Cyber-Seniors:Connecting Generations

Financial Statements

For the year ended December 31, 2024

Independent Auditor's Report

To the Board of Directors of Cyber-Seniors:Connecting Generations

Qualified Opinion
We have audited the financial statements of Cyber-Seniors:Connecting Generations ("the Organization") which comprise the statement of financial position as at December 31, 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, except for the possible effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Accounting Standards for Not-for-Profit Organizations (ASNPOs).

Basis for Qualified Opinion
As is common with many not-for-profit organizations, the Organization derives revenue from donations and grants, the completeness of which is not susceptible to audit verification. Accordingly, our audit procedures with respect to these revenues were limited to the amounts recorded in the records of the Organization. We were not able to determine whether any adjustments might be necessary to donation or grant revenues, excess of revenue over expenditures, cash flows from operations for the year ended December 31, 2024, current assets, or net assets as at December 31, 2024.

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 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 the financial statements in accordance with 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.

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 to 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.

A further description of the auditor's responsibilities for the audit of the financial statements is located in the attached Appendix to the Auditor's Report. This description forms part of our auditor's report.

GTA Accounting Professional Corporation

Authorized to practice public accounting by the
Chartered Professional Accountants of Ontario
Toronto, Canada
June 2, 2025

Appendix to the Auditor's Report

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 Organization'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 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. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

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.

Cyber-Seniors:Connecting Generations
Statement of Financial Position
As at December 31,

	2024	2023
Assets		
Current		
Amounts receivable	-	3,852
Inventory	10,920	-
HST recoverable	5,287	6,677
Due from related party (Note 4)	35,973	17,463
	52,180	27,992
Capital assets (Note 5)	184,005	186,741
	236,185	214,733
Liabilities		
Current		
Bank indebtedness	95,248	124,451
Accounts payable and accrued liabilities (Note 6)	17,400	12,942
	112,648	137,393
Long term loan (Note 7)	-	40,000
	112,648	177,393
Net assets	123,537	37,340
	$ 236,185	$ 214,733

Contingent liability (Note 9)

APPROVED ON BEHALF OF THE BOARD:

_______________________, Director

Cyber-Seniors:Connecting Generations
Statement of Operations and Changes in Net Assets
For the year ended December 31,

	2024	2023
Revenue	$ 834,172	$ 772,472
Expenses		
Advertising and promotion	18,182	19,927
Consultants	100,004	146,071
Contractors	670	76,303
Insurance	2,796	2,630
Interest and bank charges	4,743	3,090
In-kind volunteer hours (Note 8)	38,950	37,779
Office and general	30,843	45,943
Professional fees	21,645	14,666
Programs and food	470,048	599,435
Travel	13,527	7,052
Amortization (Note 5)	46,714	34,210
	748,122	987,106
Earnings (loss) before foreign exchange gain (loss)	86,050	(214,634)
Foreign exchange gain (loss)	147	(6,235)
Excess (deficiency) of revenue over expenditures for the year	86,197	(220,869)
Net assets, beginning of year	37,340	258,209
Net assets, end of year	$ 123,537	$ 37,340

Cyber-Seniors:Connecting Generations
Statement of Cash Flows
For the year ended December 31,

	2024	2023
Cash provided by (used in)		
Operations		
Excess (deficiency) of revenue over expenditures for the year	$ 86,197	$ (220,869)
Items not affecting cash		
Amortization	46,714	34,210
	132,911	(186,659)
Net changes in non-cash working capital		
Accounts receivable	3,852	(3,852)
Prepaid expenses	-	9,417
Inventory	(10,920)	-
HST recoverable	1,390	405
Accounts payable and accrued liabilities	4,458	(45,921)
Due from related party	(18,510)	(7,502)
	113,181	(234,112)
Investing		
Additions to capital assets (Note 5)	(43,978)	(48,136)
Financing		
Repayment of government loan (Note 7)	(40,000)	-
Net change in cash	29,203	(282,248)
Cash (Bank indebtedness), beginning of year	(124,451)	157,797
Cash (Bank indebtedness), end of year	$ (95,248)	$ (124,451)

1. NATURE OF THE ORGANIZATION

Cyber-Seniors:Connecting Generations ("the Organization") was incorporated by Ontario Letters Patent without share capital on December 19, 2014 under the Canada Not-for-profit Corporations Act. The Organization is exempt from income taxes under the Income Tax Act.

Cyber-Seniors:Connecting Generations is a non-profit organization that provides senior citizens with technology training using an intergenerational, volunteer model. Programs are offered through young digital mentors who help senior citizens gain access to effective technology training and to become socially connected and engaged to evolving technology trends.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant for the Organization.

Revenue Recognition

The Organization uses the deferral method of accounting for donations. Restricted grants and donations are deferred and recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Training fee revenue is recognized as services are rendered.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Use of Estimates

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 amounts reported in the financial statements and accompanying notes. Management believes that the estimates used in preparing its financial statements are reasonable and prudent. Actual results could differ from those estimates.

Significant areas requiring the use of management estimates relate to amortization of capital assets.

Net Assets

At year-end, all net assets are unrestricted. There were no internally or externally restricted contributions received that remained unspent as at December 31, 2024.

Capital Assets

Capital assets are recorded at cost less accumulated amortization. When capital assets no longer contribute to the Organization's ability to provide services, its carrying amount is written down to its residual value.

The Organization amortizes its capital assets over their expected useful lives based on the following methods:

Website	10 years straight-line
Computer equipment	20% declining balance

Inventories

Inventories are measured at the lower of cost and net realizable value, with cost being determined on a weighted average cost basis. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable variable selling costs.

Financial Instruments

The Organization initially measures its financial assets and liabilities at fair value.

The Organization subsequently measures its financial assets and financial liabilities at amortized cost using the straight-line method.

Financial assets measured at amortized cost include accounts receivable.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial Instruments (Cont'd)

Financial liabilities measured at amortized cost include accounts payable, accrued liabilities and long term loans.

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down, if any, is recognized in excess of expenses over revenue. Reversals of impairment are recorded to the extent that the value has increased, up to the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of expenses over revenue.

Donated Services

Volunteers have donated time and services to assist the Organization in the delivery of activities.

Contributed Materials and Services

Contributed materials and services are recognized when a fair value can be reasonably estimated, and when the materials or services are used in the normal course of the Organization’s operations and would otherwise have been purchased.

3. INVENTORY

Inventory consists of technology kits and printed educational materials held for program delivery. Inventory is measured at the lower of cost and net realizable value, determined on a weighted-average basis. As at year-end, no write-downs of inventory were required.

4. DUE FROM RELATED PARTY

The amount due from Cyber-Seniors U.S., a not-for-profit entity under common management, totals $35,973 (2023 – $17,463). The balance represents reimbursements for shared services and administrative costs paid on behalf of the U.S. entity. These transactions are measured at the exchange amount, which is the amount of consideration agreed upon by the parties. The balance is unsecured, non-interest bearing, and due on demand. There are no other related party transactions during the year.

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	**2024 Net Book Value**	2023 Net Book Value
Website	$ 352,541	$ 170,336	**$182,205**	$ 186,741
Computer equipment	2,250	450	**1,800**	-
	$ 354,791	$ 170,786	**$184,005**	$ 186,741

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are the amounts payable in respect to government remittances of $Nil (2023 - $Nil), which include amounts payable for payroll source deductions and HST.

7. LONG TERM LOAN

During 2020, the Organization obtained a $40,000 loan through the Canada Emergency Business Account. The loan is non-interest bearing until January 18, 2024. If not fully repaid by January 18, 2024, the loan will be converted into a new loan with the Organization's financial institution with an annual fixed interest rate of 5%, beginning January 19, 2024. Interest payment frequency and length of the loan will be determined by the financial institution.

During the year, the Organization repaid the full $40,000 of the CEBA loan prior to the forgiveness deadline.

8. DONATED SERVICES

Volunteers have donated time and services to assist the Organization in the delivery of activities. The fair value of contributed services was recognized in both revenue and expenses in the Statement of Operations. These services required specialized skills that would otherwise have been purchased, and therefore qualify for recognition under ASNPO Section 4410. During 2024, the Organization had a total of 1,345 (2023 - 1,344) volunteer hours at a rate of $28.96 (2023 - $28.12) for a total value of $38,950 (2023 - $37,779).

9. CONTINGENT LIABILITY

The Organization is contingently liable to return all or a portion of grants received for expenditures should it not use the grant funds as set out in the terms of the respective agreements. The amount of any such losses or repayments are not currently anticipated or determinable. In the event of repayment of a grant, the losses will be recorded if and when it becomes anticipated and determinable.

10. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation. Excess of revenue over expenses reported previously has not been affected by this reclassification.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measurement and risk assessment in accordance with Section 3856 of ASNPO.

Credit Risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Organization is exposed to credit risk primarily through accounts receivable and amounts due from related parties. The risk is mitigated by management's ongoing monitoring of outstanding balances and assessment of collectibility. There has been no significant change in credit risk exposure from the prior year.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Cont'd)

Liquidity Risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting its financial obligations as they fall due. The Organization manages this risk by preparing and monitoring cash flow forecasts and maintaining adequate funds to meet obligations. Financial liabilities consist primarily of accounts payable and bank indebtedness, which are expected to be settled within one year.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Organization occasionally receives or holds funds in U.S. dollars. As at December 31, 2024, the Organization had no material balances denominated in foreign currencies (2023 – U.S. dollar cash of $378).

Interest Rate Risk

The Organization is not exposed to significant interest rate risk, as it does not currently hold any interest-bearing financial assets or liabilities with variable rates. The CEBA loan was repaid prior to incurring interest-bearing terms.

Fair Value

The carrying value of financial instruments, including accounts receivable, due from related parties, accounts payable, and bank indebtedness, approximates their fair value due to the short-term nature of these items.