



Financial Statements

Interlake Community Foundation Inc.

December 31, 2022

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Independent Auditor's Report

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, 2022, 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, 2022, 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 10, 2023

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants

Interlake Community Foundation Inc.

Statement of Revenues and Expenditures

Year ended December 31

2022

2021
(Note 11)

Revenues

Investment income	\$ 394,866	\$ 812,911
Donations	19,764	69,165
Fundraising		
Golf tournament revenue	29,206	27,585
Raffle	22,102	-
Other supporting grants	16,585	24,052
Town of Stonewall	5,000	4,000
Town of Teulon	3,000	5,000
R.M. of Rockwood	1,430	1,000
R.M. of Rosser	5,500	5,500
R.M. of Woodlands	5,000	5,000
Unrealized (loss) gain on marketable securities	(1,156,239)	264,737
	<u>(653,786)</u>	<u>1,218,950</u>

Expenditures

Advertising	5,142	5,765
Amortization	39	52
Awards night	277	-
Raffle expenses	13,478	-
Golf tournament expenses	20,189	20,179
Grants disbursed	468,167	408,796
Interest and bank charges	463	209
Liability insurance	2,563	1,951
Memberships	3,105	500
Office	5,647	7,120
Professional fees	16,153	16,206
Telephone	1,052	1,218
Training	460	118
Travel	2,047	757
Wages	41,358	34,939
Website	510	540
	<u>580,650</u>	<u>498,350</u>

(Deficiency) excess of revenues over expenditures	<u>\$ (1,234,436)</u>	<u>\$ 720,600</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 2022	Total 2021
Balance, beginning of year	\$ 189,705	\$ 6,906,184	\$ 3,496,538	\$ 621,027	\$ 11,213,454	\$ 10,280,811
(Deficiency) excess of revenues over expenditures	(1,234,436)	-	-	-	(1,234,436)	720,600
Administration charge to funds	54,840	-	(49,448)	(5,392)	-	-
Endowment contributions	(100)	240,140	-	-	240,040	212,043
Interfund transfers	1,174,622	7,464	(1,137,412)	(44,674)	-	-
Prior year grants expired	<u>(500)</u>	<u>-</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 184,131</u>	<u>\$ 7,153,788</u>	<u>\$ 2,310,178</u>	<u>\$ 570,961</u>	<u>\$ 10,219,058</u>	<u>\$ 11,213,454</u>

See accompanying notes to the financial statements.

Interlake Community Foundation Inc.

Statement of Financial Position

December 31

2022

2021

Assets

Current

Cash	\$ 667,109	\$ 621,416
Marketable securities (Note 3)	49,921	59,778
Accounts receivable	286,203	1,767
Prepaid expenses	522	-
Government remittances receivable	892	851
Funds managed by the Winnipeg Foundation (Note 4)	<u>9,613,920</u>	<u>10,597,470</u>

10,618,567 11,281,282

Equipment (Note 5)

147 186

\$ 10,618,714 \$ 11,281,468

Liabilities

Current

Accounts payable and accrued liabilities	\$ 13,145	\$ 13,409
Government remittances payable	-	2,153
Flow through funds (Note 6)	358,128	30,490
Grant commitments	<u>28,383</u>	<u>21,962</u>

399,656 68,014

Fund balances

Unrestricted	184,131	189,705
Restricted for Endowment	7,153,788	6,906,184
Endowment for Disbursement	2,310,178	3,496,538
Internally Restricted by Community	<u>570,961</u>	<u>621,027</u>

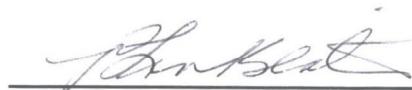
10,219,058 11,213,454

\$ 10,618,714 \$ 11,281,468

On behalf of the Board



Member



Member

Interlake Community Foundation Inc.

Statement of Cash Flows

Year ended December 31

2022

2021

Increase (decrease) in cash

Operating

(Deficiency) excess of revenues over expenditures	\$ (1,234,436)	\$ 720,600
Item not affecting cash		
Amortization	<u>39</u>	<u>52</u>
	(1,234,397)	720,652
Change in non-cash working capital items		
Accounts receivable	(284,436)	(1,767)
Prepaid expenses	(522)	450
Government remittances	(2,194)	1,760
Accounts payable and accrued liabilities	(264)	7,817
Flow through funds	327,638	1,363
Grant commitments	<u>6,421</u>	<u>(11,546)</u>
	<u>(1,187,754)</u>	<u>718,729</u>

Financing

Endowment contributions	<u>240,040</u>	<u>212,043</u>
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Investing

Marketable securities	9,857	(59,778)
Funds managed by the Winnipeg Foundation	<u>983,550</u>	<u>(852,969)</u>
	<u>993,407</u>	<u>(912,747)</u>

Increase in cash 45,693 18,025

Cash

Beginning of year	<u>621,416</u>	<u>603,391</u>
End of year	<u>\$ 667,109</u>	<u>\$ 621,416</u>

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2022

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.

Donated material and services

Donated materials are recorded in the financial statements at fair value on the date of the donation. Donated services are not recorded because the fair market value is not readily determinable. With the exception of volunteer time, such services are not significant. During the year, \$12,500 in fundraising expenses were donated (2021 - \$nil).

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2022

2. Summary of significant accounting policies (continued)

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.

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.

Equipment

Equipment is stated at cost less accumulated amortization. Equipment is amortized over its estimated useful life at the following rates and methods:

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

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2022

3. Marketable securities

	<u>2022</u>	<u>2021</u>
Credential Q-Trade Securities	<u>\$ 49,921</u>	<u>\$ 59,778</u>

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.

5. Equipment

			<u>2022</u>	<u>2021</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computers	\$ 1,386	\$ 1,259	\$ 127	\$ 158
Office furniture	<u>2,013</u>	<u>1,993</u>	<u>20</u>	<u>28</u>
	<u>\$ 3,399</u>	<u>\$ 3,252</u>	<u>\$ 147</u>	<u>\$ 186</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>2022</u>	<u>2021</u>
Town Of Stonewall Save the Kilns Capital Fund	<u>\$ 351,234</u>	<u>\$ 26,059</u>
Argyle Skating Club Flow Through Fund	<u>6,894</u>	<u>4,431</u>
	<u>\$ 358,128</u>	<u>\$ 30,490</u>

7. Restricted for endowment purposes

Designations for specific endowment purposes are as follows:

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2022

7. Restricted for endowment purposes (continued)

	2022	2021
Teulon Collegiate Alumni Scholarship Fund	\$ 8,852	\$ 9,820
Mr. & Mrs. A. Howard Campbell Scholarship Fund	1,218	1,308
The Hunter - Cumming Scholarship Fund	1,393	1,556
Dr. Goodwin Memorial Scholarship Fund	2,315	2,396
Community Builder Fund		
Stonewall	5,370	5,953
Teulon	4,592	5,224
Rosser	2,151	2,133
Teulon Museum	3,032	3,137
All Communities	8,503	9,506
Herb & Helen Kletke Endowment Fund	14,577	16,264
Michael A. Lindell Automotive Scholarship Fund	18,459	20,150
Teulon Healthcare Foundation Fund	46,614	52,870
Stonewall Collegiate Youth in Philanthropy Fund	15,007	17,013
Warren Collegiate Youth in Philanthropy Fund	9,189	10,425
Teulon Collegiate Youth in Philanthropy Fund	11,213	12,720
Janet Kuchma Scholarship Fund	9,331	10,137
Ben and Marjorie King Memorial Bursary Fund	73,704	83,356
Lorne and Irene Ferley Endowment Fund		
Michael Ferley Bursary Fund	15,334	17,371
Lorne Ferley Endowment Fund	15,728	17,826
Beck Family Endowment Fund		
Beck Family Fund	10,105	8,325
Beck Family Scholarship	14,311	15,161
Percy and Mary Durham Fund	19,721	22,372
Stonewall Family Foods Fund	19,796	22,340
G.M. Willis Family Scholarship Fund	7,270	6,780
Leona and Larry Baker Fund	9,731	11,039
Dave & Annette Unrau Endowment Fund	16,712	14,286
Rev. Dr. Barry G. Rasmussen Memorial Scholarship Fund	5,900	6,684
Lauritz & Georgina Jensen Fund	30,727	32,164
Nell Smith Endowment Fund	7,966	9,037
Donna Jensen - Community Living Interlake Fund	24,040	22,442
MB Pool Dist 802 (Ret) Scholarship Fund	1,511	1,799
George & Grace Willox Memorial Fund	13,675	12,903
Bryan Lefley Memorial Fund	129,418	140,560
Abby Lee Anne Margetts Memorial Fund	5,541	5,348
Woodlands Pioneer Museum Fund	13,063	12,337
Ryan Grandmont Memorial Fund	28,365	24,306
McKenna Riley Memorial Scholarship	20,386	18,852
McKenna Riley Memorial Fund - Argyle Community	18,689	16,786
Slagerman Family Endowment Fund	15,090	11,670
Badger Daylighting MB - Community Living Interlake Fund	10,159	8,666
Guttman Family Fund	6,732	6,204
Warren Collegiate Alumni (1970) Fund	6,455	5,388
All Communities Fund	54,957	39,497
Boonstra Farms Fund	2,669	2,981
Nestor Myska Memorial Fund	14,693	16,529
Harry J. Enns Oak Hammock Marsh Fund	6,541,661	7,325,500
Oak Hammock Marsh Capital Renewal Fund	1,594,193	1,809,808

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2022

7. Restricted for endowment purposes (continued)

Interlake Community Foundation Operating Fund	7,847	4,672
Jennifer Jensen Memorial Fund		
Dialysis Support	11,664	7,451
Education Support	11,500	7,111
Library Support	12,890	8,865
Jennifer Jensen & Kelsey Moeller Brown Scholarship	32,417	34,983
Standard Limestone Quarries Fund	24,588	10,879
Stephanie Oland Duncan Memorial Fund	23,749	18,060
Bel Acres Community Fund	8,950	10,265
Sexton Family Fund	4,859	5,572
Maureen & Glenn Kletke Fund	4,478	5,137
Boonstra Farms Community Fund	9,753	11,175
Stonewall District Health Centre Auxiliary Fund	24,267	10,500
Ralph Eichler Legacy Fund	22,936	-
Lynn & Wally MacMartin Fund	2,592	-
McClure Family Fund	1,097	-
Ethan Boyer Memorial Fund	9,106	-
Allocation from funds to be granted	341,155	339,223
	<u>\$ 9,463,966</u>	<u>\$ 10,402,822</u>

8. Net assets internally restricted for communities

The net assets restricted for communities are as follows:

	2022	2021
R.M. of Rockwood	\$ 143,775	\$ 159,870
R.M. of Rosser	119,829	129,513
R.M. of Woodlands	60,642	62,745
Town of Teulon	98,418	108,038
Town of Stonewall	127,260	138,556
Allocation from funds to be granted	22,436	22,305
	<u>\$ 572,360</u>	<u>\$ 621,027</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, 2022

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.

11. 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 earnings.