



BEACON CHRISTIAN SCHOOL

300 Scott Street, St. Catharines, ON L2N 1J3 | 905.937.7411 | www.beaconchristian.org

November 23, 2017

Dear Beacon Community,

On behalf of the Board of Directors of the Association of Christian Education, which owns and operates Beacon Christian School, I invite you to attend our fall membership meeting.

On the cornerstone by the main office it reads "Moving Forward in Faith" followed by the verse "God can do much, much more than we could ever ask or imagine....to Him be the glory!" from Ephesians 3:20.

That aptly describes our work and experience as a school community. We continue to move boldly forward and are often surprised by how God blesses this school in ways that we could not predict or foresee. This particular membership meeting is intended to give you a snapshot of our school's current situation, as well as give you a glimpse of some of the initiatives that are on the Board's radar.

The financial statements from the 2016-2017 school year are included in this packet. Also included is a summary document entitled, 2020 Vision for Beacon Christian School. This is a working, living document that summarizes the strategic planning initiatives that the Board is considering and working towards. The Board likes to take a "crow's nest" perspective and this document summarizes the types of things that the Board sees on the horizon.

If you are interested in being a member of the Association of Christian Education for St. Catharines, the membership application is available on our website at www.beaconchristian.org under "About Us"

Take time to review the documents and we look forward to seeing you at the meeting.

In His Service,

Ralph Pot
Principal
Beacon Christian School

FALL MEMBERSHIP MEETING

BEACON CHRISTIAN SCHOOL

Tuesday, November 28, 2017

7-7:30pm – Refreshments



AGENDA

1. **Welcome and Devotions** – Darren Thom, Board Chair
2. **Roll Call**
3. **Approval of Minutes of Spring Membership Meeting, May 16, 2017**
-Motion: *To accept the minutes of May 16, 2017, as presented*
4. **Finance Committee Presentation/Financial Update**
 - a. 2016-2017 Financial Reports – David Dion, Finance Manager
-Motion: *To accept the Audited 2016-2017 Financial Reports as presented*
5. **BCS Vision 2020** – Ralph Pot
6. **Christian School Foundation Report** – Syl Gerritsma
7. **Closing** – Mark Bylsma



**Minutes of the
Spring Membership Meeting
May 16, 2017 7:30 pm**

Chair: Darren Thom

Secretary: Sue Mulder

Item No.	Topic -	Discussion	Action Items
1	Opening	Darren Thom, Chair of the Board of Directors, opened the meeting with prayer.	
2	Devotions	Tabitha VandenEnden, board member led us in devotions.	
3	Roll Call	29 members present	
4	Minutes of Fall 2016 Membership Mtg held November 22, 2016	Minutes of the Fall 2016 Membership meeting were reviewed. Motion: to approve the Fall 2016 membership minutes as presented. Seconded and carried.	
5	Principal's Report	Mr. Pot reviewed the school mission. Other discussion points: <ul style="list-style-type: none"> - Operations, Bursary and Capital are our three funds. - Future needs - Viewed Andy Crouch video: Strong and Weak 	
6	Finance Committee Presentation/2017-2018 Budget Approval	Mark Bylsma, Treasurer of BCS board, presented the proposed budget for the 2017-2018 school year. Some community questions and discussion: <ul style="list-style-type: none"> - A tenant has been found for the high school building - Busing was discussed Motion: To accept the 2017-2018 Budget, as presented. Seconded and carried.	
7	Election of new Board Members	Voting for new Board members took place. Elected to the Board were the following members: Jim Prinsen, Brandon Koole, Steven Elnazir, Darrell Buys. All names were affirmed. Motion to destroy the ballots. Seconded and carried. Outgoing members: Erin Knight, Syl Gerritsma and Sue Mulder were thanked for their years of service	
8	Christian School Foundation Update	Syl Gerristma Vice-Chair and foundation representative gave a report on the foundation. Planning for the future of Christian Education requires a long term plan. The foundation started with Endowments,	

Item No.	Topic -	Discussion	Action Items
		<p>expanded to recruitment scholarships, teacher education/excellence awards, leadership development working with OACS, help for funding with special needs equipment, playground equipment, arts funding, high school/college scholarships.</p> <p>More than 50 schools are now part of the foundation.</p> <p>Syl discussed different ways of giving</p>	
9	Other Business	No other business was identified	
10	Closing	Mark Bylsma closed the meeting in prayer.	

ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL

FINANCIAL STATEMENTS
AUGUST 31, 2017
(Unaudited)

INDEX

	Page
Review Engagement Report	
Balance Sheet	1
Statement of Fund Balances	2
Statement of Revenues and Expenses	3
Schedule of Fundraising - General Fund	4
Schedule of Transportation Revenue and Expenses - General Fund	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 13

REVIEW ENGAGEMENT REPORT

To the Directors of
Association for Christian Education of St. Catharines

We have reviewed the balance sheet of Association for Christian Education of St. Catharines Operating as Beacon Christian School as at August 31, 2017 and the statement of revenues and expenses, statement of fund balances and statement of cash flows 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 accounting standards for not-for-profit organizations.

DBK Accounting Professional Corporation

Hamilton, Ontario
October 24, 2017

DBK Accounting Professional Corporation
Authorized to practice public accounting by the
Chartered Professional Accountants of Ontario

**ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL**

**BALANCE SHEET
AS AT AUGUST 31, 2017
(Unaudited)**

	General Fund 2017	Bursary Fund 2017	Capital Fund 2017	Total 2017	Total 2016
ASSETS					
CURRENT ASSETS					
Cash (Note 4)	\$ 153,264	\$ 100,000	\$ 22,400	\$ 275,664	\$ 333,274
Accounts receivable (Note 5)	66,149	-	-	66,149	54,809
Prepaid expenses	12,078	-	-	12,078	10,186
Gift certificates	77,053	-	-	77,053	59,870
	<u>308,544</u>	<u>100,000</u>	<u>22,400</u>	<u>430,944</u>	<u>458,139</u>
CAPITAL ASSETS (Note 6)	21,907	-	5,494,658	5,516,565	5,592,307
DUE FROM OTHER FUNDS	58,089	-	-	58,089	149,438
	<u>\$ 388,540</u>	<u>\$ 100,000</u>	<u>\$ 5,517,058</u>	<u>\$ 6,005,598</u>	<u>\$ 6,199,884</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable and accrued liabilities (Note 7)	\$ 78,037	\$ -	\$ -	\$ 78,037	\$ 70,113
Member loan payable (Note 8)	96,500	-	-	96,500	232,500
Prepaid tuition fees	54,138	-	-	54,138	95,730
Deferred revenue (Note 9)	65,972	-	-	65,972	15,229
Current portion of long term debt (Note 10)	-	-	4,000	4,000	309,000
	<u>294,647</u>	<u>-</u>	<u>4,000</u>	<u>298,647</u>	<u>722,572</u>
DUE TO OTHER FUNDS	-	-	58,089	58,089	149,438
LONG-TERM DEBT (Note 10)	-	-	2,429,001	2,429,001	2,500,000
	<u>294,647</u>	<u>-</u>	<u>2,491,090</u>	<u>2,785,737</u>	<u>3,372,010</u>
FUND BALANCES					
CAPITAL FUND	-	-	3,025,968	3,025,968	2,703,619
BURSARY FUND	-	100,000	-	100,000	100,000
GENERAL FUND	93,893	-	-	93,893	24,255
	<u>93,893</u>	<u>100,000</u>	<u>3,025,968</u>	<u>3,219,861</u>	<u>2,827,874</u>
	<u>\$ 388,540</u>	<u>\$ 100,000</u>	<u>\$ 5,517,058</u>	<u>\$ 6,005,598</u>	<u>\$ 6,199,884</u>

Approved on behalf of the board

Director _____

Director _____

**ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL**

**STATEMENT OF FUND BALANCES
FOR THE YEAR ENDED AUGUST 31, 2017
(Unaudited)**

	<u>General Fund 2017</u>	<u>Bursary Fund 2017</u>	<u>Capital Fund 2017</u>	<u>Total 2017</u>	<u>Total 2016</u>
BALANCE, BEGINNING OF YEAR	\$ 24,254	\$ 100,000	\$ 2,703,619	\$ 2,827,873	\$ 2,524,774
Excess (deficiency) of revenue and expenses	111,823	(42,184)	322,349	391,988	303,100
Transfer of funds (Note 11)	<u>(42,184)</u>	<u>42,184</u>	<u>-</u>	<u>-</u>	<u>-</u>
BALANCE, ENDING OF YEAR	<u>\$ 93,893</u>	<u>\$ 100,000</u>	<u>\$ 3,025,968</u>	<u>\$ 3,219,861</u>	<u>\$ 2,827,874</u>

**ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL**

**STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2017
(Unaudited)**

	Budget 2017	General Fund 2017	Bursary Fund 2017	Capital Fund 2017	Total 2017	Total 2016
REVENUE						
Tuition fees	\$ 1,341,500	\$ 1,344,779	\$ -	\$ -	\$ 1,344,779	\$ 1,192,385
Membership fees	5,000	5,200	-	-	5,200	5,400
Church support	30,000	14,715	-	-	14,715	24,019
Other	2,000	57,320	-	-	57,320	29,216
Rental	76,000	48,034	-	-	48,034	120,683
Donations - building interest recovery	88,100	-	-	73,866	73,866	86,400
Donations - Capital	25,000	-	-	430,304	430,304	321,500
Donations - Bursary	100,000	-	77,216	-	77,216	63,562
Fundraising (page 4)	405,000	491,521	-	-	491,521	367,216
	<u>2,072,600</u>	<u>1,961,569</u>	<u>77,216</u>	<u>504,170</u>	<u>2,542,955</u>	<u>2,210,381</u>
EXPENSES						
Advancement	32,000	21,986	-	-	21,986	20,869
Amortization	112,300	8,343	-	108,040	116,383	116,751
Write down of receivables	20,000	4,210	-	-	4,210	11,404
Bursary grants	100,000	-	119,400	-	119,400	113,675
Insurance	22,500	23,308	-	-	23,308	20,129
Interest and bank charges	-	964	-	-	964	973
Interest on member loans	8,000	4,315	-	-	4,315	7,754
Interest on long-term debt	78,000	-	-	66,227	66,227	76,484
Capital member loan interest	10,100	-	-	7,554	7,554	10,128
Fees and dues	20,000	20,410	-	-	20,410	19,024
Technology	20,000	26,504	-	-	26,504	25,410
Professional development	20,000	15,154	-	-	15,154	10,968
Repairs and maintenance	55,000	73,629	-	-	73,629	55,802
Salaries and benefits	1,417,300	1,461,623	-	-	1,461,623	1,274,567
Supplies and services	48,600	71,422	-	-	71,422	56,176
Telephone	4,000	4,499	-	-	4,499	5,518
Utilities	69,000	81,695	-	-	81,695	73,912
Transportation (page 5)	46,000	31,684	-	-	31,684	7,737
	<u>2,082,800</u>	<u>1,849,746</u>	<u>119,400</u>	<u>181,821</u>	<u>2,150,967</u>	<u>1,907,281</u>
Excess (deficiency) of revenues over expenses	<u>\$ (10,200)</u>	<u>\$ 111,823</u>	<u>\$ (42,184)</u>	<u>\$ 322,349</u>	<u>\$ 391,988</u>	<u>\$ 303,100</u>

**ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL**

SCHEDULE OF FUNDRAISING - GENERAL FUND (NOTE 13)

AUGUST 31, 2017

(Unaudited)

	Budget 2017	Actual 2017	Actual 2016
Beacon Covenant donations	\$ 205,000	\$ 281,354	\$ 128,013
Applefest	25,000	20,648	25,608
Beacon Rewards Program	20,000	21,355	23,980
Auction	25,000	31,896	33,412
Golf tournament	25,000	25,057	32,915
Dinner	25,000	14,990	25,529
Phone drive	80,000	91,714	89,424
Other	-	4,507	8,335
	<u>\$ 405,000</u>	<u>\$ 491,521</u>	<u>\$ 367,216</u>

**ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL**

SCHEDULE OF TRANSPORTATION REVENUE AND EXPENSES - GENERAL FUND

AUGUST 31, 2017

(Unaudited)

	Budget 2017	Actual 2017	Actual 2016
REVENUE			
Transportation fees	\$ 46,000	\$ 59,340	\$ 50,600
Gain on disposal of bus	-	6,300	14,000
Charter revenue	-	-	13,602
	<u>46,000</u>	<u>65,640</u>	<u>78,202</u>
EXPENSES			
Fuel	-	-	16,976
Insurance	-	-	8,147
Repairs and maintenance	-	-	22,812
Miscellaneous and administration	-	-	7,455
Salaries and benefits	-	-	30,549
Contract payments	87,000	92,036	-
Class trips	5,000	5,288	-
	<u>92,000</u>	<u>97,324</u>	<u>85,939</u>
	<u>\$ (46,000)</u>	<u>\$ (31,684)</u>	<u>\$ (7,737)</u>

**ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2017
(Unaudited)**

	2017	2016
OPERATING ACTIVITIES		
Net income	\$ 391,988	\$ 303,100
Adjustments for		
Amortization	116,382	116,751
Gain (loss) on disposal of bus	(6,300)	(14,000)
Debt forgiveness	(430,000)	-
	72,070	405,851
Change in non-cash working capital items		
Prepaid expenses	(1,892)	(7,142)
Gift certificates	(17,183)	12,900
Accounts payable and accrued liabilities	7,925	(92,054)
Member loan payable	(6,000)	(26,000)
Prepaid tuition fees	(41,592)	37,558
Accounts receivable	(11,340)	49,921
Deferred revenue	50,743	7,258
	52,731	388,292
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(40,641)	6,845
	12,090	395,137
FINANCING ACTIVITIES		
Long-term debt	(76,000)	(359,000)
Proceeds on sale of bus under capital lease	6,300	14,000
	(69,700)	(345,000)
Increase (decrease) in cash	(57,610)	50,137
Cash, beginning of year	333,274	283,137
Cash, end of year	\$ 275,664	\$ 333,274

**ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2017
(Unaudited)**

1. PURPOSE OF THE ASSOCIATION

The Association is a not-for-profit organization, and is incorporated without share capital by letters patent issued under the laws of the Province of Ontario. The purpose of the Association is to establish, maintain and operate a school or schools for Christian education and to promote Christian education. It is registered as a registered charity with Canada Revenue Agency and is therefore exempt from income taxes as provided under the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Fund Accounting

All revenues, expenses, assets and liabilities relating to the day to day operations of the Association are reported in the Association's General Fund. All capital assets, other than land and buildings, are included in the General Fund.

The Capital Fund is an internally restricted fund that reports the assets, liabilities, revenues and expenses related to the Association's land and buildings.

The Bursary Fund is an externally restricted fund that reports the assets, revenues and expenses related to bursary assistance.

(b) Capital Assets

Capital assets are recorded at cost. The organization provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Buildings	Declining balance	4%
Furniture and fixtures	Declining balance	20%
Books and library	Declining balance	20%

(c) Revenue Recognition

Restricted donations and grants related to the General Fund are recognized as revenue in the year in which the related expenses are incurred. All other restricted donations and grants are recognized as revenue of the Capital Fund or Bursary Fund in the year they are received.

Unrestricted donations and grants are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Tuition, fundraising, membership fees and rental revenues are recognized as revenue in the year the corresponding services are provided or the year in which the event takes place.

**ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2017
(Unaudited)**

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Use of Estimates

The preparation of financial statements in accordance with 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 amounts of revenues and expenses during the reporting year. Actual results could differ from management's best estimates, as additional information becomes available in the future. The significant areas requiring management's judgement relate to the collectability of tuition receivable and the rates of amortization used for capital assets.

(e) Volunteer Services

Because the hours of service by members and friends of the Association are not normally purchased and the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

(f) Financial Instruments

The organization initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

At the end of reporting period, the organization assesses whether there are any indications that a financial asset may be impaired. When there is an indication of impairment, the carrying amount of the asset is reduced and the amount of the reduction is recognized as an impairment loss in the statement of revenues and expenses.

**ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2017
(Unaudited)**

3. CHRISTIAN SCHOOL FOUNDATION (CANADA) INC.

Christian School Foundation (Canada) Inc.'s (Foundation) purpose is to receive and maintain a fund or funds and to apply all or part of the principal and income therefrom, from time to time, to member independent Christian schools and their affiliated organizations that are also registered charities under the Income Tax Act (Canada) to advance education.

The Foundation maintains funds for a variety of purposes, according to the wishes of donors. Certain funds are designated funds as benefiting specific member schools, while others are designated as benefiting all member schools.

The funds of the Foundation that have been designated as solely benefiting the Association are as follows:

	<u>2017</u>	<u>2016</u>
Beacon Long - Long Term Funds	\$ 220,007	\$ 210,022
S. McLean & C. Osborne Memorial Fund	57,370	56,659
Beacon Alumni Fund	6,925	6,641
	<u>\$ 284,302</u>	<u>\$ 273,322</u>

There are additional funds of the Foundation that have been designated as benefiting all member schools. The value of the future benefit of these funds are not known.

During the year the Association received endowment fund donations of \$7,335 which were forwarded from the Foundation (2016 - \$2,086)

4. BANK LOAN

The bank loan is financed by Meridian Credit Union and bears interest at minimum lending rate plus 1%. It is repayable in monthly installments of interest only. The loan is secured by a general security agreement and a collateral mortgage on the property. The Association's approved line of credit with Meridian Credit Union is \$250,000. The loan was not utilized at August 31, 2017 (2016 - \$0).

**ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2017
(Unaudited)**

5. ACCOUNTS RECEIVABLE

	<u>2017</u>	<u>2016</u>
GST/HST receivable	\$ 21,715	\$ 14,354
Other accounts receivable	6,396	8,257
Tuition receivable	38,038	100,307
Allowance for doubtful accounts	-	(68,109)
	<u>\$ 66,149</u>	<u>\$ 54,809</u>

6. CAPITAL ASSETS

	<u>2017 Cost</u>	<u>2017 Accumulated amortization</u>	<u>2017 Net</u>	<u>2016 Net</u>
General Fund				
Furniture and fixtures	\$ 519,493	\$ 499,067	\$ 20,426	\$ 25,533
Books and library	112,700	111,219	1,481	4,717
	<u>632,193</u>	<u>610,286</u>	<u>21,907</u>	<u>30,250</u>
Capital Fund				
Land	180,405	-	180,405	180,405
Buildings	6,905,827	1,591,574	5,314,253	5,381,652
	<u>7,086,232</u>	<u>1,591,574</u>	<u>5,494,658</u>	<u>5,562,057</u>
	<u>\$ 7,718,425</u>	<u>\$ 2,201,860</u>	<u>\$ 5,516,565</u>	<u>\$ 5,592,307</u>

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2017</u>	<u>2016</u>
Accounts payable and accrued liabilities	\$ 54,896	\$ 48,326
Government remittances payable	23,141	21,787
	<u>\$ 78,037</u>	<u>\$ 70,113</u>

8. MEMBER LOANS PAYABLE

The member loans payable are due 30 days after demand and are interest bearing at rates ranging from 0% to 1% above minimum lending rate, with the majority at 1% below minimum lending rate or less.

**ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2017
(Unaudited)**

9. DEFERRED REVENUE

	2017	2016
Mclean Osborn deferred revenue	\$ 6,401	\$ 5,180
Elevator Fund	-	100
Tuition Assistance	-	5,000
Other receivables	1,449	1,449
Student fund	8,122	3,500
Deferred rental income (Highschool)	50,000	-
	\$ 65,972	\$ 15,229

10. LONG TERM LIABILITIES

	2017	2016
Mortgage payable, CRC Community Retirement Savings Plan	\$ 2,429,001	\$ 2,500,000
Capital member loans payable	4,000	309,000
Total	2,433,001	2,809,000
Less current portion	4,000	309,000
Due beyond one year	\$ 2,429,001	\$ 2,500,000

The mortgage payable bear interest at a rate equal to the Canadian Imperial Bank of Commerce's minimum lending rate plus 2% or such lesser rate as is set by the mortgagor's manager on a quarterly basis. At August 31, 2017, this rate was set at 2.7%. The mortgages are repayable in monthly installments of interest only. They are secured by a collateral mortgage on the property.

The capital member loans payable are due 30 days after demand and are interest bearing at rates ranging from 0% to 1% above minimum lending rate, with the majority at 1% below minimum lending rate or less. The bank minimum lending rate at August 31, 2017 was 2.7%.

11. FUND TRANSFERS

In 2017, the board of directors approved a fund transfer of \$42,184 from the operating fund to the bursary fund.

In 2016, the board of directors approved a fund transfer of \$80,113 from the operating fund to the bursary fund and \$35,500 from the operating fund to the capital fund.

**ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2017
(Unaudited)**

12. FINANCIAL INSTRUMENTS

The organization is exposed to various financial risks through transactions in financial instruments. The following provides helpful information in assessing the extent of the Company's exposure to these risks.

(a) Credit Risk

The Association's financial assets that are exposed to credit risk consist of tuition receivable and pledges receivable. In the normal course of operations, the Association is exposed to credit risk from its parents and those donors who made a pledge.

(b) Liquidity Risk

The Association is exposed to significant interest rate credit risk since the interest rates on its member loans and mortgages are based on the bank's minimum lending rate. Management does not expect interest rates to vary significantly in the next year.

(c) Interest Rate Risk

Liquidity risk arises through having excess financial obligations over available financial assets at any point in time. The Association's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Association achieves this by attempting to maintain sufficient cash and cash equivalents.

13. DETAILS OF FUNDRAISING REVENUE AND EXPENSES

The Association held various fundraising events during the year. The following is a summary of revenues and expenses for such activities:

	Revenue 2017	Expenses 2017	Total 2017	Total 2016
Applefest	\$ 40,430	\$ (19,782)	\$ 20,648	\$ 25,608
Beacon Rewards	752,284	(730,929)	21,355	23,980
Auction	40,210	(8,314)	31,896	33,412
Golf Tournament	35,975	(10,918)	25,057	32,915
Dinner	21,610	(6,620)	14,990	25,529
Phone Drive	92,815	(1,101)	91,714	89,424
Other	4,768	(260)	4,508	8,335
Beacon Covenant donations	281,354	-	281,354	128,013
	<u>\$ (1,269,445)</u>	<u>\$ 777,924</u>	<u>\$ 491,521</u>	<u>\$ 367,216</u>

**ASSOCIATION FOR CHRISTIAN EDUCATION OF ST. CATHARINES
OPERATING AS BEACON CHRISTIAN SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2017
(Unaudited)**

14. DETAILS OF REVENUE & EXPENSE FOR STUDENT ACTIVITIES

The Association held various student activities during the year. The following is a summary of revenues and expenses for such activities:

	<u>2017</u>	<u>2016</u>
Student fees and fundraising	\$ 49,207	\$ 31,684
Student activities	<u>(44,585)</u>	<u>(36,166)</u>
Net (decrease) increase in deferred revenue	<u>\$ 4,622</u>	<u>\$ (4,482)</u>

15. NON-MONETARY TRANSACTION

During the year a non-monetary transaction occurred where \$130,000 of member loans payable and \$300,000 of capital member loans were forgiven and included as revenue in the current year.

16. COMPARATIVE FIGURES

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year revenue over expenses.

A 2020 Vision for

Beacon Christian School

#letyourlightshine



Beacon Christian School will be a school known as:

Distinctively Christian

First and foremost, Beacon is a school that acknowledges that Jesus Christ is Lord of all things. Jesus is Lord of the ten through-lines that suggest what it means to be a follower of Christ in every area of life. Jesus is at the centre of our weekly chapels and daily devotions. Christ-like principles and practices will guide our teaching, learning, and all relationships at school.

Equipping. Engaging. Excelling.

Beacon trains its students to be lights in **today's** world, equipping our children with a high academic, excellent education. Fully aware that educational research proves time and again that a well-rounded program, rich in the arts, serves all students well, Beacon is committed to educating the whole child.

A Community of Belonging

We recognize the diversity that exists amongst God's children. We desire Beacon to be a school for all, realizing that each child that comes through our doors is a unique creation of the one true God—made in His image—regardless of ability, ethnic background, or socio-economic status.

1. School Program

- Review/adopt Student Support Services guiding document
- Create and implement a five-year curriculum review cycle
- Complete School-wide Technology Plan
- Review/diversify use of specialist teachers in art, music, PE, French Immersion, etc.
- Create and launch Beacon Summer Camps

2. Governance

- Adopt a new organizational chart built on clear structure and lines of accountability
- Review and revise board committee mandates
- Review board recruitment process
- Establish Board self-evaluation
- Develop and implement board education and orientation materials
- Update performance review process and cycle for all staff

3. Finance

- Develop financial stewardship education seminars within the Christian community
- Strengthen partnership with the Christian School Foundation (CSF) and Christian Stewardship Services (CSS)
- Conduct a review of the annual budget process with a report of recommendations for the future
- Create a multi-year budget, including capital expenditures

4. Fundraising/Development

- Review present Beacon fundraising initiatives and their effectiveness
- Conduct estate planning seminars in conjunction with CSF and CSS
- Create and offer Christian education opportunities (workshops, seminars, etc.) for adults
- Develop a volunteer recognition and incentive program

5. Recruitment

- Develop/refine Beacon ambassador program to aggressively recruit new families from a variety of churches
- Identify educational initiatives that are the most effective promotion tools
- Create annual reports tracking reasons that families enrol (alumni, advertising, word-of-mouth referral, etc.)

6. Communications

- Provide a mechanism for feedback of all stake-holders
- conduct inventory of all current communications (internal and external)
- develop a comprehensive and distinctive communication plan

7. Facilities

- Complete building assessment for future capital maintenance costs
- Increase accessibility (elevator, doors)
- Complete upgrade of gym and kitchen areas