

GAWAD KALINGA CANADA

Financial Statements

September 30, 2016

(Unaudited)

GAWAD KALINGA CANADA
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Year Ended September 30, 2016
(Unaudited)

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REVIEW ENGAGEMENT REPORT

To the Directors of Gawad Kalinga Canada

We have reviewed the statement of financial position of Gawad Kalinga Canada as at September 30, 2016 and the statements of revenues and expenditures, changes in net assets and cash flow 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 Organization.

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

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.

The financial statements for the year ended September 30, 2015 were neither audited nor reviewed and are presented for comparative purposes only.

Hogg, Shain & Scheck PC

Toronto, Ontario
November 24, 2016

Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

GAWAD KALINGA CANADA
Statement of Revenues and Expenditures
For the Year Ended September 30, 2016
(Unaudited)

	2016	2015
REVENUES		
Donations	\$ 208,115	\$ 8,227
Interest	25	81
	<u>208,140</u>	<u>8,308</u>
EXPENDITURES		
Advertising and promotion	3,690	644
Bank charges	304	230
Licenses	3,219	2,604
Professional fees	2,286	2,573
Programs	173,164	1,917
Supplies	2,393	279
	<u>185,056</u>	<u>8,247</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 23,084</u>	<u>\$ 61</u>

See the accompanying notes to these financial statements

GAWAD KALINGA CANADA
Statement of Changes in Net Assets
For the Year Ended September 30, 2016
(Unaudited)

	2016	2015
NET ASSETS - BEGINNING OF YEAR	\$ 43,793	\$ 43,732
Excess of revenues over expenditures	<u>23,084</u>	<u>61</u>
NET ASSETS - END OF YEAR	<u>\$ 66,877</u>	<u>\$ 43,793</u>

See the accompanying notes to these financial statements

GAWAD KALINGA CANADA

Statement of Financial Position

September 30, 2016

(Unaudited)

	2016	2015
ASSETS		
CURRENT		
Cash	\$ 73,504	\$ 52,375
Accounts receivable	<u>306</u>	<u>710</u>
	\$ 73,810	\$ 53,085
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 2,900	\$ 1,349
Deferred revenue <i>(Note 2)</i>	<u>4,033</u>	<u>7,943</u>
	6,933	9,292
NET ASSETS		
UNRESTRICTED	<u>66,877</u>	<u>43,793</u>
	\$ 73,810	\$ 53,085

APPROVED ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

See the accompanying notes to these financial statements

GAWAD KALINGA CANADA
Statement of Cash Flow
For the Year Ended September 30, 2016
(Unaudited)

	2016	2015
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 23,084	\$ 61
Changes in non-cash working capital:		
Accounts receivable	404	(221)
Accounts payable and accrued liabilities	1,551	(2,651)
Deferred revenue	(3,910)	3,183
	<u>(1,955)</u>	311
INCREASE IN CASH FLOW	21,129	372
CASH - BEGINNING OF YEAR	<u>52,375</u>	<u>52,003</u>
CASH - END OF YEAR	<u>\$ 73,504</u>	<u>\$ 52,375</u>

See the accompanying notes to these financial statements

GAWAD KALINGA CANADA
Notes to Financial Statements
For the Year Ended September 30, 2016
(Unaudited)

1. SUMMARY OF ACCOUNTING POLICIES

Gawad Kalinga Canada (the "Organization") is incorporated without share capital under the Canada Corporations Act. The Organization's mission is to relieve poverty in the Philippines through the provision of basic amenities and the necessities of life to persons in need. The Organization also promotes the advancement of education in the Philippines through the provision of scholarships, after-school support programs and other educational programs.

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue recognition

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

Financial instruments

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

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

Capital assets

Capital assets are expensed in the year they are acquired. Such expenses are classified in the statement of revenues and expenditures as supplies, and in 2016 were \$1,836 (2015 - nil).

Contributed services

The Organization's programs benefit from services in the form of volunteer time. The financial statements do not reflect the value of these services because, although clearly substantial, no reliable basis exists for determining an appropriate amount.

2. DEFERRED REVENUE

	2016		2015
Beginning of year	\$ 7,943	\$	3,910
Add: Donation revenue related to upcoming projects	-		4,033
	7,943		7,943
Less: Donation revenue recognized in the year	(3,910)		-
End of year	\$ 4,033	\$	7,943
