

CALGARY CATHOLIC EDUCATION FOUNDATION
Financial Statements
August 31, 2018

CALGARY CATHOLIC EDUCATION FOUNDATION
Index to Financial Statements
For the Year Ended August 31, 2018

	Page
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 7



Tel: 403-266-5608
Fax: 403-233-7833
www.bdo.ca

BDO Canada LLP
903 8 Avenue SW, Suite 620
Calgary Alberta T2P 0P7

INDEPENDENT AUDITOR'S REPORT

To the Members of Calgary Catholic Education Foundation:

We have audited the accompanying financial statements of Calgary Catholic Education Foundation, which comprise the statement of financial position as at August 31, 2018 and the statements of operations, changes in net assets 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.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Calgary Catholic Education Foundation as at August 31, 2018 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.

Other Matter

The financial statements of Calgary Catholic Education Foundation for the year ended August 31, 2017 were audited by the firm of Calvista LLP, whose practice now operates under BDO Canada LLP, and who expressed an unmodified opinion on those statements on November 27, 2017.

Chartered Professional Accountants

Calgary, Alberta
February 19, 2019

CALGARY CATHOLIC EDUCATION FOUNDATION
Statement of Financial Position
As at August 31, 2018

	2018	2017
Assets		
Current		
Cash (Note 3)	\$ 191,403	\$ 74,087
Marketable securities (Note 3)	167,092	284,912
Accounts receivable	3,112	4,196
Short term investment (Note 3)	5,000	5,000
Prepaid expenses	9,423	4,388
	<u>\$ 376,030</u>	<u>\$ 372,583</u>
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued liabilities	\$ 28,710	\$ 27,075
Deferred contributions (Note 4)	46,502	-
	<u>75,212</u>	<u>27,075</u>
Net assets	<u>300,818</u>	<u>345,508</u>
	<u>\$ 376,030</u>	<u>\$ 372,583</u>

ON BEHALF OF THE BOARD

_____ Director

_____ Director

CALGARY CATHOLIC EDUCATION FOUNDATION
Statement of Operations
For the Year Ended August 31, 2018

	2018	2017
Revenue		
Donations	\$ 210,742	\$ 133,668
Raffle (<i>Note 4</i>)	33,253	66,563
Investment income	2,546	1,518
Fundraising events	701	10,533
	<u>247,242</u>	<u>212,282</u>
Expenses		
Distribution of funds	170,425	151,804
Operating expenses		
Salaries and wages	64,092	64,432
Professional fees	8,375	7,850
Insurance	5,783	5,783
Office	5,509	3,989
Raffle	35,503	20
Software licensing costs	1,259	1,574
Telephone	786	935
Interest and bank charges	200	1,078
	<u>291,932</u>	<u>237,465</u>
Deficiency of revenue over expenses	<u>\$ (44,690)</u>	<u>\$ (25,183)</u>

CALGARY CATHOLIC EDUCATION FOUNDATION
Statement of Changes in Net Assets
For the Year Ended August 31, 2018

	2018	2017
Net assets - beginning of year	\$ 345,508	\$ 370,691
Deficiency of revenue over expenses	<u>(44,690)</u>	<u>(25,183)</u>
Net assets - end of year	<u>\$ 300,818</u>	<u>\$ 345,508</u>

CALGARY CATHOLIC EDUCATION FOUNDATION
Statement of Cash Flows
For the Year Ended August 31, 2018

	2018	2017
Operating activities		
Cash receipts from donors and fundraising events	\$ 292,281	\$ 144,436
Cash paid to Calgary Catholic School District for grants	(170,427)	(151,804)
Cash paid to employees and suppliers	(124,904)	(79,399)
Interest income	2,546	1,518
	<u>(504)</u>	<u>(85,249)</u>
Investing activity		
Net proceeds (acquisition) from sale of marketable securities	<u>117,820</u>	<u>(1,493)</u>
Increase (decrease) in cash flow	117,316	(86,742)
Cash - beginning of year	<u>74,087</u>	<u>160,829</u>
Cash - end of year	\$ 191,403	\$ 74,087

CALGARY CATHOLIC EDUCATION FOUNDATION

Notes to Financial Statements

Year Ended August 31, 2018

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.

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 that 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.

Financial instruments

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

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.

(continues)

CALGARY CATHOLIC EDUCATION FOUNDATION
Notes to Financial Statements
Year Ended August 31, 2018

2. Summary of significant accounting policies (continued)

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 fair value of marketable securities and accrued liabilities.

3. Cash and investments

a) Included in cash is \$46,508 (2017: \$nil) in an account restricted by the terms of the AGLC Raffle licence.

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

c) Short term investment of \$5,000 (2017: \$5,000) consist of a cashable guaranteed investment certificate, with interest rate at 0.5% annually, maturing within one year.

4. Deferred contributions

The following amounts have been deferred until utilized for purposes allowed by the AGLC Raffle licence.

	<u>Opening</u>	<u>Addition</u>	<u>Utilization</u>	<u>Ending</u>
Raffle revenue	\$ -	\$ 79,755	\$ 33,253	\$ 46,502

5. 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.
