
SHINE THROUGH THE RAIN FOUNDATION
FINANCIAL STATEMENTS
DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Directors
Shine Through the Rain Foundation
KESWICK
Ontario

Qualified Opinion

We have audited the accompanying financial statements of Shine Through the Rain Foundation which comprise the statement of financial position as at December 31, 2024 and the statement of operations and 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 effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the entity 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, Shine Through the Rain Foundation derives part of its revenues from the general public in the form of contributions, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenue from this source was limited to the amounts recorded in the records of Shine Through the Rain Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to contribution revenues and the deficiency of revenues over expenses for the years ended December 31, 2024 and 2023, current assets as at December 31, 2024 and 2023 and net assets as at the beginning and end of the years ended December 31, 2024 and 2023.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other 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 qualified 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 entity'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 entity or to cease operations, or has no realistic alternative but to do so.

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

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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 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 entity'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 entity'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 entity 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.

Norton McMullen LLP

NORTON McMULLEN LLP

Chartered Professional Accountants, Licensed Public Accountants

MARKHAM, Canada

May 12, 2025

SHINE THROUGH THE RAIN FOUNDATION

STATEMENT OF FINANCIAL POSITION

As at December 31,

2024

2023

ASSETS

Current

Cash	\$ 343,575	\$ 367,497
Short-term investments (Note 2)	25,999	26,074
HST refundable	11,979	15,521
Prepaid expenses	11,113	11,113

\$ 392,666 \$ 420,205

Capital Assets (Note 3)

5,219 7,415

\$ 397,885 \$ 427,620

LIABILITIES

Current

Accounts payable and accrued liabilities	\$ 85,321	\$ 22,010
Government remittances payable	-	1,610
Deferred revenues (Note 4)	2,181	2,181

\$ 87,502 \$ 25,801

NET ASSETS

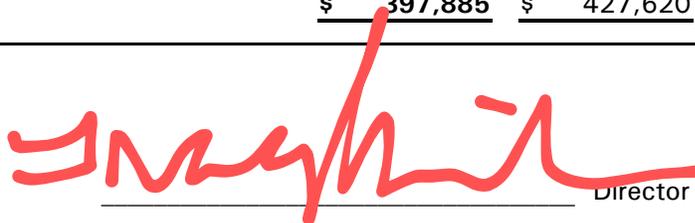
310,383 401,819

\$ 397,885 \$ 427,620

Approved by the Board:



Director



Director

SHINE THROUGH THE RAIN FOUNDATION

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended December 31,	2024	2023
REVENUES		
Contributions	\$ 831,744	\$ 912,468
Rental income	7,533	25,981
Interest	6,808	5,924
Government assistance (Note 5)	-	70,540
	<u>\$ 846,085</u>	<u>\$ 1,014,913</u>
EXPENSES		
Program	\$ 424,848	\$ 669,061
Fundraising	276,842	298,181
Administrative and occupancy costs	233,634	159,201
Amortization	2,197	1,394
	<u>\$ 937,521</u>	<u>\$ 1,127,837</u>
DEFICIENCY OF REVENUES OVER EXPENSES	\$ (91,436)	\$ (112,924)
NET ASSETS - Beginning	<u>401,819</u>	<u>514,743</u>
NET ASSETS - Ending	<u>\$ 310,383</u>	<u>\$ 401,819</u>

See accompanying notes

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SHINE THROUGH THE RAIN FOUNDATION

STATEMENT OF CASH FLOWS

For the year ended December 31,

2024

2023

CASH AND CASH EQUIVALENTS WERE PROVIDED BY (USED IN):

OPERATING ACTIVITIES

Deficiency of revenues over expenses	\$ (91,436)	\$ (112,924)
Items not affecting cash:		
Amortization	<u>2,197</u>	<u>1,394</u>
	<u>\$ (89,239)</u>	<u>\$ (111,530)</u>

Net change in non-cash working capital balances:

HST refundable	\$ 3,542	\$ (2,861)
Accounts payable and accrued liabilities	63,310	(1,475)
Government remittances payable	(1,610)	(2,854)
Deferred revenue	<u>-</u>	<u>2,181</u>
	<u>\$ 65,242</u>	<u>\$ (5,009)</u>
	<u>\$ (23,997)</u>	<u>\$ (116,539)</u>

INVESTING ACTIVITIES

Purchase of short-term investments	\$ (25,999)	\$ (26,074)
Redemption of short-term investments	26,074	27,163
Purchase of capital assets	<u>-</u>	<u>(8,093)</u>
	<u>\$ 75</u>	<u>\$ (7,004)</u>

DECREASE IN CASH

\$ (23,922) \$ (123,543)

CASH - Beginning

367,497 491,040

CASH - Ending

\$ 343,575 \$ 367,497

See accompanying notes

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SHINE THROUGH THE RAIN FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

NATURE OF OPERATIONS

Shine Through the Rain Foundation (the "Organization") was originally incorporated as Cancer Recovery Foundation of Canada under the Canada Corporations Act by supplementary Letters Patent without share capital and received their certificate of continuance under the Canada Not-For-Profit Corporations Act on June 11, 2014. Effective November 7, 2016, the Organization received their certificate of amendment to operate as Shine Through the Rain Foundation. The Organization is a registered charity under the Income Tax Act of Canada and accordingly is exempt from income taxes.

The mission of the Organization is to help those who are affected by life threatening illnesses by providing guidance, support, and financial aid to those in need.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

a) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions based on currently available information. Such estimates and assumptions affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from the estimates used.

b) Capital Assets

Capital assets are recorded at cost. Amortization is being provided over the estimated useful life of the assets using the following annual rates and methods:

	<u>Rate</u>	<u>Method</u>
Furniture and fixtures	20%	declining balance
Computer equipment	30%	declining balance

c) Impairment of Capital Assets

When a tangible capital asset no longer contributes to an organization's ability to provide goods and services, or the value of future economic benefits or service potential associated with the tangible capital asset is less than its net carrying amount, the net carrying amount of the tangible capital asset is written down to the asset's fair value or replacement cost.

SHINE THROUGH THE RAIN FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES - Continued

d) Contributed Services

Volunteers contribute their time to assist the Organization in carrying out its programs. Because of the difficulty in determining the fair value of contributed services they are not recognized in the financial statements.

e) Revenue Recognition

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

Rental income is recognized as revenue when the service has been provided and paid in full.

Government assistance is recognized as revenue when received and the conditions for its use have been met.

f) Financial Instruments

Measurement of Financial Instruments

The Organization initially measures its financial assets and liabilities issued or exchanged in arm's length transactions at fair value and subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash and short-term investments. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities. The Organization has no financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

Impairment

Financial assets measured at amortized cost are tested for impairment when events or circumstances indicate possible impairment. Write-downs, if any, are recognized in the deficiency of revenues over expenses and may be subsequently reversed to the extent that the net effect after the reversals is the same as if there had been no write-down. There are no impairment indicators in the current year.

g) Allocation of Expenses

The Organization reports expenses based on various operating functions as disclosed on the statement of operations. Costs for each function include various expenses that are directly attributable to the function.

SHINE THROUGH THE RAIN FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2. SHORT-TERM INVESTMENTS

Short-term investments consist of a 2.98%, \$11,257 GIC maturing on January 28, 2025 and a 3.0%, \$15,000 GIC maturing on July 17, 2025.

3. CAPITAL ASSETS

Capital assets consist of the following:

	2024		2023	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Furniture and fixtures	\$ 17,368	\$ 17,145	\$ 223	\$ 278
Computer equipment	<u>28,699</u>	<u>23,703</u>	<u>4,996</u>	<u>7,137</u>
	<u>\$ 46,067</u>	<u>\$ 40,848</u>	<u>\$ 5,219</u>	<u>\$ 7,415</u>

4. DEFERRED REVENUE

Deferred revenue consists of a rental lease deposit which remains outstanding until the contingent liability is defined and resolved.

5. GOVERNMENT ASSISTANCE

Included in prior year government assistance was \$70,540, \$66,200 of which was received from the Ontario Trillium Foundation and \$4,340 of which was received under the Canada Summer Jobs Grants program.

SHINE THROUGH THE RAIN FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

6. FINANCIAL INSTRUMENTS

Risks and Concentrations

The Organization is exposed to various risks through its financial instruments. The following analysis provides a summary of the Organization's exposure to and concentrations of risk at December 31, 2024:

a) **Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause loss for the other party by failing to discharge an obligation. The Organization is not exposed to significant credit risk. There has been no change in the assessment of credit risk from the prior year.

b) **Liquidity Risk**

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly with respect to its accounts payable and accrued liabilities. The Organization manages this risk by managing its working capital and by generating sufficient cash flows from operations. There has been no change in the assessment of liquidity risk from the prior year.

c) **Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and price risk. The Organization is mainly exposed to interest rate risk as follows:

i) **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. As described in Note 2, the Organization has invested funds in short-term, interest bearing GIC's. Due to the low risk and nature of the investment, the Organization is not exposed to significant interest rate risk.