

**THE GEORGE HULL CENTRE FOUNDATION
FINANCIAL STATEMENTS
MARCH 31, 2015**

THE GEORGE HULL CENTRE FOUNDATION

MARCH 31, 2015

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PETERS, BROWN LLP
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of
The George Hull Centre Foundation

We have audited the accompanying financial statements of The George Hull Centre Foundation, which comprise the statement of financial position as at March 31, 2015, and the statement of operations and accumulated surplus and cash flows for the year ending March 31, 2015, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The George Hull Centre Foundation as at March 31, 2015, and its financial performance and its cash flows year for the year ending March 31, 2015 in accordance with Canadian accounting standards for not-for-profit organizations.

Peters Brown LLP
LICENSED PUBLIC ACCOUNTANTS

Etobicoke, Ontario
June 25, 2015

THE GEORGE HULL CENTRE FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash	\$ 798,341	\$ 668,380
Accounts receivable	25,000	10,000
Prepaid expenses and deposits	5,688	19,316
Government remittances recoverable	1,887	1,980
Advances - related party (Note 3)	<u>67,339</u>	<u>572,500</u>
	<u>\$ 898,255</u>	<u>\$ 1,272,176</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 14,903	\$ 7,688
Donations payable - related party (Note 3)	140,917	89,143
Deferred contributions (Note 4)	<u>44,300</u>	<u>35,250</u>
	<u>\$ 200,120</u>	<u>\$ 132,081</u>
NET ASSETS		
ACCUMULATED SURPLUS	<u>\$ 698,135</u>	<u>\$ 1,140,095</u>
	<u>\$ 898,255</u>	<u>\$ 1,272,176</u>

Approved on behalf of the Board of Directors

DIRECTOR

Susan M. Arelushwa

DIRECTOR

THE GEORGE HULL CENTRE FOUNDATION
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED MARCH 31, 2015

	2015	2014
REVENUE		
Donations	\$ 1,294,294	\$ 895,014
Interest	<u>3,426</u>	<u>7,739</u>
	<u>\$ 1,297,720</u>	<u>\$ 902,753</u>
EXPENDITURES		
Donations	\$ 1,567,094	\$ 89,143
Fundraising and promotion	93,394	86,324
Fees for service	62,364	49,112
Office and general	12,229	10,651
Bursaries and awards	-	1,000
Accounting fees	<u>4,599</u>	<u>4,391</u>
	<u>\$ 1,739,680</u>	<u>\$ 240,621</u>
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENDITURES	\$(441,960)	\$ 662,132
ACCUMULATED SURPLUS - beginning of year	<u>1,140,095</u>	<u>477,963</u>
ACCUMULATED SURPLUS - end of year	<u>\$ 698,135</u>	<u>\$ 1,140,095</u>

THE GEORGE HULL CENTRE FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2015

	2015	2014
CASH FLOWS FROM OPERATIONS		
(Deficiency) Excess of revenue over expenditures	\$(441,960)	\$ 662,132
Changes in non-cash working capital (A)	<u>571,921</u>	<u>(426,185)</u>
	<u>\$ 129,961</u>	<u>\$ 235,947</u>
INCREASE IN CASH AND CASH EQUIVALENTS	\$ 129,961	\$ 235,947
CASH AND CASH EQUIVALENTS - beginning of year	<u>668,380</u>	<u>432,433</u>
CASH AND CASH EQUIVALENTS - end of year	<u>\$ 798,341</u>	<u>\$ 668,380</u>
(A) CHANGES IN NON-CASH WORKING CAPITAL		
Accounts receivable	\$(15,000)	\$ 4,925
Prepaid expenses and deposits	13,628	(8,026)
Government remittances	93	(1,068)
Advances - related party	505,161	(167,500)
Accounts payable and accrued liabilities	7,215	964
Donations payable - related party	51,774	(285,730)
Deferred contributions	<u>9,050</u>	<u>30,250</u>
	<u>\$ 571,921</u>	<u>\$(426,185)</u>

**THE GEORGE HULL CENTRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015**

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

The George Hull Centre Foundation (the "Foundation") was primarily established to raise funds for the use of The George Hull Centre for Children and Families. The Foundation is incorporated under the Ontario Corporations Act without share capital as a not-for-profit organization and is a registered charity under the Income Tax Act.

In accounting for its activity during the period, the Foundation adhered to the following accounting policies:

Revenue Recognition

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

Donated Equipment Materials and Services

Certain donated equipment, materials and services, which are normally purchased by the Foundation, have not been recognized in these financial statements, because of the difficulty in determining their fair market value.

Financial Instruments

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

Management 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 amounts reported in the financial statements and accompanying notes. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent. Actual results could differ from those estimates.

**THE GEORGE HULL CENTRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015**

NOTE 2 FINANCIAL INSTRUMENTS

Financial instruments consist of cash, short-term investments, accounts receivable, contributions receivable and accounts payable and accrued liabilities. As at March 31, 2015, there were no significant differences between their carrying values and their estimated market values due to their immediate or short term nature.

The nature of its financial instruments may expose the Foundation to the following risks:

Credit risk

Credit risk is the risk of loss arising from the failure of a counter party to fully honour its financial obligations with the Foundation.

It is the opinion of management that the Foundation is not exposed to any significant credit risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

It is the opinion of management that the Foundation is not exposed to significant interest rate risks.

Liquidity risk

Liquidity risk is the risk of not being able to meet the Foundation's cost requirements in a timely and cost effective manner.

Management considers liquidity risk to be small.

**THE GEORGE HULL CENTRE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015**

NOTE 3 RELATED PARTY

The advances of \$67,339 (2014 - \$572,500) represent amounts advanced to The George Hull Centre for Children and Families in the normal course of operations. The year-end amount is unsecured, repayable on demand and bears no interest.

Donations payable - related party of \$140,917 (2014 - \$89,143) represent amounts donated to The George Hull Centre for Children and Families on account of general operations. The amount is unsecured, repayable on demand and bears no interest.

During the year the Foundation donated a total of \$1,567,094 (2014 - \$89,143) to The George Hull Centre for Children and Families.

NOTE 4 DEFERRED CONTRIBUTIONS

Deferred contributions represent funds received that are related to a subsequent period. During the year, the Foundation received donations for the 2015 Laugh Out Loud event held in May 2015.