

**HALTON CATHOLIC CHILDREN'S EDUCATION  
FOUNDATION**

**FINANCIAL STATEMENTS**

**MARCH 31, 2022**



# HALTON CATHOLIC CHILDREN'S EDUCATION FOUNDATION

MARCH 31, 2022

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## **Independent Auditor's Report**

**To the Board of Directors of:  
Halton Catholic Children's Education Foundation**

### ***Qualified Opinion***

I have audited the accompanying financial statements of Halton Catholic Children's Education Foundation, which comprise of the balance sheet as of March 31, 2022, and the statement of operations and changes in fund balance and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying financials statements present fairly, in all material respects the financial position of the organization as at March 31, 2022, 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 Qualified Opinion***

In common with many not-for-profit organizations, Halton Catholic Children's Education Foundation derives revenue from events and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the Organization and I was not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenditures, assets and net fund balances.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 organization'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 organization's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Organization 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.

I 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 I identify during my audit.



**Melissa L. Coulson, Chartered Professional Accountant**  
Licensed Public Accountant  
A Professional Corporation

June 22, 2022  
Milton, Ontario



**Halton Catholic Children's Education Foundation**

**STATEMENT OF FINANCIAL POSITION**

As at March 31

	2022	2021
	\$	\$
<b>ASSETS</b>		
<b>Current</b>		
Cash	183,169	190,908
Accounts receivable	16,349	-
Prepaid expenses	1,097	2,742
Due from related party (note 3)	1,592	3,333
	<u>202,207</u>	<u>196,983</u>
<b>LIABILITIES &amp; FUND BALANCES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (note 3 & 4)	6,625	36,095
Deferred revenue (note 5)	1,981	6,782
<b>Total current liabilities</b>	<u>8,606</u>	<u>42,877</u>
<b>Net Assets</b>		
Operating fund	193,601	154,106
	<u>202,207</u>	<u>196,983</u>

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

**Approved on Behalf of the Board**



Marvin Duarte, Chair HCCEF



James McInnis, Vice Chair HCCEF

**Halton Catholic Children's Education Foundation**

**STATEMENT OF OPERATIONS  
AND CHANGES IN FUND BALANCES**

Year ended March 31

	2022	2021
	\$	\$
<b>REVENUE</b>		
Event income <i>(note 7)</i>	115,132	121,238
Donations	92,949	110,103
Grant income <i>(note 8)</i>	10,409	5,856
Interest income	1,187	1,084
	<b>219,677</b>	<b>238,281</b>
<b>PROGRAM COSTS</b>		
School equipment, events and programs <i>(note 9)</i>	65,377	49,024
Management fees, salaries and benefits	64,934	68,349
Event supplies	22,365	18,293
	<b>152,676</b>	<b>135,666</b>
<b>ADMINISTRATIVE COSTS</b>		
Professional fees	8,483	4,200
Salaries and benefits	4,300	-
Bank fees	4,189	4,701
Computer maintenance and software	4,045	2,527
Office and sundry	3,929	10,029
Insurance	1,251	3,024
Membership fees	869	355
Advertising	440	-
	<b>27,506</b>	<b>24,836</b>
<b>Excess of revenue over expenses</b>	<b>39,495</b>	<b>77,779</b>
Fund balance, beginning of year	154,106	76,327
<b>Fund balance, end of year</b>	<b>193,601</b>	<b>154,106</b>

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

## Halton Catholic Children's Education Foundation

### STATEMENT OF CASH FLOWS

Year ended March 31

	2022	2021
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	39,495	77,779
Changes in non-cash working capital items:		
Accounts receivable	(16,349)	14,206
Accrued liabilities	(29,470)	24,324
Prepaid expenses	1,645	771
Deferred revenue	(4,801)	3,514
Due from HCDSB	1,741	(1,467)
<b>Cash provided by (used in) operating activities</b>	<b>(7,739)</b>	<b>119,127</b>
<b>Net change in cash</b>	<b>(7,739)</b>	<b>119,127</b>
Cash, beginning of year	190,908	71,781
<b>Cash, end of year</b>	<b>183,169</b>	<b>190,908</b>

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



# **Halton Catholic Children's Education Foundation**

## **NOTES TO THE FINANCIAL STATEMENTS**

Year ended March 31, 2022

### **1. DESCRIPTION OF THE ORGANIZATION**

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 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.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

#### **Revenue Recognition**

The Foundation follows the deferral method of accounting for contributions which include donations and government grants. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized when received or receivable if the amount receivable can be reasonably estimated and collection is reasonably assured.

Donations and grants – Revenue from donations and grants is recognized when the amount can be reasonably estimated, and ultimate collection is reasonably assured.

Fundraising– Fundraising sales are recognized in the year that the event takes place.

Interest income is recognized as earned.

#### **Prepaid Expenses**

Prepaid expenses include insurance and other similar type items where payment is made in full for future benefit.

#### **Volunteer Services**

The Halton Catholic Children's Education Foundation benefits from substantial services in the form of volunteer time. Since these invaluable services are not purchased by Halton Catholic Children's Education Foundation, they are not recorded in these financial statements.

## Halton Catholic Children's Education Foundation

### NOTES TO THE FINANCIAL STATEMENTS

Year ended March 31, 2022

#### Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts disclosed in the financial statements. Actual results could differ from those estimates. In particular, the useful lives of fixed assets could differ from the estimates made.

#### 3. 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 \$65,377 (2021 - \$49,024) in the current year. At year-end there is a receivable from HCDSB for payroll donations for the month of October in the amount of \$1,592 (2021 - \$3,333). Also included in the Accruals at year-end is \$2,278 (2021 - \$25,162).

#### 4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are government remittances payable of \$198 (2021 - \$279), which included amounts payable for payroll related taxes.

#### 5. DEFERRED REVENUE

	Student Guardian Program \$	Golf Classic \$	Town of Oakville Halton Community Hills Foundation \$		Total 2022 \$	Total 2021 \$
Balance, beginning year	262	5,000	1,020	500	6,782	3,268
Add: donations and Funds raised	—	—	—	1,299	1,299	6,000
Less: funds used For operation	—	(5,000)	(600)	(500)	(6,100)	(2,486)
Balance, end of year	262	—	420	1,299	1,981	6,782

## Halton Catholic Children's Education Foundation

### NOTES TO THE FINANCIAL STATEMENTS

Year ended March 31, 2022

#### 6. FINANCIAL INSTRUMENTS

##### Fair Values

The fair values of cash, accounts receivable, accounts payable and accrued liabilities approximate their carrying value due to their short-term nature.

##### Interest Rate Risk

The Foundation is not exposed to significant interest rate risk due to the short term maturity of its monetary current assets and current liabilities

#### 7. EVENT INCOME

Event income is comprised of the following amounts:

	2022	2021
	\$	\$
Bishop's Dinner	24,886	30,027
Golf Classic	43,835	26,140
24 Hour Fast 2020	—	40,140
24 Hour Fast 2021	25,958	24,931
24 Hour Fast 2022	20,452	—
	<b>115,132</b>	<b>121,238</b>

#### 8. GRANT INCOME

Grant income is comprised of the following amounts:

	2022	2021
	\$	\$
Charity of Hope	5,000	5,000
Government summer student grant	4,122	—
Oakville Community Foundation	687	856
Town of Halton Hills	600	—
	<b>10,409</b>	<b>5,856</b>

## Halton Catholic Children's Education Foundation

### NOTES TO THE FINANCIAL STATEMENTS

Year ended March 31, 2022

#### 9. DISBURSEMENTS TO SCHOOLS

The Foundation disbursed funds to students of the HCDSB from the following grants:

	2022	2021
	\$	\$
General	59,089	42,024
Refugee Mental Health	—	2,000
Charity of Hope	5,000	5,000
Town of Halton Hills	600	—
Oakville Community Foundation	688	—
	<u>65,377</u>	<u>49,024</u>

#### 10. COMPARATIVE FIGURES

The comparative figures from the prior year have been reclassified from statements previously presented to conform to the presentation of the 2022 financial statements. The 2021 financial statements were audited by a different firm of Chartered Professional Accountants.