

ATLANTIC COUNCIL FOR INTERNATIONAL COOPERATION
Financial Statements
Year Ended March 31, 2014

ATLANTIC COUNCIL FOR INTERNATIONAL COOPERATION
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Year Ended March 31, 2014

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LYLE TILLEY DAVIDSON

Chartered Accountants



INDEPENDENT AUDITOR'S REPORT

To the Members of Atlantic Council For International Cooperation

We have audited the accompanying financial statements of Atlantic Council For International Cooperation, which comprise the statement of financial position as at March 31, 2014 and the statements of revenues and expenditures, changes in net assets 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 Atlantic Council For International Cooperation as at March 31, 2014 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.

Halifax, Nova Scotia
May 27, 2014

A handwritten signature in black ink that reads "Lyle Tilley Davidson".

CHARTERED ACCOUNTANTS

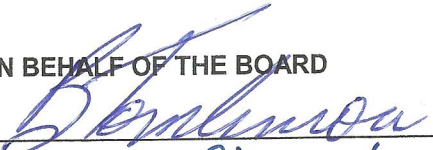
ATLANTIC COUNCIL FOR INTERNATIONAL COOPERATION

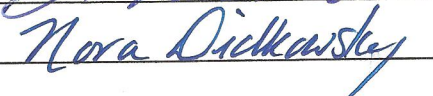
Statement of Financial Position

March 31, 2014

	2014	2013
ASSETS		
CURRENT		
Cash	\$ 53,352	\$ 72,245
Accounts receivable (Note 3)	60,553	16,008
HST receivable	15,159	12,964
Prepaid expenses	504	2,137
	<u>\$ 129,568</u>	<u>\$ 103,354</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 4,128	\$ 7,799
Employee deductions payable	3,487	5,369
	<u>7,615</u>	<u>13,168</u>
NET ASSETS	<u>121,953</u>	<u>90,186</u>
	<u>\$ 129,568</u>	<u>\$ 103,354</u>

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

ATLANTIC COUNCIL FOR INTERNATIONAL COOPERATION
Statement of Revenues and Expenditures
Year Ended March 31, 2014

	2014	2013
REVENUE		
CIDA Project Revenue:		
Public engagement	\$ 320,295	\$ 273,859
International youth internship program	240,451	-
International aboriginal youth internship	-	36,732
Project overhead	48,832	33,132
Other Revenue:		
Federal summer students	3,218	3,835
Provincial summer students	-	8,509
Other	19,326	23,552
	<u>632,122</u>	<u>379,619</u>
EXPENSES		
CIDA Project Direct Costs:		
Public engagement	320,295	273,859
International youth internship	240,451	-
International aboriginal youth internship	-	36,732
Project overhead	33,348	32,518
Other Expenses:		
Federal summer students	3,218	4,482
Provincial summer students	-	6,439
Other	3,043	13,126
	<u>600,355</u>	<u>367,156</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 31,767</u>	<u>\$ 12,463</u>

ATLANTIC COUNCIL FOR INTERNATIONAL COOPERATION
Statement of Changes in Net Assets
Year Ended March 31, 2014

	2014	2013
NET ASSETS - BEGINNING OF YEAR	\$ 90,186	\$ 77,723
Excess of revenue over expenses	<u>31,767</u>	<u>12,463</u>
NET ASSETS - END OF YEAR	<u>\$ 121,953</u>	<u>\$ 90,186</u>

ATLANTIC COUNCIL FOR INTERNATIONAL COOPERATION

Statement of Cash Flows

Year Ended March 31, 2014

	2014	2013
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 31,767	\$ 12,463
Changes in non-cash working capital:		
Accounts receivable	(44,545)	(6,794)
HST receivable	(2,195)	(5,722)
Accounts payable	(3,671)	(1,782)
Deferred income	-	(38,519)
Prepaid expenses	1,633	1,965
Employee deductions payable	(1,882)	5,368
	<u>(50,660)</u>	<u>(45,484)</u>
DECREASE IN CASH FLOW	(18,893)	(33,021)
Cash - beginning of year	<u>72,245</u>	<u>105,266</u>
CASH - END OF YEAR	\$ 53,352	\$ 72,245

ATLANTIC COUNCIL FOR INTERNATIONAL COOPERATION

Notes to Financial Statements

Year Ended March 31, 2014

PURPOSE OF THE ORGANIZATION

Atlantic Council For International Cooperation (the "organization") is a not-for-profit organization from which no part of the income is payable or available for the personal benefit of any member; accordingly, the organization is exempt from income tax under the Income Tax Act.

The Atlantic Council For International Cooperation is a coalition of individuals, organizations, and institutions working in the Atlantic region, which are committed to achieving global sustainability in a peaceful and healthy environment, with social justice, human dignity, and participation for all. The organization supports its members in international cooperation and education through collective leadership, networking, information, training and coordination, and represents their interests when dealing with government and others.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Revenue recognition

Atlantic Council For International Cooperation follows the deferral method of accounting for contributions.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donated goods

Donated goods are recorded at their fair market value at the time of the donation. During the year \$0 in goods were donated (2013 - \$0).

Administration expense

The administration portion of the CIDA contract is included in revenue under project overhead. Upon receipt of funds, the balance is deferred and transferred into income as related expenses are incurred.

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ATLANTIC COUNCIL FOR INTERNATIONAL COOPERATION

Notes to Financial Statements

Year Ended March 31, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Allocation of operating expenses

Operating expenses are allocated to projects directly as they are incurred under the specific project. Expenses that relate to the projects generally, but do not relate to a specific project are classified as project overhead. Expenses that do not relate to the projects are classified as other expenses.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. The most significant estimate is allowance for doubtful accounts.

Capital assets

In prior years it was the organization's policy to record capital asset expenditures as current expenses rather than capitalize and amortize them over their estimated useful lives.

Non-profit organizations are required to capitalize and amortize capital assets if total revenue exceeds an average of \$500,000 over a period of two years. As a result of the increase in the level of total revenue over the past two fiscal periods the organization is required to capitalize its capital assets and amortize them over their useful lives. There were no significant additions in the last three prior years so there has been no prior period adjustment relating to this change in accounting policy

Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's presentation.

2. FINANCIAL INSTRUMENTS

The organization 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 organization's risk exposure and concentration as of March 31, 2014.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from donors and contributors. Due to the nature of the revenue, the concentration of credit risk has been minimized.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its contributors and other related sources and accounts payable.

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ATLANTIC COUNCIL FOR INTERNATIONAL COOPERATION

Notes to Financial Statements

Year Ended March 31, 2014

2. FINANCIAL INSTRUMENTS *(continued)*

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The organization is not exposed to significant market risk.

3. ACCOUNTS RECEIVABLE

	<u>2014</u>	<u>2013</u>
CIDA - Public Engagement	\$ 47,091	\$ 13,593
CIDA - International Youth Internship Program	12,512	-
Other	960	2,415
	<u>\$ 60,563</u>	<u>\$ 16,008</u>