

FAITH'S ORPHANS FUND
FINANCIAL STATEMENTS
YEAR ENDED FEBRUARY 28, 2017

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INDEPENDENT AUDITORS' REPORT

To the Members of
Faith's Orphans Fund

We have audited the accompanying financial statements of **Faith's Orphans Fund**, which comprise the statement of financial position as at February 28, 2017, and the statements of operations and 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.

Auditors' 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 our 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, we consider 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 **Faith's Orphans Fund** as at February 28, 2017, 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.



Cambridge, Ontario
August 25, 2017

Chartered Professional Accountants, authorized to practise public
accounting by the Chartered Professional Accountants of Ontario

Celebrating 50 Years

FAITH'S ORPHANS FUND**STATEMENT OF OPERATIONS AND NET ASSETS
YEAR ENDED FEBRUARY 28, 2017**

	2017 \$	2016 \$
Donations	426,333	462,760
Expenditures		
Interest and bank charges	265	618
Professional fees	5,457	3,385
Program expenses	1,956	2,180
Office supplies	732	2,058
Travel	18,464	6,130
Donation disbursements		
Camp fees	12,000	18,624
Project money	90,809	97,067
School fees	85,042	92,665
Shipping fees	14,271	21,660
Trade school	84,526	111,192
Farm money	61,664	41,603
Lungwa School	28,700	
Orphan support sent	1,531	
Rural Ministry	30,981	
Undesignated		701
	436,398	397,883
Excess (deficiency) of revenue over expenditures for year	(10,065)	64,877
Net assets, beginning of year	179,430	114,553
Net assets, end of year	169,365	179,430

The explanatory financial notes form an integral part of these financial statements.

FAITH'S ORPHANS FUND

STATEMENT OF FINANCIAL POSITION FEBRUARY 28, 2017

	2017 \$	2016 \$
ASSETS		
Cash	168,171	178,236
Accounts receivable	4,194	4,194
	172,365	182,430
LIABILITIES		
Accounts payable and accrued liabilities (note 3)	3,000	3,000
NET ASSETS		
Net assets	169,365	179,430
	172,365	182,430

APPROVED BY THE BOARD:

The explanatory financial notes form an integral part of these financial statements.

FAITH'S ORPHANS FUND**STATEMENT OF CASH FLOWS
YEAR ENDED FEBRUARY 28, 2017**

	2017 \$	2016 \$
Cash flows from operating activities:		
Excess (deficiency) of revenue over expenditures for year	(10,065)	64,877
Net change in non-cash working capital balances relating to operations:		
Accounts receivable		(639)
Accounts payable and accrued liabilities		3,000
	(10,065)	67,238
Cash flows from investment activities:		
Net disposal of capital assets		1,353
Net increase (decrease) in cash	(10,065)	68,591
Cash, beginning of year	178,236	109,645
Cash, end of year	168,171	178,236

The explanatory financial notes form an integral part of these financial statements.

1. Nature of Organization

The objective of Faith's Orphans Fund is to meet the needs of orphaned children in Africa regardless of personal background, religion, health status or gender.

As Faith's Orphans Fund is a registered charity under the Income Tax Act, its income is not taxable and it is eligible to issue official income tax receipts for charitable donations.

2. Summary of 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:

(a) Revenue recognition

Contributions are recorded using the deferral method under which 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.

(b) Financial instruments

All financial assets and liabilities are recorded at amortized cost less any discovered impairment.

(c) Contributed services and materials

Donations of materials and services are not reflected in these financial statements because of the impracticality of the record keeping and valuation of them.

(d) Use of estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

3. Accounts Payable and Accrued Liabilities

There were no amounts payable with respect to government remittances as of the year end date.

4. Financial Instruments

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

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The entity is not exposed to significant liquidity risk.

Credit risk

The entity is exposed to credit risk with respect to accounts receivable. The entity regularly assess the collectability of its accounts receivable.

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 entity is not exposed to significant market risk.