

THE HAMILTON GAULT MEMORIAL FUND
(of the Princess Patricia's Canadian Light Infantry Association)

Financial Statements

December 31, 2018

(Unaudited)

Draft for discussion purposes only

Prepared by	Reviewed by	Manager	Partner
ST 5/15/19	SMP 6/05/19		

THE HAMILTON GAULT MEMORIAL FUND
(of the Princess Patricia's Canadian Light Infantry Association)
Index to Financial Statements
Year Ended December 31, 2018
(Unaudited)

	Page
REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 7

Draft for discussion purposes only



Tel: 403-266-5608
Fax: 403-233-7833
www.bdo.ca

BDO Canada LLP
903 - 8th Avenue SW, Suite 620
Calgary AB T2P 0P7 Canada

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of The Hamilton Gault Memorial Fund (of the Princess Patricia's Canadian Light Infantry Association)

We have reviewed the accompanying financial statements of The Hamilton Gault Memorial Fund, (of the Princess Patricia's Canadian Light Infantry Association), that 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of The Hamilton Gault Memorial Fund 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.

Other Matter

The financial statements of The Hamilton Gault Memorial Fund for the year ended December 31, 2017 were reviewed by the firm of Calvista LLP, whose practice now operates under BDO Canada LLP, and who expressed an unmodified opinion on those statements on December 31, 2017.

Chartered Professional Accountants

Calgary, Alberta

Printed: June 07, 2019 5:25 PM

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

THE HAMILTON GAULT MEMORIAL FUND
(of the Princess Patricia's Canadian Light Infantry Association)

Statement of Financial Position

As at December 31, 2018

(Unaudited)

	2018	2017
Assets		
Current		
Cash	\$ 34,260	\$ 55,606
Marketable securities	741,396	766,679
	<u>\$ 775,656</u>	<u>\$ 822,285</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 4,000	\$ 4,500
Deferred contributions (<i>Note 5</i>)	3,910	3,910
	7,910	8,410
Net assets	<u>767,746</u>	<u>813,875</u>
	<u>\$ 775,656</u>	<u>\$ 822,285</u>

Director

Director

THE HAMILTON GAULT MEMORIAL FUND
(of the Princess Patricia's Canadian Light Infantry Association)

Statement of Operations

For the Year Ended December 31, 2018

(Unaudited)

	2018	2017
Revenue		
Donations	\$ 17,323	\$ 31,067
Unrealized gain (loss) on marketable securities	(41,835)	30,330
Investment income	16,693	13,188
Project revenue	-	2,500
Centennial Torch	-	2,000
	<u>(7,819)</u>	<u>79,085</u>
Expenses		
Student bursaries	21,000	17,000
Wounded Warrior Canada	5,000	-
Professional fees	4,000	6,963
Cadet support	3,700	4,510
Travel	2,849	4,500
Soldier on Atlantic Golf Invitational	1,500	1,500
Fundraising	185	56
Interest and bank charges	54	52
Office	22	-
Project expenses	-	1,072
	<u>38,310</u>	<u>35,653</u>
Excess (deficiency) of revenue over expenses	\$ (46,129)	\$ 43,432

THE HAMILTON GAULT MEMORIAL FUND
(of the Princess Patricia's Canadian Light Infantry Association)
Statement of Changes in Net Assets
For the Year Ended December 31, 2018
(Unaudited)

	2018	2017
Net assets - beginning of year	\$ 813,875	\$ 770,443
Deficiency of revenue over expenses	<u>(46,129)</u>	<u>43,432</u>
Net assets - end of year	<u>\$ 767,746</u>	<u>\$ 813,875</u>

Draft for discussion purposes only

THE HAMILTON GAULT MEMORIAL FUND
(of the Princess Patricia's Canadian Light Infantry Association)

Statement of Cash Flows

For the Year Ended December 31, 2018

(Unaudited)

	2018	2017
Operating activities		
Excess (deficiency) of revenue over expenses	\$ (46,129)	\$ 43,432
Item not affecting cash:		
Loss (Gain) on marketable securities	41,835	(30,330)
	<u>(4,294)</u>	<u>13,102</u>
Changes in non-cash working capital:		
Accounts payable and accrued liabilities	500	2,500
Deferred income	-	900
	<u>500</u>	<u>3,400</u>
Cash flows from (used by) operating activities	<u>(3,794)</u>	<u>16,502</u>
Investing activity		
Purchase of marketable securities, net of proceeds	<u>(85,222)</u>	<u>(13,188)</u>
Increase (decrease) in cash flow	(21,346)	3,314
Cash - beginning of year	<u>55,606</u>	<u>52,292</u>
Cash - end of year	\$ 34,260	\$ 55,606

THE HAMILTON GAULT MEMORIAL FUND
(of the Princess Patricia's Canadian Light Infantry Association)

Notes to Financial Statements

Year Ended December 31, 2018

(Unaudited)

1. Purpose of The Hamilton Gault Memorial Fund

The Hamilton Gault Memorial Fund (the "Fund") was established in 1964 as an unincorporated registered charitable organization as defined in paragraph 149.1(1)(b) of the Income Tax Act, and is exempt from income tax.

The purpose of the Fund is to carry out the charitable operations of the Princess Patricia's Canadian Light Infantry Association.

2. Summary of significant accounting policies

Basis of presentation

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

Revenue recognition

The Hamilton Gault Memorial Fund 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 received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Investment income is recognized as revenue when earned.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash in bank and short term, highly liquid investments with original maturities of three months or less, and that are subject to an insignificant risk of change in value.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at fair value are marketable securities. The financial asset measured at cost is cash. The financial liabilities measured at cost include accounts payable and accrued liabilities and deferred contributions.

Contributed services

The operations of the Fund depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

(continues)

THE HAMILTON GAULT MEMORIAL FUND
(of the Princess Patricia's Canadian Light Infantry Association)

Notes to Financial Statements

Year Ended December 31, 2018

(Unaudited)

2. Summary of significant accounting policies (continued)

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. Marketable securities

Marketable securities consist of investments in mutual funds managed by the financial institutions identified above, and are carried at fair value. Unrealized gains and losses are reported in the statement of revenue and expenses as part of gain on marketable securities, which reports both realized and unrealized gains and losses.

4. Financial instruments

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2018.

(a) 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 rate risk, interest rate risk and other price risk. The organization is mainly exposed to other price risk.

(b) 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 organization is exposed to other price risk through its investment in mutual funds and quoted shares.

5. Deferred contributions

Deferred contributions are donations received for specific purposes, such as aid for members' and veterans' families, and will be recognized as revenue when the related expenses are incurred.

6. Comparative figures

Some of the comparative figures have been reclassified to conform to the current year's presentation.
