
**CANADIAN PICTURE PIONEERS
TRUST FUND**

FINANCIAL STATEMENTS

DECEMBER 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Canadian Picture Pioneers Trust Fund,

Opinion

We have audited the financial statements of Canadian Picture Pioneers Trust Fund (the Trust Fund), which comprise the statement of financial position as at December 31, 2024, 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 Canadian Picture Pioneers Trust Fund as at December 31, 2024 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 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 Trust Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Trust Fund'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 Trust Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust Fund'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.

INDEPENDENT AUDITOR'S REPORT (continued)

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 Trust Fund'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 Trust Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw your 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 Trust Fund 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.

Pemylegion Chung LLP

Chartered Professional Accountants
Licensed Public Accountants

April 23, 2025
Toronto, Ontario

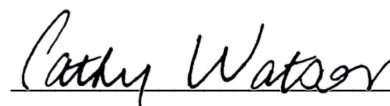
CANADIAN PICTURE PIONEERS TRUST FUND


STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024

	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 460,244	\$ 384,839
Marketable securities (note 3)	<u>2,866,505</u>	<u>2,676,057</u>
	<u>\$ 3,326,749</u>	<u>\$ 3,060,896</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accrued liabilities	<u>\$ 2,000</u>	<u>\$ 2,000</u>
Net assets		
Unrestricted	<u>3,324,749</u>	<u>3,058,896</u>
	<u>\$ 3,326,749</u>	<u>\$ 3,060,896</u>

Approved on behalf of the Trustees:

 _____, Trustee

 _____, Trustee

see accompanying notes

CANADIAN PICTURE PIONEERS TRUST FUND

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
REVENUE		
Donations and fundraising (notes 4 and 7)	\$ 138,888	\$ 115,856
Interest and dividends	<u>131,510</u>	<u>127,158</u>
	<u>270,398</u>	<u>243,014</u>
EXPENSES		
Scholarships (note 6)	150,000	125,000
Bookkeeping, secretarial and administration (note 7)	35,053	35,103
Living allowance and medical equipment (note 5)	28,459	32,078
Investment management fees	24,950	24,886
Professional fees	<u>6,780</u>	<u>6,084</u>
	<u>245,242</u>	<u>223,151</u>
Excess of revenue over expenses for the year before below noted item	25,156	19,863
Realized gains and changes in unrealized gains on marketable securities	<u>240,697</u>	<u>114,894</u>
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	265,853	134,757
Net assets, beginning of year	<u>3,058,896</u>	<u>2,924,139</u>
NET ASSETS, END OF YEAR	<u>\$ 3,324,749</u>	<u>\$ 3,058,896</u>

see accompanying notes

CANADIAN PICTURE PIONEERS TRUST FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ 265,853	\$ 134,757
Add back items non-cash items:		
Change in unrealized gains on marketable securities	<u>(232,318)</u>	<u>(97,189)</u>
Cash and cash equivalents generated from operating activities	<u>33,535</u>	<u>37,568</u>
INVESTING ACTIVITIES		
Purchase of marketable securities	(292,885)	(327,824)
Proceeds from sale of marketable securities	<u>334,755</u>	<u>211,034</u>
Net cash and cash equivalents generated from (used for) investing activities	<u>41,870</u>	<u>(116,790)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS FOR THE YEAR	75,405	(79,222)
Cash and cash equivalents, beginning of year	<u>384,839</u>	<u>464,061</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 460,244</u>	<u>\$ 384,839</u>

Cash and cash equivalents at year end comprises:

Cash	\$ 288,725	\$ 197,347
Money market funds	<u>171,520</u>	<u>187,492</u>
	<u>\$ 460,245</u>	<u>\$ 384,839</u>

see accompanying notes

CANADIAN PICTURE PIONEERS TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

Canadian Picture Pioneers Trust Fund (the Trust Fund) was established pursuant to a trust memorandum dated December 16, 1947 under the laws of the Province of Ontario. The Trust Fund is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

The Trust Fund's purpose is to provide assistance to individuals or their families who are in need of help, particularly those who have been employed or are employed in the motion picture industry or any affiliated industry.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant:

Cash equivalents

Cash equivalents are composed of money market funds that are highly liquid.

Revenue recognition

The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

Contributions

The Trust Fund follows the deferral method of revenue recognition for contributions. Externally restricted contributions, including donor restricted donations, related to current expenses are recognized as revenue in the current year. Externally restricted contributions received in the year for expenses to be incurred in the following year are recorded as deferred contributions. Unrestricted contributions, including donations and amounts received from fundraising, are recorded when received. Contributed materials and services which are normally purchased by the Trust Fund are not recorded in the accounts.

Investment income

Investment income comprises i) interest from cash, ii) interest and dividends from fixed income and equity securities respectively, iii) reinvested distributions from index pooled funds, iv) changes in unrealized gains and v) realized gains and losses on the sale of marketable securities. Interest on fixed income investments is recognized as revenue over the terms of these investments. Transaction costs associated with the acquisition and disposal of marketable securities are expensed as incurred.

2. FINANCIAL INSTRUMENTS AND RELATED FINANCIAL RISKS

The Trust Fund's financial instruments include cash and cash equivalents, marketable securities, accounts payable and accrued liabilities. Marketable securities, which comprise fixed income securities and equities are measured at fair value. Accounts payable and accrued liabilities are initially recorded at fair value and are subsequently recorded net of any provisions for impairment in value.

The Trust Fund's equities are exposed to other price risk through changes in market prices (other than changes arising from interest rate risks). This risk can be caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments trading in the market. Fluctuations in market interest rates may impact future cash flows from the Trust Fund's marketable securities.

CANADIAN PICTURE PIONEERS TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

3. MARKETABLE SECURITIES

Marketable securities are as follows:

	2024	2023
Equities	\$ 2,737,807	\$ 2,548,717
Fixed income securities	<u>128,698</u>	<u>127,340</u>
	<u>\$ 2,866,505</u>	<u>\$ 2,676,057</u>

Marketable securities consist primarily of i) equities, which include common shares and ii) fixed income securities which are composed of publicly traded Government of Canada real return bonds bearing interest rates ranging from 4.19% to 4.25% and mature between December 2026 and September 2028.

4. DONATIONS AND FUNDRAISING

Donations for the year are as follows:

	2024	2023
Canadian Picture Pioneers (note 7)	\$ 111,135	\$ 88,890
Individuals and estates	27,553	25,446
In memory donations	<u>200</u>	<u>1,520</u>
	<u>\$ 138,888</u>	<u>\$ 115,856</u>

5. LIVING ALLOWANCES AND MEDICAL EQUIPMENT

The Trust Fund provides assistance in the form of monthly living allowance payments and medical equipment to individuals or their families who are in need of help.

6. SCHOLARSHIPS

The Trust Fund provides a limited number of scholarships each year to students in financial need enrolled in full-time studies at a post-secondary institution.

7. INTER-ORGANIZATION AMOUNTS

The Trust Fund is not related to Canadian Picture Pioneers (the Corporation), in that only one of the trustees of the Trust Fund serves on the Board of Directors of the Corporation. It is management's opinion that all transactions between the Trust Fund and the Corporation occur in the normal course of operations and are recorded at the exchange amount.

During the year the Trust Fund received donations from the Corporation of \$111,135 (\$88,890 received from the Corporation in 2023). The Trust Fund also paid the Corporation \$35,000 for administrative services provided in the year (\$35,000 paid in 2023). At year end no amounts were due to or from the Corporation (no amounts were due to or from the Corporation as at December 31, 2023).