

**ONTARIO FEDERATION FOR CEREBRAL PALSY**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2024**

**Tummon Wallington Chong LLP**

Chartered Professional Accountants

Toronto, Ontario

## Independent Auditors' Report

To the Directors of  
**ONTARIO FEDERATION FOR CEREBRAL PALSY**

### *Qualified Opinion*

We have audited the financial statements of **Ontario Federation for Cerebral Palsy** (the "Organization"), which comprise the statement of financial position as at December 31, 2024 and the statements of operations, 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 December 31, 2024 and the results of its 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 charitable organizations, the Organization derives revenue from donations and bequests, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were unable to determine whether any adjustments might be necessary to donations and bequests, excess of revenues over expenditures and cash flows from operations for the year ended December 31, 2024, current assets as at December 31, 2024 and net assets as at January 1, 2024 and December 31, 2024.

As discussed in Note 1(l) to the financial statements, the Organization accounts for its beneficial interest in Clothing Pick-Up for Cerebral Palsy Trust using the cost method of accounting instead of the equity or consolidation method, which constitutes a departure from Canadian accounting standards for not-for-profit organizations. The financial statement effects of the departure have not been determined as management did not provide us with the information necessary to quantify the effects, if any, of the departure. Consequently, we were unable to determine the adjustments, if any, that would be required to trust distribution, excess of revenues over expenditures and cash flows from operations for the year ended December 31, 2024, current assets as at December 31, 2024 and net assets as at January 1, 2024 and December 31, 2024 if the Organization accounted for its beneficial interest using the equity method.

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 *Auditors' 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.

### *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.

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

## Independent Auditors' Report (continued)

### *Auditors' 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 auditors' 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 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 auditors' 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 auditors' 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.

*Tummon Wallington Chong LLP*

Toronto, Ontario  
June 20, 2025

Chartered Professional Accountants  
Licensed Public Accountants

# ONTARIO FEDERATION FOR CEREBRAL PALSY

## Statement of Financial Position

December 31

|  | General Fund      | Atherton Endowment Fund | 2024 \$           | 2023 \$           |
|--|-------------------|-------------------------|-------------------|-------------------|
| <b>ASSETS</b>                              |                   |                         |                   |                   |
| Current assets                             |                   |                         |                   |                   |
| Cash (note 2)                              | 1,247,943         | 3,526                   | 1,251,469         | 387,121           |
| Investments (note 3)                       | 11,627,673        | 98,553                  | 11,726,226        | 12,541,828        |
| Accounts receivable (note 4)               | 35,292            | -                       | 35,292            | 30,632            |
| Prepaid expenses                           | 8,942             | -                       | 8,942             | 17,969            |
|  | <b>12,919,850</b> | <b>102,079</b>          | <b>13,021,929</b> | <b>12,977,550</b> |
| Long term assets                           |                   |                         |                   |                   |
| Tangible property and equipment (note 7)   | 37,007            | -                       | 37,007            | 44,840            |
| Intangible assets (note 8)                 | 16,952            | -                       | 16,952            | 21,796            |
| Loan receivable – related party (note 5)   | <b>625,000</b>    | -                       | <b>625,000</b>    | <b>1,450,000</b>  |
|  | <b>13,598,809</b> | <b>102,079</b>          | <b>13,700,888</b> | <b>14,494,186</b> |
| <b>LIABILITIES AND NET ASSETS</b>          |                   |                         |                   |                   |
| Current liabilities                        |                   |                         |                   |                   |
| Accounts payable and accrued liabilities   | 159,638           | -                       | 159,638           | 289,199           |
| Due to related party (note 11)             | 94,484            | -                       | 94,484            | 30,344            |
| Deferred revenue (note 15)                 | 91,831            | -                       | 91,831            | 157,772           |
|  | <b>345,953</b>    | -                       | <b>345,953</b>    | <b>477,315</b>    |
| <b>NET ASSETS</b>                          |                   |                         |                   |                   |
| Unrestricted                               | 12,788,550        | -                       | 12,788,550        | 13,539,389        |
| Internally restricted (note 9)             | 410,346           | -                       | 410,346           | 410,846           |
| Externally restricted                      | -                 | 102,079                 | 102,079           | -                 |
| Invested in tangible and intangible assets | 53,960            | -                       | 53,960            | 66,636            |
|  | <b>13,252,856</b> | <b>102,079</b>          | <b>13,354,935</b> | <b>14,016,871</b> |
|  | <b>13,598,809</b> | <b>102,079</b>          | <b>13,700,888</b> | <b>14,494,186</b> |

Approved on behalf of the Board:

Director



Matthew Coulter

Director



D Deborah Wilkinson

# ONTARIO FEDERATION FOR CEREBRAL PALSY

## Statement of Operations

Year ended December 31,

|   | General<br>Fund<br>\$ | Atherton<br>Endowment<br>Fund<br>\$ | Total<br>2024<br>\$ | Total<br>2023<br>\$ |
|---|-----------------------|-------------------------------------|---------------------|---------------------|
| <b>Revenues</b>   |                       |                                     |                     |                     |
| Donations, bequests and fundraising   | <b>309,007</b>        | <b>100,000</b>                      | <b>409,007</b>      | 277,392             |
| Investment income   | <b>475,742</b>        | <b>3,526</b>                        | <b>479,268</b>      | 465,709             |
| Trust income  | -                     | -                                   | -                   | 48,986              |
| Bin rental  | <b>21,092</b>         | -                                   | <b>21,092</b>       | 21,092              |
| Memberships, workshops and seminars   | <b>4,060</b>          | -                                   | <b>4,060</b>        | 4,195               |
|   | <b>809,901</b>        | <b>103,526</b>                      | <b>913,427</b>      | 817,374             |
| <b>Expenditures</b>   |                       |                                     |                     |                     |
| Programs  | <b>746,095</b>        | -                                   | <b>746,095</b>      | 557,105             |
| Goldcrest program   | <b>1,978</b>          | -                                   | <b>1,978</b>        | 11,580              |
| Administration  | <b>509,028</b>        | -                                   | <b>509,028</b>      | 442,531             |
| Fundraising   | <b>12,657</b>         | -                                   | <b>12,657</b>       | 12,720              |
| Amortization  | <b>14,993</b>         | -                                   | <b>14,993</b>       | 10,525              |
|   | <b>1,284,751</b>      | -                                   | <b>1,284,751</b>    | 1,034,461           |
| Operating excess of expenditures over revenues                              | <b>(474,850)</b>      | <b>103,526</b>                      | <b>(371,324)</b>    | (217,087)           |
| <b>Investment gains (losses) and expenses</b>                               |                       |                                     |                     |                     |
| Realized and unrealized gains (losses) on investments                       | <b>673,564</b>        | <b>(1,447)</b>                      | <b>672,117</b>      | 471,215             |
| Reserve for gains (losses) on related party loan                            | <b>(825,000)</b>      | -                                   | <b>(825,000)</b>    | -                   |
| Investment management fees  | <b>(137,729)</b>      | -                                   | <b>(137,729)</b>    | (129,019)           |
|   | <b>(289,165)</b>      | <b>(1,447)</b>                      | <b>(290,612)</b>    | 342,196             |
| (Excess of expenditures over revenues) excess of revenues over expenditures | <b>(764,015)</b>      | <b>102,079</b>                      | <b>(661,936)</b>    | 125,109             |

# ONTARIO FEDERATION FOR CEREBRAL PALSY

## Statement of Changes in Net Assets

Year ended December 31,

|  | General<br>Unrestricted<br>Fund<br>\$ | General<br>Internally<br>Restricted<br>Fund<br>\$ | Invested in<br>Property and<br>Equipment<br>\$ | Atherton<br>Endowment<br>Fund<br>\$ | Total<br>2024<br>\$ | Total<br>2023<br>\$ |
|--|---------------------------------------|---|--|-------------------------------------|---------------------|---------------------|
| Fund balance, beginning of year                  | 13,539,389                            | 410,846   | 66,636   | -                                   | 14,016,871          | 13,891,762          |
| Excess (deficiency) of revenue over expenditures | (748,522)                             | (500)   | (14,993)                                       | 102,079                             | (661,936)           | 125,109             |
| Transfer of capital asset purchases              | (2,317)                               | -   | 2,317  | -                                   | -                   | -                   |
| Fund balance, end of year                        | <u>12,788,550</u>                     | <u>410,346</u>                                    | <u>53,960</u>                                  | <u>102,079</u>                      | <u>13,354,935</u>   | <u>14,016,871</u>   |

# ONTARIO FEDERATION FOR CEREBRAL PALSY

## Statement of Cash Flows

Year ended December 31

|   | General Fund | Atherton Endowment Fund | Total 2024  | Total 2023  |
|---|--------------|-------------------------|-------------|-------------|
|   |              |                         | \$          | \$          |
| Cash provided by (used in)                        |              |                         |             |             |
| Operating activities                              |              |                         |             |             |
| Operating income (loss)                           | (950,592)    | 100,000                 | (850,592)   | (682,796)   |
| Investment income (loss)                          | 475,742      | 3,526                   | 479,268     | 465,709     |
| Investment gains (losses)                         | 673,564      | (1,447)                 | 672,117     | 471,215     |
| Investment management fees                        | (137,729)    | -                       | (137,729)   | (129,019)   |
| Reserve for gain (loss) on related party loan     | (825,000)    | -                       | (825,000)   | -           |
| Excess (deficiency) of revenues over expenditures | (764,015)    | 102,079                 | (661,936)   | 125,109     |
| Adjust for items not requiring a flow of cash     |              |                         |             |             |
| Amortization of property and equipment            | 14,993       | -                       | 14,993      | 10,525      |
| Unrealized (gain) loss on investments             | (207,481)    | 1,447                   | (206,034)   | (659,225)   |
| Realized (gain) loss on sale of investments       | (464,569)    | -                       | (464,569)   | 188,010     |
| Reserve for (gain) loss on related party loan     | 825,000      | -                       | 825,000     | -           |
| Changes in non-cash working capital components    |              |                         |             |             |
| Accounts receivable                               | (4,660)      | -                       | (4,660)     | (10,621)    |
| Prepaid expenses                                  | 9,027        | -                       | 9,027       | (5,916)     |
| Accounts payable and accrued liabilities          | (129,561)    | -                       | (129,561)   | 70,072      |
| Due to related party                              | 64,140       | -                       | 64,140      | 54,859      |
| Deferred revenue                                  | (65,941)     | -                       | (65,941)    | -           |
|   | (723,067)    | 103,526                 | (619,541)   | (227,187)   |
| Investing activities                              |              |                         |             |             |
| Purchase of investments                           | (4,119,516)  | (132,790)               | (4,252,306) | (3,917,062) |
| Proceeds from sale of investments                 | 5,705,722    | 32,790                  | 5,738,512   | 3,770,271   |
| Purchase of property and equipment                | (2,317)      | -                       | (2,317)     | (41,969)    |
| Related party loan payments                       | -            | -                       | -           | 350,000     |
|   | 1,583,889    | (100,000)               | 1,483,889   | 161,240     |
| Increase (decrease) in cash during year           | 860,822      | 3,526                   | 864,348     | (65,947)    |
| Cash, beginning of year                           | 387,121      | -                       | 387,121     | 453,068     |
| Cash, end of year                                 | 1,247,943    | 3,526                   | 1,251,469   | 387,121     |
| Cash is represented by:                           |              |                         |             |             |
| Cash in bank                                      | 614,448      | -                       | 614,448     | 302,654     |
| Cash in investment accounts                       | 633,495      | 3,526                   | 637,021     | 84,467      |
|   | 1,247,943    | 3,526                   | 1,251,469   | 387,121     |

# ONTARIO FEDERATION FOR CEREBRAL PALSY

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## Notes to Financial Statements

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December 31, 2024

### Operations

The Ontario Federation for Cerebral Palsy (the “Organization”) was incorporated without share capital under Part 2 of the Canada Corporations Act in 1973. The Organization exists to provide support for people with cerebral palsy and other disabilities.

In September 2018, the Board of Directors approved to change the Organization’s fiscal year end from August 31 to December 31.

### 1. Significant accounting policies

#### a) Basis of accounting

The Organization has prepared its financial statements in accordance with Canadian accounting standards for not-for-profit organizations.

#### b) Fund accounting

The Organization follows the restricted fund method of accounting. The funds all have their own bank and investment accounts. These funds are distinguished as follows:

The **Operating Fund** accounts for the ordinary operations of the Organization.

The **Atherton Endowment Fund** was established in the year ended December 31, 2024 to provide financial assistance to families and individuals with cerebral palsy who are eligible to receive or participate in an educational or recreational activity, project or program provided by the Federation for which adequate funds are not available from other sources. The fund was created by a specific endowment. The capital of the endowment must be maintained in perpetuity. The financial assistance allocated each year will be at the discretion of the Board of the Federation.

#### c) Revenue Recognition

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

Trust distribution from Clothing Pick-Up for Cerebral Palsy Trust (“CP4CP”) is recognized as distributions are received.

Revenue from memberships, workshops and seminars is recognized when the event occurs, provided the amount to be received can be reasonably estimated and collection is reasonably assured.

Bin rental and other income is recognized as revenue when performance requirements have been met and collection is reasonably assured.

Investment income is recognized as revenue when earned.

# ONTARIO FEDERATION FOR CEREBRAL PALSY

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## Notes to Financial Statements (continued)

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December 31, 2024

### 1. Significant accounting policies (continued)

#### d) Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. Investments are subsequently measured at fair value and all other financial instruments are subsequently measured at cost or amortized cost. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

#### e) Contributed Services

The Organization is dependent upon the ongoing support of volunteers. Due to the difficulty in determining their fair values, contributed services are not recognized in the financial statements.

#### f) Internally Restricted Net Assets

The *EW Scholarship Fund* is established to finance scholarships to students with a disability, studying toward a degree that will lead to working with individuals with disabilities.

The *Innovative Fund* is established to finance programs that impact membership on a provincial level, focusing on service gaps, population health and addressing the need in under served communities.

#### g) Property and Equipment

Property and equipment are recorded at cost. Amortization is based on the estimated useful life of the asset provided as follows:

|  | Method        | Rate     |
|--|---------------|----------|
| Furniture, fixtures and computer equipment | Straight-line | 3 years  |
| Donation bins                              | Straight line | 10 years |

#### h) Intangible assets

Intangible assets are recorded at cost, amortization is based on the useful life of the asset provided as follows:

|         | Method        | Rate    |
|---------|---------------|---------|
| Website | Straight line | 5 years |

#### i) Impairment of Long-Lived Assets

The Organization monitors its use of long-lived assets and when the long-lived asset no longer contributes to the Organization's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the long-lived asset is less than its net carrying amount, an impairment is recognized as an expense in the statement of operations.

# ONTARIO FEDERATION FOR CEREBRAL PALSY

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## Notes to Financial Statements (continued)

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December 31, 2024

### 1. Significant accounting policies (continued)

#### j) Foreign Currency Translation

Foreign currency accounts are translated to Canadian dollars as follows:

At the transaction date, each asset, liability, revenue and expenses is translated into Canadian dollars by the use of the exchange rate in effect at the date. At the year end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date and the resulting foreign exchange gains and losses are included in income in the current year

#### k) Allocation of Expenses

The Organization promotes and engages in a number of programs. The cost of each program includes direct funding to members, the cost of personnel involved and other expenses that are directly related to providing the program. The Organization also incurs a number of general support expenses that are common to the administration of the Organization and each of its programs. The Organization allocates certain of its administrative costs by identifying the appropriate basis of allocating each expense and applies that basis consistently each year. General administrative expenses are allocated on the following bases:

Occupancy costs – proportionately based on the relative space used by the various functions.

Administrative salaries - based on the estimated amount of time spent on each function by the various individuals.

#### l) Clothing Pick-Up for Cerebral Palsy Trust

Clothing Pick-Up for Cerebral Palsy Trust (“CP4CP”) was established to solicit and monetize in-kind donations for the benefit of the Organization and is required to pay an amount equal to its net income to the Organization each fiscal year. The Organization is considered to control CP4CP under Canadian accounting standards for not-for-profit organizations. The Organization accounts for its interest in CP4CP using the cost method of accounting and as a result, the assets, liabilities and results of operations of CP4CP are not included in these financial statements.

#### m) Income Tax Status

The Organization is a registered charitable organization exempt from income taxes under section 149(1)(f) of the Income Tax Act.

#### n) Use of Estimates

The preparation of the financial statements in accordance 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 at the date of the financial statements, and the reported amounts of revenue and expenses for the year then ended. Actual results could differ from management’s best estimates as additional information becomes available in the future.

#### o) Government Assistance

Government grants are not recognized until there is reasonable assurance that the Organization will comply with the conditions attached to it and that the grant will be received.

# ONTARIO FEDERATION FOR CEREBRAL PALSY

## Notes to Financial Statements (continued)

December 31, 2024

### 2. Cash and equivalents

|                            | Operating<br>Fund   | Endowment<br>Fund | 2024                | 2023              |
|----------------------------|---------------------|-------------------|---------------------|-------------------|
| Cash in bank               | \$ 607,238          | \$ -              | \$ 607,238          | \$ 302,654        |
| Cash in investment account | 633,495             | 3,526             | 637,021             | 84,467            |
| Undeposited funds          | <u>7,210</u>        | <u>-</u>          | <u>7,210</u>        | <u>-</u>          |
|                            | <u>\$ 1,247,943</u> | <u>\$ 3,526</u>   | <u>\$ 1,251,469</u> | <u>\$ 387,121</u> |

### 3. Investments

|                            | Operating<br>Fund    | Endowment<br>Fund | 2024                 | 2023                 |
|----------------------------|----------------------|-------------------|----------------------|----------------------|
| Equities - segregated      | \$ 3,533,202         | \$ -              | \$ 3,533,202         | \$ 4,078,918         |
| Bonds and short term notes | <u>8,094,471</u>     | <u>98,553</u>     | <u>8,193,024</u>     | <u>8,462,910</u>     |
|                            | <u>\$ 11,627,673</u> | <u>\$ 98,553</u>  | <u>\$ 11,726,226</u> | <u>\$ 12,541,828</u> |

### 4. Accounts receivable

|                   | Operating<br>Fund | Endowment<br>Fund | 2024             | 2023             |
|-------------------|-------------------|-------------------|------------------|------------------|
| Trade receivables | \$ -              | \$ -              | \$ -             | \$ 7,031         |
| HST rebate        | 25,559            | -                 | 25,559           | 15,189           |
| Other receivables | <u>9,733</u>      | <u>-</u>          | <u>9,733</u>     | <u>8,412</u>     |
|                   | <u>\$ 35,292</u>  | <u>\$ -</u>       | <u>\$ 35,292</u> | <u>\$ 30,632</u> |

### 5. Loan receivable – related party

On September 1, 2017, the Organization entered into a demand revolving credit agreement with Clothing Pick-Up for Cerebral Palsy Trust, a controlled entity, whereby the Organization may lend up to \$2,500,000 to the Clothing Pick-Up for Cerebral Palsy Trust on a revolving basis. Amounts borrowed by the Clothing Pick-Up for Cerebral Palsy Trust under this agreement are non-interest bearing, due on demand and secured by a general security agreement covering all assets of the Clothing Pick-Up for Cerebral Palsy Trust. The Organization does not intend to demand repayment within the next fiscal year. The Organization has confidence that the loan will be repaid as follows:

# ONTARIO FEDERATION FOR CEREBRAL PALSY

## Notes to Financial Statements (continued)

December 31, 2024

### 5. Loan receivable – related party (continued)

|                                  | Operating<br>Fund | Endowment<br>Fund | 2024              | 2023                |
|----------------------------------|-------------------|-------------------|-------------------|---------------------|
| Loan receivable – Clothing       |                   |                   |                   |                     |
| Pick-Up for Cerebral Palsy Trust | \$ 1,450,000      | \$ -              | \$ 1,450,000      | \$ 1,450,000        |
| Reserve for doubtful collection  | <u>(825,000)</u>  | <u>-</u>          | <u>(825,000)</u>  | <u>-</u>            |
|                                  | <u>\$ 625,000</u> | <u>\$ -</u>       | <u>\$ 625,000</u> | <u>\$ 1,450,000</u> |

### 6. Clothing Pick-Up for Cerebral Palsy Trust

The most recent audited financial statements at December 31, 2024 and December 31, 2023 of CP4CP reflect the following:

|   | 2024             | 2023             |
|---|------------------|------------------|
| <b>Statement of Financial Position</b>                    |                  |                  |
| Total assets  | \$ 960,641       | \$ 1,091,773     |
| Total liabilities and capital                             | \$ 960,641       | \$ 1,091,773     |
| <b>Statement of Operations</b>                            |                  |                  |
| Revenues  | \$ 5,242,797     | \$ 5,655,379     |
| Expenditures  | <u>5,470,976</u> | <u>6,230,923</u> |
| Net (loss) income before distribution to the Organization | (228,179)        | (575,544)        |
| Distribution of income to the Organization                | <u>-</u>         | <u>-</u>         |
| Net (loss) income for the year                            | \$ (228,179)     | \$ (575,544)     |
| <b>Statement of Cash Flows</b>                            |                  |                  |
| Cash flows from   |                  |                  |
| Operating activities                                      | \$ (222,860)     | \$ (517,282)     |
| Financing activities                                      | <u>(64,323)</u>  | <u>(453,844)</u> |
| Net change in cash and equivalents during the year        | (287,183)        | (971,126)        |
| Cash and cash equivalents, beginning of the year          | <u>572,264</u>   | <u>1,543,390</u> |
| Cash and cash equivalents, end of the year                | \$ 285,081       | \$ 572,264       |

# ONTARIO FEDERATION FOR CEREBRAL PALSY

## Notes to Financial Statements (continued)

December 31, 2024

### 7. Tangible property and equipment

|                                  | 2024          |                          | 2023          |                          |
|----------------------------------|---------------|--------------------------|---------------|--------------------------|
|                                  | Cost          | Accumulated Amortization | Cost          | Accumulated Amortization |
| Furniture, fixture and equipment | \$ 8,933      | \$ 3,694                 | \$ 24,160     | \$ 18,647                |
| Donation bins                    | <u>75,578</u> | <u>43,810</u>            | <u>75,579</u> | <u>36,252</u>            |
|                                  | <u>84,511</u> | <u>47,504</u>            | <u>99,739</u> | <u>54,899</u>            |
| Net book value                   |               | \$ <u>37,007</u>         |               | \$ <u>44,840</u>         |

The Organization leases its donation bins to CP4CP on a month to month basis (Note 11).

### 8. Intangible assets

|                | 2024             |                          | 2023             |                          |
|----------------|------------------|--------------------------|------------------|--------------------------|
|                | Cost             | Accumulated Amortization | Cost             | Accumulated Amortization |
|                | \$ <u>24,218</u> | \$ <u>7,266</u>          | \$ <u>24,218</u> | \$ <u>2,422</u>          |
| Net book value |                  | \$ <u>16,952</u>         |                  | \$ <u>21,796</u>         |

### 9. Internally restricted net assets

|                     | 2024                       |                                     |               |                     |  |
|---------------------|----------------------------|-------------------------------------|---------------|---------------------|--|
|                     | Balance, beginning of year | Excess of revenue over expenditures | Payments      | Balance end of year |  |
| EW Scholarship Fund | \$ 2,100                   | \$ -                                | \$ 500        | \$ 1,600            |  |
| Innovation Fund     | <u>408,746</u>             | <u>-</u>                            | <u>-</u>      | <u>408,746</u>      |  |
|                     | <u>\$ 410,846</u>          | <u>\$ -</u>                         | <u>\$ 500</u> | <u>\$ 410,346</u>   |  |

### 10. Credit facility

The Organization maintains a revolving demand credit facility of \$250,000 bearing interest at prime plus 1.00%. The credit facility is secured by a general security agreement covering all assets of the Organization. As at December 31, 2024, the balance of the credit facility was \$nil (2023 -\$nil).

# ONTARIO FEDERATION FOR CEREBRAL PALSY

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## Notes to Financial Statements (continued)

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December 31, 2024

### 11. Related party transactions with Clothing Pick-Up for Cerebral Palsy Trust

During the year, the Organization earned bin rental income from Clothing Pick-Up for Cerebral Palsy Trust in the amount of \$21,092 (2023 - \$21,092) and received distributions of \$Nil (2023 - \$48,896).

The Organization has also entered into a sublease agreement with Clothing Pick-Up for Cerebral Palsy Trust and paid for premises rental payments of \$13,766 (2023 - \$Nil).

The Organization paid employment expenses for a shared employee in the amount of \$47,775 (2023 - \$27,869).

These transactions are in the normal course of operations and are measured at the exchange value which is the amount of consideration established and agreed to by the related parties.

### 12. Commitments

a) The Organization entered into a mutual agreement to terminate its rental lease for its premises at 4211 Yonge Street, Toronto, Ontario. Rental payments during the year were as follows:

| 2024 | \$ <u>62,778</u> |
|------|------------------|
|------|------------------|

b) The Organization entered into a sublease agreement with Clothing Pick-Up for Cerebral Palsy Trust which requires annual rental payments as follows:

|      |           |
|------|-----------|
| 2025 | \$ 20,146 |
| 2026 | 20,566    |
| 2027 | 20,986    |
| 2028 | 7,042     |

### 13. Legal contingencies

The Organization is subject to various claims, consults and other complaints arising in the ordinary course of operations. The Organization records provision for losses when liability from such claims become probable and estimable. It is the opinion of management that as at the date of these financial statements, the liability of any such contingencies are not probable nor estimable and will not have a material effect on the financial position or results of operations and cash flows of the Organization at the time of their final resolution.

### 14. Financial instruments

#### 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 financial instruments that are exposed to concentrations of credit risk relate primarily to cash, loan receivable and investments. The Organization manages its exposure to this risk by maintaining its cash and investments with a major Schedule I bank and an accredited investment council.

# ONTARIO FEDERATION FOR CEREBRAL PALSY

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## Notes to Financial Statements (continued)

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December 31, 2024

### 14. Financial instruments (continued)

#### Liquidity risk

Liquidity risk is the risk that the Organization encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk arises from accounts payable and accrued liabilities and commitments. The Organization continues to focus on maintaining adequate liquidity to meet operating working capital requirements and capital expenditures.

#### 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 exposed to interest rate risk arising from the possibility that changes in interest rates will affect the value of fixed income denominated investments.

#### Market risk

The Organization is exposed to fluctuations in equity markets on its segregated equities and pooled fund investments.

#### 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 considers this risk to be acceptable and therefore does not hedge its foreign exchange rate risks. As at year end, the cash balance of \$Nil (2023 - \$25,424) is expressed in US dollars and converted into Canadian dollars at an exchange rate of Nil (2023 – 1.3185).

These risks have not changed from the previous year.

### 15. Deferred revenue

During the year ended December 31, 2022, a bequest in the amount of \$161,136 was received from the Estate of Doris Godfrey. Per the Will, these funds have been allocated to OFCP, restricted to the use of Participation House activities. The funds have therefore been allocated to deferred revenue until related expenses are recognized, upon which, revenue equal to the expense will be recognized to income.

|   | 2024             | 2023              |
|---|------------------|-------------------|
| Funds received from the Estate of Doris Godfrey | \$ 161,136       | \$ 161,136        |
| Participation House expenses realized           | <u>69,305</u>    | <u>3,364</u>      |
|   | <u>\$ 91,831</u> | <u>\$ 157,772</u> |

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