

SKILLS FOR LIFE INC
Financial Statements
Year Ended August 31, 2024
Unaudited

SKILLS FOR LIFE INC

Index to Financial Statements Year Ended August 31, 2024

Unaudited

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Skills For Life Inc

We have reviewed the accompanying financial statements of Skills For Life Inc (the Organization) that comprise the statement of financial position as at August 31, 2024, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 (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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Skills For Life Inc as at August 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Henderson Roller Partnership Professional Corporation

Oakville, Ontario
January 31, 2025

HENDERSON ROLLER PARTNERSHIP PROFESSIONAL CORPORATION
CHARTERED PROFESSIONAL ACCOUNTANTS
Authorized to practise public accounting by
the Chartered Professional Accountants of Ontario

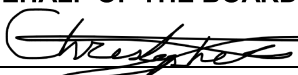
SKILLS FOR LIFE INC

Statement of Financial Position August 31, 2024

Unaudited

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 112,863	\$ 449,321
Government grants receivable	767	30,929
Accounts receivable	-	30,399
Harmonized sales tax recoverable	1,742	643
	115,372	511,292
EQUIPMENT (Note 3)	204	452
INTANGIBLE ASSETS (Note 4)	-	2,069
	\$ 115,576	\$ 513,813
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 19,336	\$ 10,400
Funds held in trust (Note 5)	50,636	341,501
Deferred income (Note 6)	24,721	142,392
	94,693	494,293
NET ASSETS	20,883	19,520
	\$ 115,576	\$ 513,813

ON BEHALF OF THE BOARD

 Director

Director

The accompanying notes are an integral component of these financial statements.

SKILLS FOR LIFE INC

Statement of Revenues and Expenditures Year Ended August 31, 2024

Unaudited

	2024	2023
REVENUES		
Donations	\$ 52,729	\$ 3,785
Fundraising & Gala ticket (Note 6)	13,336	-
Government assistance (Notes 6,7)	144,398	111,415
Other grants (Notes 6,8)	149,667	70,225
Other income (Note 6)	45,729	35,664
	405,859	221,089
EXPENSES		
Advertising and promotion	1,290	6,397
Amortization	249	553
Amortization of intangible assets	2,069	2,069
Salaries and wages - fundraising	49,055	36,832
System Maintenance- fundraising	1,188	-
Salaries and wages - program	144,582	58,623
Meals and entertainment- program	1,047	2,021
Honorarium- program	4,043	2,834
Salaries and wages - administration	138,340	66,910
Office and general	28,318	11,792
Professional fees	34,315	6,905
Supplies	-	1,136
Telephone	-	63
	404,496	196,135
EXCESS OF REVENUES OVER EXPENSES	\$ 1,363	\$ 24,954

The accompanying notes are an integral component of these financial statements.

SKILLS FOR LIFE INC

Statement of Changes in Net Assets Year Ended August 31, 2024

Unaudited

	2024	2023
NET ASSETS (DEBT) - BEGINNING OF YEAR	\$ 19,520	\$ (5,434)
EXCESS OF REVENUES OVER EXPENSES	1,363	24,954
NET ASSETS - END OF YEAR	\$ 20,883	\$ 19,520

The accompanying notes are an integral component of these financial statements.

SKILLS FOR LIFE INC

Statement of Cash Flows Year Ended August 31, 2024

Unaudited

	2024	2023
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 1,363	\$ 24,954
Items not affecting cash:		
Amortization of equipment	249	553
Amortization of intangible assets	2,069	2,069
	3,681	27,576
Changes in non-cash working capital:		
Government grants receivable	30,162	(22,929)
Accounts receivable	30,399	(30,399)
Accounts payable and accrued liabilities	8,935	(5,489)
Deferred income	(117,671)	138,180
Harmonized sales tax payable	(1,099)	1,297
Funds held in trust	(290,865)	341,501
	(340,139)	422,161
Cash flow from (used by) operating activities	(336,458)	449,737
FINANCING ACTIVITY		
Advances to related parties	-	(6,000)
INCREASE (DECREASE) IN CASH FLOW	(336,458)	443,737
Cash - beginning of year	449,321	5,584
CASH - END OF YEAR	\$ 112,863	\$ 449,321

The accompanying notes are an integral component of these financial statements.

Notes to Financial Statements Year Ended August 31, 2024

Unaudited

1. DESCRIPTION OF ORGANIZATION

Skills For Life Inc (the "Organization") was incorporated without share capital under the Canada Not-for-Profit Corporation's Act. The Organization is a registered charitable organization under the Income Tax Act, and as such, is exempt from income taxes.

The mission of the Organization is to to educate youth on the importance of life skills development, while helping them plan their future and to connect people, groups, and organizations in order to build strong partnerships and enhance civic engagement.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

The significant accounting policies used are as follows:

Revenue recognition

The Organization follows the deferral method of accounting for revenue. Government grants and assistance, other grants and restricted donations are recognized as revenue in the year in which the related expenses are incurred. Any unspent amounts are deferred to a future period.

Unrestricted contributions including the donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Other income is recognized as revenue when the service has been rendered/revenue was earned and ultimate collection is reasonably assured. Included in the other income are the administration fees charged on funds held in trust. The administration fees are recognized as earned linearly over the terms of funds in trust agreement.

Equipment

Equipment is stated at cost less accumulated amortization. Equipment is amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Computer equipment	55%	declining balance method
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The Organization regularly reviews its equipment to eliminate obsolete items.

Equipment acquired during the year but not yet in use is not amortized until they are placed into use.

Intangible assets

The software costs are being amortized on a straight-line basis over their estimated useful lives of three years.

(continues)

**Notes to Financial Statements
Year Ended August 31, 2024***Unaudited*

2. SIGNIFICANT ACCOUNTING POLICIES (continued)Impairment of Long Lived Assets

The Organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Deferred grants

Deferred contributions represent revenue received from restricted funds. These funds are restricted either to be used towards specific expenses or are restricted for a future time period. Revenue is recognized in the future period, or when the related expenses are incurred.

Contributed services

The work of the Organization is dependant on the voluntary services, including donated time, expertise, and resources, of many members and the public at large. Since these services are not normally purchased by the Organization and because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements; however, they are critical to the operations of the Organization.

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. The significant items for which estimates were made include the collectibility of government grants receivable, accounts receivable, and harmonized sales tax recoverable, valuation of and useful lives of equipment and intangible assets, and accrued liabilities. Actual results could differ from these estimates.

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Notes to Financial Statements Year Ended August 31, 2024

Unaudited

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets that are traded in an active market are reported at fair value. All of the other financial instruments are recorded at amortized cost.

Financial assets measured at amortized cost include cash, government grants receivable and accounts receivable. There are no financial assets recorded at fair value.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and deferred income. There are no financial liabilities measured at fair value.

Financial instruments are tested for impairment at each reporting date and when an event occurs which may have caused impairment. When a test for impairment indicates the carrying value exceeds its fair value, an impairment loss is recognized to the extent the carrying value exceeds its fair value. When the test indicates that the fair value exceeds the carrying amount, a reversal of the impairment loss previously recorded is recognized to the extent of the original cost.

3. EQUIPMENT

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Computer equipment	\$ 2,234	\$ 2,030	\$ 204	\$ 452

4. INTANGIBLE ASSETS

	2024	2023
Software	\$ 6,206	\$ 6,206
Accumulated amortization	(6,206)	(4,137)
	\$ -	\$ 2,069

**Notes to Financial Statements
Year Ended August 31, 2024**

Unaudited

5. FUNDS HELD IN TRUST

Included in balance for the Funds Held in Trust on the statement of the financial position were funds received to be held in trust for other organizations. The funds are tracked and booked as liability and admin fees charged on the balance was recognized as revenue over the term of each agreement. Total of \$45,729 admin fees were charged during the year and was included in the other income.

	2024
Due to Federation of Black Canadians	\$ 50,636

SKILLS FOR LIFE INC

Notes to Financial Statements Year Ended August 31, 2024

Unaudited

6. DEFERRED INCOME

	2024 Opening Balance	Additions	Recognized in Revenue	2024 Ending Balance
Canada summer jobs grants (1)	\$ -	\$ 27,464	\$ 27,464	\$ -
Region of peel - Core fund (2)	-	74,788	55,546	19,242
Ontario Trillium Foundation (OTF) (3)	-	28,805	25,382	3,423
City of Brampton - advance Brampton (4)	5,562	22,500	26,006	2,056
Region of peel -BSCF (5)	-	10,000	10,000	-
Federation of Black Canadians - SSLP (6)	26,220	-	26,220	-
Canada Red Cross Society (7)	44,690	24,583	69,273	-
Investment Readiness Fund (8)	43,073	-	43,073	-
Federation of Black Canadians (9)	11,101	-	11,101	-
Fundraising & Gala tickets (10)	8,621	4,715	13,336	-
Trustee Admin Revenue	3,125	42,604	45,729	-
Balance, end of year	\$ 142,392	\$ 235,459	\$ 353,130	\$ 24,721

(1) The government of Canada approved \$53,532 grant towards the summer jobs. The Company could only spent \$27,464 during the year hence only \$27,464 is recognized as revenue during the year.

(2) The Organization received \$74,788 in support of core operations from the Region of Peel during the year. \$55,546 was utilized during the year & recognized as revenue. The remaining amount of \$19,242 was deferred at the end of the year.

(3) The Organization signed a fund agreement with Ontario Trillium Foundation (OTF) with its expiry date of March 31, 2024 and total approved amount of \$93,900. During the year, the Organization received \$28,805 from the OTF. \$25,382 was utilized as per the expense budget in agreement and hence was recognized as revenue during the year. The remaining amount of \$3,423 was deferred at the end of the year.

(4) During the year The City of Brampton granted \$22,500 to the Organization during the year. The expiry date of the agreement is December 31, 2024. \$20,444 were utilized and hence the amount was recognized as revenue and \$2,056 was deferred at the end of the year.

(5) The organization received \$10,000 from Municipality of Peel for Building Safer Community Fund (BSCF). The entire amount was spent during the year and was recognized as revenue.

(6) Last year \$26,220 funds received from Federation of Black Canadian-SSLP, full amount was spend during the year and the entire amount was spent during the year and was recognized as revenue.

(7) The Organization received \$24,583 from the Canada Red Cross Society. The entire amount was spent during the year and was recognized as revenue. Last year deferred revenue was fully spent & recognized as revenue in current year.

(continues)

SKILLS FOR LIFE INC

Notes to Financial Statements Year Ended August 31, 2024

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6. DEFERRED INCOME (continued)

	2024 Opening Balance	Additions	Recognized in Revenue	2024 Ending Balance
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(8) Last year \$43,073 was deferred towards the Skills At Work Project. The entire amount was spent during the year and was recognized as revenue.

(9) Last year \$11,101 was deferred from Federation of Black Canadian. The entire amount was spent during the year and was recognized as revenue.

(10) During the year \$4,715 was received for fundraising activities. The entire amount was spent during the year and was recognized as revenue. Last year amount deferred for ticket sales for Gala event was recognized as revenue after Gala event was held during the year.

7. GOVERNMENT GRANTS AND ASSISTANCE

The following is a summary of government assistance received during the year:

	2024	2023
Jobs grants (Federal) (note 6)	\$ 27,464	\$ 20,898
Region of Peel - core fund (note 6)	55,546	24,213
Ontario Trillium Foundation (note 6)	25,382	42,463
City of Brampton - advance Brampton (note 6)	26,006	20,341
Region of Peel - BSCF (note 6)	10,000	-
Region of Peel - other	-	3,500
	\$ 144,398	\$ 111,415

8. GRANTS

Included in the other grants are the funds received from foundation other than from government specifically from Canada Red Cross Society, Federation of Black Canadian, and Investment Readiness Fund. See note 5 for further detail.

9. 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 August 31, 2024. There have been no significant changes to the Organization's risk profile since August 31, 2023.

(continues)

**Notes to Financial Statements
Year Ended August 31, 2024**

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9. FINANCIAL INSTRUMENTS *(continued)*

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Organization is exposed to credit risk from funders and contributors. The Organization's credit risk is minimal as amounts receivable are generally due from government bodies or results from fund agreements. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

(b) 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 contributors and other related sources, accounts payable and accrued liabilities.

Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant market risk, currency risk, interest rate risk, or other price risks arising from these financial instruments.
