

ADRA Canada
Financial Statements
For the Year Ended March 31, 2023



*Smith
Chappell
Marsh
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INDEPENDENT AUDITOR'S REPORT

To the Directors of
ADRA Canada

Opinion

We have audited the financial statements of ADRA Canada (the Organization) which comprise the statement of financial position as at March 31, 2023 and the statements of operations and changes in net assets and cash flows for the years 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 the Organization as at March 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.

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 controls 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 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.

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. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or 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.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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 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 up to the date of our 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.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Smith Chuggall March Velanku LLP

September 5, 2023
Oshawa, Ontario

Chartered Professional Accountants,
Licensed Public Accountants

STATEMENT OF FINANCIAL POSITION

As at March 31

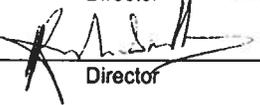
	2023	2022
ASSETS		
Current		
Cash	\$ 8,181,857	\$ 7,798,691
Short-term investments <i>[note 3]</i>	1,877,964	2,163,278
Accounts receivable <i>[note 4]</i>	1,490,185	565,153
Prepaid program expenses	2,443,139	1,992,183
Prepaid expenses	36,291	37,137
Total current assets	14,029,436	12,556,442
Investments <i>[note 3]</i>	1,396,676	1,439,905
Capital assets, net <i>[note 5]</i>	1,945,396	1,937,541
	\$ 17,371,508	\$ 15,933,888
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued liabilities <i>[note 6]</i>	\$ 854,209	\$ 1,385,281
Deferred income <i>[note 7]</i>	431,829	330,981
Deferred contributions <i>[note 7]</i>	6,445,552	5,007,243
Total liabilities	7,731,590	6,723,505
Contingencies <i>[note 12]</i>		
Net assets		
Unrestricted	6,444,522	6,022,842
Internally restricted	1,250,000	1,250,000
Invested in capital assets	1,945,396	1,937,541
Total net assets	9,639,918	9,210,383
	\$ 17,371,508	\$ 15,933,888

See accompanying notes

On behalf of the Board of Directors



 Director



 Director

STATEMENT OF OPERATIONS

Year ended March 31

	2023	2022
Unrestricted revenue		
Private donations	\$ 2,866,011	\$ 2,232,663
Administrative funding	2,556,428	1,478,514
Provincial government reimbursement	-	1,030,070
Investment income	(315,814)	168,652
Other income	3,720	14,745
Total unrestricted revenue	5,110,345	4,924,644
Restricted revenue used		
Donations from other organizations	13,721,066	7,520,564
GAC contributions [note 2]	17,132,844	8,472,471
Private donations	3,538,109	3,322,182
Total restricted revenue [note 7]	34,392,019	19,315,217
Total revenue	39,502,364	24,239,861
Program activities		
Development program		
GAC projects	8,696,420	4,651,027
Projects	2,727,857	2,033,816
Program management	1,582,865	1,515,729
Monitoring and evaluation	-	137
Total development programs	13,007,142	8,200,709
Humanitarian and emergency assistance		
Projects	13,873,368	8,781,484
GAC - IHA projects	8,020,978	3,443,314
Program management	993,003	630,425
Monitoring and evaluation	89,452	23,991
Total humanitarian and emergency assistance	22,976,801	12,879,214
Canadian programs		
National Projects		
Emergency management projects	350,781	994,077
Development projects	152,833	160,135
Monitoring and evaluation	8,316	60,156
Program management	194,673	338,242
Development Education		
Program costs	278,813	58,181
Program management	226,624	267,066
Total Canadian programs	1,212,040	1,877,857
Total program expenses	37,195,983	22,957,780
Support services		
Management and administration	851,267	762,904
Public fundraising and donor relations	1,025,579	765,880
	1,876,846	1,528,784
Total program and support service expenses	39,072,829	24,486,564
Excess (deficiency) of revenue over expenses	\$ 429,535	\$ (246,703)

See accompanying notes

STATEMENT OF CHANGES IN NET ASSETS

Year ended March 31

	2023	2022
Unrestricted net assets, beginning of year	\$ 6,022,842	\$ 6,271,068
Excess (deficiency) of revenue over expenses	486,127	(192,862)
Disposed capital assets	916	-
Capital assets acquired	(65,363)	(55,364)
Unrestricted net assets, end of year	6,444,522	6,022,842
Internally restricted net assets	1,250,000	1,250,000
Invested in capital assets, beginning of year	1,937,541	1,936,018
Excess (deficiency) of revenue over expenses	(56,592)	(53,841)
Disposed capital assets	(916)	-
Capital assets acquired	65,363	55,364
Invested in capital assets, end of year	1,945,396	1,937,541
Total net assets, end of year	\$ 9,639,918	\$ 9,210,383

See accompanying notes

STATEMENT OF CASH FLOWS

Year ended March 31

	2023	2022
Operating activities		
Excess of revenue over expenses for the year	\$ 429,535	\$ (246,703)
Add (deduct) items not involving cash:		
Depreciation expense	56,592	53,841
Loss on disposal of capital asset	916	-
Decrease (increase) in accounts receivable	(925,032)	(345,502)
Decrease (increase) in prepaid program expenses	(450,956)	224,514
Decrease (increase) in prepaid expenses	846	15,175
Increase (decrease) in accounts payable and accrued liabilities	(531,072)	962,811
Increase (decrease) in deferred income	100,848	241,011
Increase (decrease) in deferred contributions	1,438,309	2,337,821
Cash provided by (used in) operating activities	119,986	3,242,968
Investing activities		
Decrease (increase) in short-term investments	285,314	(516,078)
Decrease (increase) in long-term investments	43,229	(161,401)
Purchase of capital assets	(65,363)	(55,364)
Cash provided by (used in) investing activities	263,180	(732,843)
Net increase (decrease) in cash during the year	383,166	2,510,125
Cash, beginning of year	7,798,691	5,288,566
Cash, end of year	\$ 8,181,857	\$ 7,798,691

See accompanying notes

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

1. PURPOSE OF THE ORGANIZATION

ADRA Canada is an independent humanitarian agency working around the globe and within Canada to help people overcome poverty, disease, and illiteracy, as well as the suffering that results from crisis situations and natural disasters. With the specific purpose of relief and development, ADRA Canada extends emergency aid and promotes self-reliance around the world and within Canada. ADRA Canada was established in 1985 and is incorporated without share capital under Part II of the Canada Corporations Act. ADRA Canada continued under the Canada Not-for-Profit Corporations Act (CNCA) in 2013. ADRA Canada is a registered charity which is exempt from income taxes under the Income Tax Act (Canada).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of ADRA Canada. The significant policies have been described below to enhance the usefulness of the financial statements to the reader. The financial statements of ADRA Canada have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations Part III of the *CPA Canada Standards and Guidance Collection* adopted by the Seventh-day Adventist denomination.

Revenue recognition

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

Investment income includes interest income, dividend income, and realized and unrealized investment gains and losses. Investment income is recognized as revenue when earned.

Government of Canada and other contributions

ADRA Canada enters into contracts with the Government of Canada, namely, the Department of Foreign Affairs, Trade and Development Canada/Global Affairs Canada (DFATD/GAC), and other donors for the funding of projects in various countries. These funds are to be kept in a separate interest-bearing bank account. When expenses are incurred, revenue is recorded in the statement of operations. Any indirect cost recovery, management fee or procurement fee that is applicable to ADRA Canada is recorded as revenue in the statement of operations in accordance with the terms of the individual contracts.

Contributions received in excess of donors' share of funds expended in the current year for project activities represent unspent externally restricted contributions for expenditures in future years, and are shown on the statement of financial position as deferred contributions. Funds advanced to fund projects but not yet spent are shown on the statement of financial position as prepaid program expenses.

Investments

Investments are initially recorded at their acquisition cost, including related transaction costs, on the date of trade. Investments in publicly-traded securities, debt instruments, and mutual funds are subsequently adjusted to fair value at year-end, and the corresponding unrealized gain or loss is reflected in the statement of operations.

Capital assets

Capital assets are recorded at cost when purchased or at fair market value at date of gift. Capital assets that cost less than \$1,000 are not capitalized but are charged to expense. Depreciation is provided annually on a straight-line basis at rates calculated to write-off the assets over their estimated lives as follows. The building has a residual value of \$400,000.

Computer equipment	3 to 6 years
Furniture and equipment	5 to 15 years
Building	50 years

Contributed services

Volunteers contribute a significant number of hours each year to assist ADRA Canada in fundraising campaigns and implementing programs provided by ADRA Canada. Because of the difficulty of measurement, contributed services are not reflected in the financial statements.

Employee future benefits

Defined contribution plan accounting is applied to a multi-employer, defined benefit, final average earnings non-contributory pension plan. Accordingly, contributions are expensed as due.

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

Financial instruments consist of cash, investments, accounts receivable, and accounts payable and accrued liabilities. As at March 31, 2023, the fair market value of these financial instruments approximated their carrying value. ADRA Canada is subject to credit risk with respect to its accounts receivable. Cash has a concentration risk due to the amounts exceeding the maximum covered by the Canadian Deposit Insurance Corporation.

ADRA Canada is subject to the following significant risks arising from financial instruments with respect to its investments:

ADRA Canada operates internationally, giving rise to significant exposure to market risks from changes in foreign exchange rates.

ADRA Canada held financial instruments in foreign currencies. Financial instruments included assets in U.S. dollars of **\$1,588,574** [2022 - \$2,382,017].

Foreign currency translation

Monetary items denominated in a foreign currency are translated into Canadian dollars at the exchange rate in effect at the date of the statement of financial position. Non-monetary items are translated into Canadian dollars at the exchange rate in effect on the date of the transaction.

Revenues and expenses denominated in a foreign currency are translated into Canadian dollars at the exchange rate in effect on the date of the transactions. Any foreign exchange gain or loss is included in the determination of excess (deficiency) of revenue over expenses for the year.

Use of estimates and assumptions

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures made to the financial statements and accompanying notes. These estimates and assumptions are based on management's historic experiences, best knowledge of current events, and conditions and activities that may be undertaken in the future. Actual results could differ from those estimates.

3. INVESTMENTS

	2023	2022
Publicly traded securities	\$ 1,707,218	\$ 1,993,953
Fixed income	1,396,676	1,439,905
Mutual funds	170,746	169,325
	3,274,640	3,603,183
Less short-term portion	(1,877,964)	(2,163,278)
	\$ 1,396,676	\$ 1,439,905

Fixed income bonds have varying maturity dates from 4 to 29 years and bear interest between 1.75% and 5.85%.

4. ACCOUNTS RECEIVABLE

	2023	2022
Global Affairs Canada (BRIGHT)	\$ 723,514	\$ -
Canadian Foodgrains Bank (CFGFB)	453,357	64,973
Seventh-day Adventist Church in Canada	155,059	11,962
Government sales tax rebate	79,691	59,456
Accrued interest	36,305	25,169
Government of British Columbia	-	333,756
Ministry of Finance	-	5,373
Other	42,259	64,464
	\$ 1,490,185	\$ 565,153

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

5. CAPITAL ASSETS

	2023		2022	
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 488,161	\$ -	\$ 488,161	\$ 488,161
Land Improvement	14,811	5,454	9,357	10,341
Building	1,459,222	180,709	1,278,513	1,297,986
Furniture and equipment	262,180	167,477	94,703	78,589
Computer equipment	164,742	90,080	74,662	62,464
	\$ 2,389,116	\$ 443,720	\$ 1,945,396	\$ 1,937,541

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023	2022
Trade payables	\$ 571,002	\$ 1,148,245
Accrued vacation	172,976	138,151
Wages payable	110,231	98,885
	\$ 854,209	\$ 1,385,281

7. DEFERRED CONTRIBUTIONS

	Deferred balance 2022	Total received	Total expended	Transfers	Deferred balance 2023
Private donations	\$ 956,558	\$ 2,141,257	\$ (3,538,108)	\$ 742,068	301,775
Partner contributions	1,184,118	13,879,109	(13,720,408)	(742,068)	600,751
Volunteer programs	20	-	-	-	20
Annuitant contributions	5,000	-	-	-	5,000
DFATD/GAC program advances	2,861,547	19,809,962	(17,133,503)	-	5,538,006
	\$ 5,007,243	\$ 35,830,328	\$ (34,392,019)	\$ -	\$ 6,445,552

DEFERRED INCOME:

DFATD/GAC Administrative Income	330,981	1,785,304	(1,684,456)	-	431,829
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NOTES TO FINANCIAL STATEMENTS

March 31, 2023

8. DEPARTMENT OF FOREIGN AFFAIRS, TRADE AND DEVELOPMENT CANADA/GLOBAL AFFAIRS CANADA (DFATD/GAC) CONTRACTS**Breaking Barriers, Improving Girls' Education, Hope and Totality (BRIGHT)**

DFATD/GAC approved the grant for the BRIGHT project, a consortium project which includes ADRA Canada (lead), ADRA Myanmar (implementing), ADRA Niger (implementing), and ADRA Sudan (implementing). This agreement runs from May 1, 2020 through March 31, 2024.

DFATD/GAC's commitment		\$	11,100,949
ADRA Canada's commitment			1,895,180
Total value of contracts			12,996,129
Total expense for 2020/21	\$	(2,162,368)	
Total expense for 2021/22		(3,212,266)	
Total expense for 2022/23 (see below)		(3,883,957)	(9,258,591)
Balance to be expensed			\$ 3,737,538

The following is a summary of the expenditures for the BRIGHT project in Myanmar, Niger, Sudan and Canada:

	BRIGHT Project GAC	BRIGHT Project ADRA	Total expenditure
Programs	\$ 2,932,553	\$ 97,161	\$ 3,029,715
Salaries and benefits	-	397,092	397,092
Overhead	351,906	21,648	373,554
Monitoring and evaluation	-	-	-
Consultants	-	83,596	83,596
	\$ 3,284,460	\$ 599,498	\$ 3,883,957

BRIGHT COVID Extension (Sudan)

ADRA proposes a costed amendment to GAC for its BRIGHT project to conduct additional activities to mitigate the short, medium and long-term impacts of COVID-19 in Sudan for about 7 months (September 1, 2021-February 28, 2023), inclusive of reporting.

DFATD/GAC's commitment		\$	1,649,366
ADRA Canada's commitment			97,339
Total value of contracts			1,746,705
Total expense for 2021/22	\$	(5,424)	
Total expense for 2022/23 [see below]		(1,724,259)	(1,729,683)
Balance to be expensed			\$ 17,022

The following is a summary of the expenditures for the BRIGHT COVID Extension (Sudan) project:

	BRIGHT COVID Project GAC	BRIGHT COVID Project ADRA	Total expenditure
Programs	\$ 1,472,649	\$ -	\$ 1,472,649
Salaries and benefits	-	74,892	74,892
Overhead	176,718	-	176,718
Monitoring and evaluation	-	-	-
Consultants	-	-	-
	\$ 1,649,367	\$ 74,892	\$ 1,724,259

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

8. DFATD/GAC CONTRACTS (continued)**Uniting Towards Gender Equality for enjoyment of Women's and Girls' Total Health and rights (TOGETHER)**

DFATD/GAC approved the grant for the TOGETHER project to be implemented in Cambodia, Kenya, the Philippines, and Uganda. The consortium project includes ADRA Canada, implementing partners namely ADRA Cambodia, ADRA Kenya, ADRA Philippines, and ADRA Uganda as well as Canadian based consortium partners - SickKids and Salanga. This agreement runs from September 13, 2021 to February 29, 2028.

DFATD/GAC's commitment		\$	27,224,263
ADRA Canada's commitment			5,100,000
Total value of contracts			32,324,263
Total expense for 2021/22	\$	(3,196,027)	
Total expense for 2022/23 [see below]		(5,783,818)	(8,979,845)
Balance to be expensed			\$ 23,344,418

The following is a summary of the expenditures for the PROMISE project:

	TOGETHER Project GAC	TOGETHER Project ADRA	Total expenditure
Programs	\$ 3,979,383	\$ 212,927	\$ 4,192,310
Salaries and benefits	-	525,012	525,012
Consultants	-	536,256	536,256
Monitoring and evaluation	-	-	-
Overhead	477,526	52,713	530,239
	\$ 4,456,909	\$ 1,326,909	\$ 5,783,818

Marib Health and Nutrition Integrated Response Project (MHNIR-3), Yemen

DFATD/GAC approved the grant to provide emergency health and nutrition support to conflict affected people in the Marib Governorate in Yemen. This agreement runs from April 1, 2022 through March 31, 2024.

ADRA Canada's commitment	\$	14,785
Interest earned		28,813
DFATD/GAC's commitment		1,750,000

Essential Water and Sanitation and Protection in Blue Nile (EWASAP-2), Sudan

DFATD/GAC approved the grant for assistance to conflict affected population in Sudan. This agreement runs from April 19, 2021 through March 31, 2023.

ADRA Canada's and other's commitment	\$	162,995
Interest earned		30,913
DFATD/GAC's commitment		1,700,000

Lifesaving Evacuation, Assistance and Protection (LEAP) in Ukraine, Moldova & Romania

DFATD/GAC approved the grant for assistance to conflict affected population in Ukraine, Moldova, and Romania. This agreement runs from May 25, 2022 through March 31, 2024.

ADRA Canada's commitment	\$	32,226
Interest earned		124,333
DFATD/GAC's commitment		10,000,000

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

9. CANADIAN FOODGRAINS BANK (CFGB) CONTRACTS

ADRA Canada has entered into agreements with Canadian Foodgrains Bank (CFGB) covering periods from 6 months to 6 years, to administer and manage projects in various parts of the world. The agreements require variable contribution on a case by case basis.

Mongolia: Sustainable Agriculture, Food, Economics and Resilience (SAFER-2) Project

The contract runs from April 1, 2020 to March 31, 2023

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food security for 2022	\$ 149,665	\$ 74,833
Food security for 2021	143,698	71,849

Cambodia: Baray-Santunk Nutrition for Under- 2's & Mothers (BSNUM II) Project

The contract runs from February 1, 2020 to January 31, 2023

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Nutrition for 2022	\$ 285,073	\$ 142,537
Nutrition for 2021	117,117	58,559
Nutrition for 2020	184,785	46,196

Laos: Enhanced Nutrition & Health for Upland Phoukoud (ENHUP II) Project 2

The contract runs from December 1, 2019 to March 31, 2023.

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Agriculture & Livelihoods for 2022	\$ 191,511	\$ 95,756
Nutrition for 2022	43,055	21,528
Agriculture & Livelihoods/Nutrition for 2021	257,716	128,858

Kenya: Building Resilience Against Crisis Effect (BRACE)

The contract runs from March 23, 2021 to December 31, 2023.

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Agriculture & Livelihoods for 2022	\$ 347,165	-
Food Assistance 2022	249,651	124,826
Food Assistance 2021	382,932	100
Agriculture & Livelihoods for 2021	605,940	-
Agriculture & Livelihoods for 2020	391,764	-
Food Assistance for 2020	1,024,492	-

Kenya: The Hunger Crisis in Loami Sub-County of Turkana (HAIL)

The contract runs from November 1, 2022 to August 31, 2023

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2022	\$ 850,152	-
Food Assistance 2022	200,000	-

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

9. CANADIAN FOODGRAINS BANK (CFGB) CONTRACTS (continued)

Nepal: Food Security Enhancement & Agricultural Resilience of the Earthquake- Affected Rural Nepalese Farmers (FOSTER-2) Project

The contract runs from May 1, 2020 to March 31, 2023.

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Agriculture & Livelihoods for 2022	\$ 300,000	\$ 150,000
Agriculture & Livelihoods for 2021	300,000	150,000

Yemen: Emergency Food Assistance (EFA3) Project

The contract runs from October 1, 2020 to June 30, 2021

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2020	\$ 326,539	\$ 44,752

Yemen: Emergency Food Assistance (EFA4) Project

The contract runs from December 1, 2021 to November 30, 2022

Food Assistance 2021

Food Assistance 2021

	Total	ADRA
Food Assistance 2021	\$ 555,076	\$ 53,779
Food Assistance 2021	769,203	394,203

Yemen: Emergency Food Assistance (EFA5) Project

The contract runs from December 1, 2022 to August 31, 2023

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2022	\$ 1,176,502	\$ 65,301
Food Assistance 2022	63,507	15,877
Food Assistance 2022	449,358	222,804

DR Congo: Kasai Emergency Nutrition and Food Assistance (KENFA 3) Project

The contract runs from June 15, 2022 to December 15, 2022

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2022	\$ 535,652	\$ 100,575
Nutrition/ Food assistance 2022	697,999	139,600

Indonesia: Food Security Enhancement and Livelihood Recovery (REAF) Project

The contract runs from September 1, 2019 to August 31, 2021

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Agriculture & Livelihoods for 2020	\$ 300,000	\$ 150,000

Indonesia: Recovery of Agriculture and Food Security Impacted by Earthquake in Sigi District (REAF II)

The contract runs from August 1, 2022 to July 31, 2025

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Agriculture & Livelihoods for 2022	\$ 255,539	\$ 127,770

Venezuela: Comida para la Esperanza (Food for Hope) (CEV-3) Project

The contract runs from October 1, 2021 to May 31, 2022

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2021	\$ 717,336	\$ 143,467
Food Assistance 2021	337,990	138,995

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

9. CANADIAN FOODGRAINS BANK (CFGB) CONTRACTS (continued)

Lebanon: Food aid Effectively Eradicating Disparity (FEED) Project

The contract runs from November 1, 2021 to August 31, 2022.

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2021	\$ 615,000	\$ 123,000
Food Assistance 2021	697,000	174,250
Food Assistance 2021	250,000	125,000

Lebanon: Providing Vital and Dignifying Assistance Efficiently (PROVIDE)

The contract runs from November 1, 2022 to August 31, 2023.

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2022	\$ 1,253,228	\$ 313,307
Food Assistance 2022	349,772	174,886

Mozambique: Zambezia Inclusive and Resilient Food security Program (ZIREF) Project

The contract runs from September 15, 2021 to September 14, 2024

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Agriculture & Livelihoods for 2022	\$ 306,794	\$ 156,794
Agriculture & Livelihoods for 2021	294,856	147,428

India: Rapid Humanitarian Assistance to most vulnerable and Hunger affected households impacted by Covid-19 in Tamil Nadu, India (HAVAH)

The contract runs from August 16, 2021 to December 15, 2021

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2021	\$ 500,000	\$ 203,500

Sudan: Blue Nile Emergency Food Assistance (BEFA)

The contract runs from October 1, 2021 to March 31, 2022

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2021	\$ 922,269	\$ 593,426

Sudan: Blue Nile Food Security (LIFT)

The contract runs from March 15, 2023 to April 30, 2026

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Agriculture & Livelihoods for 2022	\$ 293,320	\$ 146,660

Moldova: Cash transfer- Ukraine Response (CARE)

The contract runs from June 1, 2022 to September 30, 2022

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2022	\$ 647,778	\$ 142,778

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

9. CANADIAN FOODGRAINS BANK (CFGB) CONTRACTS (continued)

Ukraine: Humanitarian Coalition Response (CARE)

The contract runs from April 1, 2022 to September 30, 2022

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2022	\$ 1,903,383	\$ 5,229
Food Assistance 2022	2,019,171	-

Somalia: The Hunger Crisis in Gargaar Cuunto (HCS)

The contract runs from November 1, 2022 to September 30, 2023

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2022	\$ 1,003,712	\$ -

Somalia: Act Now for the Prevention of Incidence of Famine in Somalia (ACT NOW)

The contract runs from November 15, 2022 to November 15, 2023

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2022	\$ 959,180	\$ 191,836
Food Assistance 2022	370,228	102,324

Syria: Earthquake response (ALFA)

The contract runs from April 15, 2023 to December 15, 2023

The following is a summary of the program:

	Total project cost	ADRA Canada's commitment
Food Assistance 2022	\$ 917,062	\$ 4,710

NOTES TO FINANCIAL STATEMENTS

March 31, 2023

10. PENSION AND OTHER POST-RETIREMENT BENEFIT PLANS

ADRA Canada is a participating employer in the following non-contributory, defined benefit pension plans:

1) Seventh-day Adventist Church Retirement Plan for Canadian Employees (Registered Plan) is registered with the Financial Services Regulatory Authority of Ontario and with the Canada Revenue Agency. The Registered Plan covers substantially all employees who have completed two years of service and provides a defined benefit pension based on a benefit rate factor, pension factor, and credited service. Under the terms of the Registered Plan, each participating employer's required contribution consists of two parts; a pro-rated "amortization" portion of the unfunded past service cost and a "normal cost" amount for current service cost of active employees.

2) Supplemental pension and other post-retirement benefits are provided by The Seventh-day Adventist Church Retirement Plan for Canadian Employees (Supplemental Plan). These benefits include post-retirement healthcare, non-registered pension, funeral allowance and retirement allowance for all employees who meet the specified requirements. The Supplemental Plan is not a registered plan. The Supplemental Plan is unfunded; it receives contributions from participating employers in amounts sufficient only to cover the benefits actually paid each year.

The Registered Plan and Supplemental Plan are considered multi-employer plans for accounting purposes only. It is not reasonably possible to determine the Registered Plan's funded position by each participating employer since plan assets are held in aggregate only. As a result, ADRA Canada is required to account for its participation as if the plans were defined contribution plans. Required contributions during the year are included in program and support services in the statement of operations and changes in net assets.

Based on the latest actuarial valuation of the Registered Plan as a whole, as at January 1, 2022 and rolled forward to December 31, 2022, the actuarially computed value of accumulated benefits was estimated to be \$158,183,000, and the market value of net assets was estimated to be \$138,428,000 for the Registered Plan as a whole, resulting in a funding deficit of \$19,755,000. As a participating employer, ADRA Canada is required to make contributions to the Registered Plan in amounts which are subject to change as determined by the Registered Plan's governing board.

Based on the latest valuation of the Supplemental Plan, as at January 1, 2022 for non-registered pensions and for other post-retirement benefits, rolled forward to December 31, 2022, the actuarially computed value of accumulated plan benefits was estimated to be \$50,448,000 and the market value of net assets was estimated to be \$0 for the Supplemental Plan as a whole, resulting in a deficit of \$50,448,000.

The required contributions and expense recorded by ADRA Canada are as follows:

	2023	2022
Registered plan - amortization payment	\$ 3,215	\$ 5,381
Registered plan - normal cost	77,946	86,310
Supplemental plan - pension benefits	31,314	26,743
Supplemental plan - other post-retirement benefits	41,072	38,541
Total pension and other post-retirement benefits expense	\$ 153,547	\$ 156,975

11. RELATED PARTY TRANSACTIONS

ADRA Canada is affiliated with the Seventh-day Adventist Church in Canada by reason of shared board membership.

During the year, ADRA Canada received **\$2,044,991** in donations [2022 - \$1,901,815] from the Seventh-day Adventist Church in Canada and various Conferences across Canada.

An amount receivable of **\$155,059** [2022 - \$11,962] from the Seventh-day Adventist Church in Canada is included in accounts receivable at year-end.

12. CONTINGENCIES

As stated in Note 2, GAC and other donor contributions are subject to conditions regarding the expenditure of the funds. ADRA Canada's accounting records, as well as those of the institutions subcontracted to execute the projects, are subject to audit by GAC and other funding agencies to identify instances, if any, in which the amounts charged to projects have not complied with the terms and conditions, and which, therefore, would be refundable to the funding agency. Should any amounts become repayable as a result of these audits, such amount, if any, would be recorded in the period in which the liability becomes known. ADRA Canada is not aware of any non-compliance with the terms of donations received from GAC or other donors.