

CALGARY CATHOLIC EDUCATION FOUNDATION
Financial Statements
August 31, 2020

CALGARY CATHOLIC EDUCATION FOUNDATION
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For the Year Ended August 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Calgary Catholic Education Foundation

Opinion

We have audited the financial statements of Calgary Catholic Education Foundation (the "Foundation"), which comprise the statement of financial position as at August 31, 2020, and the statements of operations, 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 Foundation as at August 31, 2020, and its financial performance 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 Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with those 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 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.

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

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Independent Auditor's Report to the Directors of Calgary Catholic Education Foundation *(continued)*

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

Auditor's Responsibilities for the Audit of 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:

- 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 Foundation'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 Foundation'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 Foundation 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.

BDO Canada LLP

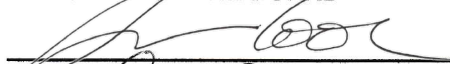
Chartered Professional Accountants


Calgary, Alberta
January 14, 2021

CALGARY CATHOLIC EDUCATION FOUNDATION
Statement of Financial Position
As at August 31, 2020

	2020	2019
Assets		
Current		
Cash (Note 3)	\$ 220,039	\$ 303,391
Marketable securities (Note 3)	150,824	149,430
Accounts receivable	30,731	11,492
Short term investment (Note 3)	5,000	5,000
Prepaid expenses	27,621	331
	<u>434,215</u>	469,644
Intangible assets (Note 4)	<u>2,594</u>	-
	<u>\$ 436,809</u>	<u>\$ 469,644</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued liabilities	\$ 55,070	\$ 10,321
Deferred contributions (Note 5)	138,439	125,032
Wages payable	4,692	10,950
	<u>198,201</u>	146,303
Net assets	<u>238,608</u>	323,341
	<u>\$ 436,809</u>	<u>\$ 469,644</u>

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

CALGARY CATHOLIC EDUCATION FOUNDATION
Statement of Operations
For the Year Ended August 31, 2020

	2020	2019
Revenue		
Fundraising	\$ 111,372	\$ 134,952
Donations	46,805	79,265
Government Grant	17,125	-
Investment income	1,422	2,760
Raffle	-	46,505
	<u>176,724</u>	<u>263,482</u>
Expenses		
Distribution of funds	136,624	133,579
Operating expenses		
Salaries and wages	89,444	62,798
Professional fees	19,457	10,340
Office	6,038	6,040
Fundraising	3,508	10,145
Software licensing costs	3,101	3,757
Telephone	871	320
Insurance	811	6,316
Board	720	2,375
Amortization	519	5,036
Interest and bank charges	364	253
	<u>261,457</u>	<u>240,959</u>
Excess (deficiency) of revenue over expenses	\$ (84,733)	\$ 22,523

The accompanying notes are an integral part of these financial statements.

CALGARY CATHOLIC EDUCATION FOUNDATION
Statement of Changes in Net Assets
For the Year Ended August 31, 2020

	2020	2019
Net assets - beginning of year	\$ 323,341	\$ 300,818
Excess (deficiency) of revenue over expenses	(84,733)	22,523
Net assets - end of year	\$ 238,608	\$ 323,341

The accompanying notes are an integral part of these financial statements.

CALGARY CATHOLIC EDUCATION FOUNDATION
Statement of Cash Flows
For the Year Ended August 31, 2020

	2020	2019
Operating activities		
Cash receipts from donors and fundraising events	\$ 169,469	\$ 330,872
Cash paid to Calgary Catholic School District for grants	(166,562)	(133,579)
Cash paid to employees and suppliers	(83,171)	(105,727)
Interest income	1,422	2,760
	<u>(78,842)</u>	<u>94,326</u>
Investing activities		
Net (acquisition) proceeds from sale of marketable securities	(1,397)	17,662
Purchase of intangible assets	(3,113)	-
	<u>(4,510)</u>	<u>17,662</u>
(Decrease) increase in cash flow	(83,352)	111,988
Cash - beginning of year	<u>303,391</u>	<u>191,403</u>
Cash - end of year	\$ 220,039	\$ 303,391

The accompanying notes are an integral part of these financial statements.

CALGARY CATHOLIC EDUCATION FOUNDATION

Notes to Financial Statements

Year Ended August 31, 2020

1. Description of the organization

The Catholic Education Foundation of Calgary (the "Foundation") was incorporated under the Companies Act of Alberta on October 27, 2008. On February 14, 2014, the Foundation changed its name to Calgary Catholic Education Foundation. The Foundation is a resource dedicated to enhancing the educational experience of students in the Calgary Catholic School District.

The Foundation is a registered charity, and under Section 149(1)(f) of the Income Tax Act, is exempt from the payment of income tax.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part III of the CPA Canada Handbook, and in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Cash and cash equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, with original maturities of three months or less and that are subject to an insignificant risk of change in value. The Foundation currently hold no cash equivalents.

Intangible assets

Intangible assets are stated at cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Website Costs	33%
Computer Software	33%

Revenue recognition

The Calgary Catholic Education Foundation 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. Restricted contributions for the purchase of property and equipment are deferred and recognized as income on the same basis as the related assets are amortized.

Raffle revenue is restricted by the terms of the related licence and is therefore deferred and recognized as revenue when the terms of the restriction have been met.

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CALGARY CATHOLIC EDUCATION FOUNDATION

Notes to Financial Statements

Year Ended August 31, 2020

2. Summary of significant accounting policies *(continued)*

Financial instruments

(i) Initial measurement

The Foundation initially measures its financial assets and financial liabilities at fair value.

(ii) Subsequent to initial recognition

It subsequently measures all of its financial assets and financial liabilities at amortized cost, except for investments in equity instruments and mutual funds that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized as part of investment income in the statement of operations.

(iii) Impairment

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying amount of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement.

Volunteer services

Volunteers contribute many hours per year to assist the Foundation in carrying out its service delivery activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Measurement uncertainty

Under Canadian accounting standards for not-for-profit organizations, an important concept in the preparation of financial statements is the use of estimates in the determination of assets, liabilities, revenues, expenses and excess (deficit) of revenue over expenses for the year. To the extent that these estimates may vary from actual results, there would be a corresponding effect on various elements of the financial statements.

Management estimates included in these financial statement are the intangible assets and accrued liabilities.

3. Cash and investments

a) Included in cash is \$44,690 (2019: \$Nil) in an account restricted by the terms of the AGLC Raffle licence.

b) Marketable securities consist of investments in money market funds. These investments are reported at fair value.

c) Short term investment consist of a cashable guaranteed investment certificate, with interest rate at 0.5% annually, maturing within one year.

CALGARY CATHOLIC EDUCATION FOUNDATION

Notes to Financial Statements

Year Ended August 31, 2020

4. Intangible assets

	Cost	Accumulated amortization	2020 Net book value
Website costs	\$ 3,113	\$ 519	\$ 2,594
Computer software	5,036	5,036	-
	-	-	-
	<u>\$ 8,149</u>	<u>\$ 5,555</u>	<u>\$ 2,594</u>

	Cost	Accumulated amortization	2019 Net book value
Computer software	\$ 5,036	\$ 5,036	\$ -

5. Deferred contributions

The Raffle revenue has been deferred until utilized for purposes allowed by the AGLC Raffle license. The contributions received from the Bishop's Dinner are restricted by the donors to be used for grants to schools for the Calgary Catholic/Open Minds(R) program.

	Opening	Addition	Utilization	Ending
Bishop's Dinner	\$ 125,032	\$ -	\$ 25,000	\$ 100,032
Raffle revenue	-	37,407	-	37,407
Donor directed	-	1,000	-	1,000
	<u>\$ 125,032</u>	<u>\$ 38,407</u>	<u>\$ 25,000</u>	<u>\$ 138,439</u>

6. Financial instruments

The Foundation's financial instruments consist of cash, marketable securities, accounts receivable, short term investment, accounts payable and accrued liabilities. All of these are reported at amortized cost, except for marketable securities which are recorded at fair market value.

Management has determined that the Foundation is not exposed to significant credit or interest rate risk, but does have some market risk due to the nature of marketable securities held. To mitigate the market risk, the Board of Directors has implemented an investment policy that limits the nature of investments held.

7. Comparative figures

Some of the comparative figures have been reclassified to conform to the current year's presentation.

CALGARY CATHOLIC EDUCATION FOUNDATION

Notes to Financial Statements

Year Ended August 31, 2020

8. COVID-19

The outbreak of novel strain of coronavirus, specifically identified as "COVID-19", has resulted in worldwide emergency measures to combat the spread of the virus. These measures, which include self-quarantine periods, have caused disruption to businesses globally, and resulted in a significant economic slowdown. The duration and impact of the COVID-19 outbreak is unknown at this time, including measures implemented by provincial and federal governments. It is not possible to reliably estimate the length or the effect of these developments, including the impact on the financial results of the Foundation in future periods.
