

**LEARNING DISABILITIES ASSOCIATION
OF KINGSTON**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2007

Auditors' Report

Statement of Financial Position

Statement of Operations and Changes in Fund Balances

Notes to Financial Statements

AUDITORS' REPORT

To the Members of Learning Disabilities Association of Kingston

We have audited the statement of financial position of Learning Disabilities Association of Kingston as at December 31, 2007 and the statement of operations and changes in fund balances for the year then ended. These financial statements are the responsibility of the association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the association derives revenue from donations and memberships, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the association and we were not able to determine whether any adjustments might be necessary to donation and membership revenue and fund balances.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to completely verify donation and membership revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the association as at December 31, 2007 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.



Chartered Accountants
Licenced Public Accountants
Kingston, Ontario
March 27, 2008

LEARNING DISABILITIES ASSOCIATION OF KINGSTON

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2007

| | 2007 | | | | 2006 | |
|--|---------------------|---------------------------------|----------------------|----------------------|-----------------|-----------------|
| | <u>General Fund</u> | <u>Nevada & Raffle Fund</u> | <u>Computer Fund</u> | <u>Memorial Fund</u> | <u>Total</u> | <u>Total</u> |
| Assets | | | | | | |
| Current Assets | | | | | | |
| Cash | \$39,715 | \$4,687 | \$542 | \$ 9,586 | \$54,530 | \$21,898 |
| Accounts receivable | 562 | 37 | 24 | | 623 | 410 |
| Prepaid expense | | | | 3,850 | 3,850 | 28 |
| | <u>\$40,277</u> | <u>\$4,724</u> | <u>\$566</u> | <u>\$13,436</u> | <u>\$59,003</u> | <u>\$22,336</u> |
| Liabilities and Fund Balances | | | | | | |
| Current Liabilities | | | | | | |
| Accounts payable and accrued liabilities | \$ 3,939 | | | | \$ 3,939 | \$ 2,309 |
| Deferred revenue | <u>25,510</u> | | | | <u>25,510</u> | <u>2,500</u> |
| | <u>29,449</u> | | | | <u>29,449</u> | <u>4,809</u> |
| Fund Balances | | | | | | |
| Unrestricted | 10,828 | | | | 10,828 | 4,001 |
| Nevada & raffle fund | | \$4,724 | | | 4,724 | 3,636 |
| Computer reserve fund | | | \$566 | | 566 | 1,160 |
| Memorial fund | | | | \$13,436 | 13,436 | 8,730 |
| | <u>10,828</u> | <u>4,724</u> | <u>566</u> | <u>13,436</u> | <u>29,554</u> | <u>17,527</u> |
| | <u>\$40,277</u> | <u>\$4,724</u> | <u>\$566</u> | <u>\$13,436</u> | <u>\$59,003</u> | <u>\$22,336</u> |

Approved by the Board

Director

Director

LEARNING DISABILITIES ASSOCIATION OF KINGSTON

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

YEAR ENDED DECEMBER 31, 2007

| | <u>2007</u> | | | | <u>2006</u> | |
|--|-------------------------|---|--------------------------|--------------------------|------------------|-----------------|
| | <u>General Fund</u> | <u>Nevada & Raffle Fund</u> | <u>Computer Fund</u> | <u>Memorial Fund</u> | <u>Total</u> | <u>Total</u> |
| Revenue | | | | | | |
| Ontario Trillium Foundation | \$ 26,490 | | | | \$ 26,490 | |
| United Way funding | 44,616 | | | | 44,616 | \$42,996 |
| United Way designations | 2,855 | | | | 2,855 | 1,684 |
| Memberships | 717 | | | | 717 | 1,743 |
| Workshops | 4,500 | | | | 4,500 | 5,684 |
| Donations and grants | 11,636 | | | \$ 2,894 | 14,530 | 10,529 |
| Fundraising and events | 14,812 | | | 1,807 | 16,619 | 19,253 |
| Nevada and raffle fund | | \$3,646 | | | 3,646 | 4,798 |
| Other income | <u>1</u> | <u>2</u> | <u>\$ 1</u> | <u>5</u> | <u>9</u> | <u>98</u> |
| | <u>105,627</u> | <u>3,648</u> | <u>1</u> | <u>4,706</u> | <u>113,982</u> | <u>86,785</u> |
| Expense | | | | | | |
| Advertising | 2,176 | | | | 2,176 | 1,340 |
| Capital purchases | 2,002 | | 888 | | 2,890 | |
| Dues, fees and memberships | 713 | 504 | | | 1,217 | 1,396 |
| Equipment maintenance | 777 | | | | 777 | 952 |
| Equipment rentals | 2,127 | | | | 2,127 | 2,130 |
| Fundraising and events | 17,203 | | | | 17,203 | 16,929 |
| Insurance | 1,046 | | | | 1,046 | 1,063 |
| Meetings and conventions | 2,245 | | | | 2,245 | 1,558 |
| Nevada and raffle fund | | 1,590 | | | 1,590 | 1,934 |
| Office | 3,477 | | | | 3,477 | 2,994 |
| Professional fees | 2,464 | | | | 2,464 | 2,264 |
| Rent | 8,810 | | | | 8,810 | 8,184 |
| Resource material | | 466 | | | 466 | 1,192 |
| Salaries | 51,869 | | | | 51,869 | 32,670 |
| Telephone | 1,623 | | | | 1,623 | 1,869 |
| Workshops | <u>1,975</u> | | | | <u>1,975</u> | <u>3,296</u> |
| | <u>98,507</u> | <u>2,560</u> | <u>888</u> | | <u>101,955</u> | <u>79,771</u> |
| Excess (Deficiency) of Revenue over Expense | 7,120 | 1,088 | (887) | 4,706 | 12,027 | 7,014 |
| Interfund transfers (note 3) | (293) | | 293 | | | |
| Fund balances at beginning of year | <u>4,001</u> | <u>3,636</u> | <u>1,160</u> | <u>8,730</u> | <u>17,527</u> | <u>10,513</u> |
| Fund Balances at End of Year | <u>\$ 10,828</u> | <u>\$4,724</u> | <u>\$ 566</u> | <u>\$13,436</u> | <u>\$ 29,554</u> | <u>\$17,527</u> |

LEARNING DISABILITIES ASSOCIATION OF KINGSTON

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2007

1. Purpose of the Association

The Learning Disabilities Association of Kingston is incorporated without share capital under the laws of Ontario and is registered as a charitable organization exempt from income tax under the Income Tax Act. It is dedicated to further educational opportunities for children and adults with learning disabilities.

2. Summary of Significant Accounting Policies

(a) Fund Accounting

- (i) The general fund reports donations and expenses related to the operations and administration of the association.
- (ii) The Nevada and raffle fund reports the fundraising activities of the association.
- (iii) The computer fund reports contributions and expenses related to the purchase of computer equipment.
- (iv) The Tristin Osborne memorial fund reports contributions and expenses related to scholarships and other association programming.

(b) Capital Assets

No value is accorded to capital assets for reporting purposes. Expenditures on capital assets are charged as an expense in the year of acquisition.

(c) Revenue Recognition

Restricted contributions are recognized as revenue of the appropriate fund in the year in which they are received.

Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Contributions may be deferred and recognized as revenue in the year in which the related expenses are incurred.

(d) 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 revenue and expense during the reporting period. Actual results could differ from those estimates.

3. Interfund Transfers

During the year the directors approved transfers of \$293 from the general fund to the computer fund in order to eventually purchase a new computer.

LEARNING DISABILITIES ASSOCIATION OF KINGSTON

NOTES TO FINANCIAL STATEMENTS (continued)

YEAR ENDED DECEMBER 31, 2007

4. Financial Instruments

The carrying amounts for cash, accounts receivable and accounts payable approximate their fair market values because of the short-term nature of these instruments. It is management's opinion that the association is not exposed to significant interest, currency or credit risks arising from its financial instruments.

5. Statement of Cash Flow

A statement of cash flow would not provide additional information and accordingly has not been included.