

Financial statements of

Halton Learning Foundation

August 31, 2015 and August 31, 2014

Halton Learning Foundation

August 31, 2015 and August 31, 2014

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Independent Auditor's Report

To the Directors of
Halton Learning Foundation

We have audited the accompanying financial statements of Halton Learning Foundation (the "Foundation"), which comprise the balance sheets as at August 31, 2015, August 31, 2014 and September 1, 2013 and the statements of revenue and expenses and fund balances and of cash flows for the years ended August 31, 2015 and August 31, 2014 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 audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits 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 in our audits 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 in the form of support from donations and fundraising, 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 revenue, excess of revenue over expenses, 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, the financial statements present fairly, in all material respects, the financial position of Halton Learning Foundation as at August 31, 2015, August 31, 2014 and September 1, 2013 and the results of its operations and its cash flows for the years ended August 31, 2015 and August 31, 2014 in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in black ink that reads "Deloitte LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants
Licensed Public Accountants
January 19, 2016

Halton Learning Foundation

Statements of revenue and expenses and fund balances
years ended August 31, 2015 and August 31, 2014

					2015	2014
	General Fund	Capital Fund	Endowment Fund	Restricted Fund	Total	Total (Note 3)
	\$	\$	\$	\$	\$	\$
Revenues						
Donations	261,195	-	-	385,018	646,213	788,484
Registrations, fees and admissions	126,700	-	-	-	126,700	243,519
Fundraising	30,784	-	-	-	30,784	56,356
Investment income	1,669	-	4,894	8,260	14,823	18,204
	420,348	-	4,894	393,278	818,520	1,106,563
Expenses						
Fund HDSB equipment, events and programs	-	-	-	324,595	324,595	571,811
Management fees, salaries and benefits	271,344	-	-	-	271,344	303,447
Event supplies	55,366	-	-	-	55,366	111,881
Scholarships, awards and partnerships	-	-	1,575	30,900	32,475	52,497
Computer maintenance and software	23,389	-	-	-	23,389	15,350
Gift in kind expense	10,818	-	-	375	11,193	-
Professional fees	6,094	-	-	-	6,094	4,520
Advertising	5,566	-	-	-	5,566	16,248
Printing	3,623	-	-	828	4,451	1,532
Professional development	3,171	-	-	-	3,171	4,073
Travel	2,788	-	-	-	2,788	3,095
Office supplies	2,570	-	-	-	2,570	2,926
Insurance	2,382	-	-	-	2,382	2,365
Meetings	2,219	-	-	-	2,219	1,627
Bank fees	1,260	-	-	733	1,993	1,481
Amortization	-	1,434	-	-	1,434	748
Life insurance premiums	1,312	-	-	-	1,312	2,686
Telephone	668	-	-	-	668	1,571
Memberships	506	-	-	-	506	679
Postage and courier	172	-	-	-	172	173
Contractual services	-	-	-	-	-	39,950
	393,248	1,434	1,575	357,431	753,688	1,138,660
Excess of revenue over expenses (expenses over revenue)	27,100	(1,434)	3,319	35,847	64,832	(32,097)
Fund balances, beginning of year	78,319	1,241	223,813	797,385	1,100,758	1,132,855
Transfer from (to) other funds	25,054	5,445	-	(30,499)	-	-
Fund balances, end of year	130,473	5,252	227,132	802,733	1,165,590	1,100,758

The accompanying notes to the financial statements are an integral part of this financial statement.

Halton Learning Foundation

Balance sheets

as at August 31, 2015, August 31, 2014 and September 1, 2013

					August 31, 2015	August 31, 2014	September 1, 2013
	General Fund	Capital Fund	Endowment Fund	Restricted Fund	Total	Total (Note 3)	Total (Note 3)
	\$	\$	\$	\$	\$	\$	\$
Assets							
Current assets							
Cash and cash equivalents	79,329	-	92,931	759,479	931,739	68,815	67,028
Due from Halton District School Board	-	-	-	-	-	702,600	757,551
Accounts receivable	-	-	10,986	4,596	15,582	12,242	13,080
Harmonized sales tax receivable	9,687	-	-	-	9,687	16,229	12,046
Prepaid expenses	18,572	-	-	-	18,572	16,885	14,537
	107,588	-	103,917	764,075	975,580	816,771	864,242
Investments (Note 4)	-	-	123,215	39,486	162,701	227,701	250,000
Cash surrender value of life insurance	72,988	-	-	-	72,988	74,300	48,512
Capital assets (Note 5)	-	5,252	-	-	5,252	1,241	1,241
	180,576	5,252	227,132	803,561	1,216,521	1,120,013	1,163,995
Liabilities							
Current liabilities							
Accounts payable and accrued liabilities	36,353	-	-	828	37,181	6,255	3,740
Deferred revenue	13,750	-	-	-	13,750	13,000	27,400
	50,103	-	-	828	50,931	19,255	31,140
Fund balances							
Invested in capital assets	-	5,252	-	-	5,252	1,241	1,241
Restricted (Note 6 and Note 7)	-	-	227,132	802,733	1,029,865	1,021,198	1,074,759
Unrestricted	130,473	-	-	-	130,473	78,319	56,855
	130,473	5,252	227,132	802,733	1,165,590	1,100,758	1,132,855
	180,576	5,252	227,132	803,561	1,216,521	1,120,013	1,163,995

Approved by the Board

 Director

 Director

The accompanying notes to the financial statements are an integral part of this financial statement.

Halton Learning Foundation

Statements of cash flows

years ended August 31, 2015 and August 31, 2014

	2015	2014
		(Note 3)
	\$	\$
Operating activities		
Excess of revenue over expenses (expenses over revenue)	64,832	(32,097)
Items not affecting cash		
Amortization	1,434	748
Cash surrender value of life insurance	1,312	(25,788)
Changes in non-cash operating working capital items		
Due from Halton District School Board	702,600	54,951
Accounts receivable	(3,340)	838
Harmonized sales taxes receivable	6,542	(4,183)
Prepaid expenses	(1,687)	(2,348)
Accounts payable and accrued liabilities	30,926	2,515
Deferred revenue	750	(14,400)
	803,369	(19,764)
Capital activity		
Purchase of capital assets	(5,445)	(748)
Investing activities		
Acquisition of investments	-	(42,700)
Proceeds on sale of investments	65,000	64,999
	65,000	22,299
Net increase in cash and cash equivalents	862,924	1,787
Cash and cash equivalents, beginning of year	68,815	67,028
Cash and cash equivalents, end of year	931,739	68,815

The accompanying notes to the financial statements are an integral part of this financial statement.

Halton Learning Foundation

Notes to the financial statements

August 31, 2015 and August 31, 2014

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. Accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following significant accounting policies:

Basis of financial statements

(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 fundraising activities are reported in the General Fund. The Restricted Fund reports amounts for which the use is restricted internally or externally by Halton Learning Foundation or its donors. The Endowment Fund reports amounts for which the principal is maintained and the interest is externally restricted by the donors. The Capital Fund records the purchase of capital assets which are considered to be in the normal course of operations.

(b) Basis of accounting

Revenue and expenses are recorded on the accrual basis except for fundraising events and donations which are recorded as received. Restricted contributions are recognized as revenue in the appropriate restricted fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue in the General Fund when they are received.

(c) Life insurance policy

Halton Learning Foundation and The Federation of Ontario Naturalists are the owners and beneficiaries of a donated life insurance policy. The amount recognized in the Statement of revenue and expenses and fund balances is the change in the Foundation's portion of the cash surrender value, until proceeds of the policy are received less premium payments made. The corresponding asset is recorded as the cash surrender value of life insurance.

(d) Cash and cash equivalents

Cash and cash equivalents consists of amounts on hand, balances in the bank, and guaranteed investment certificates with a term of 3 months or less at the date of acquisition.

(e) Capital assets

Capital assets are recorded at 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

(f) Revenue recognition

Registration, fees and admission revenue are recognized as revenue in the period to which they relate.

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

(g) Gifts-in-kind

Gifts-in-kind are recorded at fair market value when received.

Halton Learning Foundation

Notes to the financial statements

August 31, 2015 and August 31, 2014

2. Accounting policies (continued)

Basis of financial statements (continued)

(h) Financial instruments

Financial assets and financial liabilities are initially recognized at fair value and subsequently are measured at amortized cost.

3. Change in the basis of accounting

These financial statements are the first financial statements for which the Foundation applied Canadian accounting standards for not-for-profit organizations. Previously, the Foundation prepared its financial statements in accordance with Canadian Public Sector Accounting Standards. The adoption of this new basis of accounting had no impact on the previously reported balance sheet as at August 31, 2014 and September 1, 2013 or on previously reported statement of revenues and expenses and fund balances for the year ended August 31, 2014. Therefore, a reconciliation of previously reported items to those reported using the new basis has not been prepared.

4. Investments

Investments consist of guaranteed investment certificates with a Canadian chartered bank in the amount of \$162,701 (2014 - \$227,701, 2013 – \$250,000) which earn interest between 2.40% and 2.75% and mature in October 2016, 2017 and 2018.

5. Capital assets

	August 31, 2015		
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Computers	10,531	5,403	5,128
Furniture and fixtures	2,104	1,980	124
	12,635	7,383	5,252

	August 31, 2014		
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Computers	5,087	4,093	994
Furniture and fixtures	2,103	1,856	247
	7,190	5,949	1,241

	September 1, 2013		
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Computers	4,339	3,568	771
Furniture and fixtures	2,103	1,633	470
	6,442	5,201	1,241

Halton Learning Foundation

Notes to the financial statements

August 31, 2015 and August 31, 2014

6. Restricted Fund

The Restricted Fund includes funds raised to support Halton District School Board initiatives and student scholarships and awards and emergency bursary funds for students as well as an operating reserve fund. The Fund balances at August 31, 2015 represent principal plus accumulated interest less expense.

	August 31, 2015	August 31, 2014	September 1, 2013
	\$	\$	\$
Initiatives			
Arts and music	81,532	78,185	88,975
Physical education	17,611	24,205	58,070
Technological education	236,683	226,007	227,188
Environmental education	72,158	86,485	75,100
Eliminating barriers	232,348	235,265	252,587
Scholarships and awards	93,642	96,537	70,844
Operating Reserve	46,167	45,736	30,511
Raffle Fund	22,592	4,965	48,807
	802,733	797,385	852,082

7. Endowment Fund

The Endowment Fund represents funds raised to support Halton District School Board initiatives and student scholarships and awards where the principal is maintained in the endowment fund and only the interest is granted. The Fund balance at August 31, 2015 represents principal plus accumulated interest less expenses.

8. Contractual obligations

The Foundation has the following contract commitments for the fiscal year ended August 31, 2015.

	2015	2014
	\$	\$
Hall rental and catering for annual event	5,000	13,577
Appearance contracts	-	2,338

9. Comparative figures

Certain of the comparative figures have been reclassified to conform with current year presentation.