

JEWISH FEDERATION OF EDMONTON
(Operating as Edmonton United Jewish Appeal)
Financial Statements
Year Ended August 31, 2017

JEWISH FEDERATION OF EDMONTON

(Operating as Edmonton United Jewish Appeal)

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INDEPENDENT AUDITOR'S REPORT

To the Members of JEWISH FEDERATION OF EDMONTON (Operating as Edmonton United Jewish Appeal)

We have audited the accompanying financial statements of JEWISH FEDERATION OF EDMONTON, (Operating as Edmonton United Jewish Appeal), which comprise the statement of financial position as at August 31, 2017 and the statements of revenues and expenditures, changes in net assets and cash flow 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.

Auditor's 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 the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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.

(continues)

Independent Auditor's Report to the Members of JEWISH FEDERATION OF EDMONTON *(continued)*

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of JEWISH FEDERATION OF EDMONTON, (Operating as Edmonton United Jewish Appeal), as at August 31, 2017 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Edmonton, Alberta
February 12, 2018

Rutwind Brar LLP
Rutwind Brar LLP
Chartered Professional Accountants

JEWISH FEDERATION OF EDMONTON*(Operating as Edmonton United Jewish Appeal)***Statement of Financial Position****August 31, 2017**

	2017	2016
ASSETS		
CURRENT		
Cash	\$ 1,297,623	\$ 1,297,741
Campaign pledges receivable	152,420	171,451
Other accounts receivable	11,986	7,247
Prepaid expenses	17,967	15,728
Due from related parties <i>(Note 6)</i>	100,922	100,970
Free loans receivable	7,397	5,942
	<u>\$ 1,588,315</u>	<u>\$ 1,599,079</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 22,230	\$ 29,209
Campaign deposits	11,636	8,494
	<u>33,866</u>	<u>37,703</u>
NET ASSETS		
General fund	768,069	883,113
Campaign stabilization fund	602,887	524,666
Restricted fund	183,493	153,597
	<u>1,554,449</u>	<u>1,561,376</u>
	<u>\$ 1,588,315</u>	<u>\$ 1,599,079</u>

JEWISH FEDERATION OF EDMONTON*(Operating as Edmonton United Jewish Appeal)***Statement of Revenues and Expenditures****Year Ended August 31, 2017**

	2017	2016
REVENUES		
Current year campaign pledges	\$ 1,141,299	\$ 1,139,637
Heritage Days	33,842	31,862
Grants	17,000	18,385
Interest	16,255	15,525
Yom Ha'atzmaut	7,401	8,126
Cultural	4,984	4,352
Hillel	3,010	13,083
Donations	205	334
	<u>1,223,996</u>	<u>1,231,304</u>
EXPENSES		
General and administrative expenses		
Salaries and benefits	335,795	303,397
Office rent	30,864	30,864
Bank charges	14,641	14,636
Meetings and conferences	14,608	18,548
Computer expenses	11,797	11,477
Professional fees	11,355	16,570
Advertising	9,802	9,543
Telephone	2,950	2,456
GST	2,946	4,156
Office	2,288	5,237
Equipment expenses	1,663	2,229
Postage	952	1,062
Dues and fees	714	789
Program expenses		
Heritage Days	37,073	35,038
Yom Programs	21,166	24,039
Cultural	8,050	9,565
Birthright	7,844	7,341
Hillel	3,547	6,131
Campaign expenses		
Campaign	17,332	17,363
Bad debts	5,980	12,825
Allocations		
Allocations to beneficiaries	719,452	768,690
	<u>1,260,819</u>	<u>1,301,956</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (36,823)</u>	<u>\$ (70,652)</u>

JEWISH FEDERATION OF EDMONTON*(Operating as Edmonton United Jewish Appeal)***Statement of Changes in Net Assets****Year Ended August 31, 2017**

	General Fund	Campaign Stabilization Fund	Restricted Fund	2017	2016
NET ASSETS - BEGINNING OF YEAR	\$ 883,113	\$ 524,666	\$ 153,597	\$ 1,561,376	\$ 1,647,808
Allocation to Campaign Stabilization Fund	(78,221)	78,221	-	-	-
Holocaust Education Fund (schedule 2)	-	-	28,134	28,134	(9,445)
P2G Program (schedule 3)	-	-	8,470	8,470	(27,280)
Free Loan Society (schedule 4)	-	-	463	463	5,023
PJ Library Fund (schedule 5)	-	-	(6,759)	(6,759)	4,856
JCORE Program (schedule 6)	-	-	(2,879)	(2,879)	(144)
Film Festival Program (schedule 7)	-	-	463	463	3,247
Edmonton Israel Program (schedule 8)	-	-	2,004	2,004	(440)
BBYO Program (schedule 9)	-	-	-	-	8,403
DEFICIENCY OF REVENUES OVER EXPENSES	(36,823)	-	-	(36,823)	(70,652)
NET ASSETS - END OF YEAR	\$ 768,069	\$ 602,887	\$ 183,493	\$ 1,554,449	\$ 1,561,376

See notes to financial statements

JEWISH FEDERATION OF EDMONTON*(Operating as Edmonton United Jewish Appeal)***Statement of Cash Flow
Year Ended August 31, 2017**

	2017	2016
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (36,823)	\$ (70,652)
Changes in non-cash working capital:		
Campaign pledges receivable	19,031	8,597
Other accounts receivable	(4,739)	(1,412)
Accounts payable	(6,979)	7,718
Prepaid expenses	(2,239)	(123)
Free loans receivable	(1,455)	5,783
Campaign deposits	3,142	2,426
	<u>6,761</u>	<u>22,989</u>
Cash flow used by operating activities	<u>(30,062)</u>	<u>(47,663)</u>
RESTRICTED FUNDS ACTIVITY		
Holocaust Education Fund (schedule 2)	28,134	(9,445)
P2G Fund (schedule 3)	8,470	(27,280)
Free Loan Society Fund (schedule 4)	463	5,023
PJ Library Fund (schedule 5)	(6,759)	4,856
JCORE Program (schedule 6)	(2,879)	(144)
Film Festival Program (schedule 7)	463	3,247
Edmonton Israel Program (schedule 8)	2,004	(440)
BBYO Program (schedule 9)	-	8,403
	-	-
	-	-
Cash flow from (used by) restricted funds activity	<u>29,896</u>	<u>(15,780)</u>
FINANCING ACTIVITY		
Advances from related parties	48	152
DECREASE IN CASH FLOW	(118)	(63,291)
Cash - beginning of year	<u>1,297,741</u>	<u>1,361,032</u>
CASH - END OF YEAR	\$ 1,297,623	\$ 1,297,741
CASH CONSISTS OF:		
Cash	<u>\$ 1,297,623</u>	<u>\$ 1,297,741</u>

See notes to financial statements

JEWISH FEDERATION OF EDMONTON*(Operating as Edmonton United Jewish Appeal)***Schedule of Allocations (Schedule 1)****Year Ended August 31, 2017**

	2017	2016
Allocations to beneficiaries		
United Israel Appeal of Canada Inc.	\$ 184,591	\$ 178,740
Edmonton Talmud Torah	140,465	114,400
Edmonton Menorah Academy	81,000	83,000
Jewish Family Services	75,000	75,000
Jewish Community Centre - General	62,214	94,940
Our Parents' Home	43,400	40,000
Camp B B Riback	34,500	34,484
Edmonton Israel Fund	28,913	64,356
P2G	20,000	8,250
Bnai Brith Youth Organization	12,500	22,000
Jewish Senior Citizen's Centre	10,000	4,000
Chabad Lubavitch	9,500	8,000
Jewish Community Centre - Maccabi	8,250	7,250
Edmonton Congregation Beth Shalom	2,620	3,000
Beth Israel Synagogue	2,500	3,500
Temple Beth Ora	2,000	2,000
Jewish National Fund	1,000	500
JCORE	1,000	4,520
PJ Library	-	10,000
Free Loan Society	-	5,000
Aviv Dancers	-	2,550
EDJGE/Kollel	-	2,000
Beth Tzedek Congregation	-	1,200
	\$ 719,453	\$ 768,690

JEWISH FEDERATION OF EDMONTON*(Operating as Edmonton United Jewish Appeal)***Statement of Operations and Capital of the Holocaust Education Fund (Schedule 2)****Year Ended August 31, 2017**

	2017	2016
REVENUES		
Holocaust Grants and Revenue	\$ 39,207	\$ 77,900
Asper Foundation	-	36,850
	<u>39,207</u>	<u>114,750</u>
EXPENDITURES		
Holocaust Education and Remembrance	11,073	15,591
March of the Living	-	93,410
Asper Foundation	-	15,194
	<u>11,073</u>	<u>124,195</u>
Excess of revenues over expenditures (expenditures over revenues)	<u>28,134</u>	<u>(9,445)</u>
CAPITAL, beginning of year		
CAPITAL, beginning of year	<u>61,707</u>	<u>71,152</u>
CAPITAL, end of year	<u>\$ 89,841</u>	<u>\$ 61,707</u>

See notes to financial statements

JEWISH FEDERATION OF EDMONTON
(Operating as Edmonton United Jewish Appeal)
Statement of Operations and Capital of the P2gether Program (Schedule 3)
Year Ended August 31, 2017

	2017	2016
REVENUES		
P2gether Program	\$ 31,816	\$ 24,770
Allocation from Film Festival Program	20,000	20,000
	<u>51,816</u>	44,770
EXPENDITURES	<u>43,346</u>	72,050
Excess of revenues over expenditures (expenditures over revenues)	<u>8,470</u>	(27,280)
CAPITAL, beginning of year	<u>12,797</u>	40,077
CAPITAL, end of year	<u>\$ 21,267</u>	\$ 12,797

JEWISH FEDERATION OF EDMONTON*(Operating as Edmonton United Jewish Appeal)***Statement of Operations and Capital of the Free Loan Society Fund (Schedule 4)****Year Ended August 31, 2017**

	2017	2016
REVENUES	\$ 465	\$ 5,155
EXPENDITURES	2	132
Excess of revenues over expenditures (expenditures over revenues)	463	5,023
CAPITAL, beginning of year	48,309	43,286
CAPITAL, end of year	\$ 48,772	\$ 48,309

JEWISH FEDERATION OF EDMONTON
(Operating as Edmonton United Jewish Appeal)
Statement of Operations and Capital of the PJ Library Fund (Schedule 5)
Year Ended August 31, 2017

	2017	2016
REVENUES	\$ 11,088	\$ 14,236
EXPENDITURES	17,847	9,380
Excess of (expenditures over revenues) revenues over expenditures	(6,759)	4,856
CAPITAL, beginning of year	10,180	5,324
CAPITAL, end of year	\$ 3,421	\$ 10,180

JEWISH FEDERATION OF EDMONTON
(Operating as Edmonton United Jewish Appeal)
Statement of Operations and Capital of the JCORE Program (Schedule 6)
Year Ended August 31, 2017

	2017	2016
REVENUES	\$ 1,000	\$ 5,543
EXPENDITURES	3,879	5,687
Excess of (expenditures over revenues) revenues over expenditures	(2,879)	(144)
CAPITAL, beginning of year	5,909	6,053
CAPITAL, end of year	\$ 3,030	\$ 5,909

JEWISH FEDERATION OF EDMONTON*(Operating as Edmonton United Jewish Appeal)***Statement of Operations and Capital of the Film Festival Program (Schedule 7)****Year Ended August 31, 2017**

	<u>2017</u>	<u>2016</u>
REVENUES	\$ 48,104	\$ 52,182
EXPENDITURES		
Expenses	27,641	28,935
Allocation to P2G	<u>20,000</u>	<u>20,000</u>
	<u>47,641</u>	<u>48,935</u>
Excess of revenues over expenditures (expenditures over revenues)	<u>463</u>	<u>3,247</u>
CAPITAL, beginning of year	<u>14,706</u>	<u>11,459</u>
CAPITAL, end of year	<u>\$ 15,169</u>	<u>\$ 14,706</u>

See notes to financial statements

JEWISH FEDERATION OF EDMONTON*(Operating as Edmonton United Jewish Appeal)***Statement of Operations and Capital of the Edmonton Israel Program (Schedule 8)****Year Ended August 31, 2017**

	<u>2017</u>	<u>2016</u>
REVENUES	\$ 28,913	\$ 65,015
EXPENDITURES	<u>26,909</u>	<u>65,455</u>
Excess of revenues over expenditures (expenditures over revenues)	<u>2,004</u>	<u>(440)</u>
CAPITAL, beginning of year	<u>(11)</u>	<u>429</u>
CAPITAL, end of year	<u>\$ 1,993</u>	<u>\$ (11)</u>

JEWISH FEDERATION OF EDMONTON
(Operating as Edmonton United Jewish Appeal)
Statement of Operations and Capital of the BBYO Program (Schedule 9)
Year Ended August 31, 2017

	2017	2016
REVENUES	\$ -	\$ 22,354
EXPENDITURES	-	13,951
Excess of revenues over expenditures (expenditures over revenues)	-	8,403
CAPITAL, beginning of year	-	4,097
CAPITAL, end of year		
Fund closure	-	12,500
CAPITAL, end of year	\$ -	\$ -

JEWISH FEDERATION OF EDMONTON

(Operating as Edmonton United Jewish Appeal)

Notes to Financial Statements

Year Ended August 31, 2017

1. BASIS OF PRESENTATION

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

2. PURPOSE OF THE ORGANIZATION

JEWISH FEDERATION OF EDMONTON (the "Organization") is a not-for-profit organization incorporated provincially under the Companies Act of Alberta. As a registered charity the Organization is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

Its purpose is to collect funds as charitable donations and allocate these funds to qualified donees to carry on charitable activities. In addition to this they administer and co-ordinate community services and activities relating to cultural, educational and religious programs.

3. FINANCIAL POSITION OF THE ORGANIZATION

The accompanying financial statements have been prepared on the going concern assumption that the Organization will be able to realize assets and discharge liabilities in the normal course of activities for the foreseeable future.

Continuation of operations at current levels is dependent upon the Organization maintaining successful fund-raising activities, securing additional funding from support agencies, and reducing or maintaining operating expenditures at current levels.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and short term investments

The cash balance includes amounts that are restricted for specific funds. Of the total \$ 1,297,623 (\$1,297,741 in the prior period) at year end \$ 89,841 (\$ 61,707 in the prior period) is restricted for use in the Holocaust Education Fund, \$ 21,267 (\$ 12,797 in the prior period) is restricted for use in the P2gether Program, \$ 48,772 (\$ 48,309 in the prior period) is restricted for use in the Free Loan Society Fund, \$ 3,421 (\$ 10,180 in the prior period) is restricted for use in the PJ Library Fund, \$ 3,030 (\$ 5,909 in the prior period) is restricted for use in the JCORE Program, \$ 15,169 (\$ 14,706 in the prior period) is restricted for use in the Film Festival Program, and \$ 1,993 (\$ 0 in the prior period) is restricted for use in the Edmonton Israel Program.

Fund accounting

JEWISH FEDERATION OF EDMONTON follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the General Fund.

The Restricted and Campaign Stabilization Fund reports the amounts that the Organization has retained for specific purposes.

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JEWISH FEDERATION OF EDMONTON

(Operating as Edmonton United Jewish Appeal)

Notes to Financial Statements

Year Ended August 31, 2017

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

JEWISH FEDERATION OF EDMONTON 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.

Regular campaign pledges are recorded as revenue and receivables when pledge documents are received. Allowances are provided for amounts estimated to be uncollectible.

Goods and Services Tax

Goods and service tax on materials and services are recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

Government grants

Government grants are recorded when there is a reasonable assurance that the Organization had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

Measurement uncertainty

The preparation of 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, 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.

Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Financial Instruments

The Organization's financial instruments consist of cash, term deposits, guaranteed investment certificates, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant interest, currency or credit risks arising from financial instruments. The fair values of these instruments approximate their carrying values.

5. ECONOMIC DEPENDENCE

The Organization relies on donations, grants, and allocations from its related charitable organizations. The Organization's ability to continue its operations is dependent on this funding.

JEWISH FEDERATION OF EDMONTON
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Notes to Financial Statements
Year Ended August 31, 2017

6. RELATED PARTIES

The following is a summary of the Organization's related party transactions:

	2017	2016
<u>Related party transactions</u>		
Jewish Community Centre		
<i>(Nature of relationship)</i>		
Rent	\$ 30,864	\$ 30,864
Funding allocations to related organizations	62,214	94,940
	\$ 93,078	\$ 125,804

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

<u>Due from related parties</u>		
Jewish Community Centre	\$ 100,922	\$ 100,970

The Organization has an existing loan to the Jewish Community Centre noted above for the purchase of GIC's. As at August 31, 2017, the amount is still outstanding and will be paid back once the GIC matures.

7. CAMPAIGN STABILIZATION FUND

It was determined that amounts would be allocated to a campaign stabilization fund which would be calculated as one half of the prior fiscal period's consolidated surplus. This allocation takes place one full year past the previous year end date and due to the shortened fiscal period resulting from an amalgamation amounts were not allocated to this fund during the current fiscal period.

8. CAMPAIGN PLEDGES RECEIVABLE

	2017	2016
2017 Campaign	\$ 152,240	\$ -
2016 Campaign	180	171,451
	\$ 152,420	\$ 171,451

9. HOLOCAUST EDUCATION FUND

The Holocaust Education Fund supports educational awareness programs designed to remember and educate youth on the events of the Holocaust. It includes the Symposium, Asper Program, March of the Living, Kristallnacht, Remembrance Day and Yom Hashoah.

10. PARTNERSHIP TOGETHER PROGRAM (P2G)

P2G is an educational and co-operative exchange with Israeli students. P2G involves penpals, teacher exchanges, and student exchanges with Israel in our partnership region of the Galilee Panhandle. These funds are restricted.

JEWISH FEDERATION OF EDMONTON

(Operating as Edmonton United Jewish Appeal)

Notes to Financial Statements

Year Ended August 31, 2017

11. FREE LOAN SOCIETY

The Free Loan Society was created to provide interest-free loans for philanthropic purposes within the Edmonton area, to individuals or families in need with a goal of promoting economic self-sufficiency where the availability of interest-free credit will make a significant difference in those peoples' lives.

12. PJ LIBRARY FUND

The PJ Library program is a literacy enhancement tool for children ages 6 months to 8 years. The program is also designed to seek out unengaged Jewish children and bring them into the community.

13. JCORE PROGRAM

The JCORE Program is a next generation program designed to engage young adults ages 25 to 45 and bring them into the community.

14. FILM FESTIVAL

The Edmonton Jewish Film Festival is an annual event featuring Israeli and Jewish films which engages the Jewish and outside communities and raises money for P2G. The fund helps to grow and sustain the festival and helps it to apply for outside grants.

15. EDMONTON ISRAEL FUND

This fund comes from surplus United Jewish Appeal revenues and is put towards high priority projects identified by the Jewish Agency for Israel and our partnership region of the Galilee Panhandle.

16. BBYO FUND

BBYO is a worldwide teen movement, bringing together high school students from all over the globe, with all types of interest and from all types of Jewish background. BBYO provides teens with the opportunity to connect with each other at weekly programs that promote teen leadership, community service and social action.
