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**PEOPLE FOR EDUCATION**

**FINANCIAL STATEMENTS**

**JUNE 30, 2024**

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## INDEPENDENT AUDITOR'S REPORT

To the Members,  
People for Education

### Opinion

We have audited the financial statements of People for Education which comprise the statement of financial position as at June 30, 2024, and the statements of operations and 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, the accompanying financial statements present fairly, in all material respects, the financial position of People for Education as at June 30, 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 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.

### 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 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 People for Education'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 People for Education or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing People for Education'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.

## INDEPENDENT AUDITOR'S REPORT (continued)

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 People for Education'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 People for Education's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw your 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 People for Education 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.

*Pemylegion Chung LLP*

Chartered Professional Accountants  
Licensed Public Accountants

November 25, 2024  
Toronto, Ontario

**PEOPLE FOR EDUCATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2024**

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
Current assets		
Cash	\$ 317,427	\$ 277,489
HST rebate recoverable	8,587	6,872
Accounts receivable	4,400	500
Prepaid expenses	<u>842</u>	<u>1,627</u>
	<u>\$ 331,256</u>	<u>\$ 286,488</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 13,420	\$ 15,253
Deferred contributions (note 3)	<u>52,046</u>	<u>3,410</u>
	<u>65,466</u>	<u>18,663</u>
Net assets		
Unrestricted	<u>265,790</u>	<u>267,825</u>
	<u>\$ 331,256</u>	<u>\$ 286,488</u>

Approved on behalf of the Board:

Diavin Miller, Director

Jack Luong , Director

see accompanying notes

# PEOPLE FOR EDUCATION

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2024

	<b>2024</b>	<b>2023</b>
<b>REVENUE</b>		
Grants (note 4)	\$ 539,317	\$ 653,686
Donations and event fundraising	130,725	117,240
Speaking fees and other	<u>2,840</u>	<u>1,431</u>
	<u>672,882</u>	<u>772,357</u>
<b>EXPENSES</b>		
Salaries and benefits	442,260	663,198
Research and communications	132,364	135,382
Administration	75,162	141,106
Fundraising event	<u>25,131</u>	<u>35,379</u>
	<u>674,917</u>	<u>975,065</u>
<b>EXCESS OF EXPENSES OVER REVENUE FOR THE YEAR</b>	(2,035)	(202,708)
Net assets, beginning of year	<u>267,825</u>	<u>470,533</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 265,790</u>	<u>\$ 267,825</u>

see accompanying notes

# PEOPLE FOR EDUCATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
<b>OPERATING ACTIVITIES</b>		
Excess of expenses over revenue for the year	\$ (2,035)	\$ (202,708)
Add back (deduct) non-cash items-		
Amortization of capital assets	-	6,005
Net change in non-cash working capital items (see below)	<u>41,973</u>	<u>(167,803)</u>
<b>NET INCREASE (DECREASE) IN CASH FOR THE YEAR</b>	39,938	(364,506)
Cash, beginning of year	<u>277,489</u>	<u>641,995</u>
<b>CASH, END OF YEAR</b>	<u>\$ 317,427</u>	<u>\$ 277,489</u>

Net change in non-cash working capital items:

Decrease (increase) in current assets-		
HST rebate recoverable	\$ (1,715)	\$ 8,349
Accounts receivable	(3,900)	516
Prepaid expenses	785	8,406
Increase (decrease) in current liabilities-		
Accounts payable and accrued liabilities	(1,833)	(18,481)
Deferred contributions	<u>48,636</u>	<u>(166,593)</u>
	<u>\$ 41,973</u>	<u>\$ (167,803)</u>

see accompanying notes

# PEOPLE FOR EDUCATION

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2024

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People for Education is incorporated under the Canada Not-for-Profit Corporations Act without share capital. The organization is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

The organization is independent and non-partisan, and works to support and advance public education through research, policy, and public engagement. The organization's vision is for a strong, equitable and prosperous Canada where universal public education fulfills its role as a cornerstone of our society.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant:

#### Revenue recognition

The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

- i) The organization follows the deferral method of revenue recognition for contributions, which include grants and donations. Contributions related to current expenses are recognized as revenue in the current year. Contributions received in the year for expenses to be incurred in the following fiscal year are recorded as deferred contributions. Contributions related to the purchase of capital assets are recorded as revenue in the same period the related assets are charged to operations. Fundraising revenue is recorded when funds are received.
- ii) Donated materials and services which are normally purchased by the organization are not recorded in the accounts.
- iii) Speaking fee revenue is recognized in the year the services are provided.

### 2. FINANCIAL INSTRUMENTS

The organization records financial instruments, which include cash, accounts receivable and accounts payable and accrued liabilities, initially at fair value and subsequently net of any provisions for impairment in value.

# PEOPLE FOR EDUCATION

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2024

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### 3. DEFERRED CONTRIBUTIONS

Deferred contributions are as follows:

	2024	2023
RBC Foundation	\$ 38,997	\$ -
Margaret McCain	13,049	-
Loran Scholar Foundation	<u>-</u>	<u>3,410</u>
	<u>\$ 52,046</u>	<u>\$ 3,410</u>

Continuity of deferred contributions for the year is as follows:

Deferred contributions, beginning of year	\$ 3,410	\$ 170,003
Add cash received from grants	587,953	487,093
Less grant revenue recognized (note 4)	<u>(539,317)</u>	<u>(653,686)</u>
Deferred contributions, end of year	<u>\$ 52,046</u>	<u>\$ 3,410</u>

### 4. GRANT REVENUE

Grant revenue recognized in the year was as follows:

	2024	2023
O'Neil Foundation	\$ 225,000	\$ 160,208
RBC Foundation	161,003	214,084
Margaret McCain	87,704	211,412
The Counselling Foundation of Canada	60,000	40,000
Ontario Ministry of Education	2,200	9,902
Loran Scholar Foundation	3,410	5,550
The Maytree Foundation	-	7,500
Other	<u>-</u>	<u>5,030</u>
	<u>\$ 539,317</u>	<u>\$ 653,686</u>

### 5. PENSION PLAN

The organization participates in the OPTrust Select defined benefit pension plan (the Plan) administered by OPTrust, which is a multi-employer pension plan. The plan has been accounted for on a defined contribution basis as there is not sufficient information available to account for the plan as a defined benefit plan. The organization's contributions to the pension plan for the year ended June 30, 2024 were \$11,652 (2023 - \$17,086). As at December 31, 2023, the Plan had a surplus of \$182 million (December 31, 2022 - \$172 million).