

Financial Statements of

**UNIVERSITY OF KING'S  
COLLEGE ALUMNI  
ASSOCIATION**

Year ended March 31, 2024

# UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

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**INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT**

To the Members of the University of King's College Alumni Association

We have reviewed the accompanying financial statements of the University of King's College Alumni Association, which comprise the statement of financial position as at March 31, 2024, the statement of operations and changes in fund balances and statement of cash flows for the year then ended, and notes, comprising 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.

*Practitioners' Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.



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*Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of University of King's College Alumni Association as at March 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a long, horizontal, slightly curved line that serves as a flourish or underline.

Chartered Professional Accountants

Halifax, Canada

June 13, 2024

# UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Statement of Financial Position

March 31, 2024, with comparative information for 2023

	Endowment	General	2024 Total	2023 Total
<b>Assets</b>				
Current assets:				
Cash	\$ -	\$ 15,125	\$ 15,125	\$ 20,160
HST recoverable	-	-	-	1,451
Investment income receivable	-	-	-	2,537
Merchandise inventory	-	7,430	7,430	7,014
	-	22,555	22,555	31,162
Investments - at market (note 2)	-	-	-	744,404
Due from The University of King's College (note 2)	427,918	311,879	739,797	-
	\$ 427,918	\$ 334,434	\$ 762,352	\$ 775,566

## Liabilities and Fund Balances

Current liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ 4,100	\$ 4,100	\$ 4,100
Deferred revenue	-	-	-	14,823
	-	4,100	4,100	18,923
Fund balances	427,918	330,334	758,252	756,643
	\$ 427,918	\$ 334,434	\$ 762,352	\$ 775,566

See accompanying notes to financial statements.

On behalf of the Board:

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# UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Statement of Operations and Changes in Fund Balances

Year ended March 31, 2024, with comparative information for 2023

	Endowment	General	2024 Total	2023 Total
<b>Revenue:</b>				
Donations	\$ 1,580	\$ -	\$ 1,580	\$ 2,680
Investment income (note 2)	123,953	87,031	210,984	25,007
Sale of memorabilia	-	6,672	6,672	6,848
Other income and sponsorship	-	25,223	25,223	14,943
	125,533	118,926	244,459	49,478
<b>Expenses:</b>				
Awards and bursaries	16,750	-	16,750	16,000
Bank charges	-	184	184	185
OAC/Hudson/Young alumni award	-	6,753	6,753	-
Professional fees	-	7,043	7,043	11,635
Memorabilia	-	4,360	4,360	3,489
The John Godfrey prize	-	100	100	-
Travel	-	225	225	-
Alumni day & communications	-	12,726	12,726	1,000
	16,750	31,391	48,141	32,309
Excess of revenue over expenses before other income (expense)	108,783	87,535	196,318	17,169
<b>Other expense:</b>				
Unrealized loss on investments	(114,392)	(80,317)	(194,709)	(96,926)
Excess (deficiency) of revenue over expenses	(5,609)	7,218	1,609	(79,757)
Fund balances, beginning of year	433,527	323,116	756,643	836,400
Fund balances, end of year	\$ 427,918	\$ 330,334	\$ 758,252	\$ 756,643

See accompanying notes to financial statements.

# UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

## Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ 1,609	\$ (79,757)
Items not involving cash:		
Gain on transfer of investments	(178,994)	-
Unrealized loss on investments	194,709	96,926
	17,324	17,169
Changes in non-cash operating working capital:		
Decrease in accounts receivable	-	2,590
Decrease (increase) in hst recoverable	1,451	(850)
Decrease in investment income receivable	2,537	3,369
Increase in merchandise inventory	(416)	(1,328)
(Decrease) increase in deferred revenue	(14,823)	14,823
	6,073	35,773
Investing activities:		
Purchase of investments	(205,238)	(33,943)
Proceeds on sale of investments	933,927	15,486
Due from University of King's College	(739,797)	-
	(11,108)	(18,457)
(Decrease) increase in cash	(5,035)	17,316
Cash, beginning of year	20,160	2,844
Cash, end of year	\$ 15,125	\$ 20,160

See accompanying notes to financial statements.

# UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Notes to Financial Statements

Year ended March 31, 2024

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University of King's College Alumni Association (the "Association") promotes the interest of the University and helps alumni connect with one another and the College.

## 1. Significant accounting policies:

### (a) Basis of accounting:

These financial statements have been prepared by management in accordance with Part III of the CPA Canada Handbook which sets out generally accepted accounting principles for not-for-profit organizations in Canada.

### (b) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. The Association subsequently measures its financial instruments at cost or amortized cost, unless management has elected to carry the instrument at fair value. Changes in fair value are recognized in net income.

Financial assets measured at cost include cash, accounts receivable, HST recoverable and due to University of King's College. Financial assets measured at fair value include investments. Financial liabilities measured at cost include accounts payable and accrued liabilities.

### (c) Cash:

The Association defines cash as the amount of cash on hand and cash on deposit net of cheques that are issued and outstanding at the end of the year.

### (d) Inventory:

Inventory is valued at the lower of average cost determined on the first-in, first-out cost method and net realizable value and consists mainly of memorabilia held for resale. Net realizable value is the estimated selling price in the ordinary course of business less the costs to make the sale.



# UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## 1. Significant accounting policies (continued):

### (e) Investments:

Investments consist of guaranteed investment certificates and securities that are publicly traded on Canadian exchanges and are initially and subsequently measured at fair value, determined on the basis of market value. Changes in fair value are recognized in net income in the period incurred. Transaction costs that are directly attributable to the acquisition of these investments are recognized in net income in the period incurred. Realized and unrealized gains and losses on investments are reported in the statement of operations.

### (f) Income taxes:

The Association is a not-for-profit organization, as described in Section 149(1)(1) of the Income Tax Act, and is therefore exempt from the payment of income taxes.

### (g) Revenue recognition:

The Association follows the restricted fund method of accounting for contributions. Contributions are recognized in the fund corresponding to the purpose for which they were contributed and recognized as revenue when received. Revenue from event programming and other revenue is recognized when the services are provided, if the amount to be received can be reasonably estimated and collection is reasonably assured.

### (h) Fund accounting:

The Association follows the fund method of accounting for contributions. The Association follows the restricted fund method in which externally restricted contributions are recognized in the fund corresponding to the purpose for which they were contributed. Unrestricted contributions are recognized in the general fund.

The Association has received various gifts over the years that are for specific endowment purposes, and as such are restricted funds, recognized as the endowment fund. These gifts have been set up in separate individual funds, with disbursements made according to the fund specifications. Any amounts received for non-specific purposes are allocated to the general fund.

# UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## 1. Significant accounting policies (continued):

### (i) Contributed services:

The Association would not be able to carry out its activities without the services of the many volunteers who donate a considerable amount of time. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

### (j) Use of estimates:

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities as at March 31, 2024 and the reported amount of revenues and expenses for the year then ended. Actual results could differ from these estimates.

## 2. Investment income:

During the year, The Association entered into an investment management agreement with The University of King's College. All investment assets were sold and the proceeds transferred to The University of King's College to be invested and managed with the University's assets in exchange for an annual administration fee.

Investment income of \$210,984 (2023 - \$25,007) represents interest and dividends received and realized gains and losses on the sale of investments.

# UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2024

### 3. Endowment receipts and expenditures:

	Investment income	Donations and other receipts	Total receipts	Total awards and expenditures	2024 Net receipts over (under) expenditures	2023 Net receipts over (under) expenditures
Athletics Appeal	\$ 3,946	\$ -	\$ 3,946	\$ (500)	\$ 3,446	\$ (32)
Michael Saunders Award	4,600	-	4,600	(600)	4,000	(5)
G. Frederick Butler Scholarship	13,355	-	13,355	(1,850)	11,505	(167)
New Brunswick Award	5,718	-	5,718	(800)	4,918	(72)
Hunt Library Fund	8,397	-	8,397	(1,150)	7,247	(105)
Sandra MacLeod Award	34,348	-	34,348	(4,600)	29,748	(329)
E. Mabel Mason Bursary	7,553	-	7,553	(1,000)	6,553	(105)
Mark Dewolf Award	2,215	180	2,395	(250)	2,145	193
Memorial Fund Bursary	9,199	-	9,199	(1,250)	7,949	(110)
Marion G. Fry Bursary	17,638	1,000	18,638	(2,450)	16,188	1,791
Michael Elliott Award	16,984	400	17,384	(2,300)	15,084	313
	\$ 123,953	\$ 1,580	\$ 125,533	\$ (16,750)	\$ 108,783	\$ 1,372

# UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## 4. Financial instruments:

The significant financial risks to which the Association is exposed are credit risk, market risk, interest rate risk, and liquidity risk.

(a) Credit risk:

Financial instruments that potentially subject the Association to credit risk consist of cash, accounts receivable, investment income receivable and investments due to from The University of King's College. The Association uses reputable institutions for cash and investments and believes risk of loss to be remote. The Association estimated an allowance for doubtful accounts receivable. As at March 31, 2024 an allowance for doubtful accounts of \$nil (2023 - \$nil) for accounts receivable was recorded. Any credit losses are provided for in the financial statements and consistently have been within management's expectations.

(b) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Association's investments managed by the University in publicly traded securities expose the Association to market risk as such investments are subject to price changes in the open market. The Association does not use derivative financial instruments to alter the effects of this risk.

(c) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The value of the investments held by the University on behalf of the Association, fluctuate with market rates. The Association does not use derivative financial instruments to alter the effects of this risk.

(d) Liquidity risk:

Liquidity risk is the risk that the Association will not be able to meet its obligations as they become due. The Association is exposed to liquidity risk arising primarily from accounts payable. The Association's approach to managing liquidity risk is to ensure that it always has sufficient cash flows and cash on hand to meet its operating obligations.

# UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Schedule of Investment

Year ended March 31, 2024, with comparative information for 2023

	2024		2023	
	Market	Cost	Market	Cost
<b>Bonds, debentures GICs and coupons</b>				
AG Growth 5.250%, due December 31, 2024	\$ -	\$ -	\$ 29,250	\$ 30,000
Bank of NS 2.540%, due July 17, 2023	-	-	15,000	15,000
Aecon Group Inc. 5.000%, due December 31, 2023	-	-	19,898	20,013
Cargojet Inc. 5.750%, due April 30, 2024	-	-	34,405	35,980
Premium Brands 4.650%, due April 30, 2025	-	-	24,013	25,625
Chemtrade Log. 4.750%, due May 31, 2024	-	-	24,625	25,000
Bank of NS 3.250%, due March 25, 2025	-	-	25,000	25,000
Bank of NS 4.40%, due July 27, 2023	-	-	20,000	20,000
	-	-	192,191	196,618
<b>Shares / units</b>				
Bank of Nova Scotia - nil (2023 - 700) shares	-	-	47,649	9,408
Royal Bank of Canada - nil ( 2023 - 600) shares	-	-	77,550	25,173
Toronto-Dominion Bank - nil ( 2023 - 500) shares	-	-	40,475	27,883
TC Energy Corporation - nil (2023 - 1,000) shares	-	-	52,570	26,255
Enbridge Inc - nil (2023 - 900) shares	-	-	46,377	14,927
Fortis Inc - nil (2023 - 1,000) shares	-	-	57,450	28,230
Power Financial Corporation - nil (2023 - 1,260) shares	-	-	43,520	43,230
Algonquin Power & Utilities - nil (2023 - 3,000) shares	-	-	34,020	31,860
Bank of Nova Scotia Corporate Tiered - nil investment savings unit (2023 - 125,772 units)	-	-	125,772	125,772
Telus Corporation - nil (2023 - 1,000) shares	-	-	26,830	20,325
	-	-	552,213	353,063
	\$ -	\$ -	\$ 744,404	\$ 549,681
<b>Investments</b>				
At market	\$ -	-	\$ -	744,404
At cost	-	-	-	(549,681)
Cumulative unrealized gains on investments (note 2)	\$ -	-	\$ -	194,723

# UNIVERSITY OF KING'S COLLEGE ALUMNI ASSOCIATION

Schedule of Net Assets

Year ended March 31, 2024, with comparative information for 2023

Fair value					2024	2023
	Net assets, beginning of year	Net receipts over expenditures	Current unrealized losses	Net assets, end of year	Net assets, end of year	
Athletics Appeal	\$ 13,632	\$ 3,446	\$ (3,641)	\$ 13,437	\$ 13,632	
Michael Saunders Award	16,085	4,000	(4,245)	15,840	16,085	
G. F. Butler Scholarship	47,071	11,505	(12,325)	46,251	47,071	
New Brunswick Award	20,421	4,918	(5,277)	20,062	20,421	
Hunt Library Fund	29,124	7,247	(7,749)	28,622	29,124	
Sandra MacLeod Award	116,743	29,748	(31,699)	114,792	116,743	
E. Mabel Mason Bursary	26,137	6,553	(6,971)	25,719	26,137	
Mark Dewolf Award	7,360	2,145	(2,044)	7,461	7,360	
Memorial Fund Bursary	32,389	7,949	(8,489)	31,849	32,389	
Marion G. Fry Bursary	64,883	16,188	(16,278)	64,793	64,883	
Michael Elliott Award	59,682	15,084	(15,674)	59,092	59,682	
Endowment funds	433,527	108,783	(114,392)	427,918	433,527	
General fund	323,116	87,535	(80,317)	330,334	323,116	
Net assets	\$ 756,643	\$ 196,318	\$ (194,709)	\$ 758,252	\$ 756,643	