

Financial Statements of

**JAYS CARE FOUNDATION**

And Independent Auditor's Report thereon

Year ended November 30, 2023



**KPMG LLP**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of Jays Care Foundation

### ***Opinion***

We have audited the financial statements of Jays Care Foundation (the Entity), which comprise:

- the statement of financial position as at November 30, 2023
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at end of November 30, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### ***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 auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. A horizontal line is drawn underneath the signature, extending from the left side of the 'K' towards the right.

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

April 15, 2024

# JAYS CARE FOUNDATION

## Statement of Financial Position

November 30, 2023, with comparative information for 2022

	2023	2022
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 17,257,110	\$ 10,340,299
Restricted cash (note 7)	875,169	70,000
Short-term investments	7,438,930	7,379,706
Donations receivables	372,266	607,774
Harmonized sales tax receivables	572,192	307,346
Prepaid expenditures and other assets	36,879	35,663
	<u>26,552,546</u>	<u>18,740,788</u>
Capital assets (note 2)	191,779	212,352
	<u>\$ 26,744,325</u>	<u>\$ 18,953,140</u>

## Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 934,037	\$ 75,241
Accrued grant expenditures	935,782	929,973
Deferred contributions (note 6)	233,863	386,345
Due to related parties (note 3)	429,888	262,106
	<u>2,533,570</u>	<u>1,653,665</u>
Net assets:		
Restricted (note 7)	90,000	70,000
Internally restricted	—	—
Unrestricted	24,120,755	17,229,475
	<u>24,210,755</u>	<u>17,299,475</u>
Commitments (note 4)		
Subsequent events (notes 7 and 8)		
	<u>\$ 26,744,325</u>	<u>\$ 18,953,140</u>

See accompanying notes to financial statements.

On behalf of the Board:

"James Dodds" \_\_\_\_\_ Director

"Stuart Hutcheson" \_\_\_\_\_ Director

# JAYS CARE FOUNDATION

## Statement of Operations

Year ended November 30, 2023, with comparative information for 2022

	2023	2022
Revenue:		
Donations:		
Directed (note 3)	\$ 4,280,627	\$ 4,540,610
Other	719,209	386,129
	<u>4,999,836</u>	<u>4,926,739</u>
Fundraising:		
Gala	1,878,271	1,625,836
Golf Tournament	1,214,215	1,090,920
Broadcast Auction	631,379	364,514
Behind the Plate	–	96,250
50/50 Draws	16,400,715	9,995,535
In-stadium Fundraising	251,722	475,976
Third Party Fundraisers	482,316	279,023
Unrealized investment gains, net	59,224	–
Interest and other (net)	900,947	358,600
	<u>21,818,789</u>	<u>14,286,654</u>
Total revenue	26,818,625	19,213,393
Expenditures:		
Programs and grants:		
Field Of Dreams	1,768,764	1,612,133
Partner grants and other disbursements	550,488	190,200
Home Run Scholars	–	52,807
RBI SE (formerly Rookie League), LIT & Indigenous Rookie League	3,040,224	2,253,153
Take Me Out to the Ball Game (Jays Care Community Clubhouse)	202,553	175,279
Community Support Programs	1,924,215	1,872,063
JCF Program Expense	4,453,078	1,837,844
Program remuneration (note 3)	1,997,551	1,644,716
	<u>13,936,873</u>	<u>9,638,195</u>
Fundraising:		
Gala	926,719	646,419
Golf Tournament	222,295	225,392
50/50 Draws	2,669,167	1,623,507
Broadcast Auction	129,293	66,205
In-stadium and other fundraising	137,352	59,089
Third Party Fundraising	53,701	22,009
Behind the Plate	–	5,036
Unrealized investment losses, net	–	1,120,501
Fundraising remuneration (note 3)	1,031,527	849,946
	<u>5,170,054</u>	<u>4,618,104</u>
Other:		
Administration remuneration (note 3)	418,541	364,222
General and administration	350,140	171,923
Depreciation	51,737	47,882
	<u>820,418</u>	<u>584,027</u>
Total expenditures	19,927,345	14,840,326
Excess of revenue over expenditures	\$ 6,891,280	\$ 4,373,067

See accompanying notes to financial statements.

# JAYS CARE FOUNDATION

## Statement of Changes in Net Assets

Year ended November 30, 2023, with comparative information for 2022

2023	Unrestricted	Internally restricted	Restricted	Total
Net assets, beginning of year	\$ 17,229,475	\$ –	\$ 70,000	\$ 17,299,475
Endowment contributions	–	–	20,000	20,000
Excess of revenue over expenditures	6,891,280	–	–	6,891,280
<b>Net assets, end of year</b>	<b>\$ 24,120,755</b>	<b>\$ –</b>	<b>\$ 90,000</b>	<b>\$ 24,210,755</b>

2022	Unrestricted	Internally restricted	Restricted	Total
Net assets, beginning of year	\$ 12,856,408	\$ –	\$ 50,000	\$ 12,906,408
Endowment contributions	–	–	20,000	20,000
Excess of revenue over expenditures	4,373,067	–	–	4,373,067
<b>Net assets, end of year</b>	<b>\$ 17,229,475</b>	<b>\$ –</b>	<b>\$ 70,000</b>	<b>\$ 17,299,475</b>

See accompanying notes to financial statements.

# JAYS CARE FOUNDATION

## Statement of Cash Flows

Year ended November 30, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenditures	\$ 6,891,280	\$ 4,373,067
Depreciation which does not involve cash	51,737	47,882
Unrealized investment (gains) losses	(59,224)	1,120,501
Decrease (increase) in restricted cash	(805,169)	2,288,335
Change in non-cash operating working capital:		
Decrease (increase) in donations receivables	235,508	(275,206)
Increase in harmonized sales tax receivables	(264,846)	(169,749)
Increase in prepaid expenditures and other assets	(1,216)	(3,213)
Increase (decrease) in accounts payable and accrued liabilities	858,796	(2,315,765)
Increase (decrease) in accrued grant expenditures	5,809	(32,294)
(Decrease) increase in deferred contributions	(152,482)	53,437
Increase in due to related parties	167,782	22,019
	<u>6,927,975</u>	<u>5,109,014</u>
Financing activities:		
Endowment contributions (note 7)	20,000	20,000
Investing activities:		
Purchase of capital assets	(31,164)	(98,633)
Changes in short-term investments, net	–	(3,500,000)
	<u>(31,164)</u>	<u>(3,598,633)</u>
Increase in cash and cash equivalents	6,916,811	1,530,381
Cash and cash equivalents, beginning of year	10,340,299	8,809,918
Cash and cash equivalents, end of year	<u>\$ 17,257,110</u>	<u>\$ 10,340,299</u>

See accompanying notes to financial statements.



# JAYS CARE FOUNDATION

Notes to Financial Statements

Year ended November 30, 2023

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The Jays Care Foundation (the "Foundation") was incorporated without share capital with the purpose to fund youth-related and other charitable causes. The Foundation is a registered charity (#890847189RR0001) designated as a public foundation under the Income Tax Act (Canada) and, accordingly, is exempt from income taxes, provided certain requirements of the Income Tax Act (Canada) are met.

## 1. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the Chartered Professional Accountants of Canada Handbook - Accounting.

### (a) Revenue recognition:

The Foundation follows the deferral method of accounting for donations. Under the deferral method, restricted donations are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Fundraising revenue is recorded on completion of the event.

The Foundation recognizes 50/50 draws revenue net of the prize payments won and distributed to the winning draw customer. In accordance with the Foundation's Electronic 50/50 Raffle Rules of Play and the AGCO Lottery Licensing Policy Manual, any unclaimed prizes are recognized as accrued liabilities for a six-month period. Prizes expire after six-months of being unclaimed at which point the amount is recognized in 50/50 draws revenue once the corresponding grant has been disbursed to the AGCO approved beneficiaries. As at November 30, 2023, the Foundation had \$785,169 (2022 - nil) unclaimed prizes recognized as accrued liabilities. In 2023, the Foundation recognized nil (2022 - \$321,980) in 50/50 draws revenue for expired unclaimed prizes.

### (b) Presentation and allocation of expenditures:

The Foundation classifies expenditures on the statement of operations by function. In doing so, the Foundation allocates remuneration to programs or fundraising based on an estimate of time spent for each individual employee, which is applied on a reasonable and consistent basis. Remuneration is related to the administration of the Foundation.

# JAYS CARE FOUNDATION

Notes to Financial Statements (continued)

Year ended November 30, 2023

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## 1. Significant accounting policies (continued):

### (c) Accrued grant expenditures:

Disbursements are recorded annually as payable when approved by the Board of Directors and signed letters of acceptance are received from the awardees. Certain projects funded by the Foundation extend over several years. Such projects are reviewed annually, and further funding is provided conditional upon accomplishment of specified performance criteria. Accordingly, accrued grant expenditures as shown on the statement of financial position do not include a provision for funding on multi-year projects that extend beyond the subsequent year. Unexpended balances of terminated grants are offset against the current year's expenditures.

### (d) Donated materials and services:

The Foundation is supported by the contribution of materials and services for various fundraising events and administrative purposes; however, it is often not practical to calculate the fair value of benefits received from contributed materials.

A substantial number of volunteers contribute a significant amount of their time each year. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

### (e) Cash and cash equivalents:

Cash and cash equivalents include cash on account and short-term investments with original maturities of three months or less.

### (f) Capital assets:

Purchased capital assets are recorded at cost. Betterments which extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the Foundation's ability to provide services, its carrying amount is written down to its residual value. Repairs and maintenance costs are charged to expenditures as incurred.

# JAYS CARE FOUNDATION

Notes to Financial Statements (continued)

Year ended November 30, 2023

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## 1. Significant accounting policies (continued):

Capital assets are depreciated on a straight-line basis over their estimated useful lives as follows:

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Computer hardware and associated software	5 years
Leasehold improvements	3 - 10 years

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An impairment charge is recognized on capital assets when events or changes in circumstances cause an asset's carrying value to exceed the total undiscounted cash flows expected from its use and eventual disposition. An impairment loss is calculated as the difference between fair value of the assets and their carrying value.

### (g) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the year. Actual results could differ from those estimates.

### (h) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. When such investments are made, 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. The Foundation has not elected to carry any such financial instruments at fair value.

# JAYS CARE FOUNDATION

Notes to Financial Statements (continued)

Year ended November 30, 2023

## 1. Significant accounting policies (continued):

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator 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 asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

## 2. Capital assets:

2023	Cost	Accumulated depreciation	Net book value
Computer hardware and associated software	\$ 71,029	\$ 62,938	\$ 8,091
Leasehold improvements	468,929	285,241	183,688
	\$ 539,958	\$ 348,179	\$ 191,779

2022	Cost	Accumulated depreciation	Net book value
Computer hardware and associated software	\$ 61,693	\$ 59,808	\$ 1,885
Leasehold improvements	447,101	236,634	210,467
	\$ 508,794	\$ 296,442	\$ 212,352

# JAYS CARE FOUNDATION

Notes to Financial Statements (continued)

Year ended November 30, 2023

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### 3. Related party transactions:

The Foundation has entered into certain transactions with companies that are related parties. Due to the ability to exercise significant influence, parties deemed related to the Foundation are the Toronto Blue Jays Baseball Club (the "Club"), its ultimate parent company, Rogers Communications Inc. ("RCI"), and RCI's subsidiaries. Included in revenue is \$1,414,282 (2022 - \$1,526,656) from such related parties, including \$1,000,000 (2022 - \$1,000,000) in directed donation revenue to subsidize a portion of the Foundation's remuneration costs and its administrative costs. During 2023, there were related party expenditures of \$15,370 (2022 - \$7,957), relating to merchandise purchases made from the Club.

The Club is responsible for the initial payment of the Foundation's salary and bonus expenditures, as well as monthly miscellaneous operating expenditures. The Club subsequently invoices the Foundation for these expenditures. Included in expenditures is \$3,447,619 (2022 - \$2,858,884) in respect of salary expenditures and bonuses invoiced by the Club to the Foundation. In addition, certain Club corporate sponsors include donations to the Foundation within their agreements with the Club. The Club and the Foundation will net the applicable amounts owed to the Foundation from the above expenditure payments. In fiscal 2023, \$832,500 of donations were received from Club corporate sponsors (2022 - \$882,500).

Included in due to related parties is \$429,888 (2022 - \$262,106) owing to the Club for accrued salaries and miscellaneous operating expenditures.

### 4. Commitments:

No new multi-year agreements were signed in 2023.

### 5. Financial instruments:

Liquidity risk:

Liquidity risk is the risk that the Foundation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Foundation manages its liquidity risk by monitoring its operating requirements. The Foundation prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

# JAYS CARE FOUNDATION

Notes to Financial Statements (continued)

Year ended November 30, 2023

## 5. Financial instruments (continued):

Credit risk:

The Foundation is exposed to credit risk with respect to donations receivables. The Foundation believes there is minimal risk associated with these amounts.

Market risk:

The Foundation is exposed to market risks with respect to its investments. The Foundation has \$7,438,930 (2022 - \$7,379,706) of short-term investments that are invested in a Canadian Monthly Income Fund. Of this amount, \$6,469,215 is held within the Foundation's designated lottery trust account.

## 6. Deferred contributions:

Deferred contributions are related to donations received for future events.

	2023	2022
Balance, beginning of year	\$ 386,345	\$ 332,908
Amount recognized as revenue	(162,737)	(110,363)
Amount received related to future periods	10,255	163,800
Balance, end of year	\$ 233,863	\$ 386,345

## 7. Restricted cash:

On October 14, 2016, the Foundation received an endowment gift of \$50,000, of which \$10,000 was received in 2016 and \$40,000 was received in 2017. The gift will be held in perpetuity with the interest earned to be used for the Take Me Out to the Ball Game program.

On August 8, 2022, the Foundation received an endowment gift of \$50,000, of which \$20,000 was received in January of 2022, \$20,000 was received in December of 2022 and the final \$10,000 will be received in 2024.

The gift is being held in perpetuity with the interest earned being used for leadership development programs amongst youth living in Indigenous and marginalized communities. The fund is known as The Jerry Bliley Leadership Endowment Fund.

# JAYS CARE FOUNDATION

Notes to Financial Statements (continued)

Year ended November 30, 2023

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**7. Restricted cash (continued):**

In accordance with the Foundation's Electronic 50/50 Raffle Rules of Play and the AGCO Lottery Licensing Policy Manual, any unclaimed 50/50 draw prizes are to be held in trust for six months. As at November 30, 2023, the Foundation has \$785,169 in unclaimed 50/50 draw prizes.

**8. Subsequent events:**

On April 15, 2024, the Board of Directors approved grants totaling \$1,584,557 to multiple organizations through the Field Of Dreams program.