

EASTERN CANADA AND THE CARIBBEAN DISTRICT OF KIWANIS INTERNATIONAL INC.
Financial Statements
Year Ended September 30, 2025



EASTERN CANADA AND THE CARIBBEAN DISTRICT OF KIWANIS INTERNATIONAL INC.

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Year Ended September 30, 2025**

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INDEPENDENT AUDITOR'S REPORT

To the Members of Eastern Canada and the Caribbean District of Kiwanis International Inc.

Opinion

We have audited the financial statements of Eastern Canada and the Caribbean District of Kiwanis International Inc. (the "organization"), which comprise the statement of financial position as at September 30, 2025, and the statements of revenues and expenditures 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 September 30, 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 Eastern Canada and the Caribbean District of Kiwanis International Inc. *(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.

North York, Ontario
March 9, 2026


CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

EASTERN CANADA AND THE CARIBBEAN DISTRICT OF KIWANIS INTERNATIONAL INC.

Statement of Financial Position

September 30, 2025

	2025	2024
ASSETS		
CURRENT		
CASH AND CASH EQUIVALENTS (Note 3)	\$ 94,375	\$ 124,614
SHORT TERM INVESTMENTS (Note 4)	226,256	295,757
ACCOUNTS RECEIVABLE	31,332	23,982
ADVANCES AND PREPAYMENTS	43,093	27,834
	395,056	472,187
LONG TERM INVESTMENTS (Note 5)	231,538	135,040
	\$ 626,594	\$ 607,227
LIABILITIES AND NET ASSETS		
CURRENT		
DISTRICT PAST LIEUTENANT GOVERNORS COMMITTEE FUNDS HELD IN TRUST (Note 6)	\$ 1,675	\$ 1,775
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	12,874	30,934
	14,549	32,709
NET ASSETS		
RESTRICTED NET ASSETS - SERVICE LEADERSHIP PROGRAM (Note 8)	84,434	73,360
RESTRICTED NET ASSETS - KEY LEADER PROGRAM (Note 9)	1,000	2,448
RESTRICTED NET ASSETS - FUTURE CONVENTIONS (Note 10)	61,856	43,723
UNRESTRICTED NET ASSETS	464,755	454,987
	612,045	574,518
	\$ 626,594	\$ 607,227

ON BEHALF OF THE BOARD

Signed by: Pam Rodney White Director

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See notes to financial statements



EASTERN CANADA AND THE CARIBBEAN DISTRICT OF KIWANIS INTERNATIONAL INC.**Statement of Revenues and Expenditures****Year Ended September 30, 2025**

	2025	2024
REVENUES (Note 11)	\$ 240,643	\$ 218,518
EXPENSES		
BANK CHARGES AND INTEREST EXPENSE	1,289	1,183
BOARD MEETING AND LGE TRAINING	64,985	70,169
COMMITTEE OPERATIONS	10,191	4,092
COMMUNICATIONS	12,551	8,632
CONVENTION ADMINISTRATIVE EXPENSES	2,824	13,734
DISTRICT OFFICERS EXPENSES	45,145	46,499
INSURANCE	1,133	1,052
MANAGEMENT FEES	77,970	75,936
OFFICE AND GENERAL	12,179	10,826
PROFESSIONAL FEES	10,200	10,330
TRANSLATIONS	6,890	6,600
EXCHANGE LOSS - REALIZED	18,501	40,275
	263,858	289,328
DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS	(23,215)	(70,810)
OTHER INCOME		
EXCHANGE GAIN - UNREALIZED	32,981	10,021
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FOR UNRESTRICTED NET ASSETS	\$ 9,766	\$ (60,789)

See notes to financial statements



EASTERN CANADA AND THE CARIBBEAN DISTRICT OF KIWANIS INTERNATIONAL INC.**Statement of Cash Flows**
Year Ended September 30, 2025

	2025	2024
UNRESTRICTED OPERATING ACTIVITIES		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 9,766	\$ (60,789)
CHANGES IN NON-CASH WORKING CAPITAL:		
SHORT TERM INVESTMENTS	69,501	221,925
ACCOUNTS RECEIVABLE	(7,350)	(21,851)
ADVANCES AND PREPAYMENTS	(15,259)	90,020
LONG TERM INVESTMENTS	(96,498)	(135,040)
DISTRICT PAST LIEUTENANT GOVERNORS COMMITTEE FUNDS HELD IN TRUST	(100)	(90)
DUE TO DISTRICT KEY LEADER PROGRAM	-	(7,710)
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	(18,058)	20,896
	(67,764)	168,150
CASH FLOW (USED BY) FROM UNRESTRICTED OPERATING ACTIVITIES	(57,998)	107,361
RESTRICTED NET ASSETS		
SERVICE LEADERSHIP FUND	11,074	15,573
KEY LEADER FUND	(1,448)	3,235
FUTURE CONVENTION FUND	18,133	(18,715)
CASH FLOW FROM RESTRICTED NET ASSETS	27,759	93
(DECREASE) INCREASE IN CASH FLOW	(30,239)	107,454
CASH - BEGINNING OF YEAR	124,614	17,160
CASH - END OF YEAR	\$ 94,375	\$ 124,614
CASH CONSISTS OF:		
CASH AND CASH EQUIVALENTS	\$ 94,375	\$ 124,614

See notes to financial statements



EASTERN CANADA AND THE CARIBBEAN DISTRICT OF KIWANIS INTERNATIONAL INC.**Notes to Financial Statements****Year Ended September 30, 2025**

1. PURPOSE OF THE ORGANIZATION

Eastern Canada and the Caribbean District of Kiwanis International Inc. (the "District") is a not-for-profit organization incorporation without share capital under the Ontario Corporations Act. Management has determined that the District is exempt from payment of income tax under Section 149(1) of the Income Tax Act.

The District is one of fifty-two Districts in Kiwanis International and includes Kiwanis clubs in Eastern Canada and sixteen countries of the Caribbean area. It's purpose is to assist the Kiwanis Clubs in the District in their mission to serve children of the world, provide community service, and help the Service Leadership clubs focus on developing community-minded students from elementary school through secondary school to college and university. Kiwanis is a global organization of volunteers dedicated to improving the world, one child and one community at a time.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIESBasis of presentation

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

Capitalized costs

Capital assets are expensed in the year of acquisition. Nothing of a capital nature was purchased in the current year.

Contributed services

The operations of the District depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Use of estimates

When preparing financial statements according to ASNPO, management is required to make certain estimates and assumptions relating to the:

1. Reported amounts of revenue and expenses for the year;
2. Reported amounts of assets and liabilities; and
3. Disclosure of contingent assets and liabilities at the report date

Assumptions are based on a number of factors, including historical experience, current events, actions that the organization may undertake in the future, and other assumptions believed reasonable under the circumstances. These estimates are periodically reviewed and, accordingly, adjustments made to these estimates are taken into income in the year in which it is determined. These estimates are subject to measurement uncertainty, and actual results may therefore differ from those estimates.

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EASTERN CANADA AND THE CARIBBEAN DISTRICT OF KIWANIS INTERNATIONAL INC.**Notes to Financial Statements****Year Ended September 30, 2025**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)Foreign currency translation

The financial statements are stated in Canadian dollars, which is the District's functional currency. The temporal method is used to translate foreign currency transactions. Monetary assets and liabilities are translated at the exchange rate in effect at the statement of financial position date. Revenue and expenses denominated in foreign currencies appearing in the current year's statement of revenues and expenditures are translated at \$1.3921 CAD to USD (2024 - \$1.3504). Exchange gains and losses are included in the statement of revenues and expenditures.

Fund accounting

Eastern Canada and the Caribbean District of Kiwanis International Inc. follows the restricted fund method of accounting for contributions.

The Service Leadership Program Fund ("SLP") is used for the support of Builders Clubs, Key Clubs, Circle K Clubs, Aktion Clubs, and other sponsored youth programs run the district. Contributions to this fund are restricted to subsidize deficits and future operations.

The Key Leader Program Fund ("KLP") is used to host weekend camps in the district. Contributions to this fund are restricted to subsidize deficits and future operations.

The District holds an annual convention at different locations throughout the District. Each year the Host Committee and the District Convention Committee strive to have a balanced budget. As a policy the Host Committee is responsible for first \$1,000 of any loss incurred and the District absorbs the balance. If a convention achieves a surplus this is split equally between the District and the Host Committee. The Board has determined that the District's portion of any such surplus should be retained in an internally restricted fund and used to reduce any convention deficit that may occur from year to year as determined by the Board of Trustees.

The Unrestricted Fund collects all other contributions not restricted to any other fund.

Revenue recognition

Eastern Canada and the Caribbean District of Kiwanis International Inc. follows the restricted fund method of accounting for contributions.

Restricted contributions related to the SLP Fund, KLP Fund, and FC Fund are recognized as revenue in their respective fund in the year they are received. Restricted contributions unrelated to these funds are recognized as revenue in the year the related expenses are incurred.

Unrestricted contributions are recognized as revenue of the Unrestricted Fund in the year received.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and highly liquid short-term deposits with an original maturity date less than three months from the date of purchase.



EASTERN CANADA AND THE CARIBBEAN DISTRICT OF KIWANIS INTERNATIONAL INC.**Notes to Financial Statements
Year Ended September 30, 2025****4. SHORT TERM INVESTMENTS**

Short term investments consist of Guaranteed Investment Certificates ("GICs") with maturity dates less than one year. These investments are recorded at amortized cost.

	2025	2024
\$87,781 CAD GIC's 4.95-5.50% annual interest, due March 2024	\$ -	\$ 87,781
\$50,000 CAD GIC 4.95-5.50% annual interest, due July 2024	-	50,000
\$100,000 USD GIC's 4.60% annual interest, due April 2025	-	140,236
\$100,000 USD GIC's 4.90% annual interest, due April 2026	139,210	-
\$50,000 CAD GIC's 4.55% annual interest, due July 2026	50,000	-
\$20,214 USD Investment savings	28,140	10,144
Interest earned/reinvested	8,906	7,596
	\$ 226,256	\$ 295,757

5. LONG TERM INVESTMENTS

Long-term investments consist of GICs with maturity dates greater than one year. These investments are recorded at amortized cost.

	2025	2024
\$92,328 CAD GIC 4.55% annual interest, due Mar 2027	\$ 92,328	\$ -
\$100,000 USD GIC's 4.25% annual interest, due April 2027	139,210	-
\$100,000 USD GIC's 4.90% annual interest, due April 2026	-	135,040
	\$ 231,538	\$ 135,040

6. DISTRICT PAST LIEUTENANT GOVERNORS COMMITTEE FUNDS HELD IN TRUST

The Past Lieutenant Governors Committee receives funds from their members for use in special projects. These funds are held in the District's bank account but their use is determined by the committee.



EASTERN CANADA AND THE CARIBBEAN DISTRICT OF KIWANIS INTERNATIONAL INC.**Notes to Financial Statements****Year Ended September 30, 2025****7. FINANCIAL INSTRUMENTS**

The District is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the District's risk exposure and concentration as of September 30, 2025.

Currency risk

Currency risk is the risk to the District's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The District is exposed to foreign currency exchange risk on cash, accounts receivable, and prepaid deposits held in U.S. dollars. The following U.S. dollar balances were held by the District at September 30, 2025, and have been translated to Canadian dollars at an exchange rate of 1.3921 (2024 - 1.3504).

	2025	2024
USD Cash	\$ 101,157	\$ 68,036
USD Short term investments	167,350	10,144
USD Long term investments	139,210	135,040
USD Accounts receivable and prepaid deposits	-	1,127
USD Accounts payable and accrued liabilities	-	(9,847)
	\$ 407,717	\$ 204,500

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its USD investments and operating activities.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.



EASTERN CANADA AND THE CARIBBEAN DISTRICT OF KIWANIS INTERNATIONAL INC.**Notes to Financial Statements
Year Ended September 30, 2025**

8. RESTRICTED NET ASSETS - SERVICE LEADERSHIP PROGRAM	2025	2024
<u>NET SURPLUS OF FUND</u>		
Dues	\$ 38,599	\$ 42,435
General expenses	(27,525)	(26,862)
Net surplus	\$ 11,074	\$ 15,573
<u>BALANCE OF FUND</u>		
Balance, beginning of year	\$ 73,360	\$ 57,787
Net surplus	11,074	15,573
Balance, end of year	\$ 84,434	\$ 73,360

9. RESTRICTED NET ASSETS - KEY LEADERSHIP PROGRAM	2025	2024
<u>NET (DEFICIT) / SURPLUS OF FUND</u>		
Convention pre-registration	\$ 1,000	\$ 5,795
General expenses	(2,488)	(2,520)
Net (deficit) / surplus	\$ (1,488)	\$ 3,275
<u>BALANCE OF FUND</u>		
Balance, beginning of year	\$ 2,488	\$ (787)
Net (deficit) / surplus	(1,488)	3,275
Balance, end of year	\$ 1,000	\$ 2,488



EASTERN CANADA AND THE CARIBBEAN DISTRICT OF KIWANIS INTERNATIONAL INC.**Notes to Financial Statements
Year Ended September 30, 2025****10. RESTRICTED NET ASSETS - FUTURE CONVENTIONS**

	2025	2024
<u>DISTRICT SHARE OF CONVENTION SURPLUS / (DEFICIT)</u>		
Convention Income	\$ 175,090	\$ 233,287
Convention (expenses)	(171,274)	(323,211)
Convention VAT refund	-	21,400
Convention surplus / (deficit) for the year	3,816	(68,524)
Convention sponsors	32,450	48,809
Convention surplus / (deficit)	\$ 36,266	\$ (19,715)
<u>DISTRIBUTION OF SURPLUS / (DEFICIT)</u>		
Convention surplus / (deficit)	\$ 36,266	\$ (19,715)
Deficit distributed to Host Committee - first loss	-	1,000
Surplus / (deficit) available for distribution	36,266	(18,715)
Surplus distributed to Host Committee - 50%	(18,133)	-
Convention surplus / (deficit) retained by District	\$ 18,133	\$ (18,715)
<u>BALANCE OF FUND</u>		
Balance, beginning of year	\$ 43,723	\$ 62,438
Convention surplus / (deficit) retained by District	18,133	(18,715)
Balance, end of year	\$ 61,856	\$ 43,723

11. UNRESTRICTED REVENUE

	2025	2024
Membership dues	\$ 247,305	\$ 243,160
Member rebates	(22,632)	(44,070)
Interest on short term investments	15,970	19,428
Net unrestricted revenue	\$ 240,643	\$ 218,518

Membership dues are fixed in the bylaws of the District at \$36. However, funds permitting, the Board may grant rebates to members from time to time. For the 2024-2025 year, a \$3 per member (\$22,632) rebate was granted to 7,544 members. For the 2023-2024 year, a \$6 per member (\$44,070) rebate was granted to 7,345 members.

Membership dues consist of \$235,237 (2024 - \$229,458) existing memberships, and \$11,790 (2024 - \$13,702) new memberships.

