

TRAQUAIR FAMILY FOUNDATION
FINANCIAL STATEMENTS
DECEMBER 31, 2023

TRAQUAIR FAMILY FOUNDATION

DECEMBER 31, 2023

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REVIEW ENGAGEMENT REPORT

To the Board of Directors of Traquair Family Foundation:

We have reviewed the accompanying financial statements of Traquair Family Foundation that comprise the statement of financial position as at December 31, 2023, and the statements of operations and fund balance and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 enterprises, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Traquair Family Foundation 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 enterprises.

Other Matters

We have not reviewed, and do not express an opinion on, the statement of financial position at December 31, 2022 and the statement of operations and fund balance and cash flows for the year then ended.

RMR Rosenswig McRae Rosso LLP

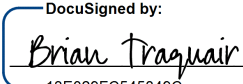
Toronto, Canada
April 23, 2024

Chartered Professional Accountants
Licensed Public Accountants

TRAQUAIR FAMILY FOUNDATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash	\$ 33,932	\$ 25,479
Investments (Note 3)	2,176,833	1,880,619
Investment income receivable	<u>3,002</u>	<u>-</u>
	<u>\$ 2,213,767</u>	<u>\$ 1,906,098</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ <u>7,639</u>	\$ <u>-</u>
FUND BALANCE		
Fund balance	<u>2,206,128</u>	<u>1,906,098</u>
	<u>\$ 2,213,767</u>	<u>\$ 1,906,098</u>

Approved on behalf of the Board:

DocuSigned by:
 _____, Director
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TRAQUAIR FAMILY FOUNDATION
STATEMENT OF OPERATIONS AND FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>
Revenue		
Donations	\$ 247,494	\$ -
Investment income	49,444	81,348
Gain on sale of investments	<u>63,846</u>	<u>35,606</u>
	<u>360,784</u>	<u>116,954</u>
Expenditures		
Donation	176,500	125,000
Investment management fees	16,757	13,755
Professional fees	4,000	-
Bank charges	<u>45</u>	<u>45</u>
	<u>197,302</u>	<u>138,800</u>
Net excess (deficit) of revenues over expenditures before undernoted item	163,482	(21,846)
Unrealized gain (loss) on investments	<u>136,548</u>	<u>(293,865)</u>
Net excess (deficit) of revenues over expenditures	300,030	(315,711)
Fund balance, beginning of year	<u>1,906,098</u>	<u>2,221,809</u>
Fund balance, end year	<u>\$ 2,206,128</u>	<u>\$ 1,906,098</u>

TRAQUAIR FAMILY FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Excess (deficit) of revenues over expenditures for the year	\$ 300,030	\$ (315,711)
Adjustments for:		
Gain on disposal of investments	(63,846)	(35,606)
Unrealized (gain) loss on investment	<u>(136,548)</u>	<u>293,865</u>
	99,636	(57,452)
Changes in non-cash working capital		
Increase in investment income receivable	(3,002)	-
Increase in accounts payable and accrued liabilities	<u>7,639</u>	<u>-</u>
	<u>104,273</u>	<u>(57,452)</u>
Cash flows from investing activities		
Net change in investments	<u>(95,820)</u>	<u>82,931</u>
Net increase in cash	8,453	25,479
Cash balance, beginning of year	<u>25,479</u>	<u>-</u>
Cash balance, end of year	<u>\$ 33,932</u>	<u>\$ 25,479</u>

TRAQUAIR FAMILY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. Nature of operations

The Traquair Family Foundation (the "Foundation") was incorporated by Letters Patent under the Canada Corporations Act on 26 October 2009. The Foundation is a registered charity under the Income Tax Act (Canada) as of notification on December 14, 2009. The charity's Business Number is 84440 9656 RR0001.

The mission of the Foundation is to assist children, youth and women to overcome poverty, abuse and neglect and gain an equal opportunity to safety, health and education. The objects of the Foundation are to receive and maintain funds and to apply all or part of the income therefrom to charitable organizations that are also registered under the Income Tax Act (Canada) and to advance education by providing scholarships, bursaries, awards and other forms of financial assistance to children and youth with emphasis on underprivileged children and youth.

2. Significant accounting policies

The Foundation has elected to apply the standards in Part III of the CPA Accounting Handbook, referred to as Canadian Accounting Standards for Not-for-profit Organizations (ASNPO). These financial statements have been prepared by management. The significant accounting policies are summarized as follows:

(a) Accrual basis of accounting

Expenditures are recorded on the accrual basis, whereby they are reflected in the financial statements in the period in which they have been incurred, whether or not such transactions have been finally settled by payment of money.

(b) Revenue recognition

The Foundation recognizes donation revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Investment income is recognized when received or receivable.

(c) Investments

Investments are portfolio investments in securities initially recorded at their fair value on the date of acquisition, plus related transaction costs. Investments are adjusted to fair value at each balance sheet date and the corresponding unrealized gains and losses are reported in the statement of operations and fund balance.

TRAQUAIR FAMILY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

2. Significant accounting policies (continued)

(d) Use of estimates

In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from these estimates.

(e) Financial instruments

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value.

Financial assets measured at cost or amortized cost are assessed for indicators of impairment. If there is an indication of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial assets and recognizes an impairment loss if the carrying value is greater than the higher of the present value of the expected future cash flows or the amount that could be realized from selling the financial asset. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

3. Investments

	<u>2023</u>	<u>2022</u>
Marketable securities, at cost	\$ 1,732,400	\$ 1,527,292
Unrealized gain	<u>444,433</u>	<u>353,327</u>
Fair Value	<u>\$ 2,176,833</u>	<u>\$ 1,880,619</u>

4. Related party transactions

All donations received in the year were from a director of the Foundation.

TRAQUAIR FAMILY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

5. Financial instrument risk

a) Liquidity risk

Liquidity risk arises through having excess financial obligations over available financial assets at any point in time. The Foundation manages its liquidity risk by maintaining sufficient readily available funds in order to meet its liquidity requirements.

b) Management of capital

The Foundation views its capital as its net asset and manages its capital structure in a manner to ensure that it has adequate resources to meet its financial needs.