
**THE CANADIAN COMMITTEE FOR
THE TEL AVIV FOUNDATION**

FINANCIAL STATEMENTS

DECEMBER 31, 2017

INDEPENDENT AUDITOR'S REPORT

To the Members,
The Canadian Committee for the Tel Aviv Foundation

We have audited the accompanying financial statements of The Canadian Committee for the Tel Aviv Foundation which comprise the statement of financial position as at December 31, 2017, and the statements of changes in net assets, operations 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.

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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Canadian Committee for the Tel Aviv Foundation as at December 31, 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.

Coopers & Lybrand Mehta

Chartered Professional Accountants
Licensed Public Accountants

May 28, 2018
Toronto, Ontario

THE CANADIAN COMMITTEE FOR THE TEL AVIV FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2017

	2017	2016
ASSETS		
Current assets		
Cash	\$ 172,495	\$ 317,115
Restricted cash (note 4)	213,013	11,046
Sales tax recoverable	<u>934</u>	<u>682</u>
	<u>\$ 386,442</u>	<u>\$ 328,843</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 1,909	\$ 1,098
Deferred contributions (note 3)	<u>116,312</u>	<u>31,390</u>
	<u>118,221</u>	<u>32,488</u>
Net assets		
Restricted (note 4)	213,013	11,046
Unrestricted	<u>55,208</u>	<u>285,309</u>
	<u>268,221</u>	<u>296,355</u>
	<u>\$ 386,442</u>	<u>\$ 328,843</u>

Approved on behalf of the Board:

_____, Director

_____, Director

see accompanying notes

THE CANADIAN COMMITTEE FOR THE TEL AVIV FOUNDATION

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2017

2016

Net assets, beginning of year	\$ 380,715	\$ 3,063	\$ 383,778
Transfer from unrestricted to restricted (note 4)	(7,983)	7,983	-
Excess of revenue over expenses for the year	<u>(87,423)</u>	<u>-</u>	<u>(87,423)</u>
NET ASSETS, END OF YEAR	<u>\$ 285,309</u>	<u>\$ 11,046</u>	<u>\$ 296,355</u>

2017

Net assets, beginning of year	\$ 285,309	\$ 11,046	\$ 296,355
Transfer from unrestricted to restricted (note 4)	(201,967)	201,967	-
Excess of expenses over revenue for the year	<u>(28,134)</u>	<u>-</u>	<u>(28,134)</u>
NET ASSETS, END OF YEAR	<u>\$ 55,208</u>	<u>\$ 213,013</u>	<u>\$ 268,221</u>

see accompanying notes

THE CANADIAN COMMITTEE FOR THE TEL AVIV FOUNDATION

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2017

	2017	2016
REVENUE		
Donations	\$ 22,000	\$ 384,456
Interest and other	<u>-</u>	<u>186</u>
	<u>22,000</u>	<u>384,642</u>
EXPENSES		
Salaries and benefits	23,003	21,343
Professional fees	13,135	6,385
Office and administration	9,753	9,132
Insurance	869	891
Interest and bank charges	110	101
Program disbursements	<u>-</u>	<u>417,816</u>
	<u>46,870</u>	<u>455,668</u>
Excess of revenue over expenses from operations	(24,870)	(71,026)
Foreign exchange loss	<u>(3,264)</u>	<u>(16,397)</u>
EXCESS OF EXPENSES OVER REVENUE FOR THE YEAR	<u>\$ (28,134)</u>	<u>\$ (87,423)</u>

see accompanying notes

THE CANADIAN COMMITTEE FOR THE TEL AVIV FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017

	2017	2016
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ (28,134)	\$ (87,423)
Net change in non-cash working capital items (see below)	<u>85,481</u>	<u>38,481</u>
NET INCREASE (DECREASE) IN CASH FOR THE YEAR	57,347	(48,942)
Cash, beginning of year	<u>328,161</u>	<u>377,103</u>
CASH, END OF YEAR	<u>\$ 385,508</u>	<u>\$ 328,161</u>
Represented by:		
Cash	\$ 172,495	\$ 317,115
Restricted cash	<u>213,013</u>	<u>11,046</u>
	<u>\$ 385,508</u>	<u>\$ 328,161</u>
Net change in non-cash working capital items:		
Decrease (increase) in current assets-		
Sales tax recoverable	\$ (251)	\$ 10,725
Prepaid expenses	-	61
Increase (decrease) in current liabilities-		
Accounts payable and accrued liabilities	810	(3,695)
Deferred contributions	<u>84,922</u>	<u>31,390</u>
	<u>\$ 85,481</u>	<u>\$ 38,481</u>

see accompanying notes

THE CANADIAN COMMITTEE FOR THE TEL AVIV FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2017

The Canadian Committee for the Tel Aviv Foundation (the Foundation) is a national organization incorporated in the Province of Ontario without share capital. The Foundation is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

The Canadian Committee for the Tel Aviv Foundation raises funds for poverty relief and education in Tel Aviv-Yafo.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant:

Revenue recognition

The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

- i) The Foundation follows the deferral method of revenue recognition for donations. Unrestricted donations are reflected in the accounts as revenue in the year received. Restricted donations received in the year for expenses to be incurred in the following fiscal year are recorded as deferred contributions.
- ii) Donated materials and services which are normally purchased by the Foundation are not recorded in the accounts. The Foundation received significant in-kind donations for office rental, academic research, public relations and executive search assistance, staff support and assistance with seminar presentations.
- iii) Interest income is recognized in the period earned.

Foreign currency transactions

Monetary assets and liabilities denominated in a foreign currency are translated into Canadian dollars at the exchange rates prevailing at the year end date. Non-monetary items, revenue and expenses are translated at exchange rates prevailing at the transaction dates. Foreign exchange gains and losses are included in the determination of excess of revenue over expenses for the current year.

2. FINANCIAL INSTRUMENTS AND RELATED FINANCIAL RISKS

The Foundation records financial instruments, which include cash and accounts payable and accrued liabilities, initially recorded at fair value and subsequently recorded net of provisions for impairment in value.

Fluctuations in foreign exchange risks between Canadian and U.S. dollars do not result in significant currency risks affecting future cash flows from transferring program funding to foreign recipients. The Foundation maintains a bank account in U.S. dollars.

THE CANADIAN COMMITTEE FOR THE TEL AVIV FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2017

3. DEFERRED CONTRIBUTIONS

Continuity of deferred contributions for the year is as follows:

	2017	2016
Deferred contributions, beginning of year	\$ 31,390	\$ -
Restricted contributions received	84,922	31,390
Restricted contributions recognized as revenue	<u>-</u>	<u>-</u>
Deferred contributions, end of year	<u>\$ 116,312</u>	<u>\$ 31,390</u>

4. RESTRICTED CASH

This account consists of funds held in a Foundation bank account in Tel Aviv, Israel, for future projects and administration expenses.

5. RELATED PARTY TRANSACTION

The Foundation receives office space at no cost from a company owned by a Director of the Board.