

INTO ALL THE WORLD INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

INTO ALL THE WORLD INC.
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YEAR ENDED DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of: Into All The World Inc.

Qualified Opinion

We have audited the accompanying financial statements of Into All The World Inc., which comprise the statement of financial position as at December 31, 2021 and the statements of changes in net assets, revenue 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, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Into All The World Inc. as at December 31, 2021 and the results of its operations and its cash flows for the 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, the organization derives revenue from cash sources, 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 adjustments might be necessary to donation revenue, net of revenue over expenditures and cash flows from operations for the years ended December 31, 2021 and 2020, current assets as at December 31, 2021 and 2020, and net assets as at December 31 and December 31 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended December 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

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 Into All The World Inc. 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 qualified audit 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 a 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 judgement 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 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.



Guelph, Ontario
May 13, 2022

Chartered Professional Accountants
Licensed Public Accountants

INTO ALL THE WORLD INC.
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	2021	2020 (note 6)
ASSETS		
CURRENT		
Cash resources (note 6)	\$ 195,652	\$ 185,331
Short term investments (note 4)	236,660	221,384
CAPITAL ASSETS (note 5)	<u>841</u>	<u>1,202</u>
	<u>\$ 433,153</u>	<u>\$ 407,917</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ <u>684</u>	\$ <u>2,618</u>
FUND BALANCES		
EXTERNALLY RESTRICTED DESIGNATED FUND BALANCE	157,329	171,824
INTERNALLY RESTRICTED MATCHING FUND (note 8)	20,000	0
UNRESTRICTED ADMINISTRATIVE FUND	<u>255,140</u>	<u>233,475</u>
	<u>432,469</u>	<u>405,299</u>
	<u>\$ 433,153</u>	<u>\$ 407,917</u>

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director

INTO ALL THE WORLD INC.
 STATEMENT OF CHANGES IN NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	2021 EXTERNALLY RESTRICTED DESIGNATED FUND (schedule A)	2021 INTERNALLY RESTRICTED MATCHING FUND	2021 UNRESTRICTED ADMINISTRATIVE FUND	2021 TOTAL FUNDS	2020 TOTAL FUNDS
NET ASSETS, beginning of year	\$ 171,824	\$ 0	\$ 233,476	\$ 405,300	\$ 347,396
Net revenue over expenditures for the year	(14,495)	0	41,664	27,169	57,903
Transfer (note 7)	<u>0</u>	<u>20,000</u>	<u>(20,000)</u>	<u>0</u>	<u>0</u>
NET ASSETS, end of year	<u>\$ 157,329</u>	<u>\$ 20,000</u>	<u>\$ 255,140</u>	<u>\$ 432,469</u>	<u>\$ 405,299</u>

INTO ALL THE WORLD INC.
STATEMENT OF REVENUE AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
REVENUE		
Designated receipts (schedule A)	\$ 681,953	\$ 527,958
Tithe	67,207	57,465
Interest	19,042	12,277
Donations	15,388	12,577
Memberships	95	0
	<u>783,685</u>	<u>610,277</u>
EXPENDITURES		
Designated disbursements (schedule A)	696,448	470,396
Payroll	25,171	26,025
Operating	16,738	38,791
Bookkeeping	5,930	5,790
Professional fees	4,262	5,101
Exhibitions and promotions	3,113	252
Insurance	2,081	2,622
Postage	1,336	759
Memberships	1,076	1,136
Amortization	361	1,502
	<u>756,516</u>	<u>552,374</u>
NET REVENUE OVER EXPENDITURES for the year	<u>\$ 27,169</u>	<u>\$ 57,903</u>

INTO ALL THE WORLD INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

	2021	2020
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net of revenue over expenditures for the year	\$ 27,169	\$ 57,903
Items not requiring an outlay of cash		
Amortization	<u>361</u>	<u>1,502</u>
	27,530	59,405
Accounts payable and accrued liabilities	<u>(1,934)</u>	<u>(2,982)</u>
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Separation of mutual funds from cash	(221,383)	0
unrealized gains	<u>(15,275)</u>	<u>0</u>
	<u>(236,658)</u>	<u>0</u>
NET (DECREASE) INCREASE IN CASH	(211,062)	56,423
NET CASH RESOURCES, BEGINNING OF YEAR	<u>406,714</u>	<u>350,291</u>
NET CASH RESOURCES, END OF YEAR	<u>\$ 195,652</u>	<u>\$ 406,714</u>

INTO ALL THE WORLD INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

1. NATURE OF OPERATIONS

Into All The World Inc. was incorporated under the provisions of the Ontario Corporations Act without share capital on May 25, 1981 and is a registered charity under the Income Tax Act. Into All The World Inc. is exempt from income tax. Its purpose is to relieve poverty, bring Christian Aid, teach and preach the Gospel of Jesus Christ while advancing religious knowledge and education.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) CAPITAL ASSETS

Capital assets are recorded at cost and amortized on the basis of their estimated useful life using the following methods and rates:

Office furniture	- 20 % declining balance basis
Computer	- 30 % declining balance basis

Amortization is recorded at 50% of the above rates in the year of addition.

(b) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for not for profit organizations requires management 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 the reported amounts of revenues and expenses during the year. Significant areas requiring management's estimates include useful lives of capital assets. Actual results could differ from those estimates.

(c) 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, such as mutual funds, which are measured at fair value. Changes in fair value are recognized in net revenue over expenditures.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. If an impairment has occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of the financial asset. The amount of the write-down is recognized in net surplus. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net surplus.

INTO ALL THE WORLD INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) FINANCIAL INSTRUMENTS (continued)

Transaction costs

The organization recognizes its transaction costs 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.

(d) FUND ACCOUNTING

Unrestricted administrative fund

The unrestricted administrative fund reports resources over which the Board of Directors have discretionary control. Included in this fund is the interest income and amounts received which not have been specifically designated to another fund.

Externally restricted designated fund

The externally restricted designated fund reports designated donations which were not expended at the year end and, therefore, represents undisbursed designated funds for future use.

Internally restricted matching fund

The internally restricted matching fund was set up by decision of the board with the intention of transferring a portion of any surplus operational revenue at year end. The exact amount transferred will be by board decision yearly. This fund is to be used for matching donations and giving back to the various ministries supported by the organization, specifically from the tithe amounts withheld at the time of donation but not used up by operations in the year.

(e) REVENUE RECOGNITION

The organization follows the restricted fund method of accounting for contributions in which externally restricted contributions are recognized upon receipt in the appropriate fund corresponding to the purpose for which they were contributed. Externally restricted contributions of the unrestricted administrative fund are recognized as revenue when the related expenditure occurs. Unrestricted contributions are recognized in the unrestricted administrative fund when received or receivable and collection is reasonably assured.

3. FINANCIAL INSTRUMENTS

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

The extent of the organization's exposure to these risks did not change in 2021 compared to the previous period.

Market risk

Market risk is the risk that the fair value or future cash flows of the company's financial instruments will fluctuate because of changes in market prices. Some of the company's financial instruments expose it to this risk, which comprises currency risk, interest rate risk and other price risk.

INTO ALL THE WORLD INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

3. FINANCIAL INSTRUMENTS (continued)

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The organization is exposed to other price risk on portfolio investments, which include investments in shares and bonds.

4 INVESTMENTS

Included in short term investments is a TD mutual funds investment:

	Cost	Fair Value
TD Comfort Balanced Portfolio	\$ <u>201,565</u>	\$ <u>236,660</u>

At the end of the first quarter in 2022, the organization's investments decreased by approximately \$13,000. The organization believes this impairment to be temporary and no adjustment has been made in these financial statements.

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2021	Net 2020
Office furniture	\$ 3,874	\$ (3,874)	\$ 0	\$ 0
Computers	<u>15,321</u>	<u>(14,480)</u>	<u>841</u>	<u>1,202</u>
	<u>\$ 19,195</u>	<u>\$ (18,354)</u>	<u>\$ 841</u>	<u>\$ 1,202</u>

6. CORRESPONDING FIGURES

Certain figures presented for corresponding purposes have been reclassified to conform to the current year's presentation.

7. MATERIAL UNCERTAINTY DUE TO THE NOVEL CORONAVIRUS (COVID-19)

During the year and subsequent to year end, the Novel Coronavirus (COVID-19) significantly impacted the economy in Canada and globally. Although, the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of business disruption and the related financial impact cannot be reasonably estimated at this time. This may impact the timing and the amounts realized on the organization's assets and its future ability to deliver services.

8. TRANSFER TO INTERNALLY RESTRICTED MATCHING FUND

By Board decision, \$20,000 (2020 - \$0) has been transferred from the year's surplus to the matching fund to be used for future mission work.

INTO ALL THE WORLD INC.

SCHEDULE OF EXTERNALLY RESTRICTED DESIGNATED FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

Schedule A

	Opening Balance	Receipts	Disbursements	Transfer	Closing Balance
Pooled salaries	\$ 61,640	\$ 135,170	\$ 140,452	\$ 0	\$ 56,358
Uganda	19,411	278,046	268,023	0	29,434
Kenya	51,582	21,923	49,694	0	23,811
Nigeria	7,986	11,522	9,370	0	10,138
Where most needed	0	13,400	4,000	0	9,400
Memorial	5,674	7,611	4,729	0	8,556
Horn of Africa	5,249	74,159	73,376	0	6,032
Director/Staff travel	1,081	3,992	0	0	5,073
India and Sri Lanka	9,044	30,393	35,045	0	4,392
Short term missionaries	4,060	10,210	12,472	0	1,798
Peru	2,094	5,271	6,350	0	1,015
Haiti	833	6,398	6,718	0	513
Cambodia	0	484	0	0	484
Canada	995	132	827	0	300
African UNR program	1,929	61,872	63,780	0	21
Indonesia	0	9,260	9,258	0	2
Mexico	176	3,010	3,184	0	2
Other	68	9,100	9,168	0	0
South Africa	<u>2</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>
	<u>\$ 171,824</u>	<u>\$ 681,953</u>	<u>\$ 696,448</u>	<u>\$ 0</u>	<u>\$ 157,329</u>