

**OLIVE BRANCH PLAYGROUND
BUILDERS FOUNDATION**
Financial Statements
Year Ended May 31, 2015

OLIVE BRANCH PLAYGROUND BUILDERS FOUNDATION
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Year Ended May 31, 2015

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HEMING, WYBORN & GREWAL
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Olive Branch Playground Builders Foundation

We have audited the accompanying financial statements of Olive Branch Playground Builders Foundation, which comprise the statement of financial position as at May 31, 2015 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 qualified audit opinion.

(continues)

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Independent Auditor's Report to the Members of Olive Branch Playground Builders Foundation
(continued)

Basis for Qualified Opinion

In common with many charitable organizations, the foundation derives revenue from donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the foundation and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenditures, current assets and net assets.

Qualified Opinion

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the contributions referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of Olive Branch Playground Builders Foundation as at May 31, 2015 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.

Comparative Information

Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes that Olive Branch Playground Builders Foundation adopted Canadian accounting standards for not-for-profit organizations on June 1, 2014 with a transition date of June 1, 2013. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statements of financial position as at May 31, 2014 and June 1, 2013 and the statements of revenues and expenditures, changes in net assets and cash flow for the year ended May 31, 2014 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is unaudited.



Surrey, BC
November 23, 2015

CHARTERED PROFESSIONAL ACCOUNTANTS

OLIVE BRANCH PLAYGROUND BUILDERS FOUNDATION
Statement of Changes in Net Assets
Year Ended May 31, 2015

	2015	2014
NET ASSETS - BEGINNING OF YEAR	\$ 85,684	\$ 38,618
Deficiency of revenues over expenditures	<u>(23,613)</u>	<u>47,066</u>
NET ASSETS - END OF YEAR	<u>\$ 62,071</u>	<u>\$ 85,684</u>

OLIVE BRANCH PLAYGROUND BUILDERS FOUNDATION
Statement of Revenues and Expenditures
For the Year Ended May 31, 2015

	2015	2014
REVENUES		
Individual donations	\$ 19,096	\$ 71,581
Corporation and foundation donations	113,450	165,862
Donations from fundraising events	37,169	45,462
	<u>169,715</u>	<u>282,905</u>
EXPENDITURES		
Advertising and promotion	567	3,856
Insurance	-	160
Interest and bank charges	556	759
Memberships	50	-
Office	335	595
Playground construction costs	187,568	226,414
Professional fees	2,563	-
Sub-contracts	2,080	4,280
	<u>193,719</u>	<u>236,064</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES FROM OPERATIONS	(24,004)	46,841
OTHER ITEM		
Interest income	391	225
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (23,613)	\$ 47,066

OLIVE BRANCH PLAYGROUND BUILDERS FOUNDATION
Statement of Cash Flow
Year Ended May 31, 2015

	2015	2014
OPERATING ACTIVITIES		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (23,613)	\$ 47,066
Changes in non-cash working capital:		
Accounts receivable	(347)	1
Accounts payable	1,281	(513)
Goods and services tax payable	216	(86)
	1,150	(598)
INCREASE (DECREASE) IN CASH FLOW	(22,463)	46,468
CASH - BEGINNING OF YEAR	85,413	38,945
CASH - END OF YEAR	\$ 62,950	\$ 85,413

OLIVE BRANCH PLAYGROUND BUILDERS FOUNDATION

Notes to Financial Statements

Year Ended May 31, 2015

PURPOSE OF THE FOUNDATION

Olive Branch Playground Foundation was incorporated on June 21, 2007 under the laws of the Society Act of British Columbia as a not-for-profit organization. The Foundation facilitates the building of playgrounds in war devastated countries.

1. FIRST TIME ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

During the year the Foundation adopted Canadian accounting standards for not-for-profit organizations (ASNFP). These financial statements are the first prepared in accordance with these standards. The adoption of ASNFP had no impact on net assets as at June 1, 2013 or revenues and expenditures or cash flow for the year ended May 31, 2014 as previously reported in accordance with pre-changeover Canadian generally accepted accounting principles.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund accounting

Olive Branch Playground Builders Foundation follows the restricted fund method of accounting for contributions.

The General Fund accounts for the Foundation's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

Basis of presentation

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

Revenue recognition

Olive Branch Playground Builders Foundation follows the restricted fund method of accounting for contributions.

Donation and other revenues are recorded upon receipt.

Income taxes

The Foundation is a registered Charity within the meaning of the Income Tax Act and as such is exempt from federal and provincial income taxes.

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 expenditures during the period. Such estimates include providing for amortization of property, plant and equipment and goodwill. Actual results could differ from these estimates.

OLIVE BRANCH PLAYGROUND BUILDERS FOUNDATION
Notes to Financial Statements
Year Ended May 31, 2015

3. FINANCIAL INSTRUMENTS

The Foundation 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 Foundation's risk exposure and concentration as of May 31, 2015.

Currency risk

Currency risk is the risk to the Foundation's excess of revenues over expenditures that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Foundation is exposed to foreign currency exchange risk on cash, accounts receivable, and accounts payable held in U.S. dollars. The Foundation does not use derivative instruments to reduce its exposure to foreign currency risk.
