

**DURHAM REGION ASSOCIATION OF BLACK PROFESSIONALS AND
ENTREPRENEURS (DRABPE)**

Durham Region Association of Black Professionals and Entrepreneurs Inc.

2025 Financial Statements

DURHAM REGION ASSOCIATION OF BLACK PROFESSIONALS AND ENTREPRENEURS (DRABPE)

**Durham Region Association of Black Professionals and Entrepreneurs Inc.
Financial Statements**

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Independent Auditor's Report

To the members of

Durham Region Association of Black Professionals and Entrepreneurs Inc.

Opinion

We have audited the financial statements of Durham Region Association of Black Professionals and Entrepreneurs (DRABPE) Durham Region Association of Black Professionals and Entrepreneurs Inc., which comprise the statement of financial position as at December 31, 2025, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

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 report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Independent Auditor's Report — continued

- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- ♦ 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.

GMS Chartered Professional Accountants LLP

Mississauga, Ontario
August 11, 2026

GMS Chartered Professional Accountants
Limited Liability Partnership

DURHAM REGION ASSOCIATION OF BLACK PROFESSIONALS AND ENTREPRENEURS (DRABPE)

Durham Region Association of Black Professionals and Entrepreneurs Inc.

Statement of Financial Position

As at December 31, 2025

	2025	2024
ASSETS		
Current assets		
Cash	\$ 318,834	\$ 64,776
Accounts receivable (note 4)	630	2,895
Prepaid expenses	5,553	3,902
Government remittances receivable	23,535	8,190
	348,552	79,763
Property, plant and equipment (note 5)	51,211	48,173
	\$ 399,763	\$ 127,936

LIABILITIES AND FUND BALANCES

Current liabilities		
Accounts payable and accrued liabilities (note 6)	\$ 34,772	\$ 11,244
Unearned revenue (note 7)	379,240	88,306
	414,012	99,550
Net assets (net deficiency)	(14,249)	28,386
	\$ 399,763	\$ 127,936

See accompanying notes

On behalf of the Board

Member

Member

DURHAM REGION ASSOCIATION OF BLACK PROFESSIONALS AND ENTREPRENEURS (DRABPE)

Durham Region Association of Black Professionals and Entrepreneurs Inc.

Statement of Operations and Changes in Net Assets

Year ended December 31, 2025

	2025	2024
Revenue		
Grant Revenue (note 7)	\$ 719,822	\$ 399,395
Other Revenue	14,080	23,593
	733,902	422,988
Expenditures		
Salaries and related benefits	264,278	175,152
Staff recruitment and training	137,459	33,032
Participant Costs	115,834	20,069
Professional fees	69,479	24,910
Honorarium	57,575	18,036
Rent	47,412	30,318
Strategic Planning and Implementation	24,761	4,596
Office and administration	23,757	16,352
Amortization	17,307	13,239
Advertising and promotion	11,032	27,182
Computer and software	3,730	9,182
Bad debts	2,895	-
Insurance	902	981
Meals and entertainment	116	670
Grant writing	-	18,595
Board Development	-	4,088
Consulting fees	-	197
	776,537	396,599
Excess (deficiency) of revenue over expenditures	(42,635)	26,389
Net assets, beginning of year	28,386	1,997
Net assets (net deficiency), end of year	\$ (14,249)	\$ 28,386

See accompanying notes

DURHAM REGION ASSOCIATION OF BLACK PROFESSIONALS AND ENTREPRENEURS (DRABPE)

Durham Region Association of Black Professionals and Entrepreneurs Inc.

Statement of Cash Flows

Year ended December 31, 2025

	2025	2024
Operating activities		
Excess (deficiency) of revenue over expenditures	\$ (42,635)	\$ 26,389
Item not involving cash		
Amortization	17,307	13,239
	(25,328)	39,628
Net change in non-cash working capital items		
Accounts receivable	2,265	(2,256)
Prepaid expenses	(1,651)	(3,902)
Government remittances	(15,345)	(925)
Accounts payable and accrued liabilities	23,528	(53,240)
Unearned revenue	290,934	29,417
	299,731	(30,906)
Cash flows from operating activities	274,403	8,722
Investing activity		
Purchase of property, plant and equipment and cash flows from investing activity	(20,345)	(42,284)
Net change in cash during the year	254,058	(33,562)
Cash, beginning of year	64,776	98,338
Cash, end of year	\$ 318,834	\$ 64,776

See accompanying notes

DURHAM REGION ASSOCIATION OF BLACK PROFESSIONALS AND ENTREPRENEURS (DRABPE)

Durham Region Association of Black Professionals and Entrepreneurs Inc.

Notes to Financial Statements

Year ended December 31, 2025

1. Nature of operations

Durham Region Association of Black Professionals and Entrepreneurs (DRABPE) is a not-for-profit Organization incorporated under the Canada Not-for-profit Corporations Act on February 20, 2018, and is not subject to income taxes under the Income Tax Act (Canada). The aim of the Organization is to support the community by helping Black-owned businesses in Durham gain access to the resources they need to thrive. The Organization provides frequent networking opportunities to help members get connected to local decision-makers, service providers and potential customers.

2. Summary of significant accounting policies and general information

The Organization applies the Canadian accounting standards for not-for-profit organizations.

Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks

Contributed services

Directors, committee members and owners volunteer their time to assist in the Organization's activities. While these services benefit the Organization considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

Revenue recognition

The Organization 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.

Externally restricted contributions for the purchase of property, plant and equipment that will be amortized are recorded as deferred capital contributions and recognized as revenue on the same basis as the amortization expense related to the acquired property, plant and equipment. Externally restricted contributions for the purchase of property, plant and equipment that will not be amortized are recognized as direct increases in net assets to the Investment in Capital Assets balance.

Deferred revenue

Deferred revenue consists of non-refundable deposits made which will be used up by the following year end.

Property, plant and equipment

Property, plant and equipment are recorded at cost and are being amortized over their estimated useful lives. The annual amortization rates are as follows:

Office equipment	20%
Computer	20%

DURHAM REGION ASSOCIATION OF BLACK PROFESSIONALS AND ENTREPRENEURS (DRABPE)

Durham Region Association of Black Professionals and Entrepreneurs Inc.

Notes to Financial Statements

Year ended December 31, 2025

2. Summary of significant accounting policies and general information — continued

Use of estimates

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

3. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates. The fair value of long-term financial liabilities approximates their carrying value based on the presumption that the organization is a going concern and thus expects to fully repay the outstanding amounts.

Credit risk

The organization does not have credit risk in accounts receivable \$630 (2024-\$2,895). Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. The organization maintains strict credit policies and limits in respect to counterparties. In the opinion of management the credit risk exposure to the organization is low and is not material.

Liquidity risk

The organization does have a liquidity risk in the accounts payable and accrued liabilities of \$34,772 (2024-\$11,244). Liquidity risk is the risk that the organization cannot repay its obligations when they become due to its creditors. In the opinion of management the liquidity risk exposure to the organization low and is not material.

4. Accounts receivable

	2025	2024
FFBC Grant receivable	\$ -	\$ 2,256
First Friday	-	639
City of Pickering	300	-
Functional Mind and Body	300	-
Empower you coaching	30	-
	\$ 630	\$ 2,895

DURHAM REGION ASSOCIATION OF BLACK PROFESSIONALS AND ENTREPRENEURS (DRABPE)

Durham Region Association of Black Professionals and Entrepreneurs Inc.

Notes to Financial Statements

Year ended December 31, 2025

5. Property, plant and equipment

	2025			2024		
	Cost	Accumulated amortization	Net	Net		
Computer equipment	\$ 45,599	\$ 21,861	\$ 23,738	\$ 25,131		
Machinery and equipment	40,940	13,467	27,473	23,042		
	\$ 86,539	\$ 35,328	\$ 51,211	\$ 48,173		

6. Accounts payable and accrued liabilities

	2025			2024		
Accounts Payable		\$ 24,806	\$ -			
Accrued liabilities		-	2,025			
Government remittances payable		6,209	9,219			
Payroll liabilities		3,757	-			
		\$ 34,772	\$ 11,244			

7. Unearned revenue

	Balance, beginning of year	Received	Recognized	Balance, end of year
Tropicana Community Services	\$ 46,729	\$ 21,000	\$ (67,729)	\$ -
Ontario Government- Black Youth Action Plan Grant	14,347	224,000	(90,318)	148,029
BYAP3 Grants	27,230	56,000	(83,230)	-
MARP Capacity Income	-	52,570	(43,063)	9,507
Summer Intern Grant	-	13,694	(13,694)	-
SBCCI Health Initiative	-	574,492	(373,008)	201,484
FFBC	-	45,000	(45,000)	-
Tropicana SBCCI	-	24,000	(3,780)	20,220
	\$ 88,306	\$ 1,010,756	\$ (719,822)	\$ 379,240

DURHAM REGION ASSOCIATION OF BLACK PROFESSIONALS AND ENTREPRENEURS (DRABPE)

Durham Region Association of Black Professionals and Entrepreneurs Inc.

Notes to Financial Statements

Year ended December 31, 2025

8. Related party transactions

Individuals are related to Durham Region Association of Black Entrepreneurs by virtue of their directorship on the Board of the organization. Organizations are related to Durham Region Association of Black Entrepreneurs by virtue of ownership held by board members in those Organizations. During the fiscal year, related party transactions are identified as:

1. Reimbursements made to the board members
2. Rental payments from related organizations
3. Rental payments to related organizations
4. Remuneration paid

	2025
Services from related organizations	\$ 40,202
Expense Reimbursement	51,765
Remuneration paid	92,417
Rental payments to Related Organisations	11,637
Rental payments from Related organizations	4,000
	\$ 200,021

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.