



Financial Statements

Interlake Community Foundation Inc.

December 31, 2023

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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, 2023, 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, 2023, 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 8, 2024

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

	2023	2022 (Note 12)
Revenues		
Investment income	\$ 473,180	\$ 394,866
Fees on Flow Through Funds	4,369	2,837
Donations, Flow Through Fundraising	2,940	16,927
Golf tournament revenue	27,112	29,206
Raffle	-	22,102
Other supporting grants	122,237	16,585
Town of Stonewall	5,000	5,000
Town of Teulon	3,000	3,000
R.M. of Rockwood	1,100	1,430
R.M. of Rosser	5,500	5,500
R.M. of Woodlands	5,040	5,000
Unrealized gain (loss) on marketable securities	<u>464,511</u>	<u>(1,156,239)</u>
	<u>1,113,989</u>	<u>(653,786)</u>
Expenditures		
Advertising	4,220	5,142
Amortization	32	39
ICF events	747	277
Raffle expenses	-	13,478
Golf tournament expenses	19,255	20,189
Grants disbursed	551,314	468,167
Interest and bank charges	197	463
Liability insurance	2,884	2,563
Memberships	3,384	3,105
Office	5,961	5,311
Professional fees	15,466	16,153
Training and travel	3,866	2,507
Wages and benefits	<u>47,388</u>	<u>43,256</u>
	<u>654,714</u>	<u>580,650</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 459,275</u>	<u>\$ (1,234,436)</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 2023	Total 2022
Balance, beginning of year	\$ 184,131	\$ 7,153,788	\$ 2,310,178	\$ 570,961	\$ 10,219,058	\$ 11,213,454
Excess (deficiency) of revenues over expenditures	459,275	-	-	-	459,275	(1,234,436)
Administration charge to funds	58,097	-	(52,365)	(5,732)	-	-
Endowment contributions	692	207,131	-	-	207,823	240,040
Allocation of endowments to spend-down funds	-	-	(1,700,249)	-	(1,700,249)	-
Interfund transfers	(479,666)	(7,887)	438,221	49,332	-	-
Prior year grants expired	<u>(361)</u>	<u>-</u>	<u>-</u>	<u>361</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 222,168</u>	<u>\$ 7,353,032</u>	<u>\$ 995,785</u>	<u>\$ 614,922</u>	<u>\$ 9,185,907</u>	<u>\$ 10,219,058</u>

See accompanying notes to the financial statements.

Interlake Community Foundation Inc.

Statement of Financial Position

December 31

2023

2022

Assets

Current

Cash	\$ 1,662,770	\$ 667,109
Marketable securities (Note 3)	98,709	49,921
Accounts receivable	2,385	286,203
Prepaid expenses	-	522
Goods and services tax receivable	919	892
Funds managed by the Winnipeg Foundation (Note 4)	<u>10,265,253</u>	<u>9,613,920</u>

12,030,036 10,618,567

Equipment (Note 5)

115 147

\$ 12,030,151 \$ 10,618,714

Liabilities

Current

Accounts payable and accrued liabilities	\$ 16,555	\$ 13,145
Flow through funds (Note 6)	108,842	358,128
Spend down funds (Note 7)	2,667,469	-
Grant commitments	<u>51,378</u>	<u>28,383</u>

2,844,244 399,656

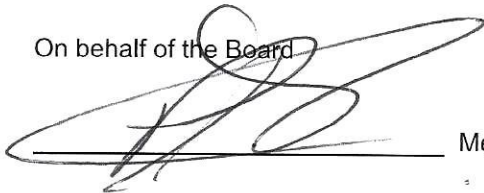
Fund balances

Unrestricted	222,168	184,131
Restricted for Endowment	7,353,032	7,153,788
Endowment for Disbursement	995,785	2,310,178
Internally Restricted by Community	<u>614,922</u>	<u>570,961</u>

9,185,907 10,219,058

\$ 12,030,151 \$ 10,618,714

On behalf of the Board



Member



Member

Interlake Community Foundation Inc.

Statement of Cash Flows

Year ended December 31

2023

2022

Increase (decrease) in cash

Operating

Excess (deficiency) of revenues over expenditures Item not affecting cash	\$ 459,275	\$ (1,234,436)
Amortization	<u>32</u>	<u>39</u>
	459,307	(1,234,397)
Change in non-cash working capital items		
Accounts receivable	283,818	(284,436)
Prepaid expenses	522	(522)
Goods and services tax	(27)	(2,194)
Accounts payable and accrued liabilities	3,410	(264)
Flow through funds	(249,286)	327,638
Spend down funds	967,220	-
Grant commitments	<u>22,995</u>	<u>6,421</u>
	<u>1,487,959</u>	<u>(1,187,754)</u>

Financing

Endowment contributions	<u>207,823</u>	<u>240,040</u>
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Investing

Marketable securities	(48,788)	9,857
Funds managed by the Winnipeg Foundation	<u>(651,333)</u>	<u>983,550</u>
	<u>(700,121)</u>	<u>993,407</u>

Increase in cash 995,661 45,693

Cash

Beginning of year	<u>667,109</u>	<u>621,416</u>
End of year	<u>\$ 1,662,770</u>	<u>\$ 667,109</u>

Cash consists of:

Cash	\$ 586,708	\$ 308,981
Flow through and spend down funds	<u>1,076,062</u>	<u>358,128</u>
	<u>\$ 1,662,770</u>	<u>\$ 667,109</u>

Supplemental cash flow information

Endowment funds transferred to spend down funds	\$ 1,700,249	\$ -
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Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2023

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, \$nil in fundraising expenses were donated (2022 - \$12,500).

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2023

2. Summary of significant accounting policies (continued)

Financial instruments

Financial instruments in arm's length transactions

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 funds
- spend-down funds
- 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, 2023

3. Marketable securities

	<u>2023</u>	<u>2022</u>
Credential Q-Trade Securities	<u>\$ 98,709</u>	<u>\$ 49,921</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>Cost</u>	<u>Accumulated Amortization</u>	<u>2023</u> <u>Net Book Value</u>	<u>2022</u> <u>Net Book Value</u>
Computers	\$ 1,386	\$ 1,285	\$ 101	\$ 127
Office furniture	<u>2,013</u>	<u>1,999</u>	<u>14</u>	<u>20</u>
	<u>\$ 3,399</u>	<u>\$ 3,284</u>	<u>\$ 115</u>	<u>\$ 147</u>

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2023

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.

During the year, the fund structure of the Town Of Stonewall Save the Kilns Capital Fund changed from flow-through fund to spend-down fund.

	<u>2023</u>	<u>2022</u>
Town Of Stonewall Save the Kilns Capital Fund	\$ -	\$ 351,234
Argyle Skating Club Flow Through Fund	9,614	6,894
Woodlands Childcare Inc. Warren Expansion Project Fund	<u>99,228</u>	<u>-</u>
	<u>\$ 108,842</u>	<u>\$ 358,128</u>

7. Spend down funds

Certain funds are held by the organization as spend-down funds. The organization charges an administration fee on an annual basis on 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>2023</u>	<u>2022</u>
Town Of Stonewall Save the Kilns Capital Fund	\$ 538,501	\$ -
Quarry Park Fines Fields Diamond LED Lighting Project Fund	3,657	-
Oak Hammock Marsh Capital Renewal Fund	2,087,018	-
Stonewall & District Personal Care Home Project Fund	25	-
Mr. & Mrs. A. Howard Campbell Scholarship Fund	1,149	-
The Hunter - Cummings Scholarship Fund	1,248	-
Dr. Goodwin Memorial Scholarship Fund	2,271	-
Teulon Museum Community Builder Fund	2,970	-
MB Pool Dist 802 (Ret) Scholarship Fund	1,242	-
McKenna Riley Memorial Scholarship	17,361	-
McKenna Riley Memorial Fund - Argyle Community	<u>12,027</u>	<u>-</u>
	<u>\$ 2,667,469</u>	<u>\$ -</u>

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2023

8. Restricted for endowment purposes

	<u>2023</u>	<u>2022</u>
Teulon Collegiate Alumni Scholarship Fund	\$ 9,381	\$ 8,852
Mr. & Mrs. A. Howard Campbell Scholarship Fund	-	1,218
The Hunter - Cumming Scholarship Fund	-	1,393
Dr. Goodwin Memorial Scholarship Fund	-	2,315
Community Builder Fund		
Stonewall	5,713	5,370
Teulon	4,786	4,592
Rosser	2,199	2,151
Teulon Museum	-	3,032
All Communities	8,973	8,503
Herb & Helen Kletke Endowment Fund	15,184	14,577
Michael A. Lindell Automotive Scholarship Fund	18,967	18,459
Teulon Healthcare Foundation Fund	48,505	46,614
Stonewall Collegiate Youth in Philanthropy Fund	15,616	15,007
Warren Collegiate Youth in Philanthropy Fund	9,561	9,189
Teulon Collegiate Youth in Philanthropy Fund	11,667	11,213
Janet Kuchma Scholarship Fund	10,116	9,331
Ben and Marjorie King Memorial Bursary Fund	76,881	73,704
Lorne and Irene Ferley Endowment Fund		
Michael Ferley Bursary Fund	16,621	15,334
Lorne Ferley Endowment Fund	16,373	15,728
Beck Family Endowment Fund		
Beck Family Fund	15,315	10,105
Beck Family Scholarship	15,911	14,311
Percy and Mary Durham Fund	20,520	19,721
Stonewall Family Foods Fund	20,655	19,796
George & Val Willis and Chad & Jess Willis Fund	7,597	7,270
Leona and Larry Baker Fund	10,125	9,731
Dave & Annette Unrau Endowment Fund	19,650	16,712
Rev. Dr. Barry G. Rasmussen Memorial Scholarship Fund	6,342	5,900
Lauritz & Georgina Jensen Fund	32,725	30,727
Nell Smith Endowment Fund	8,288	7,966
Donna Jensen - Community Living Interlake Fund	25,631	24,040
MB Pool Dist 802 (Ret) Scholarship Fund	-	1,511
George & Grace Willox Memorial Fund	16,695	13,675
Bryan Lefley Memorial Fund	140,843	129,418
Abby Lee Anne Margetts Memorial Fund	6,059	5,541
Woodlands Pioneer Museum Fund	15,702	13,063
Ryan Grandmont Memorial Fund	29,479	28,365
McKenna Riley Memorial Scholarship	-	20,386
McKenna Riley Memorial Fund - Argyle Community	-	18,689
Slagerman Family Endowment Fund	17,938	15,090
Badger Daylighting MB - Community Living Interlake Fund	10,689	10,159
Guttman Family Fund	7,562	6,732
Warren Collegiate Alumni (1970) Fund	7,919	6,455
All Communities Fund	89,224	54,957
Boonstra Farms Fund	2,896	2,669
Nestor Myska Memorial Fund	15,511	14,693
Harry J. Enns Oak Hammock Marsh Fund	6,903,954	6,541,661

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2023

8. Restricted for endowment purposes (continued)

Oak Hammock Marsh Capital Renewal Fund	-	1,594,193
Interlake Community Foundation Operating Fund	9,805	7,847
Jennifer Jensen Memorial Fund		
Dialysis Support	13,321	11,664
Education Support	13,257	11,500
Library Support	14,778	12,890
Jennifer Jensen & Kelsey Moeller Brown Scholarship	35,626	32,417
Standard Limestone Quarries Fund	33,537	24,588
Stephanie Oland Duncan Memorial Fund	28,171	23,749
Bel Acres Community Fund	9,349	8,950
Sexton Family Fund	5,061	4,859
Maureen & Glenn Kletke Fund	4,664	4,478
Boonstra Farms Community Fund	10,157	9,753
Stonewall District Health Centre Auxiliary Fund	25,576	24,267
Ralph Eichler Legacy Fund	24,222	22,936
Lynn & Wally MacMartin Fund	3,972	2,592
McClure Family Fund	5,345	1,097
Ethan Boyer Memorial Fund	13,317	9,106
Nutrition Support Fund	18,754	-
L. & L. Wenzoski Family Fund	4,965	-
Edith & Arthur Morrison Memorial Fund	3,255	-
Richard & June Grayson Fund	647	-
Jack Moore Memorial Fund		
Community	10,988	-
Falcon Lake	9,126	-
Allocation from funds to be granted	333,151	341,155
	\$ 8,348,817	\$ 9,463,966

9. Net assets internally restricted for communities

The net assets restricted for communities are as follows:

	<u>2023</u>	<u>2022</u>
R.M. of Rockwood	\$ 149,321	\$ 143,775
R.M. of Rosser	130,692	119,829
R.M. of Woodlands	68,604	60,642
Town of Teulon	105,611	98,418
Town of Stonewall	137,909	127,260
Allocation from funds to be granted	22,785	22,436
	\$ 614,922	\$ 572,360

Interlake Community Foundation Inc.

Notes to the Financial Statements

December 31, 2023

10. 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.

11. 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.

12. 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.