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# **Financial Statements**

**Interlake Community Foundation Inc.**

December 31, 2020

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# Independent Auditor's Report

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To the Members of  
[Interlake Community Foundation Inc.](#)

## Opinion

We have audited the financial statements of Interlake Community Foundation Inc., which comprise the statement of financial position as at December 31, 2020, and the statements of revenues and expenditures, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

## Basis for opinion

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 organization 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 opinion.

## 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 private enterprises, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

# Independent Auditor's Report (continued)

## Auditor's responsibilities 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 these 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 organization'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 organization'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 organization 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.

We 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.

Winnipeg, Canada  
April 12, 2021

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Chartered Professional Accountants

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## Interlake Community Foundation Inc.

### Statement of Revenues and Expenditures

Year ended December 31	2020	2019
<b>Revenues</b>		
Investment income	\$ 356,950	\$ 69,549
Donations	82,189	61,477
Fundraising - golf tournament revenue	-	25,210
Other supporting grants	22,909	7,537
Prior year donations not disbursed	1,000	775
Town of Stonewall	2,500	2,500
Town of Teulon	5,000	2,500
R.M. of Rosser	5,500	5,000
R.M. of Woodlands	5,000	5,000
Anniversary dinner tickets	-	10,715
Unrealized gain (loss) on marketable securities	<u>1,161,613</u>	<u>52,848</u>
	<u>1,642,661</u>	<u>243,111</u>
<b>Expenditures</b>		
Advertising	2,989	2,076
Amortization	102	146
Liability insurance	1,281	1,159
Interest and bank charges	190	190
Fundraising - golf tournament expenses	-	20,163
Grants disbursed	143,814	68,139
Office	3,684	2,493
Administrator	28,165	16,417
Awards night	-	562
Memberships	450	500
Professional fees	10,950	6,409
Anniversary dinner expenses	-	11,101
Website	380	200
Telephone	1,312	434
Travel	<u>58</u>	<u>380</u>
	<u>193,375</u>	<u>130,369</u>
<b>Excess of revenues over expenditures</b>	<u>\$ 1,449,286</u>	<u>\$ 112,742</u>

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# Interlake Community Foundation Inc.

## Statement of Changes in Net Assets

Year ended December 31

	Unrestricted	Restricted for Endowment	Endowment for Disbursement	Internally Restricted by Community	Total 2020	Total 2019
Balance, beginning of year	\$ 123,644	\$ 447,223	\$ 97,607	\$ 538,320	\$ 1,206,794	\$ 951,187
Excess of revenues over expenditures	1,449,286	-	-	-	1,449,286	112,742
Administration charge to funds	80,526	-	(70,142)	(10,384)	-	-
Contributions	-	6,113,786	1,510,945	-	7,624,731	141,395
Interfund transfer	(1,484,305)	-	1,447,691	36,614	-	-
Prior years grants not disbursed	-	-	-	-	-	1,470
Balance, end of year	<u>\$ 169,151</u>	<u>\$ 6,561,009</u>	<u>\$ 2,986,101</u>	<u>\$ 564,550</u>	<u>\$ 10,280,811</u>	<u>\$ 1,206,794</u>

See accompanying notes to the financial statements.

**Interlake Community Foundation Inc.**  
**Statement of Financial Position**

December 31 2020 2019

**Assets**

Current

Cash	\$ 603,391	\$ 183,471
Marketable securities (Note 3)	-	1,034,789
GST recoverable	458	790
Prepaid expenses	450	-
Funds managed by Winnipeg Foundation (Note 4)	<u>9,744,501</u>	<u>38,487</u>

**10,348,800 1,257,537**

Capital assets (Note 5)

238 340

**\$ 10,349,038 \$ 1,257,877**

**Liabilities**

Current

Accounts payable	\$ 5,592	\$ 5,663
Flow-through Funds (Note 6)	29,127	24,250
Grant commitments	<u>33,508</u>	<u>21,170</u>

68,227 51,083

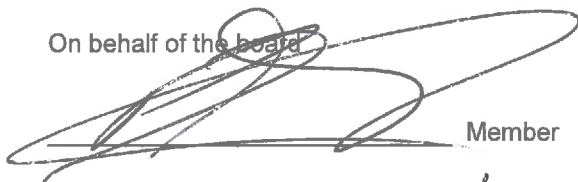
**Fund balances**

Unrestricted	169,151	123,644
Restricted for Endowment	6,561,009	447,223
Endowment for Disbursement	2,986,101	97,607
Internally Restricted by Community	<u>564,550</u>	<u>538,320</u>

10,280,811 1,206,794

**\$ 10,349,038 \$ 1,257,877**

On behalf of the board

  
 Member

  
 Member

# Interlake Community Foundation Inc.

## Statement of Cash Flows

Year ended December 31

2020

2019

Increase (decrease) in cash

### Operating

Excess of revenues over expenditures Item not affecting cash	\$ 1,449,286	\$ 112,742
Amortization	<u>102</u>	<u>146</u>
	<b>1,449,388</b>	112,888
Change in non-cash working capital items		
Marketable securities	<b>1,034,789</b>	(176,331)
GST recoverable	<b>332</b>	(219)
Prepaid expenses	<b>(450)</b>	-
Funds managed by Winnipeg Foundation	<b>(9,706,014)</b>	(6,689)
Accounts payable	<b>(71)</b>	137
Flow-through Funds	<b>4,877</b>	24,250
Grant commitments	<u><b>12,338</b></u>	<u>(1,591)</u>
	<b>(7,204,811)</b>	(47,555)

### Financing

Endowment contributions	<b>7,624,731</b>	141,395
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### Investing

Prior year grants expired	<u>-</u>	<u>1,470</u>
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Increase in cash

**419,920** 95,310

Cash

Beginning of year **183,471** 88,161

End of year **\$ 603,391** \$ 183,471



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# **Interlake Community Foundation Inc.**

## **Notes to the Financial Statements**

December 31, 2020

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### **1. Purpose of the Foundation**

Interlake Community Foundation Inc. 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.

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### **2. Summary of significant accounting policies**

The organization applies the Canadian accounting standards for not-for-profit organizations.

#### **Marketable securities**

Marketable securities are recorded at the market value as at the year end date.

#### **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, marketable securities, 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 to 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 and 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.

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# Interlake Community Foundation Inc.

## Notes to the Financial Statements

December 31, 2020

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### 2. Summary of significant accounting policies (continued)

#### Grant commitments

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

#### Capital assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Computers	30%	declining balance method
Office furniture	30%	declining balance method

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### 3. Marketable securities

	<u>2020</u>	<u>2019</u>
RBC Dominion Securities	\$ -	\$ 602,267
Investors Group	-	407,522
Sunova	-	25,000
	<u>\$ -</u>	<u>\$ 1,034,789</u>

The Interlake Community Foundation maintained its investments with the above noted financial institutions. The investment accounts were closed in the year and balances transferred to accounts to be managed by The Winnipeg Foundation.

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### 4. Funds managed by The Winnipeg Foundation

Certain funds are invested with and managed by the Winnipeg Foundation with the income and capital designated for the benefit of certain restricted for the community and endowment funds of the Interlake Community Foundation.

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# Interlake Community Foundation Inc.

## Notes to the Financial Statements

December 31, 2020

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### 5. Capital assets

			<u>2020</u>	<u>2019</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computers	\$ 1,386	\$ 1,188	\$ 198	\$ 283
Office furniture	<u>2,013</u>	<u>1,973</u>	<u>40</u>	<u>57</u>
	<u>\$ 3,399</u>	<u>\$ 3,161</u>	<u>\$ 238</u>	<u>\$ 340</u>

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### 6. Flow-through Funds

Certain funds are held by the Foundation as flow-through funds. The Foundation retains an administration fee on incoming donations into these funds. Receipts for these funds are recognized at the time the disbursements are made. Any excess of receipts over disbursement for each of these funds are deferred.

	<u>2020</u>	<u>2019</u>
Town Of Stonewall Save the Kilns Capital Fund	\$ 26,010	\$ 21,467
Argyle Skating Club Flow Through Fund	<u>3,117</u>	<u>2,783</u>
	<u>\$ 29,127</u>	<u>\$ 24,250</u>

# Interlake Community Foundation Inc.

## Notes to the Financial Statements

December 31, 2020

### 7. Restricted for endowment purposes

Designations for specific endowment purposes are as follows:

	<u>2020</u>	<u>2019</u>
Teulon Collegiate Alumni Enhancement Fund	\$ 2,557	\$ 2,669
Teulon Collegiate Alumni Scholarship Fund	6,198	6,154
Mr. & Mrs. A. Campbell Scholarship Fund	1,412	1,579
Hunter Cummings Scholarship Fund	1,735	1,976
Dr. Goodwin Memorial Scholarship Fund	2,502	2,737
Community Builder Fund		
Stonewall	5,514	5,446
Teulon	4,518	4,723
Rosser	2,138	2,235
Teulon Museum	3,024	3,037
All Communities	8,873	8,764
Helen & Herb Kletke Endowment Fund	14,247	14,266
Michael A. Lindell Automotive Scholarship Fund	18,910	19,193
The Arts Fund	1,417	1,481
Teulon Healthcare Foundation Fund	49,513	49,470
Stonewall Collegiate Youth in Philanthropy Fund	16,086	16,070
Warren Collegiate Youth in Philanthropy Fund	9,856	9,970
Teulon Collegiate Youth in Philanthropy Fund	12,027	12,164
Janet Kuchma Scholarship Fund	9,104	8,663
Ben and Marjorie King Memorial Bursary Fund	78,643	78,245
Lorne and Irene Ferley Endowment Fund		
Michael Ferley Bursary Fund	15,864	17,112
Lorne Ferley Endowment Fund	16,738	17,319
Beck Family Endowment Fund		
The Beck Family Fund	5,665	3,791
Beck Family Scholarship	13,416	11,854
Percy and Mary Durham Fund	21,153	21,134
Stonewall Family Foods Fund	16,334	10,443
The G.M. Willis Family Scholarship Fund	6,407	5,930
The Leona and Larry Baker Fund	10,437	10,428
David & Annette Unrau Endowment Fund	10,802	10,436
Rev. Dr. Barry G. Rasmussen Memorial Scholarship Fund	5,868	6,161
Lauritz & Georgina Jensen Fund	24,997	19,072
Nell Smith Endowment Fund	8,544	8,643
Donna Jensen - Community Living Interlake Fund	20,230	17,809
MB Pool Dist 802 (Ret) Scholarship Fund	2,103	2,507
George & Grace Willox Memorial Fund	9,520	6,550
Bryan Lefley Memorial Fund	107,115	104,420
Abby Lee Anne Margetts Memorial Fund	3,649	2,340
Woodlands Pioneer Museum Fund	9,759	4,056
Ryan Grandmont Memorial Fund	16,975	8,379
McKenna Riley Memorial Scholarship	6,385	-
McKenna Riley Memorial Fund - Argyle Community	4,560	-
Slagerman Family Endowment Fund	7,766	2,515
Badger Daylighting MB - Community Living Interlake Fund	5,297	2,012
Guttman Family Fund	4,373	2,976
Warren Collegiate Alumni (1970) Fund	3,583	101

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# Interlake Community Foundation Inc.

## Notes to the Financial Statements

December 31, 2020

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### 7. Restricted for endowment purposes (continued)

All Communities Fund	19,464	-
Boonstra Farms Fund	2,744	-
Nestor Myska Memorial Fund	10,349	-
Harry J. Enns Oak Hammock Marsh Fund	6,773,661	-
Oak Hammock Marsh Cap Renew Fd	1,787,524	-
Interlake Community Foundation Operating Fund	2,060	-
Jennifer Jensen Memorial Fund		
Dialysis Support	5,442	-
Education Support	5,440	-
Library Support	7,140	-
Jennifer Jensen & Kelsey Moeller Brown Scholarship	12,749	-
Allocation from funds to be granted	<u>314,723</u>	-
	<u>\$ 9,547,110</u>	<u>\$ 544,830</u>

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### 8. Net assets internally restricted for communities

The net assets restricted for communities are as follows:

	<u>2020</u>	<u>2019</u>
R.M. of Rockwood	\$ 150,200	\$ 153,124
R.M. of Rosser	117,130	113,606
R.M. of Woodlands	54,536	50,176
Town of Teulon	97,361	94,340
Town of Stonewall	127,090	127,074
Allocation from funds to be granted	<u>18,233</u>	-
	<u>\$ 564,550</u>	<u>\$ 538,320</u>

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### 9. 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 approval of the Board.