

**CANADIAN COUNCIL FOR THE
ADVANCEMENT OF EDUCATION INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2006**

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REVIEW ENGAGEMENT REPORT

To the Members of
Canadian Council for the Advancement of Education Inc.

We have reviewed the statement of financial position of Canadian Council for the Advancement of Education Inc. as at April 30, 2006 and the statements of changes in net assets, operations and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

The comparative figures were reported under a notice to reader by another firm of chartered accountants.

Smiths Falls, Ontario
July 10, 2006

Chartered Accountants

UNAUDITED

CANADIAN COUNCIL FOR THE ADVANCEMENT OF EDUCATION INC.

STATEMENT OF FINANCIAL POSITION

AS AT APRIL 30, 2006

	2006	2005
		(as restated)
ASSETS		
CURRENT		
Cash	\$ 126,618	\$ 80,468
Investments (note 2)	377,704	317,856
Accounts receivable	4,615	23,843
Prepaid expenses	17,165	25,415
	<u>\$ 526,102</u>	<u>\$ 447,582</u>
LIABILITIES		
CURRENT		
Accounts payable	\$ 2,000	\$ 75,727
Deferred income	84,346	33,013
	<u>86,346</u>	<u>108,740</u>
NET ASSETS		
Unrestricted	<u>439,756</u>	<u>338,842</u>
	<u>\$ 526,102</u>	<u>\$ 447,582</u>

The accompanying notes are an integral part of these financial statements.

UNAUDITED

CANADIAN COUNCIL FOR THE ADVANCEMENT OF EDUCATION INC.

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED APRIL 30, 2006

	2006	2005
		(as restated)
Balance, beginning of year as previously reported	\$ 371,855	\$ 225,231
Prior period adjustment, as restated (note 4)	(33,013)	-
	338,842	225,231
Excess of revenues over expenditures	100,914	113,611
Balance, end of year	\$ 439,756	\$ 338,842

The accompanying notes are an integral part of these financial statements.

CANADIAN COUNCIL FOR THE ADVANCEMENT OF EDUCATION INC.

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED APRIL 30, 2006

	2006	2005
		(as restated)
REVENUES		
Membership	\$ 109,579	\$ 103,206
Conference	239,970	248,888
National Awards	19,079	20,175
Interest	10,868	10,520
Sponsorship	106,000	110,000
Professional Development	157,118	136,736
Other	5,983	3,647
	<hr/> 648,597	<hr/> 633,172
EXPENDITURES		
Board and Executive Committee	45,754	41,918
Communication Committee	10,977	21,496
Finance Committee	428	412
Membership Committee	98	451
Program Committee	173,472	212,388
Administration (note 3)	94,329	91,383
Awards	8,416	1,894
Executive Director (note 3)	60,898	24,310
Professional Development	153,154	125,309
Volunteer Committee	157	-
	<hr/> 547,683	<hr/> 519,561
EXCESS OF REVENUE OVER EXPENDITURES	<hr/> \$ 100,914	<hr/> \$ 113,611

The accompanying notes are an integral part of these financial statements.

UNAUDITED

CANADIAN COUNCIL FOR THE ADVANCEMENT OF EDUCATION INC.

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED APRIL 30, 2006

	2006	2005
OPERATING ACTIVITIES		
Cash derived from operations		
Excess of revenues over expenditures	\$ 100,914	\$ 113,611
Net change in non cash working capital balances related to operations (note 5)	5,084	91,322
CHANGES IN CASH AND INVESTMENTS DURING THE YEAR	105,998	204,933
CASH AND INVESTMENTS, AT BEGINNING OF YEAR	398,324	193,391
CASH AND INVESTMENTS, AT END OF YEAR	\$ 504,322	\$ 398,324

The accompanying notes are an integral part of these financial statements.

CANADIAN COUNCIL FOR THE ADVANCEMENT OF EDUCATION INC.**NOTES TO FINANCIAL STATEMENTS****APRIL 30, 2006**

1. PURPOSE OF THE ORGANIZATION

Canadian Council for the Advancement of Education Inc. is a national organization dedicated to fostering excellence in institutional advancement and to contributing to the realization of institutional goals with the Canadian education system. It was incorporated under the Canada Corporations Act as a non-profit organization on June 27, 2003.

2. SIGNIFICANT ACCOUNTING POLICIES**Use of Estimates**

The preparation of the 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 at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Revenue recognition

Unrestricted contributions are recognized as revenue when received.

Investment income is recognized as revenue when earned.

Conference fees are recognized when the conferences are held.

Membership fees are recognized on a fiscal basis.

Capital Assets

Capital assets are expensed in the year of purchase.

Investments

Investments are recorded at the lower of cost and market value. The fair market value at April 30, 2006 is \$382,096.

Financial instruments

The organization's financial instruments consist of accounts receivable, prepaid expense and accounts payable. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The fair value of the organization's accounts receivable, prepaid expense, accounts payable and deferred income approximates their carrying values due to their short-term nature.

CANADIAN COUNCIL FOR THE ADVANCEMENT OF EDUCATION INC.

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2006

3. COMMITMENT

The organization has entered into an agreement with an administrative services company for a contract expiring 2007 with payments as follows:

2007	\$80,080
2008	\$27,040

The organization has entered into an agreement with an executive director for a contract expiring 2007 with payments as follows:

2007	\$56,000
2008	\$37,333

4. PRIOR PERIOD ADJUSTMENT

The prior period adjustment is a result of 2005-06 conference income received in 2004-05 being included in 2004-05 income. The effect is to increase deferred income and reduce retained earnings.

5. STATEMENT OF CASH FLOW

	<u>2006</u>	<u>2005</u>
Accounts receivable	\$ 19,228	\$ 16,458
Prepaid expenses	8,250	(15,510)
Accounts payable	(73,727)	70,016
Deferred income	<u>51,333</u>	<u>20,358</u>
	<u>\$ 5,084</u>	<u>\$ 91,322</u>
Cash and investments:		
Cash	\$ 126,618	\$ 80,468
Investments	<u>377,704</u>	<u>317,856</u>
	<u>\$ 504,322</u>	<u>\$ 398,324</u>