

CEED CONCORDIA
Financial Statements
December 31, 2018

CEED CONCORDIA

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT	3
FINANCIAL STATEMENTS	
Statement of financial position	4
Statement of changes in net assets	5
Statement of operations	6
Statement of cash flows	7
Notes to the financial statements	8 - 10

Amstutz Inc.
Comptables Professionnels Agréés

INDEPENDENT AUDITORS' REPORT

To the Members of
CEED CONCORDIA

We have audited the accompanying financial statements of CEED CONCORDIA which comprise the statement of financial position as at December 31, 2018, and the statements of operations, changes in net assets 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 judgement, 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 CEED CONCORDIA as at December 31, 2018 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.



By: R. Amstutz, CPA auditor, CA
February 15, 2019
Montreal, Quebec

CEED CONCORDIA
STATEMENT OF FINANCIAL POSITION
as at December 31, 2018

	<u>2 0 1 8</u>	<u>2 0 1 7</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 40,277	\$ 24,541
Accounts receivable	<u>114,305</u>	<u>113,623</u>
	154,582	138,164
PROPERTY AND EQUIPMENT (Note 3)	<u>678</u>	<u>917</u>
	<u>\$ 155,260</u>	<u>\$ 139,081</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued charges	\$ 3,200	\$ 3,500
Deferred revenue	-	205
Current portion of long-term debt (Note 4)	<u>6,930</u>	<u>-</u>
	10,130	3,705
LONG-TERM DEBT (Note 4)	<u>6,929</u>	<u>20,000</u>
	<u>17,059</u>	<u>23,705</u>
NET ASSETS		
Invested in capital assets	678	917
Unrestricted	<u>137,523</u>	<u>114,459</u>
	<u>138,201</u>	<u>115,376</u>
	<u>\$ 155,260</u>	<u>\$ 139,081</u>

ON BEHALF OF THE BOARD

.....Director

.....Director

The accompanying notes form an integral part of the financial statements.

CEED CONCORDIA
STATEMENT OF CHANGES IN NET ASSETS
year ended December 31, 2018

			<u>2 0 1 8</u>	<u>2 0 1 7</u>
	Invested in property and <u>equipment</u>	Un- restricted	<u>Total</u>	<u>Total</u>
Balance, beginning of year	\$ 917	\$ 114,459	\$ 115,376	\$ 50,533
Excess of revenues over expenses	-	22,825	22,825	64,823
Amortization	<u>(239)</u>	<u>239</u>	<u>-</u>	<u>-</u>
Balance, end of year	\$ <u>678</u>	\$ <u>137,523</u>	\$ <u>138,201</u>	\$ <u>115,376</u>

The accompanying notes form an integral part of the financial statements.

CEED CONCORDIA
STATEMENT OF OPERATIONS
year ended December 31, 2018

	<u>2 0 1 8</u>	<u>2 0 1 7</u>
REVENUES		
Student fees	\$ 274,282	\$ 298,266
Donations and grants	10,200	11,170
Fund raising activities	<u>5,075</u>	<u>2,500</u>
	<u>289,557</u>	<u>311,936</u>
EXPENSES		
Donations - Uganda project (Note 5)	160,934	146,389
Salaries and fringe benefits	75,872	76,843
Travel and entertainment	9,226	5,315
Meetings and events	6,939	4,597
Professional and accounting fees	4,711	4,641
Interest on long-term debt	2,259	-
Insurance	1,772	1,690
Office and general	1,575	1,156
Bank charges	1,298	1,602
Consulting fees	1,242	3,805
Telecommunications and website	569	706
Amortization	239	328
Printing and design	68	41
Advertising and promotion	<u>28</u>	<u>-</u>
	<u>266,732</u>	<u>247,113</u>
EXCESS OF REVENUES OVER EXPENSES	\$ <u>22,825</u>	\$ <u>64,823</u>

The accompanying notes form an integral part of the financial statements.

CEED CONCORDIA
STATEMENT OF CASH FLOWS
year ended December 31, 2018

	<u>2 0 1 8</u>	<u>2 0 1 7</u>
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 22,825	\$ 64,823
Item not affecting cash		
Amortization	<u>239</u>	<u>328</u>
	23,064	65,151
CHANGES IN NON CASH OPERATING WORKING CAPITAL		
Accounts receivable	(682)	(25,056)
Prepaid expenses	-	-
Accounts payable	(300)	-
Deferred revenue	<u>(205)</u>	<u>(605)</u>
	<u>21,877</u>	<u>39,490</u>
FINANCING ACTIVITIES		
Long-term debt	-	20,000
Repayment of long-term debt	<u>(6,141)</u>	<u>(40,000)</u>
	<u>(6,141)</u>	<u>(20,000)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	15,736	19,490
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>24,541</u>	<u>5,051</u>
CASH AND CASH EQUIVALENTS END OF YEAR	\$ <u><u>40,277</u></u>	\$ <u><u>24,541</u></u>

Cash and cash equivalents are comprised of cash.

The accompanying notes form an integral part of the financial statements

CEED CONCORDIA
NOTES TO THE FINANCIAL STATEMENTS
as at December 31, 2018

1. STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES

The organization was incorporated February 15, 2006 under the Québec Companies Act as a non-profit organization.

The organization operates in Montréal, Canada and Gulu, Uganda. The organization is dedicated to social justice, community empowerment and positive change by supporting youth in our communities.

2. SIGNIFICANT ACCOUNTING POLICIES

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

Accounting estimates

The preparation of financial statements in conformity with Canadian accounting standards requires management to make estimates and assumptions that affect the reported amount 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 expenses during the reporting period. Actual results may differ from these estimates.

Revenue recognition

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

Self-financing

Revenues from self-financing activities are recognized when the services are rendered or when the events have taken place.

Property and equipment

Property and equipment are recorded at cost. They are amortized over their estimated useful lives using the declining-balance method at the following annual rates:

Computer equipment	30%
Furniture and fixtures	20%

Contributed services

The organization receives the services of volunteers to carry out various activities. For the current year it is not possible to evaluate the services received from the volunteers. If it were possible to determine the monetary value of these services, the amounts would have been recorded in the appropriate revenue and expense captions.

CEED CONCORDIA
NOTES TO THE FINANCIAL STATEMENTS
as at December 31, 2018

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Cash and cash equivalents

The organization's policy is to disclose cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition.

Financial instruments

The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued charges and long-term debt.

3. PROPERTY AND EQUIPMENT

		<u>2 0 1 8</u>		<u>2 0 1 7</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer equipment	\$ 3,302	\$ 2,914	\$ 388	\$ 555
Furniture and fixtures	<u>2,152</u>	<u>1,862</u>	<u>290</u>	<u>362</u>
	<u>\$ 5,454</u>	<u>\$ 4,776</u>	<u>\$ 678</u>	<u>\$ 917</u>

Amortization provided for in the current period totalled \$239 (2017 - \$328).

4. LONG-TERM DEBT

The long-term debt is comprised a loan payable of \$13,859 maturing in September 2020, bearing interest at 8% per annum and repayable in semi-annual instalments of \$3,825.

5. RELATED PARTY TRANSACTIONS

The organization achieves its objectives in Uganda through a related organization incorporated under the laws of Uganda operating under the name The Concordia Initiative.

During the year the organization donated \$160,934 (2017 - \$146,389) to the Ugandan organization (The Concordia Initiative).

CEED CONCORDIA
NOTES TO THE FINANCIAL STATEMENTS
as at December 31, 2018

6. FINANCIAL INSTRUMENTS

Risks and concentrations

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations at the balance sheet date, i.e. December 31, 2018.

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its accounts payable and accrued charges and long-term debt.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The organization is exposed to interest rate risk on its fixed rate financial instruments. Fixed-rate financial instruments subject the organization to a fair value risk.