

**CANADIAN FEDERATION OF
UNIVERSITY WOMEN CHARITABLE
TRUST**

Financial Statements

Year Ended - April 30, 2017



CANADIAN FEDERATION OF UNIVERSITY WOMEN CHARITABLE TRUST

Year Ended - April 30, 2017

CONTENTS

	Page
REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS:	
Statement of financial position	2
Statement of revenue and expenses and changes in net unrestricted assets	3
Statement of cash flows	4
Notes to financial statements	5 - 8

REVIEW ENGAGEMENT REPORT

To the Trustees of
Canadian Federation of University Women Charitable Trust

We have reviewed the statement of financial position of Canadian Federation of University Women Charitable Trust as at April 30, 2017 and the statements of revenue and expenses and changes in net unrestricted assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the Trust.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

In common with many not-for-profit organizations, Canadian Federation of University Women Charitable Trust derives revenue from donations and fund raising, the completeness of which is not susceptible to satisfactory review verification. Accordingly, our verification thereof was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to donation revenues, excess of revenues over expenses, assets and net assets.

Except for the effects of the matter described in the preceding paragraph, based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Truster Zweig LLP

**Richmond Hill, Ontario
May 26, 2017**

**Chartered Accountants
Licensed Public Accountants**

Perry Truster Monty Shelson Steven Pelchovitz Mark Pelchovitz Mario Marrelli Brian Lusthaus
Derek Lederer Stan Shapiro Garror Sands Danny Diamond

CANADIAN FEDERATION OF UNIVERSITY WOMEN CHARITABLE TRUST
Statement of Financial Position
April 30, 2017
Unaudited

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
ASSETS			
CURRENT			
Cash		\$ 96,934	\$ 131,815
Cash - one-time fellowship award fund	2	6,000	4,000
Marketable securities	3	1,620,789	1,403,463
Government remittances recoverable		2,817	624
		<u>\$ 1,726,540</u>	<u>\$ 1,539,902</u>
LIABILITIES AND NET ASSETS			
CURRENT			
Accrued liabilities		\$ 3,496	\$ 3,797
NET ASSETS			
Internally restricted	2	6,000	4,000
Unrestricted		1,717,044	1,532,105
		<u>1,723,044</u>	<u>1,536,105</u>
		<u>\$ 1,726,540</u>	<u>\$ 1,539,902</u>

APPROVED ON BEHALF OF THE TRUST

Trustee

Trustee

See accompanying notes



CANADIAN FEDERATION OF UNIVERSITY WOMEN CHARITABLE TRUST
Statement of Revenue and Expenses and Changes in Unrestricted Net Assets
Year Ended - April 30, 2017
Unaudited

	<u>2017</u>	<u>2016</u>
REVENUE		
Donations and fundraising	\$ 68,786	\$ 79,019
Realized loss	(10,561)	(8,078)
Unrealized gain (loss)	185,737	(121,359)
Investment income	66,373	61,130
Gain on foreign exchange	25,575	11,098
	<u>335,910</u>	<u>21,810</u>
EXPENSES		
Administered awards		
Beverley Jackson Fellowship	2,000	2,000
Margaret Dale Philp Award	3,500	3,500
Awards		
Bourse Georgette LeMoynes	5,000	5,000
Dr. Alice E. Wilson	20,000	20,000
Elizabeth Massey	5,000	5,000
École Polytechnique Commemorative	12,000	12,000
Souter Humanities	6,000	6,000
Aboriginal Womans	13,500	-
Fellowships		
Canadian Home Economics Association	6,000	6,000
Dr. Margaret McWilliams	11,000	11,000
Memorial	8,000	8,000
Ruth Binnie	6,000	6,000
Grants		
Creative music	4,000	4,000
Library	4,000	-
Event costs	5,130	4,168
Investment management fees	14,545	13,589
Office and general	18,458	11,266
Professional fees	4,838	4,838
	<u>148,971</u>	<u>122,361</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	186,939	(100,551)
Unrestricted Net Assets, beginning of year	1,532,105	1,636,656
Interfund Transfer - Internally Restricted Net Assets	(2,000)	(4,000)
UNRESTRICTED NET ASSETS, end of year	\$ 1,717,044	\$ 1,532,105

See accompanying notes



CANADIAN FEDERATION OF UNIVERSITY WOMEN CHARITABLE TRUST
Statement of Cash Flows
Year Ended - April 30, 2017
Unaudited

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from donations and fundraising	\$ 68,786	\$ 79,019
Cash received from investments	81,386	(57,210)
Cash paid to suppliers	(45,464)	(31,195)
Cash paid for fellowships, awards and grants	(106,000)	(88,500)
	<u>(1,292)</u>	<u>(97,886)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Marketable securities	<u>(31,589)</u>	<u>(74,701)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interfund transfer	<u>(2,000)</u>	<u>(4,000)</u>
NET CASH DECREASE , during the year	(34,881)	(176,587)
Cash, beginning of year	<u>131,815</u>	<u>308,402</u>
CASH , end of year	<u><u>\$ 96,934</u></u>	<u><u>\$ 131,815</u></u>

See accompanying notes



CANADIAN FEDERATION OF UNIVERSITY WOMEN CHARITABLE TRUST

Notes to Financial Statements

April 30, 2017

Unaudited

PURPOSE OF THE TRUST

The Canadian Federation of University Women Charitable Trust ("Trust") was established in 1976 to administer the funds supporting the Fellowships and Awards Program of the Canadian Federation of University Women. This program is dedicated to the furthering of the education of Canadian women at the post-graduate level.

As a charity registered under the Income Tax Act (Canada), the Trust is not subject to income taxes and is authorized to issue tax receipts for donations received.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared using Canadian accounting standards for not-for-profit organizations. These standards are in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

a) Financial instruments

The Trust's financial instruments consist of cash, marketable securities, government remittances recoverable, and accrued liabilities. The Trust has elected to measure all financial instruments other than marketable securities that are quoted in an active market at cost or amortized cost.

Marketable securities that are quoted in an active market are measured at fair value. Changes in fair value are recognized in net income.

b) Revenue and expense recognition

The Trust follows the deferral method of accounting for donations. Donations containing conditions as to their use are deferred until the conditions are fulfilled. Donations not containing conditions as to their use are recorded in the period in which they are received since pledges are not legally enforceable claims. Unrestricted contributions, including fundraising, are recognized as revenue when initially recorded in the accounts.

Investment income is recognized as it is earned. Investment income includes dividend and interest income, and realized and unrealized gains and losses.

Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.



CANADIAN FEDERATION OF UNIVERSITY WOMEN CHARITABLE TRUST
Notes to Financial Statements
April 30, 2017
Unaudited

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

c) Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles 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 expenses during the reporting period. Significant areas requiring the use of estimates include the measurement of marketable securities, accrued liabilities and revenue recognition. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

d) Donated services

The Trust derives a significant benefit from volunteer services. Since these services are not normally purchased by the Trust and due to the difficulty in determining their fair value, donated services are not recognized in these financial statements.

e) Capital management

The Trust's objective is to have sufficient resources to continue operations in accordance with its mission. The need for sufficient resources is considered when preparing an annual budget and monitoring its cash flows. In addition, the Trust manages its capital primarily through its investments in marketable securities and adheres to its investment policies.

2. INTERNALLY RESTRICTED NET ASSETS

The Trustees have internally restricted an amount of net assets for the formation of a one-time fellowship award fund. These internally restricted amounts are not available for any other purpose, other than to be distributed in 2019 as a one-time fellowship award. The total accumulation of this fund is to amount to \$10,000 for 2019.

3. MARKETABLE SECURITIES

The Trust has investments in a managed portfolio as follows:

	<u>2017</u>	<u>2016</u>
Fixed income investments	\$ 148,376	\$ 157,413
Equities	<u>1,472,413</u>	<u>1,246,050</u>
	<u>\$ 1,620,789</u>	<u>\$ 1,403,463</u>



CANADIAN FEDERATION OF UNIVERSITY WOMEN CHARITABLE TRUST

Notes to Financial Statements

April 30, 2017

Unaudited

4. RELATED PARTY TRANSACTIONS

Included in office and general is administration fees of \$3,650 (2016 - \$2,650) paid to Canadian Federation of University Women, (an organization having some of the same board members) which provides administrative services for the Trust.

All related party transactions are recorded at their exchange amount which is the amount established and agreed to by the related parties.

5. COMMITMENTS AND CONTINGENCIES

The Trust has undertaken to indemnify its past, present and future trustees, officers, and volunteers against expenses (including legal expenses), judgments and any amount actually or reasonably incurred by them in connection with any action, suit or proceeding in which the directors are sued as a result of their service, if they acted honestly and in good faith with a view to the best interests of the Trust.

The nature of the indemnity prevents the Trust from reasonably estimating the maximum exposure. The Trust has purchased directors' and officers' liability insurance with respect to this indemnification. Historically, the Trust has not made any payments under such or similar indemnification agreements. At this time, the Trust is not aware of any claims under these guarantees and, therefore, no amount has been accrued in the financial statements with respect to these guarantees.

6. FINANCIAL RISK MANAGEMENT

The Trust is exposed to various risks through its financial instruments. The following analysis provides a measure of the Trust's risk exposure and concentrations at the statement of financial position date.

i) **Liquidity risk**

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

ii) **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Trust is exposed to currency risk, interest rate risk and other price risk.



6. FINANCIAL RISK MANAGEMENT (Continued)

ii) Market risk (Continued)

i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at April 30, 2017, approximately 18.0% of cash and marketable securities are denominated in US Dollars (2016 - 16.3%) and have been converted into Canadian dollars. The Trust mitigates the risk by maintaining the percentage of cash and marketable securities held in foreign currency as approximately 10% - 20% of the entire portfolio.

ii) 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 short term interest bearing fixed income investments held by the Trust have a limited exposure to interest rate risk due to their short term maturity. To manage this risk, the Trust has established investment policies which include a target mix of investment types and concentration limits designed to achieve the optimum return with reasonable risk tolerance.

iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Trust is exposed to other price risk through its investments in quoted shares.