

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

**FINANCIAL STATEMENTS
AUGUST 31, 2004**

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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) as at August 31, 2004 and the statements of operations and accumulated surplus 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, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The prior year figures were audited by another firm of chartered accountants.

CHARTERED ACCOUNTANTS

Toronto, Ontario
September 30, 2004

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

**BALANCE SHEET
AS AT AUGUST 31, 2004**

	2004	2003
ASSETS		
Cash and short term investments, note 4	\$ 177,682	\$ 201,681
Accounts receivable	2,000	-
Conference advance	5,000	5,000
Prepaid expenses and sundry assets	<u>405</u>	<u>405</u>
	<u>\$ 185,087</u>	<u>\$ 207,086</u>
LIABILITIES		
Accounts payable and accrued liabilities	<u>\$ 2,662</u>	<u>\$ 16,997</u>
ACCUMULATED SURPLUS		
Surplus	<u>182,425</u>	<u>190,089</u>
	<u>\$ 185,087</u>	<u>\$ 207,086</u>

Approved:

See accompanying notes to the financial statements

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

**STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED AUGUST 31, 2004**

	2004	2003
Revenue		
Membership dues	\$ 71,200	\$ 74,000
Interest	3,342	2,199
Biennial conference	2,000	8,839
Sponsorships	1,000	3,332
Accreditation and manuals	<u>262</u>	<u>315</u>
	<u>77,804</u>	<u>88,685</u>
Expenses		
Salaries	46,789	46,268
Rent	6,483	6,311
Communications projects		
Accreditation and manuals	6,325	361
Awards	3,802	1,965
Publication of newsletters	123	128
Membership	51	457
Web development and support	4,625	661
Meetings	3,947	1,699
Conference	2,889	-
Equipment, software and training	2,615	27
Professional fees	2,608	2,484
Annual general meeting	1,850	-
Office supplies and general	1,720	933
Telephone	1,515	1,233
Bank charges and interest	95	82
Postage and courier	<u>31</u>	<u>95</u>
	<u>85,468</u>	<u>62,704</u>
Excess of revenue over expenditures (expenditures over revenue)	(7,664)	25,981
Accumulated surplus at beginning of year	<u>190,089</u>	<u>164,108</u>
Accumulated surplus at end of year	<u><u>\$ 182,425</u></u>	<u><u>\$ 190,089</u></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, 2004**

	2004	2003
Cash flow from operating activities		
Cash received from members and activities	\$ 72,462	\$ 89,440
Cash paid to suppliers and employee	(99,803)	(48,441)
Interest received	<u>3,342</u>	<u>2,199</u>
	<u>(23,999)</u>	<u>43,198</u>
Increase (decrease) in cash and short term investments during year	(23,999)	43,198
Cash and short term investments at beginning of year	<u>201,681</u>	<u>158,483</u>
Cash and short term investments at end of year	<u>\$ 177,682</u>	<u>\$ 201,681</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, 2004**

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

Membership fees, contributions and operating grants are included in revenue in the year in which they are received or receivable, with the exception that amounts relating to a specific future period are deferred and included in revenue in that later period.

Capital Assets

Capital assets 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 of determining their 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.

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. CASH AND SHORT TERM INVESTMENTS

Cash and short term investments consist of the following:

	2004	2003
Cash	\$ 19,672	\$ 36,847
Short term deposits	<u>158,010</u>	<u>164,834</u>
	<u>\$ 177,682</u>	<u>\$ 201,681</u>

**CANADIAN ASSOCIATION FOR CO-OPERATIVE EDUCATION
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**NOTES TO THE FINANCIAL STATEMENTS
AUGUST 31, 2004**

5. FINANCIAL INSTRUMENTS

The Association's financial instruments consist of cash and short term investments, conference advance, accounts receivable, prepaid expenses and sundry assets and accounts payable. Unless otherwise noted, it is member'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 approximate their carrying values, unless otherwise noted.