

**INTERLAKE COMMUNITY FOUNDATION INC.**

**Financial Statements**

**Year Ended December 31, 2014**

**INTERLAKE COMMUNITY FOUNDATION INC.**  
**Index to Financial Statements**  
**Year Ended December 31, 2014**

---

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Revenues and Expenditures	4
Statement of Changes in Net Assets	5
Statement of Cash Flow	6
Notes to Financial Statements	7 - 10

---

## 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, 2014 and the statements of revenues and expenditures, changes in net assets and cash flow 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.

*(continues)*

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, 2014 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Stefanson Lee Romoniuk*

Chartered Accountants

Winnipeg, Manitoba  
March 9, 2015

**INTERLAKE COMMUNITY FOUNDATION INC.**  
**Statement of Financial Position**  
**December 31, 2014**

	2014	2013
<b>Assets</b>		
Current		
Cash	\$ 173,778	\$ 79,290
Marketable securities (Note 4)	706,016	660,062
GST recoverable	315	284
Prepaid expenses	380	-
Funds managed by Winnipeg Foundation (Note 5)	38,064	116,462
	<b>918,553</b>	856,098
Capital assets (Note 6)	338	483
	<b>\$ 918,891</b>	<b>\$ 856,581</b>
<b>Liabilities</b>		
Current		
Accounts payable	\$ 4,285	\$ 4,002
Grant commitments	19,963	20,362
	<b>24,248</b>	24,364
<b>Net Assets</b>		
Unrestricted	57,812	56,400
Restricted for endowment	352,550	312,711
Internally restricted by community	484,281	463,106
	<b>894,643</b>	832,217
	<b>\$ 918,891</b>	<b>\$ 856,581</b>

**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, 2014**

	2014	2013
<b>Revenue</b>		
Investment income	\$ 13,639	\$ 13,429
Unrealized gain (loss) on marketable securities	19,065	21,734
Fundraising- golf tournament revenue	16,675	11,676
Winnipeg Foundation grant	1,399	1,440
Donations	209	1,338
R.M of Rosser	5,000	5,000
R.M. of Woodlands	3,000	-
Town of Stonewall	1,500	1,500
Town of Teulon	5,000	-
R.M. of Rockwood	-	2,000
	<b>65,487</b>	<b>58,117</b>
<b>Expenses</b>		
Administrator	7,200	7,200
Advertising	831	629
Amortization	145	207
Awards night	378	298
Fundraising-golf tournament expenses	12,400	7,863
Grants disbursed	13,375	14,241
Interest and bank charges	2	-
Liability insurance	1,040	1,209
Memberships	450	450
Office	955	487
Professional fees	4,917	4,161
Telephone	351	350
Website	300	400
	<b>42,344</b>	<b>37,495</b>
<b>Excess of revenue over expenses for the year</b>	<b>\$ 23,143</b>	<b>\$ 20,622</b>

**INTERLAKE COMMUNITY FOUNDATION INC.**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2014**

	Unrestricted	Restricted for Endowment	Internally Restricted by Community	2014	2013
<b>Net assets -</b>					
<b>beginning of year</b>	\$ 56,400	\$ 312,711	\$ 463,106	\$ <b>832,217</b>	\$ 770,543
Administration charge to funds	9,891	(2,944)	(6,947)	-	-
Endowment contributions	-	19,932	-	<b>19,932</b>	19,823
Grants disbursed from restricted for endowment funds	-	(6,123)	-	<b>(6,123)</b>	(9,245)
Allocation to Youth in Philanthropy	(1,750)	3,500	(1,750)	-	-
Unrealized gains (losses) on investments in the restricted for endowment fund	-	12,074	-	<b>12,074</b>	21,060
Investment income from investments in restricted for endowment funds	-	13,400	-	<b>13,400</b>	9,414
Excess of revenue over expenses	(6,729)	-	29,872	<b>23,143</b>	20,622
<b>Net assets - end of year</b>	<b>\$ 57,812</b>	<b>\$ 352,550</b>	<b>\$ 484,281</b>	<b>\$ 894,643</b>	<b>\$ 832,217</b>

See notes to financial statements

**INTERLAKE COMMUNITY FOUNDATION INC.****Statement of Cash Flow****Year Ended December 31, 2014**

	2014	2013
<b>Operating activities</b>		
Excess of revenue over expenses	\$ 23,143	\$ 20,622
Item not affecting cash:		
Amortization of capital assets	145	207
	<b>23,288</b>	<b>20,829</b>
Changes in non-cash working capital:		
GST recoverable	(31)	5
Accounts payable	284	(1)
Prepaid expenses	(380)	-
Funds managed by Winnipeg Foundation	78,398	(15,793)
Grant commitments	(399)	(2,329)
Marketable securities	(45,954)	(44,482)
	<b>31,918</b>	<b>(62,600)</b>
Cash flow from (used by) operating activities	<b>55,206</b>	<b>(41,771)</b>
<b>Investing activities</b>		
Net endowment income	25,473	30,473
Endowment fund contributions	19,932	19,823
Endowment grants disbursed	(6,123)	(9,245)
	-	-
Cash flow from investing activities	<b>39,282</b>	<b>41,051</b>
<b>Net change in cash and cash equivalents during the year</b>	<b>94,488</b>	<b>(720)</b>
Cash and cash equivalents - beginning of year	79,290	80,010
<b>Cash and cash equivalents - end of year</b>	<b>\$ 173,778</b>	<b>\$ 79,290</b>

See notes to financial statements



# INTERLAKE COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

Year Ended December 31, 2014

---

### 1. Basis of presentation

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

### 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.

*(continues)*

# INTERLAKE COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

Year Ended December 31, 2014

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

#### 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:

Furniture and fixtures	30%	declining balance method
------------------------	-----	--------------------------

### 4. Marketable securities

	2014	2013
Money market funds	\$ 65,164	\$ 64,202
Pooled funds and equities	541,931	526,743
Bonds	10,000	10,000
	<b>617,095</b>	600,945
Unrealized gain relating to marketable securities	<b>88,921</b>	59,117
	<b>\$ 706,016</b>	\$ 660,062

### 5. Funds managed by Winnipeg Foundation

Certain funds are invested with and managed by the Winnipeg Foundation with the income and capital designated for the benefit of certain endowment funds of the Interlake Community Foundation. At December 31 the endowment fund balances at the Winnipeg Foundation are as follows:

	2014	2013
Lorne and Irene Ferley Endowment Fund		
Michael Ferley Bursary Fund	\$ 15,804	\$ 14,396
Lorne Ferley Scholarship Fund	15,388	14,402
Rev. Dr. Barry Grant Rasmussen Memorial Scholarship Fund	6,872	6,215
Ben and Marjorie King Memorial Bursary Fund	-	81,449
	<b>\$ 38,064</b>	\$ 116,462

**INTERLAKE COMMUNITY FOUNDATION INC.**

**Notes to Financial Statements**

**Year Ended December 31, 2014**

**6. Capital assets**

	Cost	Accumulated amortization	<b>2014 Net book value</b>	2013 Net book value
Furniture and fixtures	\$ 2,013	\$ 1,675	<b>\$ 338</b>	\$ 483

**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 approval of the Board.

**8. Net assets internally restricted for communities**

The net assets restricted for communities are as follows:

	<b>2014</b>	2013
R.M. of Rockwood	<b>\$ 159,748</b>	\$ 158,706
R.M. of Rosser	<b>90,940</b>	84,753
R.M. of Woodlands	<b>27,462</b>	24,027
Town of Teulon	<b>81,189</b>	75,155
Town of Stonewall	<b>124,942</b>	120,465
	<b>\$ 484,281</b>	\$ 463,106

**INTERLAKE COMMUNITY FOUNDATION INC.**  
**Notes to Financial Statements**  
**Year Ended December 31, 2014**

**9. Restricted for endowment purposes**

Designations for specific endowment purposes are as follows:

	<b>2014</b>	<b>2013</b>
Teulon Collegiate Alumni Enhancement Fund	\$ 2,434	\$ 2,287
Teulon Collegiate Alumni Scholarship Fund	6,275	5,790
Mr. & Mrs. A. Campbell Scholarship Fund	2,012	1,894
Hunter Cummings Scholarship Fund	2,803	2,639
Dr. Goodwin Memorial Scholarship Fund	3,066	2,885
Community Builder Fund		
Stonewall	3,738	3,426
Teulon	3,958	3,473
Rosser	1,190	1,056
Teulon Museum	1,918	1,689
All Communities	8,766	7,649
Helen & Herbert Kletke Endow Fund	15,447	15,050
Michael A.Lindell Automotive Scholarship Fund	19,339	17,916
The Arts Fund	1,348	1,269
Teulon Hunter Memorial Health District Foundation Inc. Fund	57,369	53,994
Stonewall Collegiate Youth in Philanthropy Fund	14,958	14,078
Warren Collegiate Youth in Philanthropy Fund	8,433	7,605
Teulon Collegiate Youth in Philanthropy Fund	10,877	8,336
Janet Kuchma Scholarship Fund	7,649	6,228
Rev. Dr. Barry Grant Rasmussen Memorial Scholarship Fund	6,872	6,215
Ben and Marjorie King Memorial Bursary Fund	85,079	81,449
Lorne and Irene Ferley Endowment Fund		
Michael Ferley Bursary Fund	15,804	14,396
Lorne Ferley Scholarship Fund	15,388	14,402
Beck Family Endowment Fund		
The Beck Family Fund	3,451	3,248
Beck Family Scholarship	3,905	2,908
Percy and Mary Durham Fund	21,430	20,880
Stonewall Family Foods Fund	10,945	10,301
Willis Family Scholarship	2,879	1,545
Leona Baker Fund	4,389	103
David & Annette Unrau Fund	10,828	-
	<b>\$ 352,550</b>	<b>\$ 312,711</b>