

**THE ONTARIO ASSOCIATION OF PARENTS IN CATHOLIC EDUCATION**  
**Financial Statements**  
(Unaudited)  
For the Year Ended June 30, 2020

*Draft*

# INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of:

**THE ONTARIO ASSOCIATION OF PARENTS IN CATHOLIC EDUCATION**

We have reviewed the accompanying financial statements of **THE ONTARIO ASSOCIATION OF PARENTS IN CATHOLIC EDUCATION** that comprise the statement of financial position as at June 30, 2020 and the statement of operations and changes in fund balances and statement of 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.

## **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluating the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

## **Basis for Qualified Conclusion**

In common with many not-for-profit organizations, **THE ONTARIO ASSOCIATION OF PARENTS IN CATHOLIC EDUCATION** derives revenue from donations, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purposes of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of the organization. Therefore, we were unable to determine whether any adjustments might have been found necessary with respect to donations revenue, excess of revenues (expenditures) for the year and cash flows from operations for the years ended June 30, 2020 and 2019, current assets as at June 30, 2020 and 2019 and fund balances as at July 1 and June 30 for both the 2020 and 2019 year ends. Our conclusion on the financial statements as at and for the year ended June 30, 2019 was modified accordingly because of the possible effects of this limitation in scope.

## **Qualified Conclusion**

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of **THE ONTARIO ASSOCIATION OF PARENTS IN CATHOLIC EDUCATION** as at June 30, 2020, 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.

Chartered Professional Accountants  
Licensed Public Accountants

Pembroke, Ontario  
Enter date

**THE ONTARIO ASSOCIATION OF PARENTS IN CATHOLIC EDUCATION**  
**Statement of Financial Position**  
(Unaudited)  
As At June 30, 2020

			2020	2019
	Operating Fund	Engaging Parents Workshops Fund	Total	Total
<b>ASSETS</b>				
<b>Current</b>				
Cash	\$ 96,508	\$ 26,657	\$ 123,165	\$ 93,959
Guaranteed investment certificate	-	52,845	52,845	51,555
Accounts receivable	1,716	299	2,015	4,291
Prepaid expenses	2,432	-	2,432	1,559
	\$ 100,656	\$ 79,801	\$ 180,457	\$ 151,364
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Current Liabilities</b>				
Accounts payable and accrued liabilities	\$ 7,622	\$ -	\$ 7,622	\$ 7,723
<b>Fund Balances</b>				
Unrestricted	93,034	-	93,034	61,698
Externally restricted	-	79,801	79,801	81,943
	93,034	79,801	172,835	143,641
	\$ 100,656	\$ 79,801	\$ 180,457	\$ 151,364

Approved on Behalf of the Board

\_\_\_\_\_ President

\_\_\_\_\_ Treasurer

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

**THE ONTARIO ASSOCIATION OF PARENTS IN CATHOLIC EDUCATION**  
**Statement of Operations and Changes in Fund Balances**  
(Unaudited)  
For the Year Ended June 30, 2020

			2020	2019
	Operating Fund	Engaging Parents Workshops Fund	Total	Total
<b>Revenues</b>				
Ministry of Education grants	\$ 16,203	\$ -	\$ 16,203	\$ 19,703
Conference fees	-	-	-	24,223
Membership fees	72,330	-	72,330	65,418
Donations	-	-	-	5,500
Other income	610	-	610	528
Interest earned	-	1,288	1,288	842
	89,143	1,288	90,431	116,214
<b>Expenditures</b>				
Directors' expenses (Schedule 1)	5,897	-	5,897	10,205
Conference expenses (Schedule 2)	-	3,430	3,430	36,766
Secretarial services	13,497	-	13,497	19,365
OAPCE rebate	11,341	-	11,341	8,486
Office and general	5,340	-	5,340	10,809
Professional fees	10,837	-	10,837	7,112
I.C.E. membership	3,519	-	3,519	3,518
Computer hardware and software	1,845	-	1,845	1,632
Telephone and Internet	864	-	864	808
Marketing	4,667	-	4,667	381
	57,807	3,430	61,237	99,082
<b>Excess of revenues (expenditures) for the year</b>	31,336	(2,142)	29,194	17,132
<b>Fund balances, beginning of year</b>	61,698	81,943	143,641	126,509
<b>Fund balances, end of year</b>	\$ 93,034	\$ 79,801	\$ 172,835	\$ 143,641

**THE ONTARIO ASSOCIATION OF PARENTS IN CATHOLIC EDUCATION**  
**Statement of Cash Flows**  
(Unaudited)  
For the Year Ended June 30, 2020

	2020	2019
<b>Cash from (used in) operating activities</b>		
Excess of revenues (expenditures) for the year	\$ 29,194	\$ 17,132
Change in non-cash working capital items		
Accounts receivable	2,276	5,293
Prepaid expenses	(874)	(387)
Accounts payable and accrued liabilities	(102)	(4,647)
Deferred memberships	-	(45)
	30,494	17,346
<b>Cash from (used in) investing activities</b>		
Increase in guaranteed investment certificate	(1,288)	(842)
<b>Increase in cash</b>	29,206	16,504
<b>Cash, beginning of year</b>	93,959	77,455
<b>Cash, end of year</b>	\$ 123,165	\$ 93,959

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**THE ONTARIO ASSOCIATION OF PARENTS IN CATHOLIC EDUCATION**  
**Schedule of Directors' Expenditures**  
(Unaudited)  
For the Year Ended June 30, 2020

<b>Schedule 1</b>	<b>2020</b>	<b>2019</b>
<b>Board Meetings</b>		
Accommodation	\$ 911	\$ 1,050
Meeting room	4,515	1,360
Office supplies and expenses	-	2,503
Telephone	-	11
Travel and meals	471	4,595
	<b>5,897</b>	<b>9,519</b>
<b>Partner Tables</b>		
Accommodation	-	384
Travel and meals	-	302
	-	686
<b>Total</b>	<b>\$ 5,897</b>	<b>\$ 10,205</b>

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**THE ONTARIO ASSOCIATION OF PARENTS IN CATHOLIC EDUCATION**  
**Schedule of Conference Expenditures**  
(Unaudited)  
For the Year Ended June 30, 2020

<b>Schedule 2</b>	<b>2020</b>	<b>2019</b>
<b>Conference Expenses</b>		
Hospitality and facilities	\$ -	\$ 19,915
Supplies	483	12,725
Speakers	2,840	3,156
Accommodation and travel	107	970
<b>Total</b>	<b>\$ 3,430</b>	<b>\$ 36,766</b>

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**THE ONTARIO ASSOCIATION OF PARENTS IN CATHOLIC EDUCATION**  
**Notes to the Financial Statements**  
(Unaudited)  
For the Year Ended June 30, 2020

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**ORGANIZATION**

**THE ONTARIO ASSOCIATION OF PARENTS IN CATHOLIC EDUCATION** (the "Association") is incorporated without share capital under the *Ontario Corporations Act*. The Association is a registered charity under the *Income Tax Act* and accordingly is exempt from income taxes. The Association's mission is to collaborate with local and provincial education partners to strengthen the parent voice and protect publicly funded Catholic Education in Ontario.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Fund Accounting**

The Ontario Association of Parents in Catholic Education follows the restricted fund method of accounting for contributions.

The Operating Fund reports the contributions from members, donations, revenue and expenses related to conference, program delivery and administrative activities of the Association.

The Engaging Parents Workshops fund is subject to externally imposed restrictions stipulating that the resources be used only for conducting parents workshops. The basis for determining what would constitute restricted expenditures is subject to the discretion of the Board of Directors of the Association. This restricted fund reports the revenue and expenses related to the specified program delivery, and related assets and financing. Interest earned on these amounts is credited directly to this restricted fund.

**Revenue Recognition**

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest revenue is recognized as it is earned.

**Cash**

Cash is defined as cash on hand, cash on deposit and short term deposits with maturity dates of less than 90 days, net of cheques outstanding at the reporting date.

**Contributed Materials and Services**

Volunteers contribute a significant amount of time to assist the Association in carrying out its activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements. Similarly, contributed materials are also not recognized in these financial statements.

### **Capital Assets**

Capital assets are expensed on acquisition. Capital assets held include computer and office equipment.

### **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 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. Actual results could vary from those estimates.

### **Financial Instruments**

#### Measurement of financial instruments

The Association initially measures its financial assets and liabilities at fair value.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for financial instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations in the period incurred.

Financial assets measured at amortized cost include cash, guaranteed investment certificate and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

#### Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

#### Transactions costs

The Association recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

2. **FINANCIAL INSTRUMENTS**

**Risks and Concentrations**

The Association is exposed to various risks through its financial instruments without being exposed to concentrations of risk. There has been no change to risk exposures from the prior period. The following analysis provides a measure of the Association's risk exposure and concentrations at the balance sheet date.

**Liquidity Risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its accounts payable.

**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. The concentration of credit risk with respect to accounts receivable is limited due to the nature of the sources of revenue.

3. **OPERATIONS**

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies. The overall effect of these events on the organization and its operations is too uncertain to be estimated at this time. The impacts will be accounted for when they are known and may be assessed.