



**2022**

**Mriya Aid Org Inc.**



Chartered Professional Accountants

GGFL LLP  
Chartered Professional Accountants

287 Richmond Road T 613-728-5831  
Ottawa, ON K1Z 6X4 [www.ggfl.ca](http://www.ggfl.ca)



November 16, 2022

Board of Directors, Mriya Aid Org Inc.  
Attention: Mr. Alexander Bakus  
Mriya Aid Org Inc.  
1000-150 Elgin Street  
Ottawa, ON K2P 1L4

Dear Board members:

This letter serves to communicate significant findings from our audit.

We are pleased to present this information as we believe it will help you fulfill your responsibility to oversee the financial reporting process, thereby reducing the risks of material misstatement in the financial statements.

*Areas of Audit Emphasis*

The areas of higher risk identified during the audit and our work related thereto is summarized as follows:

Areas of the financial statements having a high risk of material misstatement	Our response
Donations	We reviewed management's reconciliation of the donation revenue recorded in the general ledger. To test the existence of donations; we traced a sample of donations from the account records to proof of receipt/deposit.  The audit report is qualified for completeness of donation revenue.
Equipment, supplies and logistics disbursements	We tested the validity of a significant sample of expenses to supporting invoices, proof of payment and shipping documents.

## Accounting policies

We have reviewed the accounting policies chosen and the related financial statement disclosures and have found them to be reasonable. We are not aware of any changes in significant accounting policies or significant unusual transactions which would have an impact on the comparability of the financial position and performance of past and future periods.

## Matters arising from the audit

### Contributed equipment and supplies

No amounts have been reflected in the financial statements with respect to in-kind donations of medical supplies and non-lethal equipment and the related disbursements of these medical supplies and non-lethal equipment.

In discussions with management, it was determined that these in-kind donations and related disbursements could not be audited due to the absence of supporting third party documentation of the fair market value.

### Departure from internal disbursement policy:

One donation of \$17,800 USD was received for a specific purpose for which the related disbursement of \$17,829 USD was transacted almost immediately after the funds were received in accordance with the donor's instructions.

This disbursement was approved verbally by the management due to time sensitivity requirements to facilitate purchase of reserved stock.

The organization's internal control policy is to approve disbursements over \$5,000 USD, requiring a request for funds to be prepared and signed by 2 account signatories indicating approval. For this purchase, the 2 signatories had only recorded a verbal agreement to authorize the disbursement.

In our sampled review no other disbursements were found to deviate from the organization's stated internal control policy.

Management acknowledges that the disbursement policy will be followed for all transactions above the threshold, even in circumstances where a direct donation is used to support the purchase purpose.

Cryptocurrency policy:

During the audit, we noted that there is no written policy regarding the holding period of donations of cryptocurrency, which exposes the organization to exchange rate risk. The donations were received over a six month period, and most were converted to fiat currency in August.

Management has indicated that the Organization held cryptocurrency during this six month period as they were advised that certain suppliers may require transacting in cryptocurrency for certain disbursements. When it was determined that cryptocurrency was not required by certain suppliers, it was at that point that the cryptocurrency was converted to fiat currency.

This spot conversion resulted in a loss as the cryptocurrency market has experienced high volatility throughout the audit period.

To ensure the intent regarding use of cryptocurrency is clear to those charged with governance and management, we recommend that a policy be adopted and documented.

There are no additional significant matters arising from the audit that were discussed or subject to correspondence with management that we have not also discussed or corresponded with you.


Summary

This report is solely for the use of those charged with governance, including management, and should not be relied upon by third parties; as auditors we assume no responsibility to third parties. Our communication of these matters identified during the financial statement audit is a by-product of that audit and the audit would not necessarily identify all matters that may be of interest to the Board of Directors in fulfilling its responsibilities.

We would be pleased to respond to any questions that you may have concerning this report.

Yours very truly,

GGFL, LLP  
Chartered Professional Accountants

  
per: Josh Engel, CPA, CA, LPA  
Partner

JE/nc

Encls.





November 15, 2022

Mr. Alexander Bakus  
Mriya Aid Org Inc.  
1000-150 Elgin Street  
Ottawa, ON K2P 1L4

Dear Mr. Bakus:

We enclose an electronic copy of the financial statements of Mriya Aid Org Inc. for the period ended August 31, 2022, for distribution as required. We acknowledge receipt of the signed letter of representation, including your approval of the adjusting journal entries.

As an organization incorporated in Ontario, Mriya Aid Org Inc. must file an Annual Return with the Ontario Ministry of Government and Consumer Services, separate from any other government filings. This Annual Return can be filed online through Service Ontario at [Ontario.ca/businessregistry](https://Ontario.ca/businessregistry). There is no statutory fee. You will need a "company key" to access or update the organization's Ontario Business Registry profile. For more information or to request your company key visit [Ontario.ca/businessregistry](https://Ontario.ca/businessregistry). Note that failure to file the Annual Return each year within six months of the organization's year end could result in penalties and possible dissolution of the organization.

Note that the Ontario Not-for-Profit Corporations Act, 2010 (ONCA) is in force as of October 19, 2021. ONCA applies to Ontario not-for-profit corporations. Organizations have until October 19, 2024 to make any necessary changes to their incorporating and other documents. You should consult your legal counsel for information on the implications of this change.

#### *General ledger*

We enclose a copy of the final approved trial balance and adjusting entries for your records. These entries must be posted into your general ledger.

November 15, 2022

Page 2 of 2

Thank you for the opportunity of being of service to you. We would be pleased to provide any further information you may require.

Yours very truly,

GGFL LLP  
Chartered Professional Accountants



per. Josh Engel, CPA, CA, LPA  
Managing Partner

JE/nc

Encls.



October 28, 2022

Mr. Alexander Bakus  
Mriya Aid Org Inc.  
1000-150 Elgin Street  
Ottawa, ON K2P 1L4

Dear Mr. Bakus:

You have requested that we audit the financial statements of Mriya Aid Org Inc., which comprise the balance sheet as at February 28, 2023, and the statements of retained earnings, income, and cash flows for the period then ended, and a summary of significant accounting policies and other explanatory information. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter, which will continue in effect from year to year unless changed by us. Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

#### Our Responsibilities

We will conduct our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Canadian generally accepted auditing standards.

In making our risk assessments, we consider internal control relevant to the entity's preparation of the financial statements 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. However, we will communicate to you in writing concerning any significant deficiencies in internal control relevant to the audit of the financial statements that we have identified during the audit.

### Content of Audit Opinion

Unless unanticipated difficulties are encountered, our report will be substantially in the form contained in Appendix A to this letter. If we conclude that a modification to our opinion on the financial statements is necessary, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form, or have not formed, an opinion on the financial statements, we may withdraw from the audit before issuing an auditor's report or we may disclaim an opinion on the financial statements. If this occurs, we will communicate the reasons and provide you details of any misstatements identified during the audit.

### Use and Distribution of our Report

The examination of the financial statements and the issuance of our audit opinion are solely for the use of Mriya Aid Org Inc. and those to whom we have specifically addressed our report. We make no representations of any kind to any third party in respect of these financial statements and we accept no responsibility for their use by any third party.

We ask that our name be used only with our consent and that any information to which we have attached a communication be issued with that communication unless otherwise agreed to by us.

### Reproduction of our Report

If reproduction or publication of our report (or reference to our report) is planned in an annual report or other document, including electronic filing or posting of the report on a web site, a copy of the entire document should be submitted to us in sufficient time for our review before the publication or posting process begins.

Management is responsible for the accurate reproduction of the financial statements, the auditor's report and other related information contained in an annual report or other public document (electronic or paper-based). This includes any incorporation by reference to either full or summarized financial statements that we have audited.

We are not required to read the information contained in your website, or to consider the consistency of other information in the electronic site with the original document.



## Management's Responsibilities

Our audit will be conducted on the basis that management and, where appropriate, those charged with governance, acknowledge and understand that they have responsibility for:

- a) the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for private enterprises;
- b) 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; and
- c) providing us with:
  - i. unrestricted access to persons within the entity from whom we determine it necessary to make inquiries;
  - ii. access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters; and
  - iii. additional information that we may request from management for the purpose of the audit.

As part of our audit process, we will request from management and, where appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We look forward to full cooperation from your staff during our audit.

## Preparation of Schedules

We understand that you or your employees will prepare supporting schedules and will locate supporting documents for use at the dates agreed to in our planning discussions.

This assistance will facilitate our work and will help to minimize our costs. Any failure to provide these working papers or documents on a timely basis, may impede our services, cause additional time to be incurred, and require us to suspend our services or, in extreme circumstances, withdraw from the engagement.

## Working Papers

The working papers, files, other materials, reports and work created, developed or performed by us during the course of the engagement are the property of our Firm, constitute confidential information and will be retained by us in accordance with our Firm's policies and procedures.

## File Inspections

In accordance with professional regulations (and by our Firm's policy), our client files must periodically be reviewed by practice inspectors and by other Firm personnel to ensure that we are adhering to professional and Firm standards. File reviewers are required to maintain confidentiality of client information.

## Governing Laws and Forum

This engagement letter is subject to, and governed by, the laws of the Province of Ontario. Subject to the Dispute Resolution provisions of this engagement letter:

- a) the courts located in the City of Ottawa in the Province of Ontario will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement letter and any matter arising from it; and
- b) each party irrevocably waives any right it may have to object to any action being brought in those courts to claim that the action has been brought in an inappropriate forum or to claim that those courts do not have jurisdiction.

## Dispute Resolution

You agree that:

- a) any dispute that may arise regarding the meaning, performance or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation; and
- b) you will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement.

Any mediation initiated as a result of this engagement shall take place in the City of Ottawa, in the Province of Ontario, and any ensuing legal proceedings shall be commenced and tried in the City of Ottawa, in the Province of Ontario. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties.

## Indemnity

Your company hereby agrees to indemnify, defend (by counsel retained and instructed by us) and hold harmless Ginsberg Gluzman Fage & Levitz, LLP and its partners, principals, agents or employees, from and against any and all losses, costs (including solicitors' fees), damages, expenses, claims, demands or liabilities arising out of or in consequence of:

- a) The breach by your company, or its directors, officers, agents or employees, of any of the covenants made by your company herein, including, without restricting the generality of the foregoing, the misuse of, or the unauthorized dissemination of, our audit report or the financial statements in reference to which the audit report is issued, or any other work product made available to you by our Firm; and
- b) The services performed by Ginsberg Gluzman Fage & Levitz, LLP pursuant to this engagement, unless, and to the extent that, such losses, costs, damages and expenses are found by a court of competent jurisdiction to have been due to the negligence of Ginsberg Gluzman Fage & Levitz, LLP. In the event that the matter is settled out of court, we will mutually agree on the extent of the indemnification to be provided by your company.

#### Time Frames

We will use reasonable efforts to complete the engagement as described in this letter within the agreed upon time frame. However, we shall not be liable for failures or delays in performance that arise from causes beyond our control, including the untimely performance by Mriya Aid Org Inc. of its obligations.

#### Additional Services

In addition to the services referred to above, subject to your review and approval, we will carry out such bookkeeping we find necessary prior to the preparation of the financial statements, prepare any necessary income tax returns and prepare other special reports as required. Management will provide the information necessary to complete these items and will file them with the appropriate authorities on a timely basis.

We will also be pleased to provide additional services upon request, in areas such as income tax planning, forensic investigations, business financing, management consulting and valuations.

#### Privacy

It is acknowledged that we will have access to all personal information in your custody that we require to complete our engagement. Our services are provided on the basis that:

- a) You represent to us that you have obtained any required consents for collection, use and disclosure to us of personal information required under applicable privacy legislation; and
- b) We will hold all personal information in compliance with our Privacy Policy which is available on our website at [www.ggfl.ca/privacy-policy](http://www.ggfl.ca/privacy-policy) or upon request.

## Communications

In connection with this engagement, we may communicate with you or others via telephone, facsimile, post, courier and e-mail transmission. As all communications can be intercepted or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that communications from us will be properly delivered only to the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of communications transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the communications, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

## Fees

Our professional fees will be based on time expended at our standard billing rates, plus applicable GST/HST, and are due when rendered. Fees for additional services will be established separately. Our fees are based on certain assumptions, including the preparation of information by you and your staff and the timely response to our enquiries. Any costs directly incurred during the engagement, including travel costs, courier fees, etc., will be invoiced at the end of the engagement. All amounts invoiced are payable upon receipt. Unpaid invoices are subject to monthly interest at a rate of 1.25%. Circumstances may arise during the engagement that affect the targeted completion date and the time expended in completing the engagement. We commit that we will discuss these circumstances with you as they arise.

In the event we are required to respond to a subpoena, court order, government agency or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate us at our normal hourly rates for the time we expend in connection with such response and to reimburse us for all of our out-of-pocket costs (including applicable GST/HST) incurred.

## Conclusion

If you have any questions about the contents of this letter, please raise them with us. If the services outlined are in accordance with your requirements and if the above terms are acceptable to you, please sign the copy of this letter in the space provided and return it to us.

October 28, 2022

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We appreciate the opportunity of continuing to be of service to your company.

Yours very truly,

GINSBERG GLUZMAN FAGE & LEVITZ, LLP  
Chartered Professional Accountants

per: 

The services and terms set out are as agreed.

Date: \_\_\_\_\_

MRIYA AID ORG INC.

per: \_\_\_\_\_

Alexander Bakus

## APPENDIX A - SAMPLE INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of Mriya Aid Org Inc., which comprise the balance sheet as at February 28, 2023, and the statements of retained earnings, income, and cash flows for the period 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 private enterprises, 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### Basis for Qualified Opinion

In common with many charitable organizations, the organization derives revenue from pledges and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization, and we were not able to determine whether any adjustment might be necessary to revenues, net result for the year, assets and net assets.

### Qualified Opinion



In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Mriya Aid Org Inc. as at February 28, 2023, and the results of its operations and its cash flows for the period then ended in accordance with Canadian accounting standards for private enterprises.

MRIYA AID ORG INC.

GGFLLP  
Chartered Professional Accountants  
287 Richmond Road  
Ottawa, ON K1Z 6X4

This representation letter is provided in connection with your audit of the financial statements of Mriya Aid Org Inc. for the period ended August 31, 2022 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations .

In making the representations outlined below, we took the time necessary to appropriately inform ourselves on the subject matter through inquiries of entity personnel with relevant knowledge and experience, and, where appropriate, by inspecting supporting documentation.

We confirm that (to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves):

Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement, for:

- Preparing and fairly presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations , except as disclosed in the Independent Auditor's Report.;
- Providing you with:
  - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as:
    - i) Accounting records, supporting documentation and other relevant documentation,
    - ii) Minutes of meetings or summaries of actions taken for which minutes have not yet been prepared, and
    - iii) Information on any other matters, of which we are aware, that is relevant to the preparation of the financial statements;
  - Additional information that you have requested from us for the purpose of the audit; and



- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- Ensuring all transactions have been recorded in the accounting records and are reflected in the financial statements; and
- Designing and implementing such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We have also communicated to you any deficiencies in the design and implementation or the maintenance of internal control over financial reporting of which management is aware.

### Fraud and Non-Compliance

We have disclosed to you:

- All of our knowledge in relation to actual, alleged or suspected fraud affecting the entity's financial statements involving:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial statements;
- All of our knowledge in relation to allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others;
- All known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements that should be considered when preparing the financial statements; and
- The results of our assessments regarding possible fraud or error in the financial statements.

### Related Parties

- We have disclosed to you the identify of all the entity's related-party relationships and transactions of which we are aware. All related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian accounting standards for not-for-profit organizations.

### Estimates

- We acknowledge our responsibility for determining the accounting estimates required for the preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Those estimates reflect our judgment based on our knowledge and experience of past and current events, and on our assumptions about conditions we expect to exist and courses of action we expect to take. We confirm that the methods, significant assumptions and the data used by us in making accounting estimates and related financial statement disclosures, including those measured at fair value, are appropriate to achieve recognition, measurement or disclosure that is in accordance with Canadian accounting standards for not-for-profit organizations.

### Subsequent Events

- All events subsequent to the date of the financial statements and for which Canadian accounting standards for not-for-profit organizations require adjustment or disclosure have been adjusted or disclosed.

### Commitments and Contingencies

- There are no commitments, contingent liabilities/assets or guarantees (written or oral) that should be disclosed in the financial statements. This includes liabilities arising from contract terms, illegal acts or possible illegal acts, and environmental matters that would have an impact on the financial statements.

### Adjustments

- We have reviewed, approved and recorded all of your proposed adjustments to our accounting records. This includes journal entries, changes to account coding, classification of certain transactions and preparation of, or changes to, certain accounting records.

### Misstatements

- There are no uncorrected misstatements. All adjustments identified by GGFL LLP during the course of the audit have been reflected in the financial statements.

### Other Representations

- All opening balances at March 1, 2022 were Nil. There was no activity in the Organization from the date of Incorporation of April 22, 2021 to February 28th, 2022.
- All deposits received are unrestricted donations with no terms of repayment.

Yours very truly,

MRIYA AID ORG INC.

\_\_\_\_\_ Officer

\_\_\_\_\_ Date

GGFL, LLP  
Chartered Accountants  
287 Richmond Road  
Ottawa, ON K1Z 6X4

We are sending this letter in response to our oversight responsibilities with regard to the financial statements of Mriya Aid Org Inc. for the six month period ended August 31, 2022.

We have no knowledge of fraud or suspected fraud affecting the entity involving management; employees who have significant roles in internal control; or others, where the fraud could have a material effect on the financial statements.

We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

We have reviewed the draft financial statements and audit report for the six month period ended August 31, 2022. This letter serves to confirm our approval.

We confirm that all events subsequent to August 31, 2022, for which Canadian accounting standards for not-for-profit organizations require adjustment or disclosure, have been adjusted or disclosed.

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Signature

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Date

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Print Name  
(On behalf of the Board of Directors)

# **MRIYA AID ORG INC.**

**Financial Statements**

**For The Six Month Period Ended August 31, 2022**

**In U.S. Dollars**

MRIYA AID ORG INC.

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AUGUST 31, 2022

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## INDEPENDENT AUDITOR'S REPORT

To the Directors of  
Mriya Aid Org Inc.

### Qualified Opinion

We have audited the financial statements of Mriya Aid Org Inc. (the Organization), which comprise the statement of financial position as at August 31, 2022, and the statements of changes in net assets, statement of revenue and disbursements and cash flows for the six month period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the 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 Mriya Aid Org Inc. as at August 31, 2022, and the results of its operations and its cash flows for the period 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, Mriya Aid Org Inc. derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, the verification of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were not able to determine whether any adjustments might be necessary with respect to donation revenue, excess of revenue over disbursements, and cash flows from operations for the period ended August 31, 2022.

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. 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.

3.

- 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.



Chartered Professional Accountants, Licensed Public Accountants  
Ottawa,  
November 15, 2022.





MRIYA AID ORG INC.  
 STATEMENT OF FINANCIAL POSITION  
 (IN U.S. DOLLARS)  
 AS AT AUGUST 31, 2022

	2022
<b>ASSETS</b>	
Current	
Cash	\$ 187,501
Cryptocurrency	<u>20,462</u>
	<u>\$ 207,963</u>
 <b>NET ASSETS</b>	 <u>\$ 207,963</u>

Approved on behalf of the board:

\_\_\_\_\_ director

MRIYA AID ORG INC.  
STATEMENT OF CHANGES IN NET ASSETS  
(IN U.S. DOLLARS)

FOR THE SIX MONTH PERIOD ENDED AUGUST 31, 2022

	2022
Balance, beginning of period	\$ -
Net result for the period	<u>207,963</u>
Balance, end of period	<u><u>\$ 207,963</u></u>

MRIYA AID ORG INC.  
STATEMENT OF REVENUE AND DISBURSEMENTS  
(IN U.S. DOLLARS)  
FOR THE SIX MONTH PERIOD ENDED AUGUST 31, 2022

	2022
Revenue	
Donations	\$ 794,618
Disbursements	
Bank fees	23,093
Drones	310,355
Logistics	67,974
Tactical medicine	27,055
Thermal and night vision goggles	144,568
	573,045
Excess of revenue over disbursements for the period	221,573
Loss on disposition of cryptocurrency	(13,610)
Net result for the period	\$ 207,963

MRIYA AID ORG INC.  
STATEMENT OF CASH FLOWS  
(IN U.S. DOLLARS)

FOR THE SIX MONTH PERIOD ENDED AUGUST 31, 2022

	2022
<b>CASH PROVIDED BY (USED IN)</b>	
Operating activities	
Net result for the period	\$ 207,963
Changes in operating net assets	
Cryptocurrency	(20,462)
Increase in cash	187,501
Cash, beginning of period	-
Cash, end of period	\$ 187,501

## MRIYA AID ORG INC.

## NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2022

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## 1. Purpose of the organization

Mriya Aid Org Inc. (the "Organization") is dedicated to helping Ukraine defend itself against Russia by securing and sending medical supplies, non-lethal military equipment and humanitarian aid to the frontlines. Mriya Aid Org Inc. incorporated under the Ontario Business Corporations Act on April 22, 2021 and was issued a Certificate of Continuance under the Ontario Not-for-Profit Corporations Act on April 13, 2022. The organization commenced operations on March 1, 2022. The organization is a not-for-profit organization under the Income Tax Act.

## 2. Significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

## Cash and cash equivalents

Cash and cash equivalents can include cash on hand, balances with financial institutions (net of temporary overdrafts), online payment processors and short-term highly liquid investments.

## Foreign currency translation

Foreign currency transactions and balances have been translated to U.S. dollars using the temporal method. Monetary assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the rate of exchange on the period end date. Non-monetary assets and liabilities are translated into U.S. dollars at the exchange rate prevailing when the assets were acquired or liabilities incurred. Revenues and disbursements are translated at the annual average rate of exchange. Translation gains or losses are included in the determination of income for the period.

## Intangible assets

Intangible assets, including cryptocurrency, are initially recognized and measured at cost.

Intangible assets with indefinite useful lives are not amortized and are tested for impairment when an event or circumstance indicates a potential impairment. When the carrying amount of the intangible asset exceeds its fair value, an impairment charge is recognized by the excess and is reported as a separate line item in the statement of revenue and disbursements.

MRIYA AID ORG INC.  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2022

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2. Significant accounting policies (continued)

Contributed supplies, equipment and services

Contributed medical supplies, non-lethal military equipment and volunteers' contributed services are not recognized in the financial statements because of the difficulty in determining their fair value.

Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the period in which the related disbursements 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.

Financial instruments

*Measurement of financial instruments*

The organization initially measures its financial assets and liabilities at fair value. 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 are recognized in net income .

*Impairment*

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the writedown is recognized in net income.

*Transaction costs*

Transaction costs are recognized in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance, or assumption.

3. Financial instruments

*Risks and concentrations*

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations at August 31, 2022.

MRIYA AID ORG INC.  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2022

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3. Financial instruments (continued)

*Credit risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization's main credit risks relate to cash held by online payment processors not covered by the Canada Deposit Insurance Corporation.

*Market risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk. The entity is mainly exposed to currency risk.

*Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

**Mriya Aid Org Inc.**  
**Year End: August 31, 2022**  
**Trial balance - Client copy**

**TB CLIENT**

<b>Account</b>	<b>Prelim</b>	<b>Adj's</b>	<b>Reclass</b>	<b>Rep</b>	<b>Rep 08/21</b>	<b>%Chg</b>
1100 Cash USD	73,057.63	0.00	0.00	73,057.63	0.00	0
1105 Cash CAD	143,612.43	0.00	0.00	143,612.43	0.00	0
1110 Cash GBP	368.20	0.00	0.00	368.20	0.00	0
1115 Cash EURO	4,465.65	0.00	0.00	4,465.65	0.00	0
1120 Foreign exchange adjustment	(34,002.46)	0.00	0.00	(34,002.46)	0.00	0
<b>A Cash</b>	<b>187,501.45</b>	<b>0.00</b>	<b>0.00</b>	<b>187,501.45</b>	<b>0.00</b>	<b>0</b>
1125 Cryptocurrency	0.00	20,462.70	0.00	20,462.70	0.00	0
<b>B Cryptocurrency</b>	<b>0.00</b>	<b>20,462.70</b>	<b>0.00</b>	<b>20,462.70</b>	<b>0.00</b>	<b>0</b>
3000 Donations	(763,473.84)	(34,072.39)	0.00	(797,546.23)	0.00	0
3700 Gain/Loss from foreign exchange	2,928.12	0.00	0.00	2,928.12	0.00	0
<b>30 Donations</b>	<b>(760,545.72)</b>	<b>(34,072.39)</b>	<b>0.00</b>	<b>(794,618.11)</b>	<b>0.00</b>	<b>0</b>
3950 Gain on disposal of cryptocurrency	0.00	13,609.69	0.00	13,609.69	0.00	0
<b>38 Loss on disposition of cryptocurr</b>	<b>0.00</b>	<b>13,609.69</b>	<b>0.00</b>	<b>13,609.69</b>	<b>0.00</b>	<b>0</b>
7080 Logistics	67,974.33	0.00	0.00	67,974.33	0.00	0
<b>40 Logistics</b>	<b>67,974.33</b>	<b>0.00</b>	<b>0.00</b>	<b>67,974.33</b>	<b>0.00</b>	<b>0</b>
7100 Bank fees	23,092.93	0.00	0.00	23,092.93	0.00	0
<b>41 Bank fees</b>	<b>23,092.93</b>	<b>0.00</b>	<b>0.00</b>	<b>23,092.93</b>	<b>0.00</b>	<b>0</b>
7120 Drones	310,354.20	0.00	0.00	310,354.20	0.00	0
<b>42 Drones</b>	<b>310,354.20</b>	<b>0.00</b>	<b>0.00</b>	<b>310,354.20</b>	<b>0.00</b>	<b>0</b>
7140 Thermal and NVG	144,567.92	0.00	0.00	144,567.92	0.00	0
<b>43 Thermal and night vision goggles</b>	<b>144,567.92</b>	<b>0.00</b>	<b>0.00</b>	<b>144,567.92</b>	<b>0.00</b>	<b>0</b>
7160 Tactical medicine	27,054.89	0.00	0.00	27,054.89	0.00	0
<b>44 Tactical medicine</b>	<b>27,054.89</b>	<b>0.00</b>	<b>0.00</b>	<b>27,054.89</b>	<b>0.00</b>	<b>0</b>
	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>
<b>Net Income (Loss)</b>	<b>187,501.45</b>			<b>207,964.15</b>	<b>0.00</b>	



**Mriya Aid Org Inc.**  
**Year End: August 31, 2022**  
**Adjusting Journal Entries**  
**Date: 09/01/2021 To 08/31/2022**

**AE CLIENT**

Number	Date	Name	Account No	Reference	Debit	Credit	
AE01	08/31/2022	Cryptocurrency	1125	A. 7	20,462.70		
AE01	08/31/2022	Donations	3000	A. 7		20,462.70	
		To record cryptocurrency balance held at the period end.					
AE02	08/31/2022	Donations	3000	30. 2		13,609.69	
AE02	08/31/2022	Gain on disposal of cryptocurrency	3950	30. 2	13,609.69		
		To separate loss from sale of bitcoin included in donation revenue					
					<b>34,072.39</b>	<b>34,072.39</b>	
			<b>Net Income (Loss)</b>	<b>207,964.15</b>			

# Tax Facts for Ontario Residents

## PERSONAL TAX BRACKETS FOR SALARY AND DIVIDENDS

2022 Taxable Income	MARGINAL TAX RATE		
	Salary	Public Company	Private Company
	2022 / 2021	Dividends <sup>(1)(2)</sup> 38% gross up	Dividends <sup>(2)</sup> 15% gross up
\$1 - \$14,397	0.00%	0.00%	0.00%
\$14,398 - \$46,226	20.05%	0.00%	9.24%
\$46,227 - \$50,197	24.15%	0.00%	13.95%
\$50,198 - \$81,411	29.65%	6.39%	20.28%
\$81,412 - \$92,454	31.48%	8.92%	22.38%
\$92,455 - \$95,906	33.89%	12.24%	25.16%
\$95,907 - \$100,392	37.91%	17.79%	29.78%
\$100,393 - \$150,000	43.41%	25.38%	36.10%
\$150,001 - \$155,625	44.97%	27.53%	37.90%
\$155,626 - \$220,000	48.35%	32.19%	41.79%
\$220,001 - \$221,708	49.91%	34.34%	43.58%
Greater than \$221,708	53.53%	39.34%	47.74%

(1) Includes dividends from CCPCs from income in excess of business limit

(2) Marginal rates are based on cash dividends received, not taxable amount

## TAX RATES ON CORPORATE INCOME

		2022	2021
CCPC Active Income	< \$500,000	12.20%	12.20%
	> \$500,001	26.50%	26.50%
CCPC Investment Income	Interest <sup>(3)</sup>	50.17%	50.17%
	Refundable tax	30.67%	30.67%
	Capital Gains <sup>(3)</sup>	25.08%	25.08%
	Refundable tax	15.34%	15.34%

(3) A portion of these taxes are refundable on payment of taxable dividends at different rates, depending on certain facts. Speak to your GGFL advisor for more details.

## CLAWBACK OF OLD AGE SECURITY

	2022	2021
OAS Benefit	\$ 7,623	\$ 7,487
15% Clawback for income greater than:	\$ 81,761	\$ 79,845
No OAS benefit for income greater than:	\$ 132,582	\$ 129,756

## TFSA LIMIT

Lifetime Contribution	Annual Limit	
	2022	2021
\$81,500	\$6,000	\$6,000

## RRSP LIMITS

	2022	2021
RRSP Deduction Limit	\$29,210	\$27,830
Income Required to Maximize RRSP	\$162,278	\$154,611
Deadline - 60 days after year end	Mar 1	Mar 1

## CPP LIMITS

Year	CPP Limit	Maximum Pensionable Earnings
2022	\$3,499.80	\$64,900
2021	\$3,166.45	\$61,600

## EI MAXIMUM

	Employee	Employer	Maximum Insurable Earnings
2022	\$952.74	\$1,333.84	\$60,300
2021	\$889.54	\$1,245.36	\$56,300

## EHT EXEMPTION

Payroll <\$5 Million	
2022	\$1,000,000
2021	\$1,000,000

# Tax Facts for Ontario Residents

## PRESCRIBED INTEREST RATES<sup>(4)</sup>

	Q1	Q2	Q3	Q4
2022	1%	TBD	TBD	TBD
2021	1%	1%	1%	1%

(4) These rates are for shareholder loans; for refunds add 2%; for overdue balances add 4%

## AUTOMOBILE AMOUNTS

Claim Description	2022	2021
Tax-exempt car reimbursements:		
• first 5,000 km	\$0.61/km	\$0.59/km
• after 5,000 km	\$0.55/km	\$0.53/km
CCA threshold—Class 10.1	\$34,000	\$30,000
CCA threshold—Class 54 zero-emission	\$59,000	\$55,000
Interest expense limit	\$300/month	
Leasing limit per month	\$900+txs	\$800+txs
Operating cost benefit (standby charge)	\$0.29/km	\$0.27/km

## CAPITAL GAINS ON QUALIFIED SMALL BUSINESS SHARES

	2022	2021
Lifetime Exemption	\$913,630	\$892,218

## CAPITAL GAINS ON QUALIFIED FARMING & FISHING PROPERTY

	2022	2021
Lifetime Exemption	\$1,000,000	\$1,000,000

## PENSION SPLITTING WITH SPOUSES

	65 or Older	Under 65
Pension Annuity Payments	Yes	Yes
RRIF Payments	Yes	No <sup>(5)</sup>
RRSP Annuity Payments	Yes	No <sup>(5)</sup>
RRSP Lump-Sum Withdrawals	No	No
Canada Pension Plan Benefits	No	No
Old Age Security Benefits	No	No

(5) Except if received due to the death of a spouse

## TAX FILINGS / INSTALMENTS

## DUE DATE<sup>(6) (7)</sup>

Corporate Tax Returns (T2)	6 months after year end
Corporate final tax payment for the current fiscal year:	
• For CCPC and its associated corporations with total taxable income below business limit	3 months after year end
• For all other companies, such as holding companies	2 months after year end
Corporate Instalment Due Dates	
• Monthly	Last day of the month
• Quarterly, for eligible CCPCs December year end	March 31, June 30, September 30, and December 31
T4 Return—Summary of Remuneration Paid	Last day in February
T5 Return—Return of Investment Income (interest and dividends)	Last day in February
Trust Returns (T3)	90 days after year end
Personal Tax Returns (T1):	
• Individual	April 30
• Individual with self-employment income	June 15
• Taxes Payable	April 30
Instalment Due Dates: Personal Tax and Trust & Estates	Q1 (March 15) ; Q2 (June 15); Q3 (September 15); Q4 (December 15)
HST Return - Annual Filer	3 months after year end
HST Return - Quarterly Filer	1 month after end of quarter
HST Instalments Due Dates : Annual Filer December year end	Q1 (April 30); Q2 (July 31); Q3 (October 31); Q4 (January 31 of the following year)
EHT Instalments (Payroll > \$1.2M, tax years beginning after Dec 31, 2020)	Monthly
EHT Return	March 15 of the following year

(6) If a Due Date falls on a Saturday, Sunday or public holiday, the Due Date will be the next business day.

(7) Due Dates have not been updated to reflect changes due to Covid-19. Please go to [canada.ca/en/services/taxes.html](https://canada.ca/en/services/taxes.html) for more information.

*The information provided in this publication is intended for general purposes only. Care has been taken to ensure the information herein is accurate; however, no representation is made as to the accuracy thereof. The information should not be relied upon to replace specific professional advice.*



# DISCOVERING OPPORTUNITY IN NUMBERS

## GGFL SERVICES

### Business Services

- Accounting and financial reporting
- Budgeting
- Accounting software consulting and implementation
- Financing your business

### Tax Services

- Tax planning
- Corporate restructuring
- Commodity tax services (HST/GST)
- Cross-border taxation
- Scientific Research and Experimental Development (SR&ED)
- Canada Revenue Agency (CRA) audits

### Strategic & Advisory Services

- Business valuation
- Forensic auditing and litigation support
- Estate and Succession planning
- Mergers and acquisitions