

WORLD ACCORD - INTERNATIONAL DEVELOPMENT AGENCY

AUDITED FINANCIAL STATEMENTS
MARCH 31, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members,
World Accord - International Development Agency:

Qualified opinion

We have audited the financial statements of World Accord - International Development Agency ("the Entity"), which comprise the statement of financial position as at March 31, 2026, and the statements of changes in net assets, operations 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 matter 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 Entity as at March 31, 2026, 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 not-for-profit organizations, the Entity derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity. Therefore, we were not able to determine whether any adjustments might be necessary to donation and fundraising revenue, net revenue for the year, and cash flows from operations for the years ended March 31, 2026 and 2025, current assets as at March 31, 2026 and 2025, and net assets as at January 1 and December 31 for both the 2026 and 2025 years. Our audit opinion on the financial statements for the year ended March 31, 2025 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 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 qualified audit 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.

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.

OHCD LLP

OUSELEY HANVEY CLIPSHAM DEEP LLP

Licensed Public Accountants

Ottawa, Ontario

June 14, 2026

WORLD ACCORD - INTERNATIONAL DEVELOPMENT AGENCY

STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

	Total 2026	Total 2025
CURRENT ASSETS		
Cash	\$ 170,489	\$ 233,867
Accounts receivable	-	52,001
Investments unrestricted (note 2)	100,285	93,090
Investments restricted (notes 1 and 2)	150,000	150,000
HST and travel advances recoverable	10,841	14,887
Prepaid project expenses - RENEW (note 1, 5)	-	882
	431,615	544,727
CAPITAL ASSETS (note 3)	1,287	1,829
	\$ 432,902	\$ 546,556
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 32,831	\$ 42,842
Deferred revenue (note 4)	-	21,668
	32,831	64,510
NET ASSETS		
Contingency Reserve	150,000	150,000
Unrestricted net assets	250,071	332,046
	400,071	482,046
	\$ 432,902	\$ 546,556

Approved on behalf of the Board:



Board President



Director - Treasurer

The accompanying notes are an integral part of the financial statements

WORLD ACCORD - INTERNATIONAL DEVELOPMENT AGENCY

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
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INTERNALLY RESTRICTED NET ASSETS FOR CONTINGENCY		
Balance beginning and end of year	\$ 150,000	\$ 150,000
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UNRESTRICTED NET ASSETS		
Balance beginning of year	\$ 332,046	\$ 450,435
Net expense for the year	(81,975)	(118,389)
Balance end of year	\$ 250,071	\$ 332,046
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The accompanying notes are an integral part of the financial statements

WORLD ACCORD - INTERNATIONAL DEVELOPMENT AGENCY

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
REVENUE		
Donations and fundraising - general and designated	\$ 390,121	\$ 285,863
Grants from charitable organizations	80,254	20,000
Government grants	-	192,953
Other grants	-	14,851
Investment and other income	19,019	28,482
	<u>489,394</u>	<u>542,149</u>
EXPENSE		
Administration (note 5)	153,779	174,565
Fundraising (note 5)	57,650	65,332
Amortization of property and equipment	542	554
Operating total	<u>211,971</u>	<u>240,451</u>
Programming		
Project costs	220,477	306,551
Project development (note 5)	54,907	25,962
Advocacy and awareness (note 5)	84,014	87,574
Programming total	<u>359,398</u>	<u>420,087</u>
Total expenses	<u>571,369</u>	<u>660,538</u>
NET EXPENSE FOR THE YEAR	\$ (81,975)	\$ (118,389)

The accompanying notes are an integral part of the financial statements

WORLD ACCORD - INTERNATIONAL DEVELOPMENT AGENCY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

	2026	2025
CASH PROVIDED BY (USED FOR)		
OPERATING ACTIVITIES		
Net expense for the year	\$ (81,975)	\$ (118,389)
Items not affecting cash		
Amortization of capital assets	542	554
Investments purchased and investment income capitalized	(7,195)	(23,110)
Change in non-cash working capital items:		
Accounts receivable	52,001	(52,001)
HST and travel advances recoverable	4,046	(10,080)
Prepaid expenses	-	(882)
Prepaid project expenses - RENEW (note 1)	882	1,603
Accounts payable and accrued liabilities	(10,011)	1,094
Deferred revenue	(21,668)	(61,494)
	(63,378)	(262,705)
INVESTING ACTIVITIES		
Purchase of equipment	-	(697)
CHANGE IN CASH	(63,378)	(263,402)
CASH - BEGINNING OF THE YEAR	233,867	497,269
CASH - END OF YEAR	\$ 170,489	\$ 233,867

WORLD ACCORD - INTERNATIONAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2026

World Accord's mission is to cultivate communities that thrive. World Accord is incorporated under the laws of Ontario without share capital and a charity registered under the Income Tax Act, and as such is exempt from income tax.

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) Revenue recognition

The Organization follows the deferral method of accounting for contributions.

Unrestricted contributions are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred.

(b) Project costs

Project costs are reflected as an expense when funds are disbursed to project partners, not when subsequently spent by partners on actual project costs, except when the funder, such as a government agency, requires deferral of expense recognition until documentation has been received from partners reflecting that the funds forwarded have been spent as required (as is the case with a project in Nepal known as RENEW). Management monitors subsequent expenditures by partners to ensure all funds forwarded are being spent as designated.

(c) Use of estimates

The preparation of these 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. Actual results could differ from those estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

(d) Financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value. Subsequently, financial assets and liabilities are measured at amortized cost, except for investments, which are measured at fair value.

Financial instruments consist of cash, investments, accounts receivable, and accounts payable. Unless otherwise indicated, it is management's opinion that the Organization is not exposed to significant interest rate, currency, or credit risks arising from its financial instruments. The carrying values of these financial instruments approximate their fair values.

(e) Contingency Reserve

This reserve represents funds internally restricted by the Board to accommodate unforeseen future financial obligations. Investment income earned on these funds is included in investment income and accumulated in unrestricted net assets, unless the Board designates otherwise.

WORLD ACCORD - INTERNATIONAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2026

2. INVESTMENTS

Investments consist of \$161,812 held in a managed portfolio (2025 - \$156,513) and \$88,473 in a high interest savings account (2025 - \$86,577)

3. CAPITAL ASSETS

	Cost	Accumulated Amortization	2026 Net book value	2025 Net book value
Office furniture and equipment	\$ 6,755	\$ 5,468	\$ 1,287	\$ 1,829

4. DEFERRED REVENUE

The Organization receives externally restricted contributions. As these contributions are designated by donors for specific programs, they are recorded as deferred revenue and recognized as revenue in the period in which the related expenses are incurred.

	2026	2025
Opening balance	\$ 21,668	\$ 83,162
Restricted contributions received	4,354	180,412
Restricted contributions spent - Project and Administration	(26,022)	(241,906)
Closing balance	\$ -	\$ 21,668

5. ALLOCATION OF EXPENSES

Management allocates all expenses, other than direct project disbursements, to the Statement of Operations based on estimates of time spent and actual costs incurred by each function. The allocation of non-project expenses is as follows:

	Administration	Fundraising	Project Development	Advocacy and Awareness	Total
Salaries and benefits	48,902	18,433	53,700	79,949	\$ 200,984
Printing & Copying	-	12,363	-	-	12,363
Courier & Postage	448	4,182	-	-	4,630
Occupancy costs	2,299	1,814	1,207	4,065	9,385
Office and administration	14,879	-	-	-	14,879
Program	-	16,417	-	-	16,417
Professional fees and consulting	75,492	-	-	-	75,492
Board expenses	6,678	-	-	-	6,678
Travel	5,081	1,703	-	-	6,784
Advertising and promotion	-	2,738	-	-	2,738
Total	\$ 153,779	57,650	54,907	84,014	350,350

WORLD ACCORD - INTERNATIONAL DEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2026

6. FUTURE OPERATIONS

The Organization incurred excess expenses over revenue of \$81,975 during the year ended March 31, 2026 (2025 -- \$118,389), resulting in a cumulative reduction of \$200,364 in unrestricted net assets over the two-year period. The decline reflects a shift in funding mix, including the absence of government grant revenue in the current year, partially offset by increased contributions from charitable organizations.

Management and the Board of Directors have identified this trend as a priority area and are actively working to diversify and grow revenue through grant applications and fundraising initiatives, while reviewing the Organization's cost structure and program expenditures.

As at March 31, 2026, the Organization holds unrestricted net assets of \$250,071 and an internally restricted contingency reserve of \$150,000, supported by cash and investments totalling \$420,774. Management and the Board believe these resources are sufficient to support ongoing operations for the foreseeable future. The financial statements have accordingly been prepared on a going concern basis.