

RETHINK BREAST CANCER CANADA
Financial Statements
Year Ended March 31, 2025

RETHINK BREAST CANCER CANADA

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Year Ended March 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Members of Rethink Breast Cancer Canada

Opinion

We have audited the financial statements of Rethink Breast Cancer Canada (the organization), which comprise the statement of financial position as at March 31, 2025, and the statements of revenues and expenditures, 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 March 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

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 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 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.

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Independent Auditor's Report to the Members of Rethink Breast Cancer Canada (*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 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.

Jonathan Sears CPA Professional Corporation

Oakville, Ontario
June 12, 2025

Jonathan Sears CPA Professional Corporation
Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

RETHINK BREAST CANCER CANADA**Statement of Financial Position****March 31, 2025**

	2025	2024
ASSETS		
CURRENT		
Cash	\$ 448,339	\$ 687,361
Short-term investments (Note 2)	53,791	51,710
Accounts receivable (Note 3)	22,700	76,725
Harmonized sales tax recoverable	15,467	18,732
Prepaid expenses	10,047	7,274
	<u>550,344</u>	<u>841,802</u>
EQUIPMENT (Note 6)	4,238	7,705
WEBSITE COSTS (Note 7)	58,162	46,816
	<u>\$ 612,744</u>	<u>\$ 896,323</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 65,083	\$ 30,357
Wages payable	2,705	-
Deferred contributions (Note 8)	-	196,674
	<u>67,788</u>	<u>227,031</u>
NET ASSETS	<u>544,956</u>	<u>669,292</u>
	<u>\$ 612,744</u>	<u>\$ 896,323</u>

ON BEHALF OF THE BOARD _____ Director_____
Director

RETHINK BREAST CANCER CANADA
Statement of Revenues and Expenditures
Year Ended March 31, 2025

	2025	2024
REVENUES		
Corporate sponsorships	\$ 846,098	\$ 933,700
Fundraising	298,598	123,341
Donations	97,780	93,872
Other revenue	32,899	21,498
Merchandise	1,473	3,319
	<u>1,276,848</u>	<u>1,175,730</u>
EXPENSES		
Program expenses (Note 4)	920,041	672,981
Professional fees	263,063	285,421
Administrative (Note 4)	115,362	123,277
Rental (Note 5)	66,527	65,171
Software subscriptions	19,182	16,455
Amortization of intangible assets (Note 7)	8,309	2,710
Insurance	7,313	6,980
Amortization (Note 6)	3,468	4,845
	<u>1,403,265</u>	<u>1,177,840</u>
DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS	(126,417)	(2,110)
OTHER INCOME	2,081	2,140
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (124,336)	\$ 30

RETHINK BREAST CANCER CANADA**Statement of Changes in Net Assets****Year Ended March 31, 2025**

	General Fund	2025	2024
NET ASSETS - BEGINNING OF YEAR	\$ 669,292	\$ 669,292	\$ 669,262
DEFICIENCY OF REVENUES OVER EXPENSES	(124,336)	(124,336)	30
NET ASSETS - END OF YEAR	\$ 544,956	\$ 544,956	\$ 669,292

RETHINK BREAST CANCER CANADA**Statement of Cash Flows****Year Ended March 31, 2025**

	2025	2024
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (124,336)	\$ 30
Items not affecting cash:		
Amortization of equipment	3,468	4,845
Amortization of intangible assets	8,309	2,710
	<u>(112,559)</u>	<u>7,585</u>
Changes in non-cash working capital:		
Accounts receivable	54,025	(76,725)
Accounts payable and accrued liabilities	34,725	7,611
Deferred contributions	(196,674)	196,674
Prepaid expenses	(2,773)	14,168
Harmonized sales tax payable	3,265	(2,533)
Wages payable	2,705	-
Canada Emergency Business Account	-	(40,000)
	<u>(104,727)</u>	<u>99,195</u>
Cash flow from (used by) operating activities	<u>(217,286)</u>	<u>106,780</u>
INVESTING ACTIVITIES		
Purchase of equipment	-	(3,568)
Short-term investments	(2,081)	(2,141)
Additions to website costs	(19,655)	(46,816)
Cash flow used by investing activities	<u>(21,736)</u>	<u>(52,525)</u>
INCREASE (DECREASE) IN CASH FLOW	(239,022)	54,255
Cash - beginning of year	<u>687,361</u>	<u>633,106</u>
CASH - END OF YEAR	\$ 448,339	\$ 687,361

RETHINK BREAST CANCER CANADA

Notes to Financial Statements

Year Ended March 31, 2025

NATURE OF ORGANIZATION

Rethink Breast Cancer Canada (the "organization") is a national organization raising funds to fight breast cancer through the advancement of education and research. The organization was incorporated without share capital under the Canadian Corporations Act on March 15, 2001, is a registered Canadian charity, and is exempt from income taxes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Revenue recognition

Rethink Breast Cancer Canada follows 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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Cash and cash equivalents

Cash and cash equivalents consist of unrestricted cash and investments with an initial maturity of three months or less at the time of acquisition. No cash equivalents were noted during the year (2024 - \$Nil).

Short-term investments

Investments for which there are quoted prices in an active market are carried at fair value. Unrealized gains or losses are reported as part of net income. Investments for which there is not an active market are carried at amortized cost except when it is established that their value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of net income.

Equipment

Equipment is stated at cost or deemed cost less accumulated amortization. Equipment is amortized over its estimated useful life at the following rates and methods:

Computer equipment	45%	declining balance method
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The organization regularly reviews its equipment to eliminate obsolete items. Government grants are treated as a reduction of equipment cost.

Equipment acquired or under development during the year and not placed into use are not amortized until they are placed into use.

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RETHINK BREAST CANCER CANADA

Notes to Financial Statements

Year Ended March 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Intangible assets

Website development costs are capitalized if they significantly enhance the capability or capacity of the company's website. Costs capitalized include external direct costs of materials and services. Any costs during the preliminary project stage or related to training or maintenance is expensed as incurred. Capitalization ceases when the projects are substantially complete and ready for their intended use.

Deferred capital

Capital contributions received for the purpose of acquiring equipment are deferred and amortized on the same basis, and over the same periods, as the related equipment.

Contributed services

The organization receives contributed services (contributions-in-kind) from various organizations and individual volunteers. These items are recorded in the financial statements only when the fair market value can be reasonably estimated.

Donated goods

Donated goods are recorded at their fair market value at the time of the donation. During the year \$20,000 of goods and volunteer hours were donated.

Allocation of expenses

When allocating an expense among various operating functions, the organization follows the following approach:

For an expense that contributes directly to the output of one function it is applied directly to that function.

For all other expenses, the organization uses the percentage of employee time by function and allocates based the relevant percentage.

Leases

Leases are classified as either capital or operating leases. At the time the organization enters into a capital lease, an asset is recorded with its related long-term obligation to reflect the acquisition and financing. Rental payments under operating leases are expensed as incurred.

Pledges

Pledges which are legally enforceable (less an allowance for amounts considered uncollectible) are recorded as receivable in the year made. Pledges to support current operations are recorded as general fund receipts. Pledges made for the acquisition of property or to support future operations are recorded as deferred amounts in their respective fund.

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RETHINK BREAST CANCER CANADA

Notes to Financial Statements

Year Ended March 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Financial instruments

Initial and subsequent measurement

The organization initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of these financial instruments are recognized in income in the period incurred.

Financial assets measured at amortized cost on a straight-line basis includes cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than 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 income.

Transaction costs

The organization's transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. The carrying amount of the financial instruments that will not be subsequently measured at fair value is adjusted for transaction costs directly attributable to the origination, issuance or assumption of these instruments.

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RETHINK BREAST CANCER CANADA

Notes to Financial Statements

Year Ended March 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Measurement uncertainty

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the organization's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- providing for amortization of equipment;
- the estimated useful lives of tangible and intangible assets;
- the valuation of accounts receivable and allowance for doubtful accounts;
- the valuation of tangible assets;
- the valuation of contributed goods and services;
- the valuation of intangible assets;
- the accrued liabilities;

2. SHORT-TERM INVESTMENTS

	<u>2025</u>	<u>2024</u>
RBC Dominion Securities	<u>\$ 53,791</u>	<u>\$ 51,710</u>

Market value and book value are the same at year end (2024 - market and book value were the same).

3. ACCOUNTS RECEIVABLE

	<u>2025</u>	<u>2024</u>
Accounts Receivable (A/R)	<u>\$ 22,700</u>	<u>\$ 76,725</u>

No allowance for doubtful accounts were noted for the year (2024 - \$Nil).

4. EXPENSE ALLOCATION

Salaries and benefits of \$737,846 (2024 - \$596,679) were allocated to program expenses in the amount of \$679,382 (2024 - \$516,556) and administrative expenses in the amount of \$58,464 (2024 - \$80,123).