

Financial statements of

Halton Learning Foundation

August 31, 2010

Halton Learning Foundation

August 31, 2010

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Auditors' Report

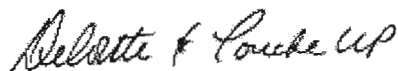
To the Directors of
Halton Learning Foundation

We have audited the balance sheet of Halton Learning Foundation as at August 31, 2010 and the statements of revenue and expenses and fund balances and of cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the Foundation derives revenue from donations and fundraising revenues, 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 Foundation and we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenue over expenses, assets and fund balances.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the donations and fundraising revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Foundation as at August 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants
Licensed Public Accountants
October 4, 2010

Halton Learning Foundation

Statement of revenue and expense expenses and fund balances
year ended August 31, 2010



	2010				2009	
	General Fund	Capital Fund	Endowment Fund	Restricted Fund	Total	Total
	\$	\$	\$	\$	\$	\$
Revenue						
Donations	211,854	-	8,547	563,792	784,193	609,235
Registrations, fees and admissions	60,369	-	-	68,240	128,609	128,613
Fundraising	10,505	-	-	7,385	17,890	9,333
Investment income	902	-	2,117	6,964	9,983	10,115
	283,630	-	10,664	646,381	940,675	757,296
Expenses						
Fund HDSB equipment, events and programs	-	-	800	380,480	381,280	290,351
Management fees, salaries and benefits	205,843	-	-	-	205,843	189,224
Event supplies	27,504	-	-	25,142	52,646	49,529
Scholarships, awards and partnerships	-	-	3,900	32,450	36,350	20,950
Contractual services	-	-	-	-	-	16,506
Advertising	8,752	-	-	-	8,752	14,871
Printing	5,298	-	-	188	5,486	11,191
Professional development	4,786	-	-	-	4,786	5,236
Office supplies	2,570	-	-	-	2,570	4,499
Professional fees	3,605	-	-	-	3,605	3,587
Computer maintenance and software	3,147	-	-	-	3,147	2,734
Travel	2,214	-	-	-	2,214	2,580
Telephone	1,877	-	-	-	1,877	2,343
Insurance	2,258	-	-	-	2,258	2,160
Amortization	-	820	-	-	820	1,420
Meetings	409	-	-	-	409	1,099
Food catering - events	-	-	-	-	-	1,000
Memberships	666	-	-	-	666	331
Bank fees	953	-	-	-	953	78
Postage and courier	175	-	-	-	175	68
	270,057	820	4,700	438,260	713,837	619,757
Excess of revenue over expenses (expenses over revenue)	13,573	(820)	5,964	208,121	226,838	137,539
Fund balance, beginning of year	48,634	2,374	162,427	513,247	726,682	589,143
Transfer from (to) other funds	30,339	-	-	(30,339)	-	-
Fund balance, end of year	92,546	1,554	168,391	691,029	953,520	726,682

Halton Learning Foundation

Balance sheet
as at August 31, 2010

	2010		2009		
	General Fund	Capital Fund	Endowment Fund	Restricted Fund	Total
	\$	\$	\$	\$	\$
Assets					
Current assets					
Due from Halton District School Board and	113,377	-	168,391	691,029	972,797
Goods and services and harmonized sales taxd sales taxes receivable	10,121	-	-	-	10,121
Prepaid expenses	3,003	-	-	-	3,003
	126,501	-	168,391	691,029	985,921
Capital assets (Note 4)	-	1,554	-	-	1,554
	126,501	1,554	168,391	691,029	987,475
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities	3,955	-	-	-	3,955
Deferred revenue	30,000	-	-	-	30,000
	33,955	-	-	-	33,955
Fund balances					
Invested in capital assets	-	1,554	-	-	1,554
Restricted (Note 7 and Note 8)	-	-	168,391	691,029	859,420
Unrestricted	92,546	-	-	-	92,546
	92,546	1,554	168,391	691,029	953,520
	126,501	1,554	168,391	691,029	987,475
					732,558

Approved by the Board

 Director
 Director

Halton Learning Foundation

Statement of cash flows year ended August 31, 2010

	2010	2009
	\$	\$
Operating activities		
Excess of revenue over expenses	226,838	137,539
Item not affecting cash - amortization	820	1,420
Changes in non-cash operating working capital items		
Due from Halton District School Board	(252,920)	(138,445)
Goods and services and harmonized sales taxes receivable	(4,651)	2,500
Prepaid expenses	1,832	1,271
Accounts payable and accrued liabilities	281	(5,000)
Deferred revenue	27,800	2,200
	-	1,485
Investing activity		
Purchase of capital assets	-	(1,485)
Net cash inflow	-	-
Cash and cash equivalents, beginning of year	-	-
Cash and cash equivalents, end of year	-	-

Halton Learning Foundation

Notes to the financial statements

August 31, 2010

1. Nature of operations

Halton Learning Foundation (the "Foundation") was set up to raise revenue to be directed to the support of the Halton District School Board students and schools. The Foundation is incorporated by Letters Patent as a corporation without share capital under the laws of Ontario. The Foundation obtained status as a Registered Charity effective September 1, 2004.

2. Changes in significant account policies

Financial statement concepts

On September 1, 2009, the Foundation adopted the amendments to the Canadian Institute of Chartered Accountants ("CICA") Handbook, Section 1540, Cash flow statement, Section 1751, Interim financial statements, Section 1000, Financial statement concepts, Section 4400, Financial statement information presented by not-for-profit organizations, Section 4430, Capital assets held by not-for-profit organizations, Section 4460, Disclosure of related party transactions for not-for-profit organizations and Section 4470, Disclosure of allocated annual financial statements. The adoption of these amended standards had no impact on the financial statements.

EIC-173

On September 1, 2009, the Foundation adopted EIC-173, Credit risk and the fair value of financial assets and financial liabilities issued by the Emerging Issues Committee. This abstract requires that an entity's own credit risk (for financial liabilities) and the credit risk of the counterparty (for financial assets) should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. The adoption of this abstract had no impact on the financial statements.

Future accounting changes

New accounting framework

The CICA will be issuing a new accounting framework applicable to not-for-profit organizations. Effective for fiscal years beginning on or after January 1, 2012, not-for-profit organizations will have to choose between International Financial Reporting Standards (IFRSs) and accounting standards for not-for-profit organizations, whichever suits them best. The Foundation currently plans to adopt the new accounting standards for not-for-profit organizations for its fiscal year beginning on September 1, 2011; however the impact of this transition has not yet been determined.

3. Accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following significant accounting policies:

(a) Fund accounting

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following significant accounting policies:

(a) Fund accounting

The Foundation follows the restricted fund method for accounting for contributions.

The revenue and expenses related to the collection of unrestricted donations and fund raising activities are reported in the General Fund. The Restricted Fund reports amounts for which the use is restricted internally or externally by the donors. The Endowment Fund reports amounts for which the principal is maintained and the interest is externally restricted by the donors.

(b) Basis of accounting

Revenue and expenses are recorded on the accrual basis except for fund raising events which are recorded as received. Donations are recorded as received. Restricted contributions are recognized as revenue in the appropriate restricted fund. Unrestricted contributions are recognized as revenue in the General Fund.

Halton Learning Foundation

Notes to the financial statements

August 31, 2010

3. Accounting policies (continued)

Basis of financial statements (continued)

(c) Capital assets

Capital assets are recorded at amortized cost. Amortization is recorded on a straight-line basis over the estimated useful lives of the related assets:

Computers	3 years
Furniture and fixtures	5 years

(d) Deferred revenue

Revenues specifically intended for future periods are initially deferred and taken into revenue as expenses are incurred.

(e) Financial instruments

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. Their classification depends on the purpose, for which the financial instruments were acquired or issued, their characteristics and the Foundation's designation of such instruments. Settlement date accounting is used.

Classification

Due from Halton District School Board	Loans and receivables
Goods and service tax receivable	Loans and receivables
Accounts payable	Other liabilities

Loans and receivables

Loans and receivables are accounted for at amortized cost using the effective interest method.

Other liabilities

Other liabilities are recorded at amortized cost using the effective interest method and include all financial liabilities, other than derivative instruments.

The Foundation has chosen to continue to apply the requirements of section 3861, Financial Instruments – Presentation and Disclosure in place of application of sections 3862, Financial Instruments – Disclosures and 3863, Financial Instruments - Presentation.

4. Capital assets

		2010	2009
	Accumulated	Net book	Net book
4. Capital assets			
		2010	2009
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Computers	4,804	4,481	323
Furniture and fixtures	4,423	3,192	1,231
	9,227	7,673	1,554
		2009	Net book value
			\$
			734
			1,640
			2,374

Halton Learning Foundation

Notes to the financial statements

August 31, 2010

5. Related party transactions

The following transactions took place between the Foundation and the Halton District School Board:

	2010	2009
	\$	\$
Funding of salary and benefits of Foundation staff (included in Donations on Statement of revenue and expenses)	186,652	174,318
Funding of equipment, events and programs (included in Expenses on Statement of revenue and expenses)	(381,280)	(290,351)
Funding of new program - Music Annuity (included in Donations on Statement of revenue and expenses)	103,539	-

The following transactions took place between the Foundation and the Fast Track – Community Centre for Skills, Development and Training:

	2010	2009
	\$	\$
Sponsorship of Halton Learning Foundation golf tournament (included in Registration, fees and admissions on Statement of revenue and expenses)	15,000	15,000
Sponsorship of Halton Learning Foundation gala (included in Registration, fees and admissions on Statement of revenue and expenses)	2,000	-

The above transactions are measured at their exchange amounts, which are the amounts agreed upon by the parties.

Halton District School Board provides premises to Halton Learning Foundation on a rent free basis.

Due from Halton District School Board arises from the fact that Halton District School Board acts as the Foundation's banker. There is cash held in Halton District School Board's bank account available to cover the Foundation's general, endowment and restricted funds.

Foundation's banker. There is cash held in Halton District School Board's bank account available to cover the Foundation's general, endowment and restricted funds.

Halton Learning Foundation

Notes to the financial statements

August 31, 2010

6. Restricted Fund

Restricted Funds represent funds raised to support Halton District School Board initiatives and student scholarships and awards and emergency bursary funds for students experiencing financial challenges at home. Fund balances at August 31, 2010 represent principal plus accumulated interest less expense.

	2010	2009
	\$	\$
Board initiatives		
Arts and music	116,047	14,624
Physical education	96,731	33,287
Technological education	27,824	13,521
Environmental education	35,058	65,295
Eliminating barriers	341,971	293,898
Scholarships and awards		
Burlington Community Foundation - Nelson Allen	1,735	3,459
Catalyst Foundation Scholarship	(474)	13,951
Design 4 Scholarship	2,002	981
Halton Learning Foundation Scholarship	66,130	56,062
Pepsi Scholarship	-	18,169
Chris Peroune Sports Award	2,313	-
Doug Foley Scholarship Award	488	-
Moe Pennock Scholarship Fund	1,204	-
	<u>691,029</u>	<u>513,247</u>

7. Endowment Fund

Endowment Funds represent funds raised to support Halton District School Board initiatives and student scholarships and awards where the principal is maintained in the endowment funds and only the interest is granted. Fund balances at August 31, 2010 represent principal plus accumulated interest less expenses.

	2010	2009
	\$	\$
Neil J. Guiry Construction Bursary	18,567	12,781
John Homer Endowment Fund	101,289	100,851
	<u>\$</u>	<u>\$</u>
Neil J. Guiry Construction Bursary	18,567	12,781
John Homer Endowment Fund	101,289	100,851
Fran Lloyd's Student Volunteering Abroad Bursary	10,990	10,850
Tyler Cooper Athletic Award	37,545	37,945
	<u>168,391</u>	<u>162,427</u>

8. Contractual obligations

The Foundation has contractual commitments for a hall rental for 2011 of \$10,986. The hall rental commitment for 2010 was \$11,377 and is recorded in event supplies.

Halton Learning Foundation

Notes to the financial statements

August 31, 2010

9. Capital disclosures

The capital of the Foundation consists of Fund balances. The Foundation's objectives are to safeguard its ability to continue as a going concern and raise revenue to be directed to the support of the Halton District School Board students and schools. Note 6 and Note 7 disclose restrictions imposed on Fund balances.