, 2023

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Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of Courage In Action Inc.

Opinion

I have audited the financial statements of Courage In Action Inc. (the "organization"), which comprise the statement of financial position as at December 31, 2023, and the statements of revenues and expenditures, 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 my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2023, 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 Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the organization in accordance with ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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.

(continues)

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.



Toronto, Ontario
March 8, 2024

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Chartered Professional Accountants of Ontario*

COURAGE IN ACTION INC.
Statement of Financial Position
December 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 26,787	\$ 26,118
Prepaid expenses	<u>2,417</u>	<u>1,956</u>
	\$ 29,204	\$ 28,074
 LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 5,086	\$ 5,085
Credit card payable	<u>54</u>	<u>25</u>
	5,140	5,110
 NET ASSETS	 <u>24,064</u>	 <u>22,964</u>
	\$ 29,204	\$ 28,074

ON BEHALF OF THE BOARD

_____ *Director*

The attached notes are an integral part of these financial statements

COURAGE IN ACTION INC.
Statement of Revenues and Expenditures
Year Ended December 31, 2023

	2023	2022
REVENUES		
Donations Received	\$ 6,143	\$ 13,958
Fundraising income	17,044	7,726
Grants	-	1,000
	23,187	22,684
EXPENSES		
Business taxes and licenses	1,965	727
Program expenses	4,992	5,580
Insurance	2,828	1,579
Interest and bank charges	-	1
Office	745	277
Bursaries paid	2,259	1,951
Professional fees	7,916	5,097
Website maintainance expense	23	339
Utilities	1,408	1,194
	22,136	16,745
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	1,051	5,939
OTHER INCOME	49	-
EXCESS OF REVENUES OVER EXPENSES	\$ 1,100	\$ 5,939

The attached notes are an integral part of these financial statements

COURAGE IN ACTION INC.
Statement of Changes in Net Assets
Year Ended December 31, 2023

	General Fund	Restricted Fund	Third Fund	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 22,964	\$ -	\$ -	\$ 22,964	\$ 17,025
EXCESS OF REVENUES OVER EXPENSES	1,100	-	-	1,100	5,939
NET ASSETS - END OF YEAR	\$ 24,064	\$ -	\$ -	\$ 24,064	\$ 22,964

The attached notes are an integral part of these financial statements

COURAGE IN ACTION INC.
Statement of Cash Flows
Year Ended December 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 1,100	\$ 5,939
Changes in non-cash working capital:		
Accounts payable	1	-
Prepaid expenses	(461)	(1,956)
Credit card payable	29	(23)
	(431)	(1,979)
INCREASE IN CASH FLOW	669	3,960
Cash - beginning of year	26,118	22,158
CASH - END OF YEAR	\$ 26,787	\$ 26,118
CASH CONSISTS OF:		
Cash	\$ 26,787	\$ 26,118

The attached notes are an integral part of these financial statements

1. PURPOSE OF THE ORGANIZATION

Courage In Action Inc. (the "organization") is a not-for-profit organization of Ontario. As a registered charity the organization is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The organization operates to provide their participants with the tools, motivation and hope that uplifts and inspires them to create new or different outcomes. They accomplish this through educational sessions, one day conferences with presentations, workshops and activities presented by professional women. Many of the women who volunteer come from similar backgrounds and have moved beyond their situation

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in savings account and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

Financial instruments

When financial instruments that include both a debt and an equity component are issued, the proceeds are allocated firstly to the component for which the fair value is more readily determinable, and the residual is allocated to the other component.

Revenue recognition

The organization recognizes revenues when they are earned, specifically when all the following conditions are met:

- donations 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 and there is a clear evidence that an arrangement exists.
- Fundraising revenues are voluntarily given to the organization and are recognized as revenue when the amounts are actually received.

Contributed services

Volunteers contribute about 500 hours per year to assist the entity in delivering its services. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Net assets

- a) Net assets invested in property and equipment represents the organization's net investment in property and equipment which is comprised of the unamortized amount of property and equipment purchased with restricted funds.
- b) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, not of transfers, and are available for general purposes.

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

COURAGE IN ACTION INC.
Notes to Financial Statements
Year Ended December 31, 2023

3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2023.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

Additional risk

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

4. PROGRAM EXPENSES

	2023	2022
<u>Conferences</u>		
Miscellaneous Gifts	\$ 1,829	\$ 2,130
Conference expense - Virtual	-	2,740
Podcast expense	295	365
Program expenses	466	345
Education expense	2,401	-
Total program expenses	\$ 4,991	\$ 5,580

5. BURSARIES PAID

	2023	2022
<u>Bursaries paid</u>		
Bursary - Toronto	\$ 2,259	\$ 1,951
