

INTERLAKE COMMUNITY FOUNDATION INC.

Financial Statements

Year Ended December 31, 2015

INTERLAKE COMMUNITY FOUNDATION INC.
Index to Financial Statements
Year Ended December 31, 2015

	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



STEFANSON LEE ROMANIUK
CHARTERED ACCOUNTANTS

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, 2015 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.

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Independent Auditor's Report to the Members of Interlake Community Foundation Inc. *(continued)*

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, 2015 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 Romonink

Chartered Accountants

Winnipeg, Manitoba
March 14, 2016

INTERLAKE COMMUNITY FOUNDATION INC.
Statement of Financial Position
December 31, 2015

	2015	2014
Assets		
Current		
Cash	\$ 120,613	\$ 173,778
Marketable securities (Note 4)	751,513	706,016
GST recoverable	430	315
Prepaid expenses	-	380
Funds managed by Winnipeg Foundation (Note 5)	32,386	38,064
	904,942	918,553
Capital assets (Note 6.)	1,415	338
	\$ 906,357	\$ 918,891
Liabilities		
Current		
Accounts payable	\$ 4,602	\$ 4,286
Grant commitments	19,256	19,963
	23,858	24,249
Net Assets		
Unrestricted	60,646	57,811
Restricted for endowment	341,319	352,550
Internally restricted by community	480,534	484,281
	882,499	894,642
	\$ 906,357	\$ 918,891

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, 2015

	2015	2014
Revenue		
Investment income	\$ 26,461	\$ 13,639
Unrealized gain (loss) on marketable securities	(21,591)	19,065
Fundraising- golf tournament revenue	16,259	16,675
Winnipeg Foundation grant	1,336	1,399
Donations	7,888	209
R.M of Rosser	5,000	5,000
R.M. of Woodlands	3,000	3,000
Town of Stonewall	1,500	1,500
Town of Teulon	5,000	5,000
	44,853	65,487
Expenses		
Administrator	7,200	7,200
Advertising	1,864	831
Amortization	309	145
Awards night	382	378
Fundraising-golf tournament expenses	12,452	12,400
Grants disbursed	18,356	13,375
Interest and bank charges	(1)	2
Liability insurance	1,252	1,040
Memberships	515	450
Office	1,929	955
Professional fees	5,415	4,917
Telephone	351	351
Website	460	300
	50,484	42,344
Excess (deficiency) of revenue over expenses for the year	\$ (5,631)	\$ 23,143

INTERLAKE COMMUNITY FOUNDATION INC.

Statement of Changes in Net Assets

Year Ended December 31, 2015

	Unrestricted	Restricted for Endowment	Internally Restricted by Community	2015	2014
Net assets -					
beginning of year	\$ 57,811	\$ 352,550	\$ 484,281	\$ 894,642	\$ 832,217
Administration charge to funds	11,983	(4,717)	(7,264)	2	(1)
Endowment contributions	-	5,792	-	5,792	19,932
Grants disbursed from restricted for endowment funds	-	(16,965)	-	(16,965)	(6,123)
Allocation to Youth in Philanthropy	-	-	-	-	-
Unrealized gains (losses) on investments in the restricted for endowment fund	-	(12,865)	-	(12,865)	12,074
Investment income from investments in restricted for endowment funds	-	17,524	-	17,524	13,400
Deficiency of revenue over expenses	(9,148)	-	3,517	(5,631)	23,143
Net assets - end of year	\$ 60,646	\$ 341,319	\$ 480,534	\$ 882,499	\$ 894,642

INTERLAKE COMMUNITY FOUNDATION INC.**Statement of Cash Flow****Year Ended December 31, 2015**

	2015	2014
Operating activities		
Excess (deficiency) of revenue over expenses	\$ (5,631)	\$ 23,143
Item not affecting cash:		
Amortization of capital assets	309	145
	(5,322)	23,288
Changes in non-cash working capital:		
GST recoverable	(115)	(31)
Accounts payable	319	284
Prepaid expenses	380	(380)
Funds managed by Winnipeg Foundation	5,678	78,398
Grant commitments	(707)	(399)
Marketable securities	(45,497)	(45,954)
	(39,942)	31,918
Cash flow from (used by) operating activities	(45,264)	55,206
Investing activities		
Purchase of capital assets	(1,386)	-
Net endowment income	4,658	25,473
Endowment fund contributions	5,792	19,932
Endowment grants disbursed	(16,965)	(6,123)
	-	-
Cash flow from (used by) investing activities	(7,901)	39,282
Net change in cash and cash equivalents during the year	(53,165)	94,488
Cash and cash equivalents - beginning of year	173,778	79,290
Cash and cash equivalents - end of year	\$ 120,613	\$ 173,778

INTERLAKE COMMUNITY FOUNDATION INC.

Notes to Financial Statements

Year Ended December 31, 2015

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.

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INTERLAKE COMMUNITY FOUNDATION INC.

Notes to Financial Statements

Year Ended December 31, 2015

6. Capital assets

	Cost	Accumulated amortization	2015 Net book value
Computer equipment	\$ 1,386	\$ 208	\$ 1,178
Furniture and fixtures	2,013	1,776	237
	\$ 3,399	\$ 1,984	\$ 1,415

	Cost	Accumulated amortization	2014 Net book value
Furniture and fixtures	\$ 2,013	\$ 1,675	\$ 338

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 the approval of the Board.

8. Net assets internally restricted for communities

The net assets restricted for communities are as follows:

	2015	2014
R.M. of Rockwood	\$ 153,127	\$ 159,748
R.M. of Rosser	93,303	90,940
R.M. of Woodlands	29,961	27,462
Town of Teulon	82,867	81,189
Town of Stonewall	121,276	124,942
	\$ 480,534	\$ 484,281

INTERLAKE COMMUNITY FOUNDATION INC.**Notes to Financial Statements****Year Ended December 31, 2015****9. Restricted for endowment purposes**

Designations for specific endowment purposes are as follows:

	2015	2014
Teulon Collegiate Alumni Enhancement Fund	\$ 2,414	\$ 2,434
Teulon Collegiate Alumni Scholarship Fund	5,957	6,275
Mr. & Mrs. A. Campbell Scholarship Fund	1,800	2,012
Hunter Cummings Scholarship Fund	2,438	2,803
Dr. Goodwin Memorial Scholarship Fund	2,847	3,066
Community Builder Fund		
Stonewall	4,583	3,738
Teulon	4,193	3,958
Rosser	1,382	1,190
Teulon Museum	2,026	1,918
All Communities	8,184	8,766
Helen & Herbert Kletke Endow Fund	14,812	15,447
Michael A. Lindell Automotive Scholarship Fund	17,788	19,339
The Arts Fund	1,340	1,348
Teulon Hunter Memorial Health District Foundation Inc. Fund	51,357	57,369
Stonewall Collegiate Youth in Philanthropy Fund	14,694	14,958
Warren Collegiate Youth in Philanthropy Fund	8,053	8,433
Teulon Collegiate Youth in Philanthropy Fund	11,736	10,877
Janet Kuchma Scholarship Fund	7,103	7,649
Rev. Dr. Barry Grant Rasmussen Memorial Scholarship Fund	6,582	6,872
Ben and Marjorie King Memorial Bursary Fund	80,713	85,079
Lorne and Irene Ferley Endowment Fund		
Michael Ferley Bursary Fund	16,128	15,804
Lorne Ferley Scholarship Fund	16,258	15,388
Beck Family Endowment Fund		
The Beck Family Fund	3,429	3,451
Beck Family Scholarship	4,678	3,905
Percy and Mary Durham Fund	20,550	21,430
Stonewall Family Foods Fund	10,495	10,945
Willis Family Scholarship	4,058	2,879
Leona Baker Fund	5,359	4,389
David & Annette Unrau Fund	10,362	10,828
	\$ 341,319	\$ 352,550