

**GLOBALFIRE**  
Statement of Financial Position  
As at May 31, 2023  
(Internally Prepared)

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	<u>31-May-23</u>	<u>31-May-22</u>
<b><u>ASSETS</u></b>		
<b>Current Assets</b>		
Cash	\$ 106,526	\$ 112,293
Inventory	\$ 30,719	\$ 58,936
	<hr/>	<hr/>
	\$ 137,245	\$ 171,229
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<b><u>LIABILITIES</u></b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 1,625	\$ 62
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	\$ 1,625	\$ 62
<b><u>NET ASSETS</u></b>		
General Fund	\$ 135,620	\$ 171,167
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	\$ 137,245	\$ 171,229
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APPROVED BY THE BOARD:



Director

**GLOBALFIRE**  
Statement of Revenue and Expenditures  
For the year ended May 31, 2023  
*(Internally Prepared)*

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<u>Revenue</u>	<u>31-May-23</u>	<u>31-May-22</u>
Donations (Note 4)	\$ 7,517	\$ 25,826
Fundraising	\$ 40	\$ 19
Investment Income	\$ 10	\$ 10
	<b>\$ 7,567</b>	<b>\$ 25,855</b>
<u>Expenditures</u>		
Capacity Building Programs (Note 5)	\$ 42,715	\$ 25,066
General/Operating Fund	\$ 377	\$ 267
Fundraising	\$ 21	\$ 7
	<b>\$ 43,114</b>	<b>\$ 25,340</b>
<b>Excess (Deficit) of Revenue over Expenditures</b>	<b>\$ (35,547)</b>	<b>\$ 515</b>

**GLOBALFIRE**  
Statement of Changes in Net Assets  
As at May 31, 2023  
*(Internally Prepared)*

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	<u>31-May-23</u>	<u>31-May-22</u>
<b>Net Assets - Beginning of Year</b>	<b>\$ 171,167</b>	<b>\$ 170,652</b>
Excess (deficit) of revenue over expenses	<b>\$ (35,547)</b>	<b>\$ 515</b>
<b>Net Assets - End of Year</b>	<b>\$ 135,620</b>	<b>\$ 171,167</b>

**GLOBALFIRE**  
Statement of Cash Flows  
For the year ended May 31, 2023  
*(Internally Prepared)*

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<b><u>Operating Activities</u></b>	<b><u>31-May-23</u></b>	<b><u>31-May-22</u></b>
Excess of Revenue over Expenses	\$ (35,547)	\$ 515
Changes in non-cash working capital:		
Inventory	\$ 28,217	\$ 22
Accounts payable and accrued liabilities	\$ 1,564	\$ 62
	<b>\$ 29,780</b>	<b>\$ 84</b>
<b>Cash flow from (used in) operating activities</b>	<b>\$ (5,766)</b>	<b>\$ 598</b>
Cash - beginning of year	<b>\$ 112,293</b>	<b>\$ 111,695</b>
<b>Cash - end of year</b>	<b>\$ 106,526</b>	<b>\$ 112,293</b>

**GLOBALFIRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MAY 31, 2023**  
*(Internally Prepared)*

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

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

Income taxes

GlobalFire is registered as a charitable organization and therefore is exempt from income tax according to section 149 (1)(l) of the Canadian Income Tax Act.

Foreign currency translation

Revenues and expenses have been translated at the average rates of exchange during the year.

Foreign exchange gains or losses on monetary assets and liabilities are included in the determination of excess of revenues over expenditures.

Contributed services

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

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis. Donated inventory is not assigned a value.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Revenue recognition

GlobalFire follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses 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.

Gifts-in-Kind donations ("GIK") are valued at 100% of their estimated fair market values. Invoices must be provided by the donor at the time of the donation as well as at least 2 quotes from other sources proving the declared value. If there is no invoice provided the donation will not be accepted. All invoices are assessed for reasonableness. GIK are recorded as revenue at such time the charity takes possession of the contribution. GIKs are recorded as an expense at such

**GLOBALFIRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED MAY 31, 2023**  
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time as the goods are deployed for charitable purposes. The value of donations of goods received where a tax receipt is not issued is not recorded as revenue.

Investment income, which includes interest income on bank accounts and long-term investments, is recognized as revenue when earned.

## **2. PURPOSE OF THE CHARITY**

GlobalFire (the “charity”) was registered as a charitable organization on June 1, 2014 under the *Income Tax Act*. From April 2010 to May 2014, GlobalFire was an arm of the registered charity the David McAntony Gibson Foundation and operated under its mandate. GlobalFire was created to: conduct emergency search and rescue operations to assist those affected by natural disasters and complex emergencies, and to deliver basic firefighting and pre-hospital emergency medical care training packages. The training is delivered to members of volunteer and professional firefighting organizations in developing countries in order to enhance fire protection and emergency medical services in the local community.

The charity seeks to increase the independence of communities in the developing world, while ultimately improving the efficiency of international disaster relief.

## **3. FINANCIAL INSTRUMENTS**

The charity is exposed to various risks through its financial instruments and has a comprehensive framework to monitor, evaluate and manage these risks.

### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The charity is exposed to this risk mainly in respect of its receipt of funds from its donors and accounts payable.

### Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The charity is not exposed to interest rate risk at this time as they do not hold any short or long term investments or have bank indebtedness.

## **4. DONATIONS**

Included in Donations were \$6,440 in goods-in-kind received during the year (2022 - \$21,681).

## **5. PROGRAMS**

During the year, the charity sent equipment to the following countries: Haiti, Philippines, Tonga, Ukraine as well as domestically in Canada. All equipment sent was donated. Costs incurred were related to shipping and value of equipment sent.