



Financial Statements

Interlake Community Foundation Inc.

December 31, 2021

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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, 2021, 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, 2021, 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.

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 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 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 25, 2022

Grant Thornton LLP

Chartered Professional Accountants

Interlake Community Foundation Inc.

Statement of Revenues and Expenditures

Year ended December 31

	2021	2020
Revenues		
Investment income	\$ 812,688	\$ 338,553
Donations	69,165	82,189
Fundraising - golf tournament revenue	27,585	-
Other supporting grants	24,052	22,909
Prior year donations not disbursed	-	1,000
Town of Stonewall	4,000	2,500
Town of Teulon	5,000	5,000
R.M. of Rockwood	1,000	-
R.M. of Rosser	5,500	5,500
R.M. of Woodlands	5,000	5,000
Unrealized gain on marketable securities	<u>264,960</u>	<u>1,161,613</u>
	<u>1,218,950</u>	<u>1,624,264</u>
Expenditures		
Advertising	5,765	2,989
Amortization	52	102
Fundraising - golf tournament expenses	20,179	-
Grants disbursed	408,796	125,417
Interest and bank charges	209	190
Liability insurance	1,951	1,281
Memberships	500	450
Office	7,120	3,684
Professional fees	16,206	10,950
Telephone	1,218	1,312
Training	118	-
Travel	757	58
Wages	34,939	28,165
Website	<u>540</u>	<u>380</u>
	<u>498,350</u>	<u>174,978</u>
Excess of revenues over expenditures	<u>\$ 720,600</u>	<u>\$ 1,449,286</u>

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 2021	Total 2020
Balance, beginning of year	\$ 169,151	\$ 6,561,009	\$ 2,986,101	\$ 564,550	\$ 10,280,811	\$ 1,206,794
Excess of revenues over expenditures	720,600	-	-	-	720,600	1,449,286
Administration charge to funds	61,137	-	(55,046)	(6,091)	-	-
Contributions	-	187,323	24,720	-	212,043	7,624,731
Interfund transfer	<u>(761,183)</u>	<u>157,852</u>	<u>540,763</u>	<u>62,568</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 189,705</u>	<u>\$ 6,906,184</u>	<u>\$ 3,496,538</u>	<u>\$ 621,027</u>	<u>\$ 11,213,454</u>	<u>\$ 10,280,811</u>

See accompanying notes to the financial statements.

Interlake Community Foundation Inc. Statement of Financial Position

December 31

2021

2020

Assets

Current

Cash	\$ 621,416	\$ 603,391
Marketable securities (Note 3)	59,778	-
Accounts receivable	1,767	-
Prepaid expenses	-	450
Government remittances receivable	851	458
Funds managed by the Winnipeg Foundation (Note 4)	10,597,470	9,744,501

11,281,282 10,348,800

Capital assets (Note 5)

186 238

\$ 11,281,468 **\$ 10,349,038**

Liabilities

Current

Accounts payable and accrued liabilities	\$ 13,409	\$ 5,592
Government remittances payable	2,153	-
Flow-through funds (Note 6)	30,490	29,127
Grant commitments	21,962	33,508

68,014 68,227

Fund balances

Unrestricted	189,705	169,151
Restricted for Endowment	6,906,184	6,561,009
Endowment for Disbursement	3,496,538	2,986,101
Internally Restricted by Community	621,027	564,550

11,213,454 10,280,811

\$ 11,281,468 **\$ 10,349,038**

On behalf of the board



Member



Member

Interlake Community Foundation Inc.

Statement of Cash Flows

Year ended December 31

2021

2020

Increase (decrease) in cash

Operating

Excess of revenues over expenditures	\$ 720,600	\$ 1,449,286
Item not affecting cash		
Amortization	<u>52</u>	<u>102</u>

	720,652	1,449,388
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Change in non-cash working capital items

Accounts receivable	(1,767)	-
Prepaid expenses	450	(450)
Government remittances	1,760	332
Accounts payable and accrued liabilities	7,817	(71)
Flow-through funds	1,363	4,877
Grant commitments	<u>(11,546)</u>	<u>12,338</u>

	718,729	1,466,414
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Financing

Endowment contributions	<u>212,043</u>	<u>7,624,731</u>
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Investing

Marketable securities	(59,778)	1,034,789
Funds managed by the Winnipeg Foundation	<u>(852,969)</u>	<u>(9,706,014)</u>

	(912,747)	(8,671,225)
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Increase in cash

	18,025	419,920
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Cash

Beginning of year	<u>603,391</u>	<u>183,471</u>
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End of year	<u>\$ 621,416</u>	<u>\$ 603,391</u>
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Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2021

1. Purpose of the Foundation

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

2. Summary of significant accounting policies

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

Cash and cash equivalents

The organization's policy is to present bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn.

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.

Financial instruments

The organization considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The organization accounts for the following as financial instruments:

- cash
- accounts receivable
- marketable securities
- funds managed by the Winnipeg Foundation
- accounts payable and accrued liabilities
- flow-through fund
- grant commitments

A financial asset or liability is recognized when the organization becomes party to contractual provisions of the instrument.

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2021

2. Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

The organization removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

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.

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

3. Marketable securities

	<u>2021</u>	<u>2020</u>
Credential Q-Trade Securities	\$ 59,778	\$ -

The organization maintains the majority of its investments with The Winnipeg Foundation. Investments with the above noted financial institution are maintained by the organization as required to be the recipient of certain grants received during the year.

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 organization.

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2021

5. Capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2021</u> Net Book Value	<u>2020</u> Net Book Value
Computers	\$ 1,386	\$ 1,228	\$ 158	\$ 198
Office furniture	<u>2,013</u>	<u>1,985</u>	<u>28</u>	<u>40</u>
	<u>\$ 3,399</u>	<u>\$ 3,213</u>	<u>\$ 186</u>	<u>\$ 238</u>

6. Flow-through funds

Certain funds are held by the organization as flow-through funds. The organization 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>2021</u>	<u>2020</u>
Town Of Stonewall Save the Kilns Capital Fund	\$ 26,059	\$ 26,010
Argyle Skating Club Flow Through Fund	<u>4,431</u>	<u>3,117</u>
	<u>\$ 30,490</u>	<u>\$ 29,127</u>

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2021

7. Restricted for endowment purposes

Designations for specific endowment purposes are as follows:

	<u>2021</u>	<u>2020</u>
Teulon Collegiate Alumni Enhancement Fund	\$ -	\$ 2,557
Teulon Collegiate Alumni Scholarship Fund	9,820	6,198
Mr. & Mrs. A. Howard Campbell Scholarship Fund	1,308	1,412
The Hunter - Cumming Scholarship Fund	1,556	1,735
Dr. Goodwin Memorial Scholarship Fund	2,396	2,502
Community Builder Fund		
Stonewall	5,953	5,514
Teulon	5,224	4,518
Rosser	2,133	2,138
Teulon Museum	3,137	3,024
All Communities	9,506	8,873
Herb & Helen Kletke Endowment Fund	16,264	14,247
Michael A. Lindell Automotive Scholarship Fund	20,150	18,910
The Arts Fund	-	1,417
Teulon Healthcare Foundation Fund	52,870	49,513
Stonewall Collegiate Youth in Philanthropy Fund	17,013	16,086
Warren Collegiate Youth in Philanthropy Fund	10,425	9,856
Teulon Collegiate Youth in Philanthropy Fund	12,720	12,027
Janet Kuchma Scholarship Fund	10,137	9,104
Ben and Marjorie King Memorial Bursary Fund	83,356	78,643
Lorne and Irene Ferley Endowment Fund		
Michael Ferley Bursary Fund	17,371	15,864
Lorne Ferley Endowment Fund	17,826	16,738
Beck Family Endowment Fund		
Beck Family Fund	8,325	5,665
Beck Family Scholarship	15,161	13,416
Percy and Mary Durham Fund	22,372	21,153
Stonewall Family Foods Fund	22,340	16,334
G. M. Willis Family Scholarship Fund	6,780	6,407
Leona and Larry Baker Fund	11,039	10,437
Dave & Annette Unrau Endowment Fund	14,286	10,802
Rev. Dr. Barry G. Rasmussen Memorial Scholarship Fund	6,684	5,868
Lauritz & Georgina Jensen Fund	32,164	24,997
Nell Smith Endowment Fund	9,037	8,544
Donna Jensen - Community Living Interlake Fund	22,442	20,230
MB Pool Dist 802 (Ret) Scholarship Fund	1,799	2,103
George & Grace Willox Memorial Fund	12,903	9,520
Bryan Lefley Memorial Fund	140,560	107,115
Abby Lee Anne Margetts Memorial Fund	5,348	3,649
Woodlands Pioneer Museum Fund	12,337	9,759
Ryan Grandmont Memorial Fund	24,306	16,975
McKenna Riley Memorial Scholarship	18,852	6,385
McKenna Riley Memorial Fund - Argyle Community	16,786	4,560
Slagerman Family Endowment Fund	11,670	7,766
Badger Daylighting MB - Community Living Interlake Fund	8,666	5,297
Guttman Family Fund	6,204	4,373
Warren Collegiate Alumni (1970) Fund	5,388	3,583

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2021

7. Restricted for endowment purposes (continued)

All Communities Fund	39,497	19,464
Boonstra Farms Fund	2,981	2,744
Nestor Myska Memorial Fund	16,529	10,349
Harry J. Enns Oak Hammock Marsh Fund	7,325,500	6,773,661
Oak Hammock Marsh Capital Renewal Fund	1,809,808	1,787,524
Interlake Community Foundation Operating Fund	4,672	2,060
Jennifer Jensen Memorial Fund		
Dialysis Support	7,351	5,442
Education Support	7,111	5,440
Library Support	8,865	7,140
Jennifer Jensen & Kelsey Moeller Brown Scholarship	34,983	12,749
Standard Limestone Quarries Fund	10,879	-
Stephanie Oland Duncan Memorial Fund	18,060	-
Bel Acres Community Fund	10,265	-
Sexton Family Fund	5,572	-
Maureen & Glenn Kletke Fund	5,137	-
Boonstra Farms Community Fund	11,175	-
Stonewall District Health Centre Auxiliary Fund	10,500	-
Allocation from funds to be granted	<u>339,223</u>	<u>314,723</u>
	<u>\$ 10,402,722</u>	<u>\$ 9,547,110</u>

8. Net assets internally restricted for communities

The net assets restricted for communities are as follows:

	<u>2021</u>	<u>2020</u>
R.M. of Rockwood	\$ 159,870	\$ 150,200
R.M. of Rosser	129,513	117,130
R.M. of Woodlands	62,745	54,536
Town of Teulon	108,038	97,361
Town of Stonewall	138,556	127,090
Allocation from funds to be granted	<u>22,346</u>	<u>18,233</u>
	<u>\$ 621,068</u>	<u>\$ 564,550</u>

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.

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2021

10. Financial instruments

The main risks the organization is exposed to through its financial instruments are market risk.

(a) Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The organization is mainly exposed to other price risk.

(i) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The organization is exposed to other price risk through its investments quoted in an active market. There was no significant change in exposure from the prior year.