

Aperture
CHARTERED PROFESSIONAL ACCOUNTANTS

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PARTNERS RELIEF AND DEVELOPMENT CANADA FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of:
Partners Relief and Development Canada Foundation

Qualified Opinion

We have audited the financial statements of PARTNERS RELIEF AND DEVELOPMENT CANADA FOUNDATION, which comprise of the statement of financial position as at DECEMBER 31, 2020, statement of operations, statement of 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, except for the possible effect of the matter described in the *Basis for Qualified Opinion*, the accompanying financial statements present fairly, in all material respects, the financial position of PARTNERS RELIEF AND DEVELOPMENT CANADA FOUNDATION as at DECEMBER 31, 2020 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified 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 Foundation 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.

In common with many not-for-profit organizations, the Foundation derives revenues from donations, the completeness of which is not readily susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to fund raising activities and donations, excess of revenue over expenses, assets and fund balances.

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 these financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative to do so.

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

Auditor's Responsibility 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 Foundation'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 Foundation'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 Foundation 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.

CALGARY, ALBERTA
April 21, 2021

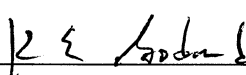


CHARTERED PROFESSIONAL ACCOUNTANTS

**PARTNERS RELIEF AND DEVELOPMENT CANADA FOUNDATION
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR JANUARY 1 TO DECEMBER 31, 2020**

	General Fund	International Fund	2020	2019
ASSETS				
Cash	\$ 66,299	\$ 28,721	\$ 95,020	\$ 115,962
Accounts receivable	40	-	40	40
GST recoverable	157	-	157	230
Prepaid expenses and other current assets	<u>5,643</u>	<u>-</u>	<u>5,643</u>	<u>4,825</u>
	<u>\$ 72,139</u>	<u>\$ 28,721</u>	<u>\$ 100,860</u>	<u>\$ 121,057</u>
 LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	\$ 6,000	\$ -	\$ 6,000	\$ 6,156
Payroll remittance payable	<u>4,067</u>	<u>-</u>	<u>4,067</u>	<u>4,007</u>
	10,067	-	10,067	10,163
Related party transactions (note 3)				
Subsequent events (note 4)				
NET ASSETS				
Restricted	-	28,721	28,721	50,451
Unrestricted	<u>62,072</u>	<u>-</u>	<u>62,072</u>	<u>60,443</u>
	62,072	28,721	90,793	110,894
	<u>\$ 72,139</u>	<u>\$ 28,721</u>	<u>\$ 100,860</u>	<u>\$ 121,057</u>

Approval Statement:

This financial statement has been reviewed and approved by:

 <hr/> Signature	 <hr/> Signature
Kenneth E Godard <hr/> Name	Ernest H Toews <hr/> Name
Treasurer & Director <hr/> Position	President & Director <hr/> Position
Date <u>April 27/21</u>	Date <u>April 27/21</u>

**PARTNERS RELIEF AND DEVELOPMENT CANADA FOUNDATION
STATEMENT OF OPERATIONS
FOR THE YEAR JANUARY 1 TO DECEMBER 31, 2020**

	General Fund	International Fund	2020	2019
REVENUE				
Donations	\$ 188,844	\$ -	\$ 188,844	\$ 159,370
Designated funds	9,760	158,433	168,193	200,459
Fundraising events (note 5)	50	-	50	39,035
Mission trips	-	-	-	2,770
Miscellaneous income	168	-	168	378
	<u>198,822</u>	<u>158,433</u>	<u>357,255</u>	<u>402,012</u>
EXPENSES				
Program costs				
Funds transferred to projects	85,837	180,163	266,000	280,002
Salaries and benefits	76,541	-	76,541	70,727
Fundraising (note 5)	680	-	680	8,194
Promotion and newsletters	4,680	-	4,680	7,599
Program supervision travel	3,375	-	3,375	5,911
Mission trips	2,796	-	2,796	2,770
	<u>173,909</u>	<u>180,163</u>	<u>354,072</u>	<u>375,203</u>
Other				
Office and sundry	18,410	-	18,410	18,386
Interest and service charges	4,874	-	4,874	4,493
	<u>197,193</u>	<u>180,163</u>	<u>377,356</u>	<u>398,082</u>
Excess (deficiency) of revenue over expenses	<u>\$ 1,629</u>	<u>\$ (21,730)</u>	<u>\$ (20,101)</u>	<u>\$ 3,930</u>

**PARTNERS RELIEF AND DEVELOPMENT CANADA FOUNDATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR JANUARY 1 TO DECEMBER 31, 2020**

	General Fund	International Fund	2020	2019
Net assets, beginning of year	\$ 60,443	\$ 50,451	\$ 110,894	\$ 106,964
Excess (deficiency) of revenue over expenses	<u>1,629</u>	<u>(21,730)</u>	<u>(20,101)</u>	<u>3,930</u>
Net assets, end of year	<u>\$ 62,072</u>	<u>\$ 28,721</u>	<u>\$ 90,793</u>	<u>\$ 110,894</u>

**PARTNERS RELIEF AND DEVELOPMENT CANADA FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR JANUARY 1 TO DECEMBER 31, 2020**

	2020	2019
OPERATING ACTIVITIES		
(Deficiency) excess of revenue over expenses	\$ (20,101)	\$ 3,930
Net change in non-cash working capital balances related to operations		
GST receivable	73	(8)
Prepaid expenses and other current assets	(818)	(1,650)
Accounts payable and accrued liabilities	<u>(96)</u>	<u>(4,034)</u>
(Decrease) in cash flows during the year	(20,942)	(1,762)
CASH, BEGINNING OF YEAR	<u>115,962</u>	<u>117,724</u>
CASH, END OF YEAR	<u>\$ 95,020</u>	<u>\$ 115,962</u>

**PARTNERS RELIEF AND DEVELOPMENT CANADA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

1. PURPOSE OF THE ORGANIZATION

The Partners Relief and Development Canada Foundation ("the Foundation") is a registered charity under the Income Tax Act and as a result is exempt from income tax. The Foundation was established on October 16, 2001 with the following objectives:

- To proclaim God's love to victims of natural disaster, the oppressed and the poor;
- To provide essential items like food, clothing, and shelter for victims of natural disaster, the oppressed and the poor;
- To help impoverished people and communities with sustainable development projects;
- To assist orphans and marginalized people with appropriate care programs; and
- To engage in training to develop spiritually mature and capable leaders.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) applied on a going basis.

Cash and equivalents

Cash and cash equivalents consists of balances with financial institutions.

Financial instruments

The Foundation's financial instruments consists of cash, accounts receivable, accounts payable and accrued liabilities. Unless otherwise indicated, it is management's opinion that the Foundation is not exposed to significant interest or credit risks rising from these financial instruments. There has been no change in this risk assessment from the previous year. The fair value of these financial instruments approximate their carrying value, unless otherwise noted.

Revenue recognition

The Foundation follows the restricted fund method of recognizing contributions.

Unrestricted donations, fundraising and interest are recognized in the year to which they relate.

Designated contributions for the use of International Fund are recognized as revenue of the International Fund in the period received.

Designated contributions for operations of the general fund are deferred and recognized as revenue when the related expenses are incurred.

The General Fund accounts for the Foundation's program delivery and administrative activities. This fund reports contributions restricted for these activities, and all unrestricted resources and donations.

The International Fund reports restricted resources and donations that are to be used for international relief and programs.

Contributed services

As with most charitable organizations, significant donations of time and services are received during each year. Due to the difficulties in establishing dollar values for these services, no attempt has been made to include a value for the services in the records of the Foundation.

**PARTNERS RELIEF AND DEVELOPMENT CANADA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement uncertainty

The preparation of the financial statements of the Foundation are in conformity with Canadian accounting standards for not-for-profit organizations that 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 during the reporting period. These estimates are subject to measurement uncertainty

3. RELATED PARTY TRANSACTIONS

During the year, members of the Foundation's board of directors provided financial contributions amounting to \$42,950 (2019 - \$51,746) which is included in donations. The transactions are in the normal course of operations and are recorded in the cash amount received by the Foundation.

During the year, the board of directors and the president received no remuneration (2019: \$Nil) for their services as directors and president.

4. SUBSEQUENT EVENTS

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic, which continues to spread in Canada and around the world.

As at December 31, 2020, the Foundation had made changes in its operation in response to the COVID-19 crisis. Changes in operation included:

Temporary stoppage of in person fundraising events.

Management believes that some aspects of the disruption to operations may be temporary; however, there is uncertainty about the length and potential long term impact of the disruption.

5. FUNDRAISING

In order to raise \$50 (2019 - \$39,035) of fundraising revenue, the Foundation spent \$680 (2019 - \$8,194) on expenses incurred for the purposes of obtaining such revenue. All fundraising activities were organized and run by volunteers. The Foundation has no employees whose principal duties involve fundraising.