

2023 IMPACT REPORT

It's exciting and very beneficial to receive books that are actually NEW for the kids in this community - and to be able to choose the books that we're receiving is such a plus! It's important for children here to see the new and relevant titles that we normally have barriers to accessing!

- Lindsay, Whitefish River First Nation Public Library | Birch Island, ON



Feel the thrill as First Book Canada members dive into a world of imagination at Turn the Page in Brampton!



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A WORD FROM OUR EXECUTIVE DIRECTOR

Just like a good story, First Book Canada is many things.

First Book Canada is a Canadian charity working for the benefit of kids in need, alongside community leaders, in every province and territory. The devastating ongoing wars in Europe and the Middle East have created spill-over demand for support, due to increased refugee numbers within our communities nationwide. This combined with the ongoing needs of underserved and historically excluded community groups, as well as the current cost-of-living crisis (disproportionally affecting the communities we serve), placed increased demand on our 2023 programming. However, thanks to the unwavering support of our corporate and book publishing partners, the First Book Canada team is on firm footing to meet the moment.

Literacy transforms human experience and reflects it back to us, and in that reflection we can see our lives and experiences as part of a larger human experience.

- Reading to Make a Difference by Lester L. Laminack and Katie Kelly

As a charitable organization we constantly compete for hearts and minds, within a very noisy atmosphere of need, to achieve our positive impact. With the development of a refreshed brand identity - *Eliminating Barriers & Inspiring Young Minds* - we can better drive conversation and increase public awareness of the importance of First Book Canada's work, and the need for funding to match demand.

First Book Canada is also a one-of-a-kind social enterprise, proving that harnessing the power of market forces for social purpose can yield benefits twofold: facilitating access to the best available literature for kids who otherwise wouldn't have that opportunity, and sustaining a non-profit as it is buffeted by the tides of economic hardship and available donations.

First Book Canada is also - at its heart - a connecting organization. We recognize that we are one of the necessary pieces of the larger puzzle to break the poverty cycle for Canadian kids in need. In partnership with dedicated and hardworking members of our network of educators and program leaders - in schools, daycares, refugee centres, shelters, clinics, social services, food & housing security - we are collectively paving a road toward success.



Watch their excitement soar as students from Fort Assiniboine School reach for the stars through these awesome books!


We are so proud to be named a Top 10 Impact Charity for the 3rd year running. And very importantly, further recognition for our work comes in the form of our growing donor network.

Individuals throughout Canada have donated more in 2023 than ever before. We are so grateful. It is this support that enables the ripple effect of reading, active imagination, social and emotional skills development, academic success, ambition, innovation, and so much more - positively transforming the lives of Canadian kids in need.

On their behalf.

Thank you. Merci. Miigwetch.

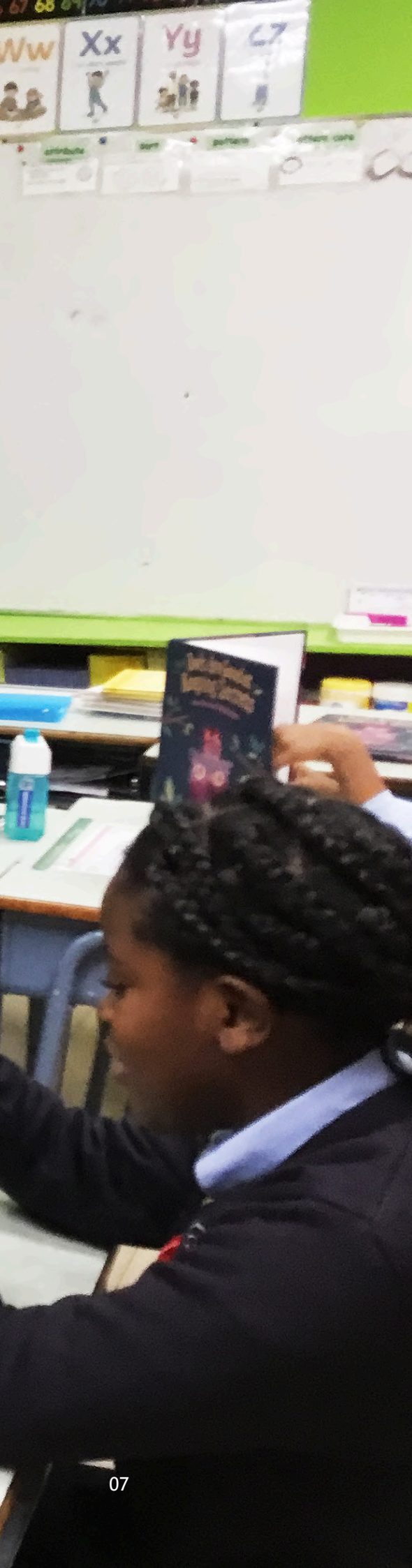
Heather Farquharson
Executive Director



Many of our students are from a lower socioeconomic background and many do not have their own books at home because they cannot afford them. They were thrilled to have some new books to call their own.

- Selene, McKee Elementary School | Edmonton, AB

In Montreal students are on an adventure right from their desks, delving into thrilling tales sourced from First Book Canada.



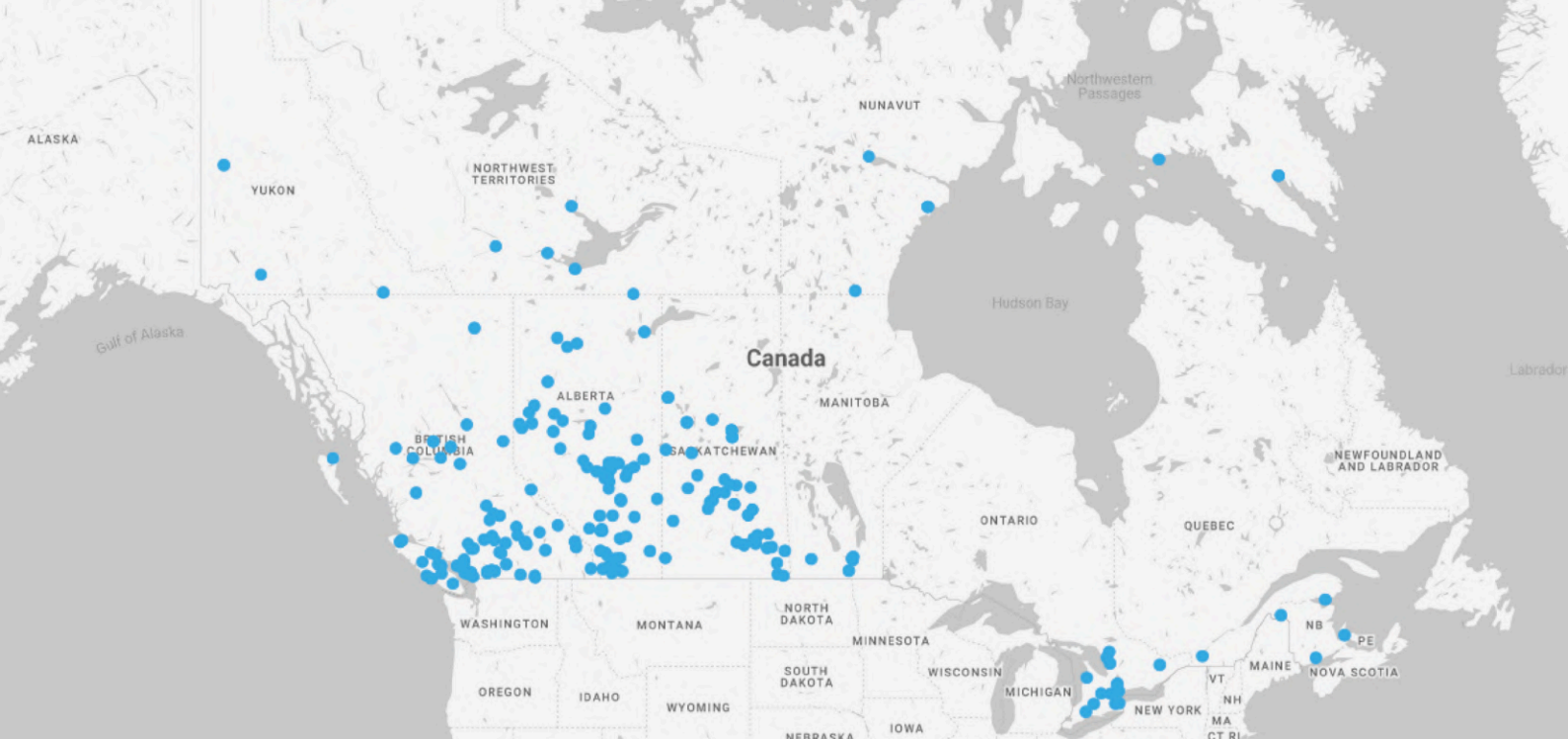
OUR MISSION

First Book Canada is a passionate supporter of educators and community leaders through our innovative relationship-driven approach. First Book Canada empowers and fosters a strong network of educators and child care professionals, who are valued members of our shared movement to eliminate barriers & inspire young minds.

Our network of members have unparalleled insights as to what students need most. Therefore, First Book Canada elevates and amplifies their voices to drive meaningful change. Through their experiences, they help shape our resources partnerships, and priorities. First Book Canada strives to facilitate the best practices in expanding access to affordable books and supplemental resources, to better serve Canadian communities.

With a multidisciplinary team of experts, First Book Canada works to level the educational playing field for kids in need through:

- **First Book Canada Marketplace:** a non-profit eCommerce site, delivering a wide range of new, professionally curated, diverse, culturally relevant books and resources-all offered at the lowest costs possible, or for free.
- **First Book Canada Research & Insights:** informing the development of relevant & impactful curriculum-supporting resources, for all serving Canadian kids in need.
- **First Book Canada Accelerator:** collaborating with public and private partners, translating best-in-class expertise into actionable educational strategies to support learning for kids in need.



MEASURING OUR PROGRESS

To catapult change, First Book Canada continues to build an integrated ecosystem using our [Theory of Change Model](#).

First Book Canada's model makes a significant impact

Across our network, First Book Canada continues to help close the achievement gaps for the children we serve.

- **Discovering the magic of reading with local authors and illustrators.** In 2023, First Book Canada hosted 13 Reading Celebrations, inviting authors and illustrators to present to 683 students in-person or virtually.
- **Bringing the network together.** Five in-person Pop Up Events were held across Canada, distributing 226,659 books to 953 First Book Canada members.
- **Increasing access within the community.** Two country-wide virtual book distributions through the First Book Canada Marketplace™ delivered over 30,000 books to the network.

2023 YEAR IN REVIEW

130K+

children served

10M+

books and resources
distributed since First Book
Canada's founding

18K+

registered network members

1K+

new members joined the
First Book Canada Network

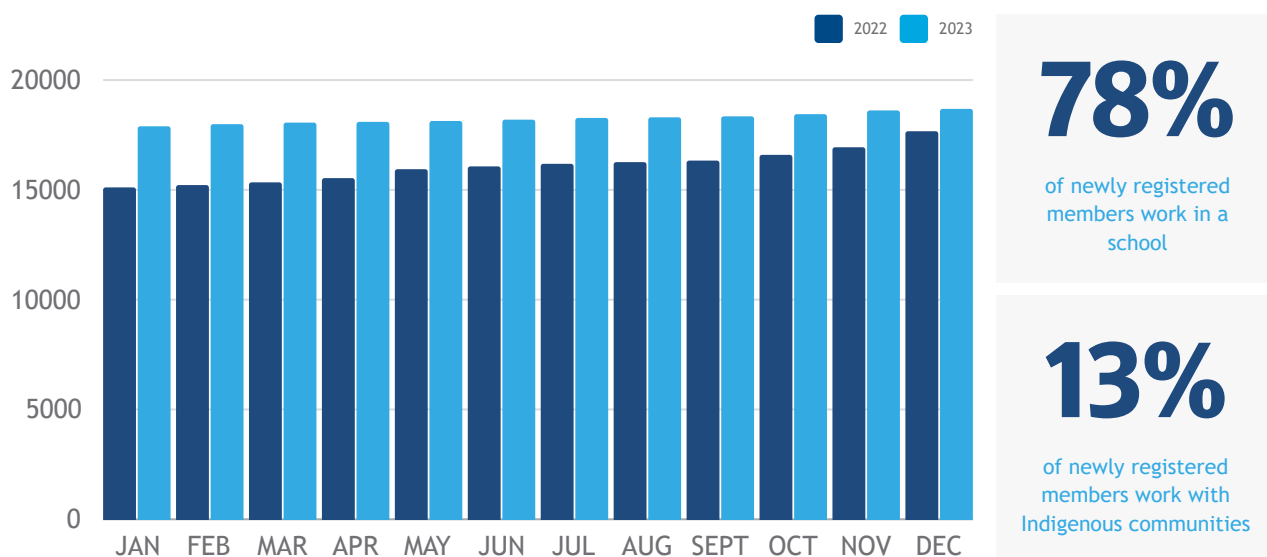
26

events throughout the
country

The First Book Canada Network™ continues to expand

The First Book Canada Network™ is a community of almost 20,000 members, consisting of educators and professionals who serve children in under-resourced communities. In 2023, First Book Canada continued to serve more than 130,000 children annually, 70% of whom are BIPOC represented.

As illustrated below, First Book Canada's rapid growth continued in 2023, with over 1,015 new members registering.



First Book Canada prides itself on designing sustainable, system-changing strategies that drive measurable results.

- First Book Canada provides low-cost, high-quality, new books and supplemental resources. By partnering with publishers, First Book Canada increases access to diverse/relevant content and provides a trusted, cost-effective channel to reach our network.
- Educators report that First Book Canada offers them crucial help by providing books that support social and emotional learning, encourage reading at home, and assist English language learners.

415,000+

Books and resources were distributed to the First Book Canada Network™ in 2023

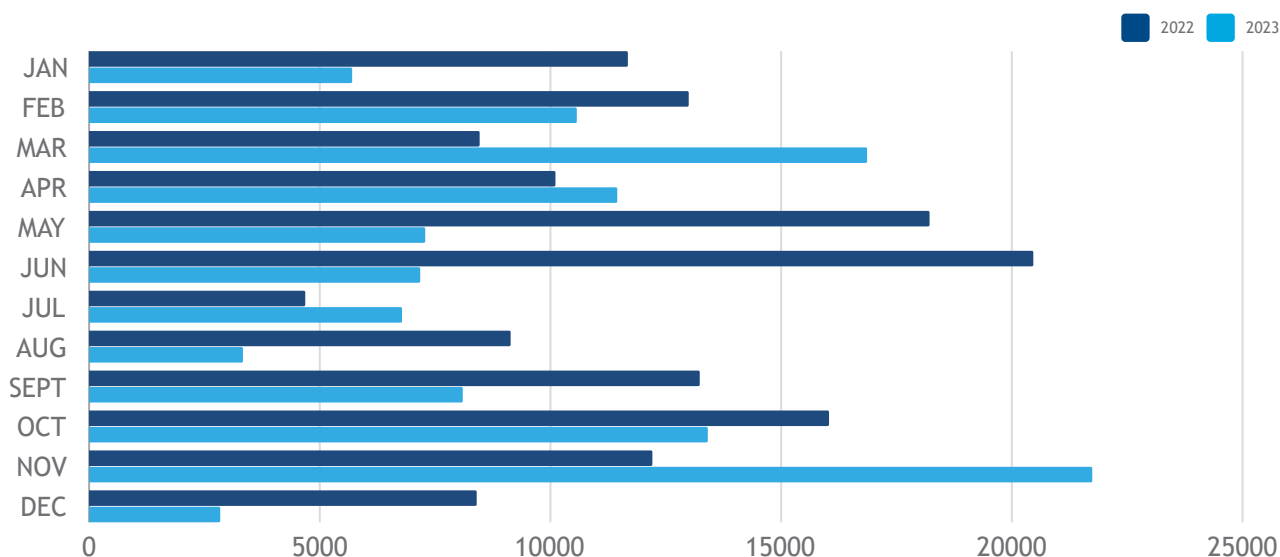
FIRST BOOK CANADA MARKETPLACE™: EDUCATOR-DRIVEN RESOURCES

The First Book Canada Marketplace™ provides the First Book Canada Network™ with 24-hour, year-round access to an award-winning selection of affordable new books and educational resources curated for our members.

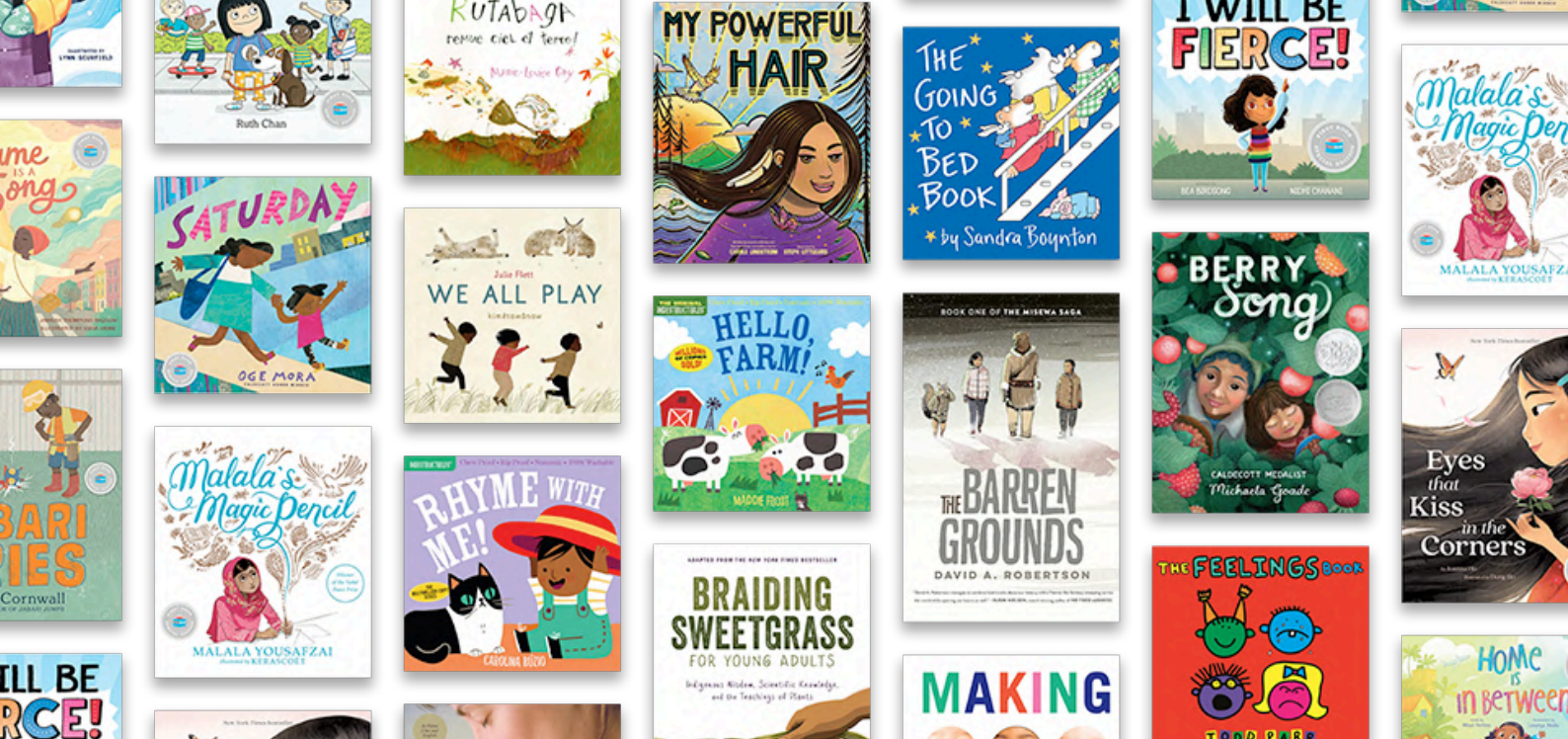
In 2023, First Book Canada continued its investment with a \$90,000 inventory buy for the First Book Canada Marketplace™. Each title was handpicked by First Book Canada staff, with a primary focus on Canadian stories and Indigenous-authored titles.

Curated titles drive the First Book Canada Marketplace™

Members continue to return to the First Book Canada Marketplace™. In 2023, First Book Canada's Marketplace provided over 115,000 titles and resources.



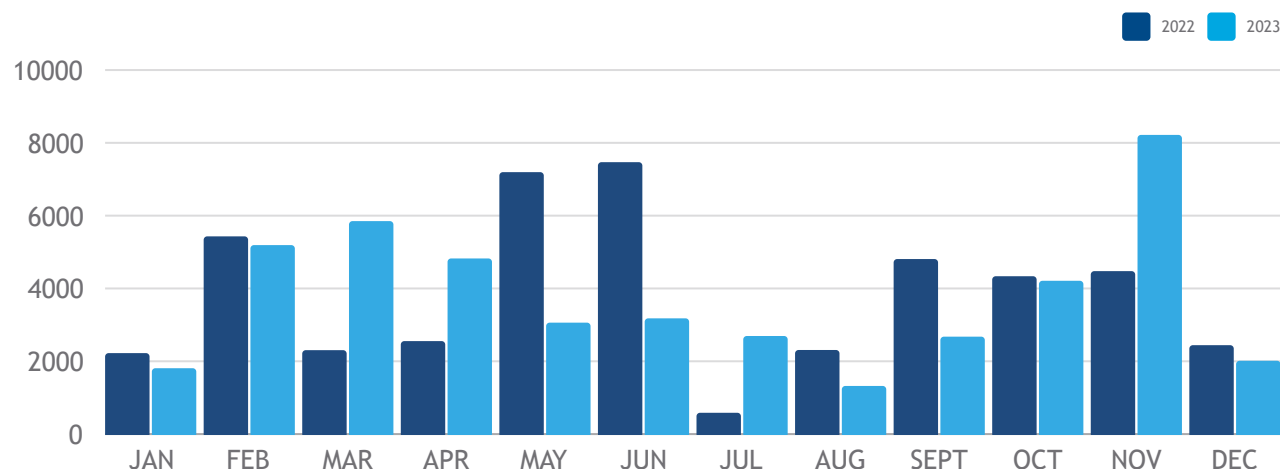
- **Working together to navigate our emotions.** During 2023, members purchased more than 39,000 books promoting social and emotional learning from the First Book Marketplace, an increase of 3% from the previous year.
- **Championing Indigenous voices.** Titles such as [The Misewa Saga #1: The Barren Grounds](#), by David A. Robertson, appeared on our top ten lists of both overall and Indigenous-authored bestsellers.
- **Expansion of access to free resources.** First Book Canada continued to scale access to free resources for educators, in order to customize their lesson planning, to help educators customize their lesson planning.



Top best sellers from 2023 available for purchase via the First Book Canada Marketplace™.

The Stories For All Project™ makes a big splash

In collaboration with publishers and funders, First Book Canada accelerates access to books that encourage a love of reading for all children, and creates environments to catalyze courageous conversations. The demand for relevant books remains high as First Book Canada consistently sold over 4,000+ books from the online marketplace's [Stories For All Project™](#) category.



- **20 new Stories For All Project™ Special Editions.** First Book Canada's commitment to increasing access to culturally relevant and affordable children's literature was bolstered by support for the Stories For All Project™ Special Edition initiative. Over 1,200 specially printed editions were purchased by our network.
- **Curating new Indigenous titles.** First Book Canada continued to remain steadfast in investing in Indigenous voices and storytellers, with a \$35,000 inventory buy in 2023.



Volunteers from GM Canada visit a classroom in Ontario to engage students in S.T.E.A.M. activities.

THE WONDERS OF THE WORLD: A FOCUS ON S.T.E.A.M.

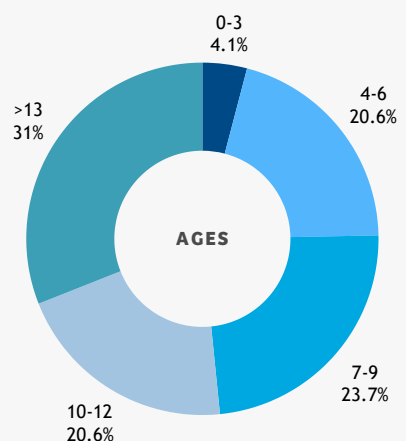
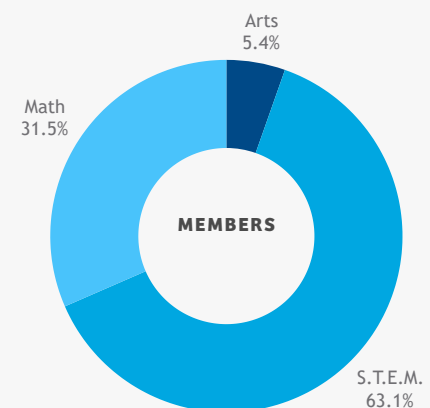
To engage with our network, First Book Canada developed and produced engaging new initiatives. First Book Canada celebrated the innovating world of S.T.E.A.M. (Science, Technology, Engineering, Art, and Math), and initiatives ranged from offering new themed books on the First Book Canada Marketplace™, to fostering student involvement, all while equipping educators with essential resources.

Celebrating S.T.E.A.M with GM Canada

To celebrate National S.T.E.A.M. Day in November, GM Canada brought the wonderful world of S.T.E.A.M. to four schools in Ontario.

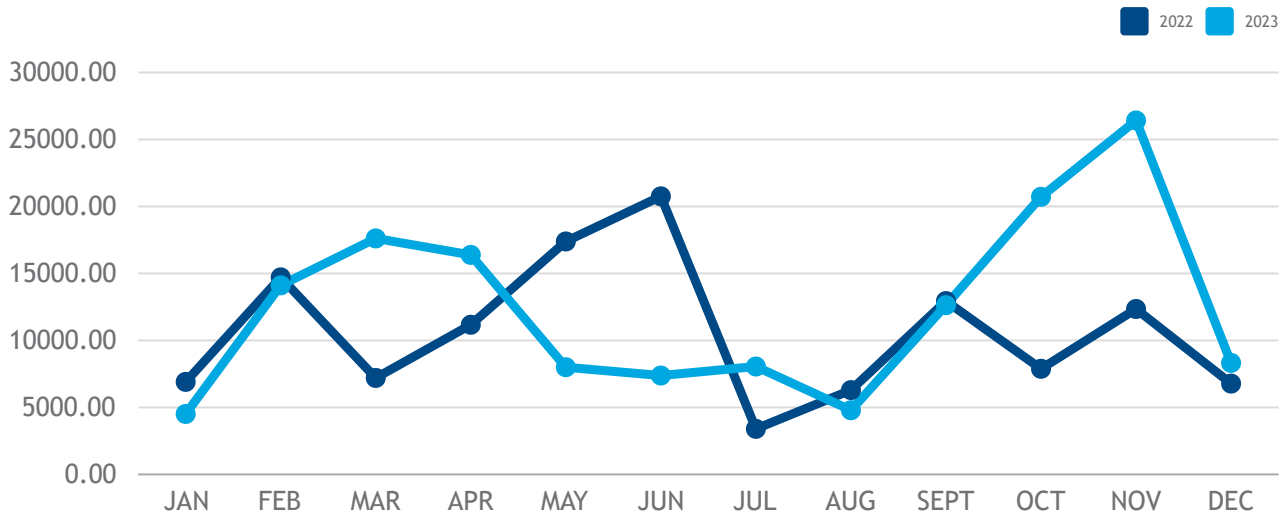
258 students from grades two to four were visited by GM Canada employees. These employees led them in hands-on activities tapping into the children's natural curiosity and encouraging learning through exploration in the classroom. Additionally, every student got to take home four brand new books for their home libraries. The books included *Awesome Science Puzzles*, *Doug Unplugged*, *Cece Loves Science and Adventure*, and *Power Up*.

NETWORK UNDER A MICROSCOPE



First Book Canada's Marketplace expands its offerings

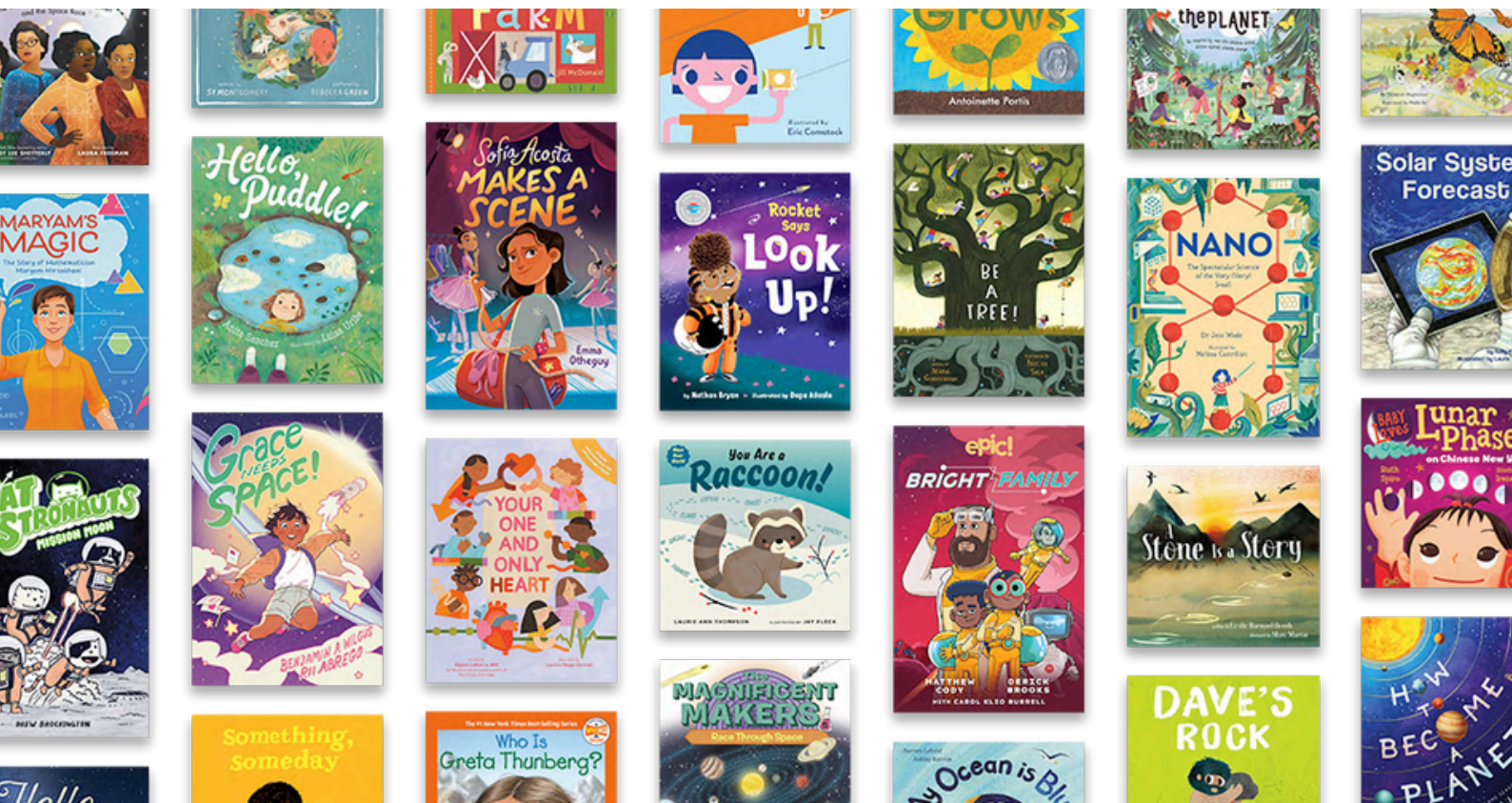
In 2023 First Book Canada's S.T.E.A.M. Marketplace had a 14% increase in sales compared to 2022.




At First Book Canada we recognize the critical need for all learners to explore the exciting and ever-changing S.T.E.A.M. fields.

- **New books to explore the world.** Over 195+ new titles and resources were purchased and made available on the First Book Canada Marketplace™. Popular titles included [*Life Cycles with The Very Hungry Caterpillar: How Does a Tadpole Grow?*](#) by Eric Carle.

Top STEAM best sellers from 2023 available for purchase via the First Book Canada Marketplace™.





Every classroom received three boxes FILLED with interesting pieces and mini-figures! They were amazed and the creativity shown has been wonderful. These children, from vulnerable families, would never be able to afford the quantity and diversity of this Lego.

- Diana, *Bridgeview Elementary* | Surrey, BC

Students from the Toronto District School Board happily building with LEGO bricks, using their imaginations to create and explore.



BUILD THE CHANGE WITH THE LEGO GROUP

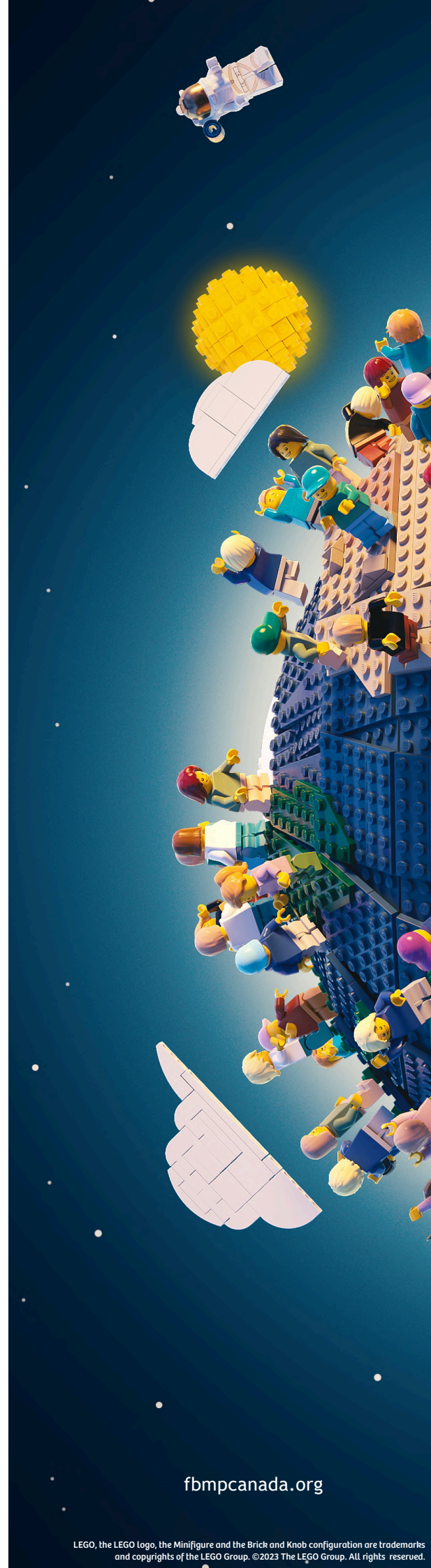
In 2021, the [LEGO Group](#) commissioned First Book Research & Insights to conduct market research which would inform a new set of classroom resources for their **Build the Change** experience. Instead of creating resources based on corporate goals or assumptions, the LEGO Group worked with First Book to conduct research and create materials that were specific to the current needs of educators. This research and educator feedback guided the creation of a sustainability-focused learning experience that was engaging for students, effective for teachers, and allowed educators to easily integrate the **Learning Through Play STEM** sessions into existing curriculum.

This long-standing program allows children the hands-on creative expression to learn through play as they explore and engage with solutions to environmental and societal challenges. Not only does it build confidence and self-esteem surrounding problem solving skills, it is a creative way to introduce children to the issues that will be theirs to solve in the future.

Learning Through Play – Build the Change

The LEGO Group's Build the Change program is a powerful way for children to express their hopes for the future, using their imaginations and any creative materials they have at hand.

- **Meeting educators where they are.** 600+ educators downloaded a LEGO Group Course Pack from the First Book Canada Marketplace™.
- **Building future leaders.** 10,000+ boxes of refurbished and repackaged LEGO building bricks were provided to educators, giving children a chance to build and play with this high-quality educational toy.



New Learning Through Play Accelerator and Course Packs



LEGO, the LEGO logo, the Minifigure and the Brick and Knob configuration are trademarks and copyrights of the LEGO Group. ©2023 The LEGO Group. All rights reserved.

The LEGO Group provided First Book Canada educators with free access to the Build the Change classroom resources through the [Biodiversity and Climate Change Course Pack](#), [A Future Without Waste Course Pack](#), and [Human Impact Course Pack](#).

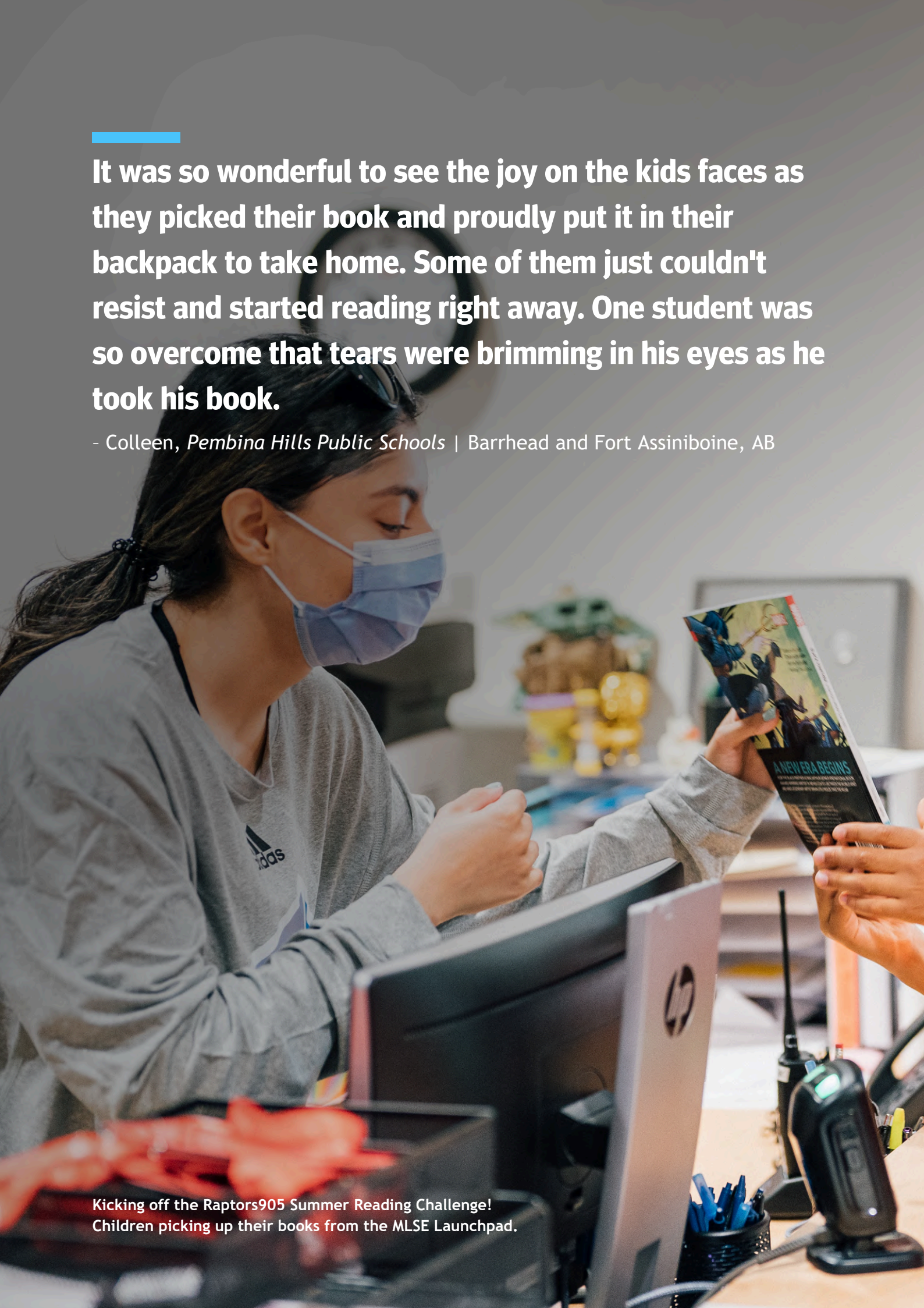
The Course Packs include customizable lesson plans and slide presentations, enabling educators to help students learn about animals, habitats, and the ways climate change is impacting their communities. Through these 10-session courses, students can create solutions to real-world challenges and share their ideas with their peers, local, and global leaders by uploading their creations at www.LEGO.com.

Empowering Educators with Our New STEM Diversity Calendar

The [2023-2024 Celebrating Diversity & Inclusion in S.T.E.M. Calendar](#) is a free tool designed to help educators bring amazing moments of innovation to life; and showcase the incredible contributions of diverse S.T.E.M. pioneers. The calendar can be adapted for a variety of grade levels, and suits teachers on various school schedules as it spans from August 2023 to July 2024.

In 2023, more than 300 educators downloaded and used the calendar to share historical events and innovations with their students, using it as a springboard to generate discussion and discovery.





It was so wonderful to see the joy on the kids faces as they picked their book and proudly put it in their backpack to take home. Some of them just couldn't resist and started reading right away. One student was so overcome that tears were brimming in his eyes as he took his book.

- Colleen, *Pembina Hills Public Schools* | Barrhead and Fort Assiniboine, AB

Kicking off the Raptors905 Summer Reading Challenge!
Children picking up their books from the MLSE Launchpad.



RAPTORS 905 SUMMER READING CHALLENGE: BLOCKING THE SUMMER LEARNING SLIDE

The 8th annual Summer Reading Challenge returned in 2023, in partnership with [Raptors 905](#), [Penguin Random House Canada](#), and [Tangerine Bank](#).

The Raptors 905 Reading Challenge was developed to stem the tide of learning loss referred to as the summer slide—which disproportionately affects kids in need. The first large-scale Ontario study of summer learning found that there were “strong disparities by family socio-economic status (SES), as affluent children gained literacy [in the summer] while those from poorer

families lost literacy.”¹ And the slide is cumulative summer over summer. The Raptors 905 Summer Reading Challenge stops that slide for hundreds of kids in the GTA every year.

The challenge is a weekly reading club that invites participating students across the Greater Toronto Area to read five BIPOC representative books over five weeks, for a total of 905 minutes of reading. At the end of each week, participants joined a virtual Reading Celebration to connect with the book’s author, community leaders and fellow students for Q&A and discussion.

- **Starting with a healthy mind and body.** To kick off the challenge, 100 grade five students joined us at the [MLSE LaunchPad](#) for a program launch event. Onsite, participants participated in activities to encourage skill development and teamwork, enjoyed lunch, and took home their bag of books for the summer.
- **A selection of diverse stories.** All five books focused on BIPOC representation to encourage students to reflect on and learn from underrepresented voices.

Davies, Scott, and Janice Aurini. “Summer Learning Inequality in Ontario.” Canadian Public Policy / Analyse de Politiques 39, no. 2 (2013): 287-307. <https://www.utpjournals.press/doi/full/10.3138/CPP.39.2.287>.

The Raptors 905 Reading Challenge winner with their Nintendo Switch prize.



First Book Canada partnered with [News Media Canada](#) and [Craft Public Relations](#) to celebrate the launch of [Champions](#).

Select schools across the country had an opportunity to attend a virtual Reading Celebration hosted by First Book Canada. Students met illustrator Rachel Joanis, and featured Champions Mohsin Abbas, Kevin Weedmark, and Lucinda Choden.

- # Champions
-

fbmpcanada.org



It is essential to us to put books in the hands of all children. Most of the families we work with are newcomers (refugees or asylum seekers) and the families have no books at home. Thank you. You are such a great partner!

- Christine, *Au coeur de l'enfance* | Montréal, QC



Community members from Big Brothers and Big Sisters of Prince Edward Island celebrating March Break.



Students from Nose Creek School are bursting with excitement as they showcase their absolute favourite reads.

POP UP BOOK DISTRIBUTIONS: MEET THE COMMUNITY

As part of First Book Canada's [Theory of Change](#), 10+ community Pop Up Book Distributions were organized to provide 100s of 1000s, of high-quality, brand-new books to Canadian kids in need.

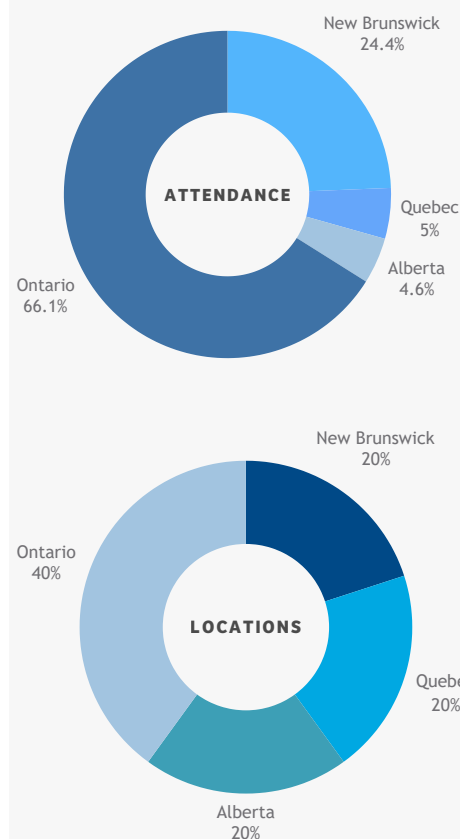
The success of our distributions depends on the generous help of a select number of collaborators: [Jays Care Foundation](#), [CHED Santos Anonymous](#), [Book Depot](#), and [Moisson Montreal](#). Additional support and funding was provided by Bank of Montreal, TD The Ready Commitment, Rogers, LEGO, and our many publishing partners.

First Book Canada in Action

Pop Up Book Distributions have a significant impact, throughout Canada, by directly engaging with our network members, who support Canadian families in need in many ways-from food banks to housing to education to refugee transition.

- **950+** educators and community leaders from across Canada participated.
- **99,000+** books were distributed to the First Book Canada Network™ to supply classrooms and programs with high-quality titles.
- **75,500+** children were directly impacted.

2023 DISTRIBUTIONS IN REVIEW





BEST HOME LIBRARY

In 2022, First Book Canada announced the Best Home Library Project, created in honor of our previous Executive Director, Tom Best. In 2023, the Best Home Library project continued to expand, facilitating large-scale community-run events that engage children and celebrate the power of reading.

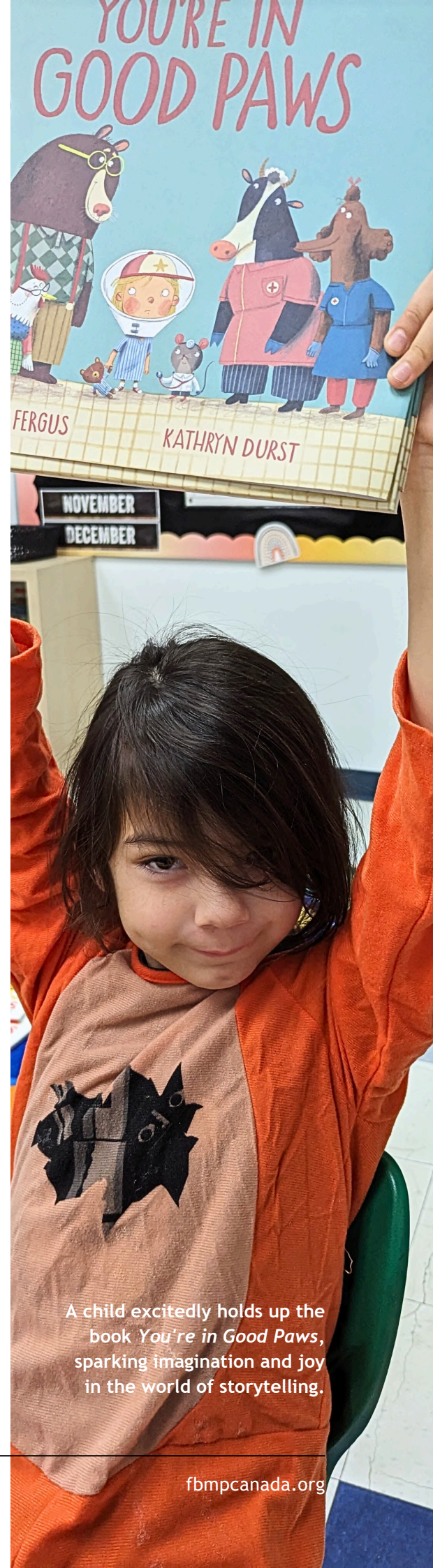
Each Best Home Library recipient has the opportunity to impact over a hundred families and community members by hosting a local event. Each child who attends goes home with a bag full of new books to jumpstart their home library.

Rounding out the initiative from 2022, in 2023 FBC was able to bring the Best Home Library Project to two new locations; the Kenora Public Library in Kenora, Ontario, and Big Brothers Big Sisters of Prince Edward Island.

“We had over 70 families come through with multiple children . . . I can honestly tell you that this event would have been the highlight of the week for many of the families. There were high spirits and great energy filled the room.” - Lisa, Big Brothers and Big Sisters of Prince Edward Island

2023 Best Home Library recipients flexed their creativity with community-driven programming.

- **Bring your own Pyjamas!** The Kenora Public Library hosted a Pyjama Party Night where kids arrived to the library in their PJs to play games, enjoy snacks, and bring home 10 brand new books.
- **Sun’s out, school’s out, books for all!** Big Brothers and Big Sisters of Prince Edward Island brought together six different schools and community members to celebrate March Break.



A child excitedly holds up the book *You're in Good Paws*, sparking imagination and joy in the world of storytelling.

Since its conception, the Best Home Library Project has awarded **13** recipients including educators, friendship centres, and parent and family engagement programs across Canada. Collectively, **25,000+** books have been distributed to children from kindergarten to grade twelve, with **50%** of the books representing diverse cultures, identities and lived-experiences.

Best Home Library Project Ends with Roaring Success

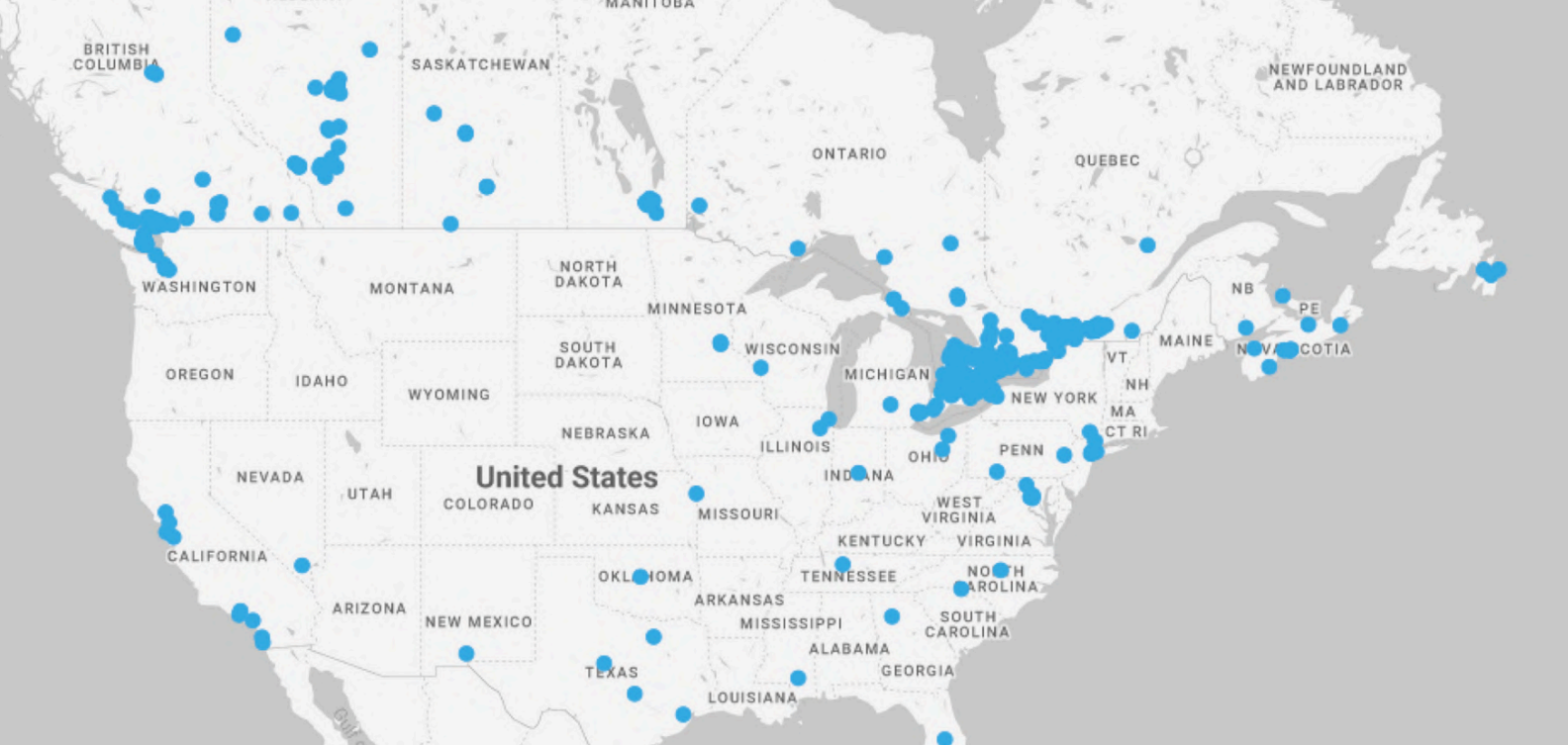
Through the First Book Canada Marketplace™, recipients were able to purchase a diverse set of books curated for their own communities.



Access to books is critical to a child's success. Books distributed through the project can be purchased by the network from the First Book Canada Marketplace™.

- **Creating empathetic readers.** Over 40% of the books purchased and distributed through the Best Home Library Project were purchased directly from the Stories For All Project™ category on the Marketplace. Through First Book's Stories for All Project™, a combination of special edition runs such as [Click, Clack, Moo: Cows That Type \(First Book Special Edition\)](#) are printed exclusively for our members.
- **Building blocks to encourage enthusiastic readers.** 1,500+ books purchased by Best Home Library recipients were expert-approved books for beginning readers, such as [A Positive Power Story: I Am Thankful \(Rodale Kids Curious Readers, Level 2\)](#) and [Fox Versus Winter \(My First I Can Read\)](#).





CHAMPION COLLABORATORS FOR LONG-TERM OUTCOMES

First Book Canada is deeply humbled by the support and generosity that donors and partners have consistently provided toward our mission.

Building a Brighter, More Literate Future

Together, the dedication to bridging the literacy gap for underprivileged children across Canada has been nothing short of extraordinary.

- **Breaking new records with individual giving.** In 2023, First Book Canada received a 28% increase in donations vs. 2022.
- **Fostering new opportunities for corporate engagement.** First Book Canada provided new support models for corporate partners to engage directly with our programming.
- **Working together with our community partners.** 6+ partners in the charitable sector collaborated with First Book Canada.

2023 DONATIONS IN REVIEW

\$300K+

donations received in 2023

10M

books and resources
distributed since First Book
Canada's founding

140+

new donors joined the First
Book Canada community

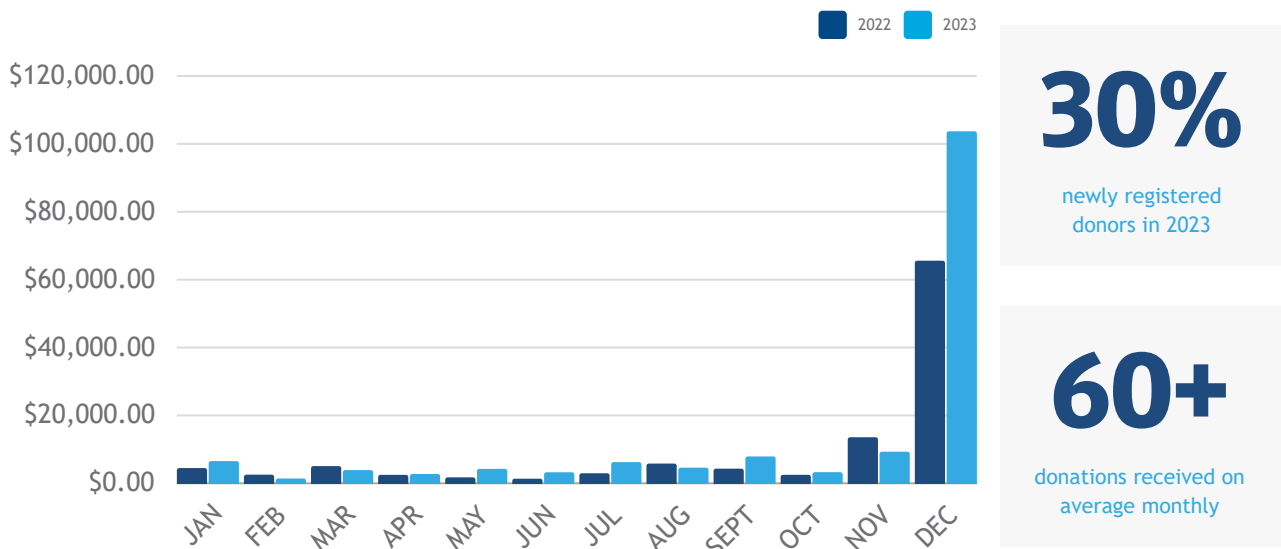
60K+

books were distributed
directly through corporate
donors

The success of First Book Canada is possible thanks to the commitment and power of community building. At the heart of our work is the network of generous supporters who continue to champion First Book Canada. Collectively, we are building a more promising future for children and families in need.

First Book Canada Supporters Rise to the Next Level

Our donors are a key part of helping First Book Canada's impact grow. In 2023, First Book Canada had an increase of over 28% in individual giving.



In addition to generous donations from our individual supporters, we also receive crucial in-kind assistance from our corporate champions, such as Craft Public Relations. This year, in alignment with First Book Canada's rebranding launch, we explored new ways to increase brand recognition in collaboration with Craft PR.

Members from Alberta buzzing with excitement as they handpick a treasure trove of books.





CREATIVE FOR A CAUSE

First Book Canada is proud to work together with [Craft Public Relations](#) on an annual basis. Craft PR is actively committed to giving back in areas where they work, and to fostering ongoing allyship to build a more equitable and inclusive industry.

In 2023, Craft Public Relations hosted the second annual Creative for a Cause challenge in partnership with First Book Canada. An annual 24-hour hackathon-style event, Creative for a Cause challenges teams of future PR pros to develop a creative communications plan for First Book Canada.

Craft invited all public relations students and aspiring PR professionals from around the Greater Toronto Area to participate in the *Creative for a Cause* challenge. Applicants who won a spot in the challenge had the opportunity to work with Craft's senior leaders to develop their plans in private mentorship sessions. The winning team received a \$5,000 prize, along with the opportunity to implement their successful communications plan. Each participating team also received a \$500 honorarium.

The Power to Rewrite a Child's Story is in your Hands

Out of dozens of applications, six teams were selected respond to a creative brief from First Book Canada, and to present their pitches to a special panel. The winning team presented a campaign called "Find Your Story", inspired by the team members' relationship to their favourite childhood books.





Unlock a Child's Story

First Book Canada launched a public awareness initiative urging Canadians to “Unlock a Child’s Story”, through a distinctive campaign featuring five Little Locked Storyboxes scattered throughout Toronto. While community lending libraries on lawns are a familiar staple, coming across a Little Locked Storybox served as a reminder that access to books for all Canadians is not equal.

By scanning the QR code attached to the lock on the box, locals were directed to contribute funds on our donations page, aiding our mission to supply brand-new books to Canadian kids in need.

Thanks to Craft PR and their winning team in the *Creative for a Cause* challenge, and [Manual Arts](#) for their collaboration on this amazing initiative.

First Book Canada Named to 2023 Top Impact Charities List by Charity Intelligence Canada

For the third year in a row, First Book Canada was recognized by [Charity Intelligence Canada](#) as one of the country’s most impactful organizations. This year First Book Canada was named to three Charity Intelligence Canada special recognition lists: [Top 10 Impact Charities of 2023](#), [Top 10 Canadian Impact Charities of 2023](#), and [Top 10 Impact Youth Charities of 2023](#). We are proud to be honoured with this distinction for the work we do to support kids in need.



Children in our community benefit when gifts like these are received. It improves their learning. These gifts are welcomed because it helps us help our children

- Susan, Health Care Centre | Marten Falls, ON



Ontario Teachers' Pension Plan employees working together to pack bags with books.



CORPORATE ENGAGEMENT

First Book Canada's corporate partners are consistently looking to provide meaningful engagement opportunities for their employees. By collaborating on purpose-driven projects, First Book Canada is able to connect communities directly with our partners.

First Book Canada offers a wide range of opportunities outside of corporate giving through our [Corporate Engagement](#) initiatives.

Making A Mark with the Ontario Teachers' Pension Plan

First Book Canada recognizes that not all children and youth have access to books. Studies show access to educational resources during early childhood development has an immediate and long-term effect on vocabulary, background knowledge, and comprehension.

In August of 2023, First Book Canada and the Ontario Teachers' Pension Plan teamed up as part of their *Make A Mark Day*. Together, over 100 OTPP volunteers helped pack bags and write personal messages to be delivered to areas in Canada identified as book deserts.

- **Supporting our network in the North.** Following this event, 984 organizations in Northern Ontario received bags filled with books, with the help of our friends at [United for Literacy](#).
- **Over 5,000 books going to book deserts.** Bags were filled with titles including a variety of topics such as S.T.E.M and social emotional learning. Books included [The Magnificent Makers #1: How to Test a Friendship](#) by Theanne Griffith, and [Grimwood](#) by Nadia Shireen.

CORPORATE PARTNERS



Alvarez & Marsal

Alvarez & Marsal raised funds and ran a back to school supply drive in the fall.

- **3 educators** received book to fill their classrooms
- **187 new books were provided** to students in Vancouver, Calgary, and Toronto



Bank of Montreal

Bank of Montreal provided Marketplace gift certificates, and hosted five events.

- **291 educators** received funds to support their classrooms
- **56,103 new books** made their way to classrooms



Dryden Fibre

Dryden Fibre directly supported the Kenora District Services Board.

- **1 educator** received funds to purchase **85+ new books** to provide to students



Kiewit

Kiewit Development Company hosted a walk/run fundraiser to directly support our network.

- **4 members** in Burnaby, Calgary, Toronto, and Whatì received funds to support their communities
- **344 new books** were provided to children



Tata Group

Tata Group provided their employees an opportunity to volunteer directly with our community members.

- **2 events** were hosted in partnership with Tata Group in Vancouver and Toronto
- **2,460 new books** made their way into classrooms



TD Bank Group

The *Bridging the Gap Program* supported by TD Bank provided children across Canada funds to support early childhood literacy.

- **\$117,000** granted to **58 communities** across the country
- **21%** of the recipients serve Indigenous communities

PARTNERING ORGANIZATIONS

First Book Canada works in collaboration with partner organizations in the charitable sector to maximize our impact in the community. Combining our strengths together as a network, we are able to reach children who might otherwise be left behind.



**BOOK
CLUBS FOR
INMATES**



**The Canadian
Children's
Book Centre**



Canadian
Children's
Literacy
Foundation

Fondation pour
l'alphabétisation
des enfants
canadiens

Book Clubs for Inmates

Book Clubs for Inmates coordinates volunteer-led book clubs in federal penitentiaries across Canada and supplies books for the Children of Inmates Reading Program (ChIRP).

- **36 facilities** enrolled in book club programming
- **5,797 new books** provided to book clubs

Canadian Children's Book Centre

Canadian Children's Book Week links Canadian book authors and illustrators with children nationwide who receive a free book at each event.

- **7 schools** impacted
- **350 new books** made their way to classrooms

Canadian Children's Literacy Foundation

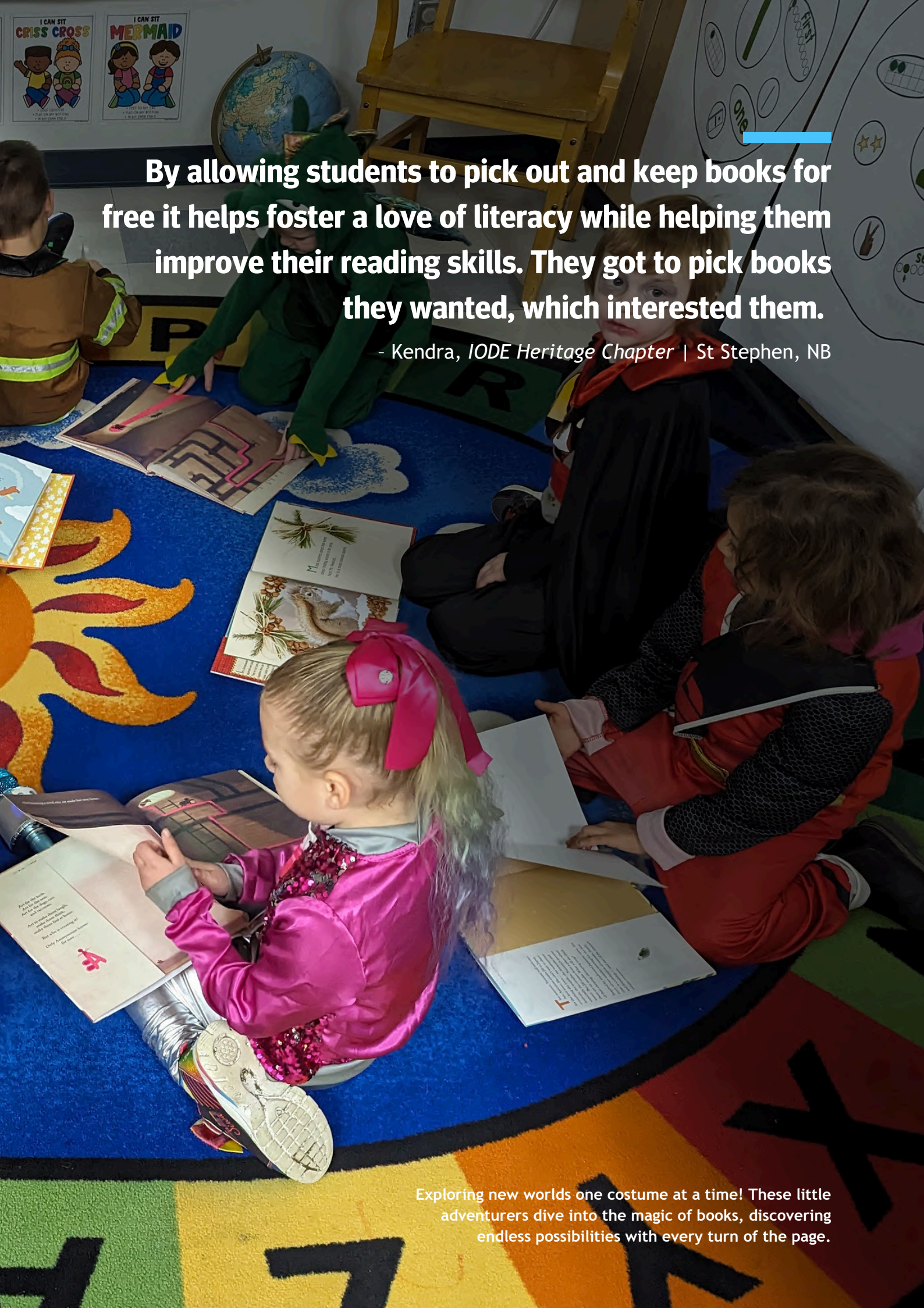
The Canadian Children's Literacy Foundation's Early Words Program works with clinics and hospitals across Canada to help lay a foundation for literacy.

- **38 clinics** impacted
- **1970 new books** provided for new families attending clinics

General Motors staff members gathering and each holding a book, ready to distribute to children.





A group of children in costumes are sitting on a large, colorful rug in a classroom. One child is in a firefighter costume, another in a green dinosaur costume, and a girl in a pink jacket with a large pink bow is in the foreground. They are all looking at books. The rug has large letters and numbers. In the background, there is a globe and a wooden chair.

By allowing students to pick out and keep books for free it helps foster a love of literacy while helping them improve their reading skills. They got to pick books they wanted, which interested them.

- Kendra, IODE Heritage Chapter | St Stephen, NB

Exploring new worlds one costume at a time! These little adventurers dive into the magic of books, discovering endless possibilities with every turn of the page.



HIPPY Halton

The Mothers Matter program provides resources and gifts to new Canadian families, including those with English as a second language.

- Over **20+ newcomers** received **115 new books** provided to enhance children's literacy



Start2Finish

The Indigenous Literacy Enhancement Project stocks vending machines with free children's books in Indigenous friendship and cultural centres.

- **8 Indigenous** centres were served
- **5,375** books were provided to enhance children's literacy



Let's Talk Science

Provides early literacy resources to French and English classrooms, fostering a love for both science and reading among students.

- **6 schools** impacted
- **146 new books** stocked classroom book shelves



Forest of Reading

At the Forest of Reading Event by The Ontario Library Association, First Book Canada offered a selection of English and French titles to students.

- **165 schools** impacted
- **6,200 new books** provided for the event



United for Literacy

United for Literacy provides new books to camp programs in remote northern Indigenous communities.

- **2,300** books were provided to campers
- **81** communities from **8** Provinces **2** Territories impacted

LEADERSHIP

Board of Directors

Tanis Feasby

Senior Vice-President, Corporate Communications, RBC
Chairperson

Julie Lavoie

Partner, Co-Leader Business Lines, Levio Business + Technology
Vice-Chairperson

Rumeet Billan Ph.D

CEO, Women of Influence+

Alvaro Lozada Cauduro

Vice President and General Manager, Global Fraud Operations - Amex Bank of Canada

Luke Gee

Vice President, Everyday Banking Product, TD Bank Group

Adam Mamdani

VP Proprietary Distribution, RBC Insurance

Ryan Peterson

Chartered Professional Accountant, RKP

Kyle Zimmer

Founder & CEO, First Book USA

Staff

Heather Farquharson

Executive Director

Amy Smithers

Program Manager

Gurdeep Dhaliwal

Strategic Alliances Manager

Julie Mai

E-Commerce & Data Manager

Jenny Pullon

Program Coordinator

Simi Olaniyan

Events Coordinator

SUPPORTERS

Our thanks to First Book Canada partners and supporters at all levels, who provide access to life-changing resources and hope for a better future, empowering the educators and children we serve all year long.

CORPORATE PARTNERS

Alvarez & Marsal • Bank of Montreal • CIBC Children's Foundation • Domtar • DREAM • Dryden Fibre Canada • General Motors Canada • Kiewit Development Company • KPMG Foundation • Ontario Teachers' Pension Plan • Raptors905 • RBC Foundation • Tangerine Bank • Tata Sons • TD Ready Commitment

NON PROFIT PARTNERS

Book Club for Inmates • Brighter Together Foundation • The Canadian Children's Book Centre • Canadian Children's Literacy Foundation • ChIRP • Connected North • Dartmouth Learning Network • Downie & Wenjack Fund • Further Education Society • Hamilton Public Library • Human Resources and Skills Development Canada • Jays Care Foundation • Let's Talk Science • minibilioplus • Moisson Montréal • NeighbourLink • Ontario Library Association • Pi Beta Phi • Service Canada • Start2Finish • Toronto Community Housing • Toronto Public Library • Trucks for Change • United for Literacy

RESOURCE PROVIDERS

Annick Press • Bayard Canada • Capstone • Common Deer Press • Cormorant Books • Craft Public Relations • Disney Publishing Worldwide • DK • Douglas & McIntyre • Dundurn • ECW Press • Fitzhenry & Whiteside • Firefly Books • Freehand Books • Friesens • Goose Lane • Greystone Books • Groundwood • Hachette Book Group • Harbour Publishing • Harlequin • HarperCollinsCanada • Heritage • Highwater Press • House of Anansi Press • Inhabit Media • JD Smith Logistics Solutions • Kids Can Press • LEGO Group • Les 400 Coups • Les Éditions du soleil de minuit • Les Éditions Héritage Inc • Lorimer • Macmillan Publishers • Nelson • News Media Canada • Nimbus Publishing • Orca Book Publishers • Owl Kids • Page Two Books • Pajama Press • Peanut Butter Press • Penguin Random House Canada • Portage & Main Press • Publishers Group Canada • Raincoast Books • Rocky Mountain Books • Ronsdale • Scholastic • Second Story Press • Simon & Schuster Canada • Theytus Books • Tradewind Books • Tundra



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FIRST BOOK CANADA 
Eliminating Barriers. Inspiring Young Minds.

FIRST BOOK/LE PREMIERE LIVRE
FINANCIAL STATEMENTS
DECEMBER 31, 2023

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Page 1-2.	Independent Auditor's Report
3.	Statement of Financial Position
4.	Statement of Changes in Net Assets
5.	Statement of Operations
6.	Statement of Cash Flows
7-12.	Notes to Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Directors
First Book/Le Premiere Livre
MISSISSAUGA
Ontario

Qualified Opinion

We have audited the accompanying financial statements of First Book/Le Premiere Livre which comprise the statement of financial position as at December 31, 2023 and the statements of operations, statement of changes in net assets and statement of 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, the accompanying financial statement present fairly, in all material respects, the financial position of the entity as at December 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

As is common with many charitable organizations, First Book/Le Premiere Livre derives part of its revenues from fundraising and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenue from this source was limited to the amounts recorded in the records of First Book/Le Premiere Livre and we were not able to determine whether any adjustments might be necessary to fundraising and donations revenue, deficiency of revenues over expenses, and cash flows from operations for the years December 31, 2023 and 2022, current assets as at December 31, 2023 and 2022, and net assets as at January 1 and December 31 for both the 2023 and 2022 years.

Our audit opinion on the financial statements for the year ended December 31, 2022 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 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 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 opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit 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.

- 1 -

PAUL A. SIMPSON, CPA
PAUL W. McMULLEN, CPA
MARK D. POTTER, CPA

MICHAEL J. McNEILL, CPA
PETER A. SIMPSON, CPA
MARC F. CERNELE, CPA

ANTHONY G. DILIBERTO, CPA
JENNIFER A. STALEY, CPA

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ONE VALLEYWOOD DRIVE SUITE 200 MARKHAM ONTARIO L3R 5L9 T 905-479-7001 F 905-479-0045

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 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 entity'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 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.

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.



NORTON McMULLEN LLP

Chartered Professional Accountants, Licensed Public Accountants

MARKHAM, Canada

May 22, 2024

FIRST BOOK/LE PREMIERE LIVRE

STATEMENT OF FINANCIAL POSITION

As at December 31,	2023	2022
ASSETS		
Current		
Cash	\$ 3,819	\$ 59,454
Restricted cash	116,495	135,875
Accounts receivable (Note 2)	80,799	80,136
Prepaid expenses	13,128	11,862
	<u>\$ 214,241</u>	<u>\$ 287,327</u>
Capital Assets (Note 3)	<u>1,222</u>	<u>2,199</u>
	<u>\$ 215,463</u>	<u>\$ 289,526</u>

LIABILITIES

Current		
Accounts payable and accrued liabilities (Note 4)	\$ 787,275	\$ 789,137
Deferred contributions (Note 5)	116,495	131,525
Deferred program income (Note 6)	-	4,350
	<u>\$ 903,770</u>	<u>\$ 925,012</u>

NET ASSETS	<u>(688,307)</u>	<u>(635,486)</u>
	<u>\$ 215,463</u>	<u>\$ 289,526</u>

Commitments (Note 7)

Approved by the Board:

Director

Director

FIRST BOOK/LE PREMIERE LIVRE
STATEMENT OF CHANGES IN NET ASSETS

For the year ended December 31,	2023	2022
BALANCE - Beginning	\$ (635,486)	(600,891)
Deficiency of revenues over expenses	<u>(52,821)</u>	<u>(34,595)</u>
BALANCE - Ending	<u><u>\$ (688,307)</u></u>	<u><u>\$ (635,486)</u></u>

See accompanying notes

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FIRST BOOK/LE PREMIERE LIVRE

STATEMENT OF OPERATIONS

For the year ended December 31,	2023	2022
REVENUES		
Books received in-kind	\$ 2,672,355	\$ 3,329,648
Program income	721,437	669,776
Fundraising and donations (Note 5)	699,619	789,544
Program income on account of grants (Note 5)	226,048	231,341
Other Income	4,752	9,467
	<u>\$ 4,324,211</u>	<u>\$ 5,029,776</u>
PROGRAM EXPENSES		
Books distributed in-kind	\$ 2,672,355	\$ 3,329,648
Cost of books for program distribution (Note 4)	841,531	836,338
Salaries and benefits	334,534	398,534
Shipping costs	85,636	85,749
Other program expenses	83,551	114,266
Travel and lodging	6,983	7,423
	<u>\$ 4,024,590</u>	<u>\$ 4,771,958</u>
ADMINISTRATIVE EXPENSES		
Salaries and benefits	\$ 204,522	\$ 165,024
Other administrative expenses (Note 4)	68,961	54,769
Professional fees	42,883	50,961
Occupancy	33,745	12,147
Travel and lodging	1,354	1,534
Amortization	977	1,369
Loss (gain) on foreign exchange	-	6,609
	<u>\$ 352,442</u>	<u>\$ 292,413</u>
TOTAL EXPENSES	<u>\$ 4,377,032</u>	<u>\$ 5,064,371</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (52,821)</u>	<u>\$ (34,595)</u>

See accompanying notes

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FIRST BOOK/LE PREMIERE LIVRE

STATEMENT OF CASH FLOWS

For the year ended December 31,

2023

2022

CASH AND CASH EQUIVALENTS WERE PROVIDED BY (USED IN):

OPERATING ACTIVITIES

Deficiency of revenues over expenses	\$ (52,821)	\$ (34,595)
Items not affecting cash:		
Amortization	977	1,369
Books received in-kind	(2,672,355)	(3,329,648)
Books distributed in-kind	<u>2,672,355</u>	<u>3,329,648</u>
	\$ (51,844)	\$ (33,226)
Net change in non-cash working capital balances:		
Accounts receivable	(663)	(51,710)
Prepaid expenses	(1,266)	(837)
Accounts payable and accrued liabilities	(1,862)	132,859
Government remittances payable	-	(11,505)
Deferred contributions	(15,030)	(274,112)
Deferred program income	<u>(4,350)</u>	<u>(34,855)</u>
	\$ (75,015)	\$ (273,386)

INVESTING ACTIVITIES

Purchase of capital assets	<u>-</u>	<u>(1,100)</u>
----------------------------	----------	----------------

DECREASE IN CASH

\$ (75,015)	\$ (274,486)
-------------	--------------

CASH - Beginning

<u>195,329</u>	<u>469,815</u>
----------------	----------------

CASH - Ending

<u>\$ 120,314</u>	<u>\$ 195,329</u>
-------------------	-------------------

Cash is allocated as follows:

Unrestricted cash	\$ 3,819	\$ 59,454
Restricted cash	<u>116,495</u>	<u>135,875</u>
	<u>\$ 120,314</u>	<u>\$ 195,329</u>

See accompanying notes

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FIRST BOOK/LE PREMIERE LIVRE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

NATURE OF OPERATIONS

First Book/Le Premiere Livre (the "Organization") provides new books and education materials to Canadian children from low-income families. The Organization works through existing community programs and literacy efforts to provide a steady stream of new, free or low cost books to elevate educational programming and improve access to reading materials. Through work with Canadian publishing partners, an ever expanding network of volunteers and book recipient groups, the Organization provides unprecedented access to new books for programs serving children in need.

The Organization was incorporated without share capital under Part II of the Canada Corporations Act by Letters Patent dated April 23, 2003 and on December 31, 2013 received its Certificate of Continuance under the Canada Not-for-profit Corporations Act. The Organization is a registered charitable organization and is therefore exempt from Income tax.

1. SIGNIFICANT ACCOUNTING POLICIES

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

a) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions based on currently available information. Such estimates and assumptions affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from the estimates used. Significant estimates include the estimated useful life of capital assets.

b) Foreign Currency Translation

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities are translated at the year-end exchange rate. Revenues and expenses are translated at the average exchange rate during the year.

c) Cash and cash equivalents

Cash and cash equivalents consists of bank deposits.

FIRST BOOK/LE PREMIERE LIVRE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES - Continued

d) Capital Assets

Capital Assets are recorded at cost. Amortization is being provided over the estimated useful life of the assets using the following annual rates and methods:

	<u>Rate</u>	<u>Method</u>
Computer equipment	55%	declining balance
Furniture and equipment	20%	declining balance

e) Impairment of Capital Assets

When a tangible capital asset no longer contributes to an organization's ability to provide goods and services, or the value of future economic benefits or service potential associated with the tangible capital asset is less than its carrying amount, the net carrying amount of the tangible capital asset is written down to the asset's fair value or replacement cost.

f) Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which related expenses are incurred. Unrestricted contributions, fundraising revenue, and other income are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Program income is recognized as revenue when orders are accepted and collection is reasonably assured. Program income received that spans multiple years is deferred and recognized as revenue based on the actual amount of program items purchased over time by the customer.

g) Contributed Services

Volunteer services contributed to the Organization in carrying out its operating activities are not recognized in these financial statements due to the difficulty in determining their fair value.

h) Contributed Goods

Books contributed in-kind are recognized when the fair value of the contributed goods can be reasonably estimated and when they are used in the normal course of the Organization's program operations. Fair value is determined on the basis of appraised values or the market value of similar goods.

FIRST BOOK/LE PREMIERE LIVRE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES - Continued

i) Financial Instruments

Initial Measurement

The Organization initially measures its financial assets and liabilities originating or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the organization is in the capacity of management, are initially measured at cost.

Subsequent Measurement

The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost.

Financial assets subsequently measured at amortized cost include cash, and certain amounts included in accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities originating or exchanged in arm's length transactions.

The Organization has no financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

Impairment

Financial assets measured at amortized cost are tested for impairment when events or circumstances indicate possible impairment. Write-downs, if any, are recognized in the deficiency of revenues over expenses and may be subsequently reversed to the extent that the net effect after the reversal is the same as if there had been no write-down. There are no indicators of impairment in the current year.

j) Allocation of Common Expenses

The Organization incurs expenses to support restricted and unrestricted programs as well as to maintain program and administrative functions. The preparation of financial statements requires management to make estimates and assumptions based on currently available information in order to allocate shared expenses between these activities. Such estimates and assumptions affect gross program and administrative expenses reported on the statement of operations.

2. ACCOUNTS RECEIVABLE

Included in accounts receivable is HST refundable of \$7,467 (2022 - \$7,456).

FIRST BOOK/LE PREMIERE LIVRE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

3. CAPITAL ASSETS

Capital assets consist of the following:

	2023			2022
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 7,613	\$ 6,923	\$ 690	\$ 1,534
Furniture and equipment	<u>7,732</u>	<u>7,200</u>	<u>532</u>	<u>665</u>
	<u>\$ 15,345</u>	<u>\$ 14,123</u>	<u>\$ 1,222</u>	<u>\$ 2,199</u>

4. RELATED PARTY TRANSACTIONS AND BALANCES

The Organization engaged with First Book USA Inc., an affiliated company, in the following transactions:

	2023	2022
Cost of books for program distribution	\$ 425,881	\$ 501,144
Other administrative expenses	<u>10,462</u>	<u>6,582</u>
	<u>\$ 436,343</u>	<u>\$ 507,726</u>

These transactions were carried out in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration agreed upon by the related parties.

Amounts owing to First Book USA Inc. result from shared expense invoicing, cross inventory purchasing, and volume purchase rebates. The resulting year end balances are non-interest bearing and due on demand as follows:

	2023	2022
Included in accounts payable and accrued liabilities	<u>\$ 659,427</u>	<u>\$ 725,090</u>

FIRST BOOK/LE PREMIERE LIVRE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

5. DEFERRED CONTRIBUTIONS

Deferred contributions consists of restricted contributions received for which the associated expense has not yet been incurred. The change in deferred contributions consists of the following:

	2023	2022
Balance - Beginning	\$ 131,525	\$ 405,637
Add: Restricted contributions received in the year	231,585	155,126
Less: Restricted contributions recognized as program income on account of grants	226,048	231,341
Less: Restricted contributions recognized as fundraising and donations revenue	<u>20,567</u>	<u>197,897</u>
Balance - Ending	<u>\$ 116,495</u>	<u>\$ 131,525</u>

6. DEFERRED PROGRAM INCOME

Deferred program income consists of amounts received from a customer in advance for books purchases. The change in deferred program income consists of the following:

	2023	2022
Balance - Beginning	\$ 4,350	\$ 39,205
Add: Advance received in the year	-	-
Less: Program income recognized as revenue	<u>4,350</u>	<u>34,855</u>
Balance - Ending	<u>\$ -</u>	<u>\$ 4,350</u>

7. COMMITMENTS

The Organization entered into a lease agreement for premises commencing on August 1, 2023 and expiring on November 30, 2027. Future minimum annual rental payments (excluding property taxes, maintenance, and insurance) for each of the next four years are as follows:

2024	\$ 40,690
2025	40,690
2026	40,690
2027	<u>37,299</u>
	<u>\$ 159,369</u>

FIRST BOOK/LE PREMIERE LIVRE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

8. FINANCIAL INSTRUMENTS

Risks and Concentrations

The Organization is exposed to various risks through its financial instruments. The following analysis provides a summary of the Organization's exposure to and concentrations of risk at December 31, 2023:

a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. The Organization is exposed to this risk mainly with respect to its accounts receivable. The Organization provides credit to its clients in the normal course of operations, however the risk is limited as accounts receivable consists primarily of contributions receivable and amounts due from Canada Revenue Agency. There is no concentration of credit risk as at December 31, 2023. There has been no change in the assessment of credit risk from the prior year.

b) Liquidity Risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly with respect to its accounts payable and accrued liabilities. The Organization manages this risk by managing its working capital and by generating sufficient cash flows from operations. There has been no change in the assessment of liquidity risk from the prior year.

c) 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 price risk. The Organization is mainly exposed to currency risk as follows:

i) 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. As at December 31, 2023 accounts payable of \$24,805 (2022 - \$16,758), are denominated in US dollars and have been converted into equivalent Canadian dollars at the exchange rate in effect at the year end. Foreign exchange gains or losses are included in deficiency of revenues over expenses and total \$Nil (2022 - loss of \$6,609). The exposure to this risk changes as transaction amounts change and as exchange rates fluctuate. The average USD exchange rate for 2023 was 1.3497 (2022 - 1.3013).