
DYSLEXIA CANADA

FINANCIAL STATEMENTS

DECEMBER 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Dyslexia Canada,

Opinion

We have audited the financial statements of Dyslexia Canada (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, the accompanying financial statements present fairly, in all material respects, the financial position of Dyslexia Canada 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 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.

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 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 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 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.

Pemylegion Chung LLP

Chartered Professional Accountants
Licensed Public Accountants

June 18, 2025
Toronto, Ontario

DYSLEXIA CANADA

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

	2024	2023
ASSETS		
Current assets		
Cash	\$ 293,527	\$ 519,261
Marketable securities (note 4)	202,144	-
HST rebate recoverable	18,692	35,413
Prepaid expenses	<u>25,000</u>	<u>47,261</u>
	<u>\$ 539,363</u>	<u>\$ 601,935</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 34,974	\$ 22,065
Deferred contributions (note 5)	<u>100,000</u>	<u>156,147</u>
	<u>134,974</u>	<u>178,212</u>
Net assets		
Internally restricted (note 6)	100,000	100,000
Unrestricted	<u>304,389</u>	<u>323,723</u>
	<u>404,389</u>	<u>423,723</u>
	<u>\$ 539,363</u>	<u>\$ 601,935</u>

Approved on behalf of the Board:

_____, Director

_____, Director

see accompanying notes

DYSLEXIA CANADA

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
REVENUE		
Government funding	\$ 773,647	\$ 376,353
Donations (note 7)	381,115	351,864
Sponsorship	50,000	-
Interest	6,603	5,422
Other	<u>3,121</u>	<u>-</u>
	<u>1,214,486</u>	<u>733,639</u>
EXPENSES		
Programming	839,490	438,283
Program and administrative personnel	254,078	174,884
Fundraising	89,680	41,851
Professional fees	40,402	24,410
Office administration	8,561	3,344
Insurance	<u>1,609</u>	<u>924</u>
	<u>1,233,820</u>	<u>683,696</u>
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	(19,334)	49,943
Net assets, beginning of year	<u>423,723</u>	<u>373,780</u>
NET ASSETS, END OF YEAR	<u>\$ 404,389</u>	<u>\$ 423,723</u>

see accompanying notes

DYSLEXIA CANADA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ (19,334)	\$ 49,943
Net change in non-cash working capital items (see below)	<u>(4,256)</u>	<u>4,059</u>
Net cash generated from (used for) operating activities	(23,590)	54,002
INVESTING ACTIVITIES		
Proceeds from sale (purchase) of marketable securities	<u>(202,144)</u>	<u>50,154</u>
NET INCREASE (DECREASE) IN CASH FOR THE YEAR	(225,734)	104,156
Cash, beginning of year	<u>519,261</u>	<u>415,105</u>
CASH, END OF YEAR	<u><u>\$ 293,527</u></u>	<u><u>\$ 519,261</u></u>

Net change in non-cash working capital items:

Decrease (increase) in current assets-		
Amounts receivable	\$ -	\$ 1,082
HST rebate recoverable	16,721	(18,396)
Prepaid expenses	22,261	(47,261)
Increase (decrease) in current liabilities-		
Accounts payable and accrued liabilities	12,909	4,987
Deferred contributions	<u>(56,147)</u>	<u>63,647</u>
	<u><u>\$ (4,256)</u></u>	<u><u>\$ 4,059</u></u>

see accompanying notes

DYSLEXIA CANADA

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

1. THE ORGANIZATION

Dyslexia Canada (the organization) 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).

Dyslexia Canada is committed to ensuring that every child in Canada with dyslexia gets a fair and equitable education.

2. 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. Unrestricted contributions are recognized as revenue when received. Restricted contributions are initially recorded as deferred contributions and subsequently recognized as revenue in the year in which the related expenses are incurred.
- ii) Sponsorship revenue is recognized in the year services are provided.
- iii) Contributed materials and services normally purchased by the organization are not recorded in these financial statements.
- iv) Interest revenue is recognized when earned.

Allocation of personnel expenses

Salaries and benefits are allocated to administration, program and fundraising expenses based on time spent on each function.

3. FINANCIAL INSTRUMENTS

The organization records financial instruments, which include cash, marketable securities and accounts payable and accrued liabilities, initially at fair value. Marketable securities, which include Canadian money market mutual funds and a guaranteed investment certificate, are subsequently recorded at fair market value. All other financial instruments are subsequently measured at amortized cost, net of any provisions for impairment in value.

DYSLEXIA CANADA

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

4. MARKETABLE SECURITIES

Marketable securities comprise the following:

	2024	2023
Money market mutual funds	\$ 102,144	\$ -
Guaranteed investment certificate	<u>100,000</u>	<u>-</u>
	<u>\$ 202,144</u>	<u>\$ -</u>

The guaranteed investment certificate was issued by a major Canadian chartered bank, bears interest at 4.95% and matures in June 2025.

5. DEFERRED CONTRIBUTIONS

Continuity of deferred contributions for the year is as follows:

	2024	2023
Deferred contributions, beginning of year	\$ 156,147	\$ 92,500
Restricted contributions received	717,500	440,000
Restricted contributions recognized as revenue	<u>(773,647)</u>	<u>(376,353)</u>
Deferred contributions, end of year	<u>\$ 100,000</u>	<u>\$ 156,147</u>

6. INTERNALLY RESTRICTED NET ASSETS

Internally restricted net assets serve as an emergency reserve fund for the organization.

7. DONATION REVENUE

Donation revenue is from the following sources:

	2024	2023
Foundations	\$ 289,983	\$ 128,100
Individuals	91,132	206,264
Corporations	<u>-</u>	<u>17,500</u>
	<u>\$ 381,115</u>	<u>\$ 351,864</u>

8. COMPARATIVE AMOUNTS

Certain amounts in the statement of operations for the year ended December 31, 2023 have been reclassified to conform with the current year's basis of financial statement presentation.