

Upper Canada District School Board Champion for Kids Foundation
Financial Statements
August 31, 2017

Independent Auditors' Report

To the Board of Directors of Upper Canada District School Board Champions for Kids Foundation:

Report on the Financial Statements

We have audited the accompanying financial statements of Upper Canada District School Board Champions for Kids Foundation, which comprise the statement of financial position as at August 31, 2017, and the statements of operations and 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.

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 the auditors' 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 qualified audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the Foundation derives revenue from donations and fundraising activities, 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 the Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of expenses over revenue and cash flows from operations for the years ended August 31, 2017 and 2016, current assets as at August 31, 2017 and 2016, and net assets as at September 1, and August 31 for both the 2017 and 2016 years. Our audit opinion on the financial statements for the year ended August 31, 2016 was modified accordingly because of the possible effects of this limitation in scope.

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 Upper Canada District School Board Champions for Kids Foundation as at August 31, 2017 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.

Report on Other Legal and Regulatory Requirements

As required by the Corporations Act (Ontario), we report that, in our opinion, Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Brockville, Ontario

November 8, 2017

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

Upper Canada District School Board Champion for Kids Foundation

Statement of Financial Position

As at August 31, 2017

	2017	2016
Assets		
Current		
Cash	228,848	195,929
Harmonized Sales Tax recoverable	4,671	2,247
Other receivables	76	995
	233,595	199,171
Liabilities		
Current		
Accounts payable and accrued liabilities	4,407	6,000
Deferred contributions for future expenses (Note 3)	73,083	80,078
	77,490	86,078
Net Assets		
Unrestricted	156,105	113,093
	233,595	199,171

Approved on behalf of the Board:

Original signed
Director

Original signed
Director

Upper Canada District School Board Champion for Kids Foundation

Statement of Operations and Changes in Net Assets

For the year ended August 31, 2017

	2017	2016
Revenue		
Fundraising	71,597	78,264
Donations	103,509	124,949
Recognition of deferred contribution <i>(Note 3)</i>	6,995	4,494
Interest	2,042	1,753
	184,143	209,460
Expenses		
Student support service	118,575	186,021
Fundraising	15,855	24,910
Insurance	2,787	2,530
Professional fees	3,014	3,270
Printing and supplies	393	775
Meetings	-	91
Bank charges	507	1,238
	141,131	218,835
Excess (deficiency) of revenue over expenses	43,012	(9,375)
Unrestricted net assets beginning of year	113,093	122,468
	156,105	113,093
Unrestricted net assets, end of year	156,105	113,093

The accompanying notes are an integral part of these financial statements

Upper Canada District School Board Champion for Kids Foundation
Statement of Cash Flows
For the year ended August 31, 2017

	2017	2016
Cash provided by (used for):		
Operations:		
Donations received	103,509	124,949
Fundraising revenue	72,516	77,769
Interest received	2,042	1,753
Amounts paid for student support	(120,247)	(187,099)
Cash paid to suppliers	(24,901)	(16,580)
Increase (decrease) in cash	32,919	792
Cash, beginning of year	195,929	195,137
Cash, end of year	228,848	195,929

The accompanying notes are an integral part of these financial statements

Upper Canada District School Board Champion for Kids Foundation

Notes to the Financial Statements

For the year ended August 31, 2017

1. Incorporation and nature of the organization

The Foundation is incorporated without share capital under the Corporations Act (Ontario) and is a non-profit corporation established for the purpose of receiving and maintaining a fund or funds and applying all or part of the principal and income there from to or for the advancement of education by providing deserving children and students in need with out-of-school programs and resources to enhance their schooling and to encourage life-long learning and to provide support services and financial assistance thereto. The Foundation qualifies for tax-exempt status as a registered charity under paragraph 149(1)(f) of the Income Tax Act.

2. Summary of significant accounting policies:

(a) General:

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Revenue recognition:

The Foundation follows the deferral method of accounting for contributions, which include donations and fundraising proceeds.

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. Externally restricted contributions are deferred and recognized as revenue in the year in which the related expenses are recognized.

Investment income is recognized as revenue when earned.

(c) Measurement of financial instruments:

The Foundation initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Foundation subsequently measures all of its financial assets and financial liabilities at amortized cost.

(d) Contributed services:

Volunteers contribute a significant amount of their time each year. Due to the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

3. Deferred contribution for future expenses:

Deferred contribution for future expenses represents an unspent externally restricted donation for future student services for students in System Designated Classrooms (or equivalent). A maximum of \$10,000 may be applied in any year.

	2017	2016
Balance, beginning of year	80,078	84,572
Less amount recognized as revenue	(6,995)	(4,494)
Balance, end of year	73,083	80,078

Upper Canada District School Board Champion for Kids Foundation

Notes to the Financial Statements

For the year ended August 31, 2017

4. Financial Instruments:

The significant financial risks to which the Foundation is exposed relating to its financial instruments are as follows:

(a) Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk associated with cash is minimized substantially by ensuring that this asset is invested with a major financial institution.

(b) Interest rate risk:

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

The Foundation is not exposed to significant interest risk arising from financial instruments.

(c) Liquidity risk:

Liquidity risk is the risk that the Foundation will not be able to meet a demand for cash or fund its obligations as they come due.

The Foundation meets its liquidity requirements by monitoring its cash flows from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash.

(d) Change in risk:

There have been no significant changes in the Foundation's risk exposures from the prior year.