

INTERLAKE COMMUNITY FOUNDATION INC.

Financial Statements

Year Ended December 31, 2013

INTERLAKE COMMUNITY FOUNDATION INC.
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Year Ended December 31, 2013

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INDEPENDENT AUDITOR'S REPORT

To the Members of Interlake Community Foundation Inc.

We have audited the accompanying financial statements of Interlake Community Foundation Inc., which comprise the statement of financial position as at December 31, 2013 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.

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Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Interlake Community Foundation Inc. as at December 31, 2013 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.

Stefanson Lee Romoniuk

Chartered Accountants

Winnipeg, Manitoba
March 17, 2014

INTERLAKE COMMUNITY FOUNDATION INC.
Statement of Financial Position
December 31, 2013

	2013	2012
Assets		
Current		
Cash	\$ 79,290	\$ 80,010
Marketable securities (Note 4)	660,062	615,580
GST recoverable	284	289
Funds managed by Winnipeg Foundation	116,462	100,669
	856,098	796,548
Capital assets (Note 6)	483	690
	\$ 856,581	\$ 797,238
Liabilities and Net Assets		
Current		
Accounts payable	\$ 4,002	\$ 4,004
Grant commitments	20,362	22,691
	24,364	26,695
Net Assets		
Unrestricted	56,400	56,282
Restricted for endowment purposes	312,711	270,608
Internally restricted by community	463,106	443,653
	832,217	770,543
	\$ 856,581	\$ 797,238

ON BEHALF OF THE BOARD

_____ Director

_____ Director

See notes to financial statements

INTERLAKE COMMUNITY FOUNDATION INC.
Statement of Revenues and Expenditures
Year Ended December 31, 2013

	2013	2012
Revenue		
Grants		
R.M Rosser	\$ 5,000	\$ 5,000
R.M. of Woodlands	-	3,000
R.M. of Rockwood	2,000	2,000
Town of Teulon	-	5,000
Town of Stonewall	1,500	-
Investment income	13,429	18,175
Unrealized gain (loss) on marketable securities	21,734	5,242
Fundraising- golf tournament revenue	11,676	11,132
Winnipeg Foundation grant	1,440	1,558
Donations	1,338	2,187
	58,117	53,294
Expenses		
Grants disbursed	14,241	16,193
Fundraising-golf tournament expenses	7,863	8,855
Administrator	7,200	7,200
Professional fees	4,161	4,052
Website	400	1,000
Liability insurance	1,209	885
Travel	-	615
Advertising	629	596
Awards night	298	564
Memberships	450	450
Office	487	388
Telephone	350	348
Amortization	207	296
Administration office relocation	-	200
	37,495	41,642
Excess of revenue over expenses for the year	\$ 20,622	\$ 11,652

See notes to financial statements

INTERLAKE COMMUNITY FOUNDATION INC.
Statement of Changes in Net Assets
Year Ended December 31, 2013

	Unrestricted	Restricted for Endowment Purposes	Internally Restricted by Community	2013	2012
Net assets - beginning of year	\$ 56,282	\$ 270,608	\$ 443,653	\$ 770,543	\$ 726,921
Administration	9,204	(3,426)	(6,655)	(877)	(788)
Endowment contributions	-	19,823	-	19,823	27,907
Grants disbursed	-	(9,245)	-	(9,245)	(13,197)
Allocation to Youth in Philanthropy	(3,600)	3,600	-	-	-
Unrealized gains(losses) relating to endowment for the year	-	21,060	-	21,060	5,248
Investment income	-	10,291	-	10,291	12,803
Excess of revenue over expenses	(5,486)	-	26,108	20,622	11,652
Net assets - end of year	\$ 56,400	\$ 312,711	\$ 463,106	\$ 832,217	\$ 770,546

INTERLAKE COMMUNITY FOUNDATION INC.**Statement of Cash Flows****Year Ended December 31, 2013**

	2013	2012
Operating activities		
Excess of revenue over expenses	\$ 20,622	\$ 11,652
Item not affecting cash:		
Amortization of property, plant and equipment	207	296
	20,829	11,948
Changes in non-cash working capital:		
GST recoverable	5	(153)
Funds managed by Winnipeg Foundation	(15,793)	(6,245)
Grant commitments	(2,329)	(24)
Marketable securities	(44,483)	(51,903)
	(62,600)	(58,325)
Cash flow used by operating activities	(41,771)	(46,377)
Investing activities		
Net endowment income	30,473	17,263
Endowment contributions	19,823	27,908
Endowment grants disbursed	(9,245)	(13,197)
Cash flow from investing activities	41,051	31,974
Decrease in cash flow	(720)	(14,403)
Cash - beginning of year	80,010	94,413
Cash - end of year	\$ 79,290	\$ 80,010

See notes to financial statements

INTERLAKE COMMUNITY FOUNDATION INC.

Notes to Financial Statements

Year Ended December 31, 2013

1. Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

2. Purpose of the foundation

The Foundation is an organization established to endeavour to make the communities of the South Interlake region a better place to live. The Foundation is incorporated under the Manitoba Companies Act as a not-for-profit organization and is a registered charity under the Income Tax Act.

3. Summary of significant accounting policies

Revenue recognition

Interlake Community Foundation Inc. follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Fair value

The carrying amount of cash, accounts receivable and accounts payable approximate fair value because of the near-term maturity of those instruments.

Financial risk

Financial risk is the risk that arises from the fluctuation in interest and market rates and the degree of volatility of those rates. The Foundation does not use derivative instruments to reduce its exposure risk.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit enterprises 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.

Grant commitments

Board approved commitments for grants which are not disbursed by December 31 are shown as a current liability.

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INTERLAKE COMMUNITY FOUNDATION INC.

Notes to Financial Statements

Year Ended December 31, 2013

7. Restrictions on net assets:

The net assets restricted for endowment purposes are subject to externally imposed restrictions stipulating how the endowment funds are to be disbursed.

The Board of Directors internally restricted all donations and grants received for expenditure for the benefit of the community making the donation. These internally restricted amounts are not available for other purposes without the the approval of the Board.

8. Net assets internally restricted for communities:

The net assets restricted for communities are as follows:

	2013	2012
R.M. of Rockwood	\$ 158,706	\$ 153,738
R.M. of Rosser	84,753	77,520
R.M. of Woodlands	24,027	23,633
Town of Teulon	75,155	73,828
Town of Stonewall	120,465	114,934
	\$ 463,106	\$ 443,653

INTERLAKE COMMUNITY FOUNDATION INC.
Notes to Financial Statements
Year Ended December 31, 2013

9. Restricted for endowment purposes:

Designations for specific endowment purposes are as follows:

	2013	2012
Teulon Collegiate Alumni Enhancement Fund	\$ 2,287	\$ 2,157
Teulon Collegiate Alumni Scholarship Fund	5,790	5,514
Mr. & Mrs. A. Campbell Scholarship Fund	1,894	1,883
Hunter Cummings Scholarship Fund	2,638	2,660
Dr. Goodwin Memorial Scholarship Fund	2,885	2,819
Community Builder Fund		
Stonewall	3,426	3,018
Teulon	3,473	3,023
Rosser	1,056	801
Teulon Museum	1,689	1,476
All Communities	7,648	6,995
Helen & Herbert Kletke Endow Fund	15,049	14,695
Michael A.Lindell Automotive Scholarship Fund	17,916	17,061
The Arts Fund	1,269	1,197
Teulon Hunter Memorial Health District Foundation Inc. Fund	53,994	50,926
Stonewall Collegiate Youth in Philanthropy Fund	14,078	12,890
Warren Collegiate Youth in Philanthropy Fund	7,605	6,197
Teulon Collegiate Youth in Philanthropy Fund	8,336	5,340
Janet Kuchma Scholarship Fund	6,228	5,874
Rev. Dr. Barry Grant Rasmussen Memorial Scholarship Fund	6,215	5,482
Ben and Marjorie King Memorial Bursary Fund	81,449	70,549
Lorne and Irene Ferley Endowment Fund		
Michael Ferley Bursary Fund	14,396	12,373
Lorne Ferley Scholarship Fund	14,402	12,266
Beck Family Endowment Fund		
The Beck Family Fund	3,248	3,063
Beck Family Scholarship	2,908	1,965
Percy and Mary Durham Fund	20,879	20,388
Stonewall Family Foods Fund	10,301	-
Willis Family Scholarship	1,545	-
Leona Baker Fund	103	-
	\$ 312,707	\$ 270,612