

Financial Statements of

**HALTON CATHOLIC CHILDREN'S
EDUCATION FOUNDATION**

Year ended March 31, 2017



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INDEPENDENT AUDITORS' REPORT

To the Directors of the Halton Catholic Children's Education Foundation

We have audited the accompanying financial statements of the Halton Catholic Children's Education Foundation, which comprise the statement of financial position as at March 31, 2017, the statements of operations and changes in net assets and cash flows for the year then ended, and notes, comprising 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 public sector accounting standards, 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.

Auditors' 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 our 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, we consider 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 statement.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Halton Catholic Children's Education Foundation derives revenue from fundraising events, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Halton Catholic Children's Education Foundation.

Therefore, we were not able to determine whether, as at March 31, 2017 and for the year then ended, any adjustments might be necessary to revenues and excess of expenses over revenues reported in the statement of operations and changes in net assets, excess of expenses over revenues reported in the statement of cash flows and current assets and net assets reported in the statement of financial position.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Halton Catholic Children's Education Foundation as at March 31, 2017, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

June 21, 2017
Hamilton, Canada

HALTON CATHOLIC CHILDREN'S EDUCATION FOUNDATION

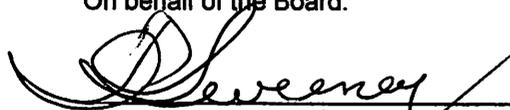
Statement of Financial Position

As at March 31, 2017 with comparative information for 2016

	2017	2016
Assets		
Current assets:		
Cash	\$ 32,157	\$ 30,013
Accounts receivable	8,119	5,325
Prepaid expenses	1,000	1,000
	<u>\$ 41,276</u>	<u>\$ 36,338</u>
Liabilities and Net Assets		
Current liabilities:		
Accrued liabilities	\$ 5,636	\$ 4,020
Deferred revenue (note 3)	19,575	1,875
	<u>25,211</u>	<u>5,895</u>
Net assets	16,065	30,443
	<u>\$ 41,276</u>	<u>\$ 36,338</u>

See accompanying notes to financial statements.

On behalf of the Board:



Director



Director

HALTON CATHOLIC CHILDREN'S EDUCATION FOUNDATION

Statement of Operations and Changes in Net Assets

Year ended March 31, 2017 with comparative information for 2016

	2017	2016
Revenues:		
Bishop's Dinner	\$ 38,633	\$ 41,144
Golf Classic	33,175	29,050
Other contributions	53,967	37,048
Oakville Community Foundation	4,000	-
Refugee Mental Health	2,000	-
Burlington Student Guardian	1,400	-
Town of Halton Hills	1,000	-
Interest income	524	562
	134,699	107,804
Expenses:		
Salaries and benefits	62,136	53,916
Bishop's Dinner	17,522	18,871
Golf Classic	13,493	12,956
Audit	3,058	3,228
Printing	2,240	379
Insurance	2,079	837
Software	1,982	1,484
Bank charges	1,044	1,095
Membership fees	425	300
Other	1,017	901
	104,996	93,967
Excess of revenues over expenses before the undernoted	29,703	13,837
Disbursements to schools from:		
General	35,681	36,344
Oakville Community Foundation	4,000	-
Refugee Mental Health	2,000	-
Burlington Student Guardian	1,400	-
Town of Halton Hills	1,000	-
Total disbursements to schools (note 2)	44,081	36,344
Excess of expenses over revenues	(14,378)	(22,507)
Net assets, beginning of year	30,443	52,950
Net assets, end of year	\$ 16,065	\$ 30,443

See accompanying notes to financial statements.

HALTON CATHOLIC CHILDREN'S EDUCATION FOUNDATION

Statement of Cash Flows

Year ended March 31, 2017 with comparative information for 2016

	2017	2016
Cash provided by:		
Excess of expenses over revenues	\$ (14,378)	\$ (22,507)
Change in non-cash operating working capital:		
Accounts receivable	(2,794)	(2,909)
Accrued liabilities	1,616	950
Prepaid expenses	-	(240)
Deferred revenue	17,700	(4,175)
Increase (decrease) in cash position	2,144	(28,881)
Cash, beginning of year	30,013	58,894
Cash, end of year	\$ 32,157	\$ 30,013

See accompanying notes to financial statements.

HALTON CATHOLIC CHILDREN'S EDUCATION FOUNDATION

Notes to Financial Statements

Year ended March 31, 2017

The Halton Catholic Children's Education Foundation (the "Foundation") is a public charitable organization incorporated on September 10, 1998 without share capital under the laws of Ontario. The Foundation was not active for a number of years and recommenced active operations during the year ended March 31, 2012. Its principal activities include the establishment and administration of funds to be applied to activities and projects that improve the quality of services provided to the students of the Halton Catholic District School Board and impact positively on its image within the Halton Region. The Foundation is registered as a public foundation under the Income Tax Act.

1. Significant accounting policies:

These financial statements are prepared by management in accordance with Canadian public sector accounting standards including the 4200 standards for government not-for-profit organizations.

The Foundation's significant accounting policies are as follows:

(a) Revenue recognition:

The Foundation follows the deferral method of accounting for contributions which include donations and government grants.

Contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized in revenue in the year in which the related expenses are incurred.

Interest income is recorded as earned.

(b) Expenses:

Expenses are recorded on accrual basis.

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Derivative instruments and equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value.

HALTON CATHOLIC CHILDREN'S EDUCATION FOUNDATION

Notes to Financial Statements

Year ended March 31, 2017

2. Related party transactions:

The Halton Catholic District School Board (the "HCDSB") and its students are the recipients of the funds raised by the Foundation. The Foundation provided various schools within the HCDSB with \$44,081 (2016 - \$36,344) in the current year.

3. Deferred revenue:

Deferred revenue consists of the following amounts:

	Deferred revenue – Student Guardian Program	Deferred revenue – Refugee Mental Health	Deferred revenue – Golf Classic	Total 2017	Total 2016
Balance, beginning of year	\$ -	\$ -	\$ 1,875	\$ 1,875	\$ 6,050
Add: Donations and funds raised	5,000	15,550	1,025	21,575	1,875
	5,000	15,550	2,900	23,450	7,925
Less: Funds used for operations	-	(2,000)	(1,875)	(3,875)	(6,050)
Balance, end of year	\$ 5,000	\$ 13,550	1,025	\$ 19,575	\$ 1,875

4. Financial risks and concentration of credit risk:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Foundation is exposed to credit risk with respect to the accounts receivable and cash.

The Foundation assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of the Foundation at March 31, 2017 is the carrying value of these assets.