

**CANADIAN ASSOCIATION FOR CO-OPERATIVE
EDUCATION**

**(ASSOCIATION CANADIENNE DE L'ENSEIGNEMENT
CO-OPERATIF)
FINANCIAL STATEMENTS
AUGUST 31, 2010**

INDEX

	Page
Auditors' Report	1
Balance Sheet	2
Statement of Changes in Net Assets	3
Statement of Operations	4
Statement of Cash Flows	5
Notes to the Financial Statements	6 - 8

SEGAL 

Assurance.

SEGAL LLP
2005 Sheppard Ave E, No. 500
Toronto, Ontario M2J 5B4

Phone. 416 391 4499
Fax. 416 391 3280
Toll Free. 1 800 206 7307
info@segalllp.com

AN INDEPENDENT MEMBER
OF DFK INTERNATIONAL

AUDITORS' REPORT

To the Members of
Canadian Association for Co-operative Education
(Association Canadienne de L'enseignement Co-operatif)

We have audited the balance sheet of Canadian Association for Co-operative Education/Association Canadienne de L'enseignement Co-operatif (the "Association") as at August 31, 2010 and the statements of operations, changes in net assets and cash flows 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.

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 our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at August 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Segal LLP

Chartered Accountants
Licensed Public Accountants

Toronto, Ontario
September 30, 2010

Adding to your success.

CANADIAN ASSOCIATION FOR CO-OPERATIVE EDUCATION
(ASSOCIATION CANADIENNE DE L'ENSEIGNEMENT CO-OPERATIF)

BALANCE SHEET
AS AT AUGUST 31, 2010

	2010	2009
ASSETS		
Cash	\$ 112,387	\$ 106,003
Endowment investments, note 4	26,005	26,358
Accounts receivable	2,128	728
Prepaid expenses and sundry assets	<u>2,143</u>	<u>1,938</u>
	<u>\$ 142,663</u>	<u>\$ 135,027</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 7,071	\$ 5,298
Deferred revenue, note 5	<u>8,000</u>	<u>8,500</u>
	<u>15,071</u>	<u>13,798</u>
NET ASSETS		
Unrestricted	101,587	94,871
Endowments, note 4	<u>26,005</u>	<u>26,358</u>
	<u>127,592</u>	<u>121,229</u>
	<u>\$ 142,663</u>	<u>\$ 135,027</u>

Approved on behalf of the board:

Director

Director

See accompanying notes to the financial statements

**CANADIAN ASSOCIATION FOR CO-OPERATIVE EDUCATION
(ASSOCIATION CANADIENNE DE L'ENSEIGNEMENT CO-OPERATIF)**

**STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED AUGUST 31, 2010**

	Endowments	Operating Fund	2010 Total
Balance, beginning of year	\$ 26,358	\$ 94,871	\$ 121,229
Excess of revenue over expenses	(1,000)	6,716	5,716
Interest income	647	-	647
Contributions	-	-	-
Balance, end of year	<u>\$ 26,005</u>	<u>\$ 101,587</u>	<u>\$ 127,592</u>

	Endowments	Operating Fund	2009 Total
Balance, beginning of year	\$ 20,705	\$ 108,355	\$ 129,060
Deficiency of revenue over expenses	-	(13,484)	(13,484)
Interest income	653	-	653
Contributions	5,000	-	5,000
Balance, end of year	<u>\$ 26,358</u>	<u>\$ 94,871</u>	<u>\$ 121,229</u>

See accompanying notes to the financial statements

**CANADIAN ASSOCIATION FOR CO-OPERATIVE EDUCATION
(ASSOCIATION CANADIENNE DE L'ENSEIGNEMENT CO-OPERATIF)**

**STATEMENT OF OPERATIONS
FOR THE YEAR ENDED AUGUST 31, 2010**

	2010	2009
Revenue		
Membership dues	\$ 76,714	\$ 77,200
Biennial conference	56,163	-
Sponsorships and awards	5,500	8,500
Other income	2,800	-
Interest income	1,444	2,746
Accreditation and manuals	-	175
	<u>142,621</u>	<u>88,621</u>
Expenses		
Salaries	57,798	56,344
Conference expenses	27,068	(151)
Meetings	14,959	5,176
Rent	7,913	7,636
Web development and support	6,462	8,688
Research	5,372	10,661
Professional fees	5,125	5,125
Awards	1,928	4,741
Membership	2,555	407
Telephone	1,988	1,977
Office supplies and general	1,166	1,031
Accreditation	1,132	1,951
Anniversary celebrations (recoveries)	996	(2,500)
Equipment, software and training	710	77
Bank charges and interest	223	285
Annual general meeting	510	657
	<u>135,905</u>	<u>102,105</u>
Excess (deficiency) of revenue over expenses	<u>\$ 6,716</u>	<u>\$ (13,484)</u>

See accompanying notes to the financial statements

CANADIAN ASSOCIATION FOR CO-OPERATIVE EDUCATION
(ASSOCIATION CANADIENNE DE L'ENSEIGNEMENT CO-OPERATIF)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2010

	2010	2009
Cash flow from operating activities		
Cash received from members and activities	\$ 197,844	\$ 90,467
Interest received	1,444	2,747
Cash paid to suppliers and employee	<u>(192,904)</u>	<u>(138,410)</u>
Increase (decrease) in cash during year	6,384	(45,196)
Cash, beginning of year	<u>106,003</u>	<u>151,199</u>
Cash, end of year	<u>\$ 112,387</u>	<u>\$ 106,003</u>

See accompanying notes to the financial statements

**CANADIAN ASSOCIATION FOR CO-OPERATIVE EDUCATION
(ASSOCIATION CANADIENNE DE L'ENSEIGNEMENT CO-OPERATIF)**

**NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2010**

1. PURPOSE OF THE ORGANIZATION

The Canadian Association for Co-operative Education is a national non-profit organization formed to promote the expansion of high quality co-operative education in Canadian post-secondary institutions.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The significant accounting policies are summarized as follows:

Revenue recognition

The Association follows the deferral method of accounting for contributions. Membership fees, contributions and operating grants are included in revenue in the year in which they are received or receivable, with the exception of amounts relating to a specific future period expenditures which are deferred and included in revenue in the period of the related expenditure.

Unrestricted investment income is recognized as revenue when earned.

Endowments

Endowment contributions are recognized as direct increases in net assets. Investment income earned on endowment contributions are recognized as direct increases in net assets.

Property and equipment

Property and equipment are expensed in the financial statements as incurred.

Contributed services

Volunteers contribute time to assist the Canadian Association for Co-operative Education in carrying out its service delivery activities. Because of the difficulty in determining fair value, contributed services are not recognized in the financial statements.

Estimates

The preparation of financial statements in conformity 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 expenditures for the period. Actual results could differ from these estimates.

CANADIAN ASSOCIATION FOR CO-OPERATIVE EDUCATION
(ASSOCIATION CANADIENNE DE L'ENSEIGNEMENT CO-OPERATIF)

NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2010

2. SIGNIFICANT ACCOUNTING POLICIES (Continued...)

Capital disclosures

The Association has adopted CICA Handbook Section 1535, Capital Disclosures. This section establishes standards for disclosing information about an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital and whether the entity has complied with capital requirements and, if it has not complied, the consequences of such non-compliance. This information has been presented in note 7.

General standards on financial statement presentation

The Association has adopted CICA Handbook Section 1400, General Standards on Financial Statement Presentation, which has been amended to include requirements to assess and disclose an entity's ability to continue as a going concern. Management has made this assessment on the basis of projected cash flows from ongoing efforts. Management has concluded that there are no material uncertainties that cast doubt on the Association's ability to continue as a going concern.

3. INCOME TAX STATUS

The Canadian Association for Co-operative Education is a registered charity within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

4. ENDOWMENT FUNDS

Of the total, \$25,000 (2009 - \$25,000) is subject to externally imposed restrictions stipulating that the resources be maintained permanently for the Emery-Dufault Award. The balance of \$2,005 (2009 - \$1,358) is the accumulated investment income earned on the \$25,000 that is restricted for future award payments.

5. DEFERRED REVENUE

	2010	2009
University of Waterloo - Barber Award and Research Grant	\$ 5,500	\$ 500
Education at Work - Ontario Research Grant	2,500	5,000
Concordia University Research Grant	-	2,500
Dr. Graham Branton Research Award	-	500
	<u>\$ 8,000</u>	<u>\$ 8,500</u>

Deferred contributions represent sponsorships received to pay out awards in future years and are only available for operating purposes as the awards are granted.

**CANADIAN ASSOCIATION FOR CO-OPERATIVE EDUCATION
(ASSOCIATION CANADIENNE DE L'ENSEIGNEMENT CO-OPERATIF)**

**NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2010**

6. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash, accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

7. CAPITAL MANAGEMENT

The Association's capital, which consists of net assets, is financed primarily by membership fees received during the year. The Association's objectives when managing its capital are to safeguard the Association's ability to continue its operations as a going concern and to allow the Association to respond to changes in economic conditions. The Association manages its capital structure and makes adjustments to it based on general economic conditions, short-term working capital requirements, and planned program expenditures.

Except for the endowments referred to in note 4, the Association is not subject to any external covenants at August 31, 2010.

8. COMPARATIVE AMOUNTS

Certain of the prior year figures have been reclassified to conform with the current year's presentation.