

ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
FINANCIAL STATEMENTS
AS AT MARCH 31, 2018

ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
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INDEPENDENT AUDITOR'S REPORT

To the Members of
Algonquin and Lakeshore Catholic Education Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of Algonquin and Lakeshore Catholic Education Foundation, which comprise the statement of financial position as at March 31, 2018 and the statements of revenue and expenditures and changes in fund balances, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Algonquin and Lakeshore Catholic Education Foundation derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether, as at and for the years ended March 31, 2018 and March 31, 2017, any adjustments might be necessary to contributions, excess of revenue over expenditures, current assets and fund balances.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Algonquin and Lakeshore Catholic Education Foundation as at March 31, 2018, and its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KINGSTON, Canada
September 17, 2018

Wilkinson Company LLP

Chartered Professional Accountants
Licensed Public Accountants

**ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2018**

	2018	2017
	\$	\$
ASSETS		
CURRENT		
Cash	40,333	25,261
Investments - Note 3	158,411	155,653
Accounts receivable	1,702	1,895
	200,446	182,809
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	1,499	2,726
NET ASSETS		
NET ASSETS	198,947	180,083
APPROVED ON BEHALF OF THE BOARD		
 _____ Director		
 _____ Director		
	200,446	182,809

The accompanying notes form an integral part of these financial statements

**ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
STATEMENT OF NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2018**

	2018	2017
	\$	\$
NET ASSETS - BEGINNING OF YEAR	180,083	187,033
EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE) FOR YEAR	18,864	(6,950)
NET ASSETS - END OF YEAR	198,947	180,083

The accompanying notes form an integral part of these financial statements

ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
STATEMENT OF REVENUE AND EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
	\$	\$
REVENUE		
Donations and fundraising - Note 4	57,761	48,385
Interest	3,104	2,523
	60,865	50,908
EXPENSES		
Office administration	889	883
Professional fees	1,663	1,559
Insurance	4,039	3,848
	6,591	6,290
EXCESS OF REVENUE OVER EXPENDITURES BEFORE EMERGENCY RESPONSE DISBURSEMENTS	54,274	44,618
EMERGENCY RESPONSE DISBURSEMENTS	35,410	51,568
EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE) FOR YEAR	18,864	(6,950)

The accompanying notes form an integral part of these financial statements

ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
	\$	\$
OPERATING ACTIVITIES		
Excess of revenue over expenditures (expenditures over revenue) for year	18,864	(6,950)
Net change in non-cash working capital balances related to operations - Note 5	(1,034)	7,399
CASH FLOWS PROVIDED FROM OPERATING ACTIVITIES	17,830	449
INVESTING ACTIVITIES		
Decrease (increase) in investments	(2,758)	(2,000)
CASH FLOWS USED IN INVESTING ACTIVITIES	(2,758)	(2,000)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS FOR YEAR	15,072	(1,551)
CASH AND EQUIVALENTS - BEGINNING OF YEAR	25,261	26,812
CASH AND EQUIVALENTS - END OF YEAR	40,333	25,261
REPRESENTED BY:		
Cash	40,333	25,261

The accompanying notes form an integral part of these financial statements

**ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

1. NATURE OF OPERATIONS AND FINANCIAL STATEMENTS

Algonquin and Lakeshore Catholic Education Foundation was incorporated on May 31, 2002 under the Ontario Corporations Act as a corporation without share capital. It received its charitable status as a public foundation on February 4, 2004. The Foundation is committed to raising and granting funds, beyond basic government funding, to support opportunities and environments, including alleviation of poverty, that will better serve students of the Algonquin and Lakeshore Catholic District School Board.

2. ACCOUNTING POLICIES

Outlined below are those accounting policies adopted by the Foundation considered to be particularly significant:

(a) Basis of Accounting

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

(b) Accounting 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 date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Significant items subject to such estimates and assumptions include valuation of accounts receivable and accrued liabilities. Actual results could differ from those estimates.

(c) Investments

Investments are initially recorded at their acquisition cost. At the year end date the investments are adjusted to amortized cost and the corresponding income is recorded in the statement of revenue and expenditures.

(d) Capital Expenditures

The Foundation does not capitalize amounts incurred for equipment purchases. The capital expenditures are reported as expenditures on the Statement of Revenue and Expenditures in the year of acquisition.

(e) Revenue Recognition

Donations and fundraising are recognized as revenue when received. Interest income is recognized as revenue during the year in which it is earned.

**ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

2. ACCOUNTING POLICIES (Cont'd)

(f) Cash and Equivalents

Cash and equivalents consist of cash on deposit.

3. INVESTMENTS

Investments held at year-end comprise of the following:

	2018	2017
	\$	\$
1.65% Equitable Bank GIC due August 17, 2018	53,653	53,653
1.82% Home Trust Company GIC August 19, 2019	51,000	51,000
1.85% Concentra Financial Services Association GIC due August 17, 2020	51,000	51,000
Cash	2,758	
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TOTAL	158,411	155,653
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4. RELATED PARTY TRANSACTIONS

The Foundation was established to raise funds for the benefit of the students of the Algonquin and Lakeshore Catholic District School Board. The Board has agreed to fund certain costs incurred in the operational expenditures of the Foundation, through the payment to the Foundation of specified gifts, as defined under the *Income Tax Act*. For the year ended March 31, 2018, the Board contributed \$6,591 as a specified donation to the Foundation. (2017 - \$6,290)

**ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

5. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS

Cash provided from (used in) non-cash working capital is compiled as follows:

	2018	2017
	\$	\$
(INCREASE) DECREASE IN CURRENT ASSETS		
Accounts receivable	193	6,173
INCREASE (DECREASE) IN CURRENT LIABILITIES		
Accounts payable and accrued liabilities	(1,227)	1,226
NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS	(1,034)	7,399

**ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

6. FINANCIAL INSTRUMENTS

The Foundation has a comprehensive risk management framework to monitor, evaluate and manage the principal assumed with financial instruments. The risks that arise from transacting financial instruments are as follows:

Credit Risk

Credit risk is the risk of financial loss to the Foundation if a debtor fails to make payments of interest and principal when due. The Foundation does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk, and equity risk, or which only interest rate risk is a consideration for the Foundation .

Interest Rate Risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The Foundation is exposed to interest rate risk through its investments.

Liquidity Risk

Liquidity risk is the risk that the Foundation will not be able to meet all cash outflow obligations as they come due. The Foundation's exposure to liquidity risk is dependent on the receipt of funds from its operations.

There have been no significant changes from the previous period in the exposure to risk or policies, procedures and methods used to measure the risks.

7. CAPITAL DISCLOSURE

The Foundation's objectives with respect to capital management are to maintain a minimum capital base that allows the Foundation to continue with and execute its overall purpose as outlined in Note 1. The Foundation's Board of Directors performs periodic reviews of the Foundation's capital needs to ensure they remain consistent with the risk tolerance that is acceptable to the Foundation.