The Lighthouse Program for Grieving Children
Financial Statements
December 31, 2023

Our work was based on information provided by you. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. It is our understanding that you have reviewed the return prior to our submission to the taxation authorities and have ensured that there are no significant omissions or misstatements.

OTHER ENCLOSURES

1. One copy of our Audit Findings Report to the Board of Directors.

2. One copy of our Independence Letter to the Board of Directors.

3. One copy of the year-end journal entries and one copy of the closing trial balance.

4. Our invoice for services rendered.

All records and documents should be retained in safekeeping for a minimum of seven years in the event that the Canada Revenue Agency demands them for audit purposes. This seven-year period is by Statute and, even after this time, the Canada Revenue Agency's permission to destroy records should be obtained.

We thank you for appointing our Firm as your auditors. Please contact us at any time if you have questions on accounting, finance, tax or other general business concerns. We would also be pleased to discuss our suite of services with your friends and business associates. We appreciate your business and any referrals you may make to our Firm.

If you have any questions or comments, or if we can be of additional assistance, please feel free to call us at (289) 293-2318.

Sincerely,

MNP LLP

Benoît Génier, CPA, CA
Partner

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To the Directors of The Lighthouse Program for Grieving Children:

Opinion

We have audited the financial statements of The Lighthouse Program for Grieving Children (the "Organization"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, 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 the Organization as at December 31, 2023, 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 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.

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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. 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 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.

MNP LLP

Burlington, Ontario

June 10, 2024

Chartered Professional Accountants

Licensed Public Accountants

The Lighthouse Program for Grieving Children
Statement of Financial Position
As at December 31, 2023

	2023	2022
Assets		
Current		
Cash	**505,907**	427,168
Investments *(Note 3)*	**583,250**	847,568
Amounts receivable	**56,569**	44,755
Prepaid expenses	**9,631**	8,656
	1,155,357	1,328,147
Investments *(Note 3)*	**715,452**	546,250
Property and equipment *(Note 5)*	**1,705,922**	1,755,911
	3,576,731	3,630,308
Liabilities		
Current		
Accounts payable and accrued liabilities	**54,704**	69,970
Deferred capital contributions *(Note 6)*	**300,762**	313,938
Government loan payable *(Note 7)*	**-**	30,000
	355,466	413,908
Net Assets	**3,221,265**	3,216,400
	3,576,731	3,630,308

Approved on behalf of the Board

Director

The accompanying notes are an integral part of these financial statements

The Lighthouse Program for Grieving Children
Statement of Operations
For the year ended December 31, 2023

	2023	2022
Revenue		
Donation contributions *(Note 3), (Note 8)*	**936,612**	822,397
United Way contributions	**41,881**	40,239
Investment income	**27,199**	24,458
Conferences	**700**	14,665
Amortization of deferred capital contributions *(Note 6)*	**13,176**	13,176
	1,019,568	914,935
Expenses		
Amortization of property and equipment	**49,990**	57,673
Facility and occupancy *(Note 4)*	**52,937**	45,724
Fundraising	**78,059**	84,506
General office	**45,590**	42,673
Interest and bank charges	**4,007**	3,140
Professional fees	**58,654**	42,859
Program	**14,995**	32,164
Salaries, wages and contracted services *(Note 4)*	**688,834**	790,976
Training and education	**21,637**	14,600
	1,014,703	1,114,315
Excess of revenue over expenses (expenses over revenue)	**4,865**	(199,380)

The Lighthouse Program for Grieving Children
Statement of Changes in Net Assets
For the year ended December 31, 2023

	2023	*2022*
Net assets, beginning of year	**3,216,400**	3,415,780
Excess of revenue over expenses (expenses over revenue)	**4,865**	(199,380)
Net assets, end of year	**3,221,265**	3,216,400

The accompanying notes are an integral part of these financial statements

The Lighthouse Program for Grieving Children

Statement of Cash Flows

For the year ended December 31, 2023

	2023	*2022*
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses (expenses over revenue)	**4,865**	(199,380)
Amortization of property and equipment	**49,990**	57,673
Amortization of deferred capital contributions	**(13,176)**	(13,176)
Donated investments	**(74,660)**	(48,048)
	(32,981)	(202,931)
Changes in working capital accounts		
Amounts receivable	**(11,814)**	9,214
Government assistance receivable	**-**	4,978
Prepaid expenses	**(975)**	(263)
Accounts payable and accrued liabilities	**(15,267)**	(28,258)
	(61,037)	(217,260)
Financing		
Government loan repayment	**(30,000)**	-
Investing		
Purchase of investments	**(250,000)**	(815,452)
Proceeds on disposal of investments	**419,776**	652,414
	169,776	(163,038)
Increase (decrease) in cash resources	**78,739**	(380,298)
Cash resources, beginning of year	**427,168**	807,466
Cash resources, end of year	**505,907**	427,168

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

The Lighthouse Program for Grieving Children ("the Organization") was incorporated without share capital under the Ontario Business Corporation Act on November 16, 2001. The Organization's objective is to provide peer support to children, teenagers and their families in coping with their loss and growing through their grief.

The Organization is a registered charity under the Income Tax Act and is exempt from income tax under Section 149(1)(f) of the Income Tax Act. Registration remains valid as long as the Organization continues to fulfill the requirements of the Act and regulations in respect of registered charities.

2. Significant accounting policies

Basis of presentation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada.

Revenue recognition

The Organization uses 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 when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

The Organization records contributed materials and services if it is able to estimate the fair value of the contributed materials or services and if it would have purchased the materials or services if they had not been donated.

Revenue received in advance for specific programs is recorded as deferred revenue and recognized in income when the program takes place.

Deferred capital contributions consist of the unamortized amount of contributions received for the purchase of a building. The contributions are amortized and recognized as revenue over the useful life of the related asset, which uses the straight-line method over 30 years.

Conference revenue is recognized as conferences are held.

Investment income is recognized as interest income is earned and dividends are received.

Property and equipment

Purchased property and equipment are recorded at cost less accumulated amortization. Contributed property and equipment are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives as follows:

	Method	Rate
Building	straight-line	30 years
Computer hardware	straight-line	5 years
Computer software	straight-line	5 years
Furniture and fixtures	straight-line	5 years

2. Significant accounting policies *(continued from previous page)*

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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accrued liabilities are based on the expected amount to settle the liability at year end. Amortization is based on the estimated useful lives of property and equipment.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenues over expenses in the periods in which they become known.

Impairment of long-lived assets

The Organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Government assistance

Government assistance toward current expenses is recognized in income during the year as a reduction of the related expenses.

Financial instruments

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm's length financial instrument at fair value.

The Organization subsequently measures investments in equity instruments quoted in an active market at fair value. With the exception of financial liabilities indexed to a measure of the Organization's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Related party financial instruments

The Organization initially measures financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at fair value.

At initial recognition, the Organization may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value.

The Organization subsequently measures investments in equity instruments quoted in an active market at fair value.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess of revenue over expenses (expenses over revenue).

2. **Significant accounting policies** *(continued from previous page)*

Financial asset impairment

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenue over expenses (expenses over revenue) in the year the reversal occurs.

3. **Investments**

Investments consist of investment in a direct investing account and guaranteed investment certificates (GICs). The direct investing account consists of shares in public companies, mutual funds and guaranteed investment certificates. The current year guaranteed investment certificates have interest rates ranging from 0.85% to 5.5% (2022 - 0.55% to 4.35%) and mature between January 8, 2024 and February 2, 2027 (2022 - January 17, 2023 and February 2, 2027). During the year, donation contributions revenue includes $74,660 (2022 - $48,048) of donated public company shares.

	2023	*2022*
Current portion of GICs	**583,250**	847,568
Long-term portion of GICs	**715,452**	546,250
Total investments	**1,298,702**	1,393,818

4. **Government assistance**

The Canada Recovery Hiring Program ("CRHP") provided a subsidy to qualifying businesses, charities and non-profits with revenue reductions which have new hires or increased hours or wages of existing employees. The Organization has recognized $Nil (2022 - $10,125) of the wage subsidy and has recorded it as a reduction of the salaries and benefits expense incurred.

5. **Property and equipment**

	Cost	***Accumulated amortization***	***2023 Net book value***	*2022 Net book value*
Land	**650,000**	**-**	**650,000**	650,000
Building	**1,382,521**	**330,628**	**1,051,893**	1,097,977
Computer hardware	**13,837**	**9,808**	**4,029**	6,796
Computer software	**44,105**	**44,105**	**-**	1,138
Furniture and fixtures	**29,788**	**29,788**	**-**	-
	2,120,251	**414,329**	**1,705,922**	1,755,911