



2025 Financial Statements

March 31, 2025

THE MOHAWK COLLEGE FOUNDATION

FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of The Mohawk College Foundation

Qualified Opinion

We have audited the financial statements of The Mohawk College Foundation (the "Foundation"), which comprise:

- the statement of financial position as at March 31, 2025
- the statement of operations and changes in fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, except for the possible effects of the matter described in the "*Basis for Qualified Opinion*" section of our auditor's report, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2025, and its results of operations, its changes in fund balances and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable organizations, the Foundation derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenues, excess of revenues over expenditures and cash flows from operations for the year ended March 31, 2025, assets as at March 31, 2025 and fund balances as at April 1, 2024 and March 31, 2025.

Our opinion on the financial statements for the year ended March 31, 2025 was qualified accordingly because of the possible effects of this limitation in scope.



We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “*Auditor’s Responsibilities for the Audit of the Financial Statements*” section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

In preparing the financial statements, management is responsible for assessing the Foundation’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Other Matter – Comparative Information

The financial statements as at and for the year ended March 31, 2024 were audited by another auditor who expressed a qualified opinion on those financial statements on June 26, 2024.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Foundation’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation’s financial reporting process.

Auditor’s Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.



Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font. A long, horizontal, slightly wavy line is drawn underneath the signature, extending from the 'K' to the end of the 'P'.

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

June 25, 2025

THE MOHAWK COLLEGE FOUNDATION
Statement of Financial Position
March 31, 2025, with comparative information for 2024


	General Fund	Restricted Funds	Total 2025	Total 2024
ASSETS				
CURRENT				
Investments	\$ 2,024,115	\$ 216,830	\$ 2,240,945	\$ 2,481,397
Accounts receivable	92	-	92	3,783
Due from Mohawk College (note 2)	-	6,447	6,447	6,111
Prepaid expenses	11,873	-	11,873	26,260
Donated artwork	1	-	1	1
	<u>\$ 2,036,081</u>	<u>\$ 223,277</u>	<u>\$ 2,259,358</u>	<u>\$ 2,517,552</u>


LIABILITIES AND NET ASSETS

CURRENT				
Accounts payable and accrued liabilities (note 3)	\$ 80,719	\$ -	\$ 80,719	\$ 236,667
Due to Mohawk College (note 2)	261,916	-	261,916	503,410
	<u>342,635</u>	<u>-</u>	<u>342,635</u>	<u>740,077</u>
NET ASSETS				
Unrestricted	1,693,446	-	1,693,446	1,560,645
Restricted (note 4)	-	223,277	223,277	216,830
	<u>1,693,446</u>	<u>223,277</u>	<u>1,916,723</u>	<u>1,777,475</u>
	<u>\$ 2,036,081</u>	<u>\$ 223,277</u>	<u>\$ 2,259,358</u>	<u>\$ 2,517,552</u>

See accompanying notes to financial statements.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS:


 Carmela Trombetta, Board Chair
 June 25, 2025


 Paul Armstrong, President
 June 25, 2025

THE MOHAWK COLLEGE FOUNDATION
Statement of Operations and Changes in Fund Balances
For the year ended March 31, 2025, with comparative information for 2024

	General Fund	Restricted Funds	Total 2025	Total 2024
REVENUE				
Cash donations	\$ 2,553,255	\$ -	\$ 2,553,255	\$ 3,211,426
Donations from Mohawk College	545,632	-	545,632	1,464,258
Donations of other assets (note 5)	2,672,680	-	2,672,680	306,514
Investment income (note 6)	232,013	33,137	265,150	268,983
Other revenue	-	-	-	306,815
	<u>6,003,580</u>	<u>33,137</u>	<u>6,036,717</u>	<u>5,557,996</u>
EXPENDITURES				
Donations of cash to Mohawk College	2,553,255	25,787	2,579,042	3,369,358
Donations of other assets (note 5)	2,672,680	-	2,672,680	306,514
Salaries and benefits	512,373	-	512,373	1,615,428
Contract services and professional fees	48,504	903	49,407	298,874
Supplies and other expenses	75,674	-	75,674	170,384
Promotion and public relations	5,581	-	5,581	74,440
Travel and professional development	2,712	-	2,712	8,287
	<u>5,870,779</u>	<u>26,690</u>	<u>5,897,469</u>	<u>5,843,285</u>
Excess (deficiency) of revenue over expenditures	132,801	6,447	139,248	(285,289)
Fund balances, beginning of year	1,560,645	216,830	1,777,475	2,062,764
Fund balances, end of year	<u>\$ 1,693,446</u>	<u>\$ 223,277</u>	<u>\$ 1,916,723</u>	<u>\$ 1,777,475</u>

See accompanying notes to financial statements.

THE MOHAWK COLLEGE FOUNDATION**Statement of Cash Flows****For the year ended March 31, 2025, with comparative information for 2024**

	General Fund	Restricted Funds	Total 2025	Total 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Excess (deficiency) of revenue over expenditures	\$ 132,801	\$ 6,447	\$ 139,248	\$ (285,289)
Items not involving cash:				
Unrealized gain on investment (note 6)	(72,933)	(10,417)	(83,350)	(157,470)
	59,868	(3,970)	55,898	(442,759)
Changes in non-cash working capital items:				
Accounts receivable	3,691	-	3,691	(1,770)
Due from Mohawk College	-	(336)	(336)	(6,111)
Prepaid expenses	14,387	-	14,387	(8,563)
Accounts payable and accrued liabilities	(155,948)	-	(155,948)	60,467
Due to Mohawk College	(241,494)	-	(241,494)	376,557
Deferred revenue	-	-	-	(810)
	(319,496)	(4,306)	(323,802)	(22,989)
CASH FLOW FROM INVESTING ACTIVITIES				
Sale of investments, net	319,496	4,306	323,802	22,989
INCREASE (DECREASE) IN CASH				
	-	-	-	-
CASH, BEGINNING AND END OF YEAR				
	\$ -	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

THE MOHAWK COLLEGE FOUNDATION

Notes to Financial Statements

For the year ended March 31, 2025

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Operations

The Mohawk College Foundation (the "Foundation") was incorporated without share capital under the laws of Ontario to solicit donations and to operate a series of funds to be used exclusively for the advancement of learning and dissemination of knowledge at The Mohawk College of Applied Arts and Technology ("Mohawk College"). The Foundation is a registered charity exempt from income taxes under the Canadian Income Tax Act.

On July 1, 2024 the Foundation and College established a new relationship agreement. The Foundation continues to promote interest in and awareness of the College as well as seeking and accepting gifts. The College, under the agreement, is to provide all personnel, support and essential services to ensure the Foundation's operations are carried out effectively including employing all Staff previously employed by the Foundation.

(b) Basis of accounting

These financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

(c) Fund accounting

The Foundation follows the deferral method of accounting for contributions.

Revenue and expenses related to fundraising and administrative activities are reported in the General Fund.

Revenue and expenses related to established affiliates are reported in the Restricted Fund.

(d) Financial instruments

Financial instruments are recorded at fair value based upon quoted market prices in active markets when acquired or issued. In subsequent periods, pooled funds traded in an active market are reported at fair value, with any unrealized gains and losses reported in operations. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

(e) Revenue recognition

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the Restricted Fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received.

Other revenue is recognized when the services are provided. Other revenue received in advance is recorded as deferred revenue.

Interest income is recognized when earned.

(f) Donated artwork

Donated artwork is recorded at nominal value as the fair market value is not readily determinable.

(g) Contributed assets and services

Contributed assets are recorded at fair market value, if determinable, at the date of receipt. Contributed services are not recorded because the fair market value is not readily determinable.

THE MOHAWK COLLEGE FOUNDATION

Notes to Financial Statements

For the year ended March 31, 2025

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

(h) Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations 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 revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. DUE FROM AND DUE TO MOHAWK COLLEGE:

The amounts due from and due to Mohawk College are interest free, unsecured, and due within the next fiscal year.

3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES:

Included in accounts payable and accrued liabilities are government remittances payable of \$Nil (2024 - \$14,044).

4. RESTRICTED FUNDS:

Restricted funds are designated for established affiliates. The fund balance represents the Centre for Insurance and Financial Planning fund.

5. DONATIONS OF OTHER ASSETS:

Donations of other assets to Mohawk College for the year end include the following:

	2025		2024	
Business, Media & Entertainment	\$	1,700,715	\$	57,220
Engineering Equipment		408,295		95,558
Aviation		368,522		-
Apprenticeship & Skilled Trades		194,170		102,465
Health Sciences		558		41,495
Other		420		9,776
	\$	2,672,680	\$	306,514

6. INVESTMENT INCOME:

Investment income for the year end includes the following:

	General Fund		Restricted Fund		Total 2025		Total 2024
Dividend income	\$	86,130	\$	12,301	\$	98,431	\$ 96,065
Realized gain on disposal of investment		72,950		10,419		83,369	15,448
Unrealized gain on investment		72,933		10,417		83,350	157,470
	\$	232,013	\$	33,137	\$	265,150	\$ 268,983

THE MOHAWK COLLEGE FOUNDATION

Notes to Financial Statements

For the year ended March 31, 2025

7. FINANCIAL INSTRUMENTS:

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the value of pooled funds.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation is exposed to credit risk arising from its accounts receivable. The Foundation assesses, on a continuous basis, accounts receivable on the basis of amounts it is virtually certain to receive.

(c) Liquidity risk

Liquidity risk is the risk that the Foundation encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Foundation will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable and accrued liabilities.

(d) Market risk

The Foundation is exposed to fluctuations in equity markets on its investments.

There have been no changes to the Foundation's financial instrument risk exposures from the prior year.

8. OTHER FUNDRAISING EFFORTS:

During the year, the Foundation supported the fundraising and donor stewardship of certain donations, grants and other sponsorships that were recognized directly by Mohawk College for the year ended March 31, 2025. The value of these revenues have not been included in the Foundation's financial statements and amounted to \$865,363 (2024 - \$nil).

9. COMPARATIVE INFORMATION:

Certain prior year information has been reclassified to confirm with current year's presentation.