

Financial Statements of

**HALTON CATHOLIC CHILDREN'S
EDUCATION FOUNDATION**

Year ended March 31, 2018



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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, 2018, 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, 2018 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, 2018, 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

Hamilton, Canada

June 21, 2018

HALTON CATHOLIC CHILDREN'S EDUCATION FOUNDATION

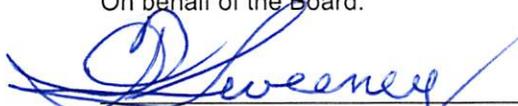
Statement of Financial Position

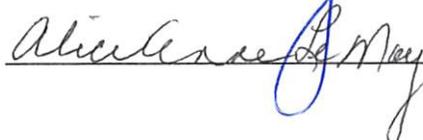
As at March 31, 2018 with comparative information for 2017

	2018	2017
Assets		
Current assets:		
Cash	\$ 18,316	\$ 32,157
Accounts receivable	9,520	8,119
Prepaid expenses	500	1,000
	<u>\$ 28,336</u>	<u>\$ 41,276</u>
Liabilities and Net Assets		
Current liabilities:		
Accrued liabilities (note 3)	\$ 5,636	\$ 5,636
Deferred revenue (note 4)	5,511	19,575
	<u>11,147</u>	<u>25,211</u>
Net assets	17,189	16,065
	<u>\$ 28,336</u>	<u>\$ 41,276</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, 2018 with comparative information for 2017

	2018	2017
Revenues:		
Bishop's Dinner	\$ 47,019	\$ 38,633
Golf Classic	35,350	33,175
Other contributions	68,771	53,967
Refugee Mental Health	12,464	2,000
24 Hour Fast	4,590	-
Burlington Student Guardian	300	1,400
Oakville Community Foundation	-	4,000
Town of Halton Hills	-	1,000
Interest income	444	524
	<u>168,938</u>	<u>134,699</u>
Expenses:		
Salaries and benefits	64,996	62,136
Bishop's Dinner	22,546	17,522
Golf Classic	14,397	13,493
Audit	3,118	3,058
Printing	2,666	2,240
Software	2,497	1,982
Insurance	2,079	2,079
Bank charges	1,487	1,044
24 Hour Fast	390	-
Membership fees	325	425
Other	1,414	1,017
	<u>115,915</u>	<u>104,996</u>
Excess of revenues over expenses before the undernoted	53,023	29,703
Disbursements to schools from:		
General	39,135	35,681
Refugee Mental Health	12,464	2,000
Burlington Student Guardian	300	1,400
Oakville Community Foundation	-	4,000
Town of Halton Hills	-	1,000
Total disbursements to schools (note 2)	<u>51,899</u>	<u>44,081</u>
Excess of revenues over expenses (expenses over revenues)	1,124	(14,378)
Net assets, beginning of year	16,065	30,443
Net assets, end of year	<u>\$ 17,189</u>	<u>\$ 16,065</u>

See accompanying notes to financial statements.

HALTON CATHOLIC CHILDREN'S EDUCATION FOUNDATION

Statement of Cash Flows

Year ended March 31, 2018 with comparative information for 2017

	2018	2017
Cash provided by:		
Excess of revenues over expenses (expenses over revenues)	\$ 1,124	\$ (14,378)
Change in non-cash operating working capital:		
Accounts receivable	(1,401)	(2,794)
Accrued liabilities	-	1,616
Prepaid expenses	500	-
Deferred revenue	(14,064)	17,700
(Decrease) increase in cash position	(13,841)	2,144
Cash, beginning of year	32,157	30,013
Cash, end of year	\$ 18,316	\$ 32,157

See accompanying notes to financial statements.

HALTON CATHOLIC CHILDREN'S EDUCATION FOUNDATION

Notes to Financial Statements

Year ended March 31, 2018

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, 2018

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 \$51,899 (2017 - \$44,081) in the current year.

3. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$206 (2017 - \$206), which includes amounts payable for payroll related taxes.

4. Deferred revenue:

Deferred revenue consists of the following amounts:

	Deferred revenue – Student Guardian Program	Deferred revenue – Refugee Mental Health	Deferred revenue – Golf Classic	Total 2018	Total 2017
Balance, beginning of year	\$ 5,000	\$ 13,550	\$ 1,025	\$ 19,575	\$ 1,875
Add: Donations and funds raised	700	-	3,725	4,425	21,575
	5,700	13,550	4,750	24,000	23,450
Less: Funds used for operations	(5,000)	(12,464)	(1,025)	(18,489)	(3,875)
Balance, end of year	\$ 700	\$ 1,086	\$ 3,725	\$ 5,511	\$ 19,575

5. 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, 2018 is the carrying value of these assets.