

**ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
FINANCIAL STATEMENTS
AS AT MARCH 31, 2016**

ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
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AS AT MARCH 31, 2016

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INDEPENDENT AUDITORS' REPORT

To the Members of
Algonquin and Lakeshore Catholic Education Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of Algonquin and Lakeshore Catholic Education Foundation, which comprise the statement of financial position as at March 31, 2016 and the statements of revenue and expenditures and changes in fund balances, 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.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Algonquin and Lakeshore Catholic Education Foundation derives revenue from donations and fundraising activities, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenue over expenditures, current assets and fund balances.

Qualified Opinion

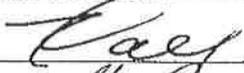
In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Algonquin and Lakeshore Catholic Education Foundation as at March 31, 2016, and its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KINGSTON, Canada
September 14, 2016

Wilkinson Company LLP

Chartered Accountants
Licensed Public Accountants

**ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2016**

	2016	2015
	\$	\$
ASSETS		
CURRENT		
Cash	26,812	66,158
Investments - Note 3	153,653	101,932
Accounts receivable	8,068	1,465
	188,533	169,555
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	1,501	1,400
NET ASSETS		
NET ASSETS	187,032	168,155
APPROVED ON BEHALF OF THE BOARD		
	Director	
	Director	
	188,533	169,555

The accompanying notes form an integral part of these financial statements

**ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
STATEMENT OF NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2016**

	2016	2015
	\$	\$
NET ASSETS - BEGINNING OF YEAR	168,155	155,335
EXCESS OF REVENUE OVER EXPENDITURES FOR YEAR	18,877	12,820
NET ASSETS - END OF YEAR	187,032	168,155

The accompanying notes form an integral part of these financial statements

ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
STATEMENT OF REVENUE AND EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 2016

	2016	2015
	\$	\$
REVENUE		
Donations and fundraising - Note 5	47,804	46,574
Interest	2,075	2,287
	49,879	48,861
EXPENSES		
Office administration	724	643
Professional fees	1,555	1,503
Insurance	3,848	3,730
	6,127	5,876
EXCESS OF REVENUE OVER EXPENDITURES BEFORE EMERGENCY RESPONSE DISBURSEMENTS	43,752	42,985
EMERGENCY RESPONSE DISBURSEMENTS	24,875	30,165
EXCESS OF REVENUE OVER EXPENDITURES FOR YEAR	18,877	12,820

The accompanying notes form an integral part of these financial statements

ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2016

	2016	2015
	\$	\$
OPERATING ACTIVITIES		
Excess of revenue over expenditures for year	18,877	12,820
Net change in non-cash working capital balances related to operations - Note 4	(6,502)	2,005
CASH FLOWS PROVIDED FROM OPERATING ACTIVITIES	12,375	14,825
INVESTING ACTIVITIES		
Decrease (increase) in investments	(51,721)	(1,932)
CASH FLOWS USED IN INVESTING ACTIVITIES	(51,721)	(1,932)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS FOR YEAR	(39,346)	12,893
CASH AND EQUIVALENTS - BEGINNING OF YEAR	66,158	53,265
CASH AND EQUIVALENTS - END OF YEAR	26,812	66,158
REPRESENTED BY:		
Cash	26,812	66,158

The accompanying notes form an integral part of these financial statements

**ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016**

1. NATURE OF OPERATIONS AND FINANCIAL STATEMENTS

Algonquin and Lakeshore Catholic Education Foundation was incorporated on May 31, 2002 under the Ontario Corporations Act as a corporation without share capital. It received its charitable status as a public foundation on February 4, 2004. The Foundation is committed to raising and granting funds, beyond basic government funding, to support opportunities and environments, including alleviation of poverty, that will better serve students of the Algonquin and Lakeshore Catholic District School Board.

2. ACCOUNTING POLICIES

Outlined below are those accounting policies adopted by the Foundation considered to be particularly significant:

(a) Basis of Accounting

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Accounting 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 of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Significant items subject to such estimates and assumptions include valuation of accounts receivable and accrued liabilities. Actual results could differ from those estimates.

(c) Investments

Investments are initially recorded at their acquisition cost. At the year end date the investments are adjusted to amortized cost and the corresponding income is recorded in the statement of revenue and expenditures.

(d) Capital Expenditures

The Foundation does not capitalize amounts incurred for equipment purchases. The capital expenditures are reported as expenditures on the Statement of Revenue and Expenditures in the year of acquisition.

(e) Revenue Recognition

Donations and fundraising are recognized as revenue when received. Interest income is recognized as revenue during the year in which it is earned.

(f) Cash and Equivalents

Cash and equivalents consist of cash on deposit.

**ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016**

3. INVESTMENTS

Investments held at year-end comprise of the following:

	2016	2015
	\$	\$
1.40% Canadian Western Bank GIC due July 25, 2016	103,653	
0.70% Bank of Montreal GIC due July 27, 2016	25,000	
1.45% Home Trust Company GIC due July 27, 2016	25,000	
Matured investments		101,932
TOTAL	153,653	101,932

4. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS

Cash provided from (used in) non-cash working capital is compiled as follows:

	2016	2015
	\$	\$
(INCREASE) DECREASE IN CURRENT ASSETS		
Accounts receivable	(6,603)	1,905
INCREASE (DECREASE) IN CURRENT LIABILITIES		
Accounts payable and accrued liabilities	101	100
NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES RELATED TO OPERATIONS	(6,502)	2,005

5. RELATED PARTY TRANSACTIONS

The Foundation was established to raise funds for the benefit of the students of the Algonquin and Lakeshore Catholic District School Board. The Board has agreed to fund certain costs incurred in the operational expenditures of the Foundation, through the payment to the Foundation of specified gifts, as defined under the *Income Tax Act*. For the year ended March 31, 2016, the Board contributed \$6,100 as a specified donation to the Foundation. (2015 - \$5,900)

**ALGONQUIN AND LAKESHORE CATHOLIC EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016**

6. FINANCIAL INSTRUMENTS

The Foundation has a comprehensive risk management framework to monitor, evaluate and manage the principal assumed with financial instruments. The risks that arise from transacting financial instruments are as follows:

Credit Risk

Credit risk is the risk of financial loss to the Foundation if a debtor fails to make payments of interest and principal when due. The Foundation does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk, and equity risk, or which only interest rate risk is a consideration for the Foundation .

Interest Rate Risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The Foundation is exposed to interest rate risk through its investments.

Liquidity Risk

Liquidity risk is the risk that the Foundation will not be able to meet all cash outflow obligations as they come due. The Foundation's exposure to liquidity risk is dependent on the receipt of funds from its operations.

There have been no significant changes from the previous period in the exposure to risk or policies, procedures and methods used to measure the risks.

7. CAPITAL DISCLOSURE

The Foundation's objectives with respect to capital management are to maintain a minimum capital base that allows the Foundation to continue with and execute its overall purpose as outlined in Note 1. The Foundation's Board of Directors performs periodic reviews of the Foundation's capital needs to ensure they remain consistent with the risk tolerance that is acceptable to the Foundation.