

INTERLAKE COMMUNITY FOUNDATION INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2009

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AUDITORS' REPORT

To the Directors of
Interlake Community Foundation Inc.

We have audited the statement of financial position of Interlake Community Foundation Inc. as at December 31, 2009 and the statements of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the foundation's directors. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the foundation as at December 31, 2009 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Manitoba
February 17, 2010

Stefanson Lee Romaniuk
Chartered Accountants

INTERLAKE COMMUNITY FOUNDATION INC.Statement of Financial Position
December 31, 2009

	<u>2009</u>	<u>2008</u>
ASSETS		
Current		
Cash	\$ 81,381	71,096
Marketable securities (note 3)	538,877	493,400
GST receivable	223	467
	620,481	564,963
Funds managed by Winnipeg Foundation (note 4)	82,009	52,331
Furniture and equipment at cost	2,012	2,012
	<u>\$ 704,502</u>	<u>619,306</u>
LIABILITIES		
Current		
Accounts payable	\$ 4,000	3,300
Prepaid subscription	690	-
Grant commitments	15,858	9,850
	20,548	13,150
NET ASSETS		
Restricted for endowment purposes	208,605	172,284
Internally restricted by Community	404,990	372,223
Unrestricted	70,359	61,649
	683,954	606,156
	<u>\$ 704,502</u>	<u>619,306</u>

APPROVED BY THE BOARD:



 DIRECTOR

INTERLAKE COMMUNITY FOUNDATION INC.

Statement of Changes in Net Assets
for the year ended December 31, 2009

	<u>Restricted for Endowment Purposes</u>	<u>Internally Restricted by Community</u>	<u>Unrestricted</u>	<u>2009 Total</u>	<u>2008 Total</u>
Balance, beginning of year	\$ 172,284	372,223	61,649	606,156	648,670
Excess (deficiency) of revenue over expenditure for the year	-	38,345	1,397	39,742	(52,940)
Administration	(2,263)	(5,578)	7,313	(528)	(421)
Endowment contributions	23,191	-	-	23,191	30,523
Matching grants	7,153	-	-	7,153	8,847
Grants disbursed	(11,075)	-	-	(11,075)	(7,675)
Unrealized gains (losses) relating to endowment for the year	15,605	-	-	15,605	(24,823)
Investment income	3,710	-	-	3,710	3,975
Balance, end of year	\$ 208,605	404,990	70,359	683,954	606,156

INTERLAKE COMMUNITY FOUNDATION INC.

Statement of Operations
for the year ended December 31, 2009

	<u>2009</u>	<u>2008</u>
Revenue		
Grants		
R.M. of Rosser	\$ 5,000	5,000
R.M. of Rockwood	8,000	8,000
R.M. of Woodlands	3,000	2,000
Town of Stonewall	2,500	2,500
Town of Teulon	5,000	5,000
Investment income	6,035	11,947
Winnipeg Foundation grant	1,095	3,168
Donations	5,673	2,486
Fundraising and other	4,310	3,089
Unrealized gain on marketable securities	27,762	-
	<hr/> 68,375	<hr/> 43,190
Expenditures		
Administration	3,960	3,960
Advertising	1,456	757
Professional fees	4,392	3,380
Memberships	350	370
Office and administrative costs	1,008	257
Meetings and conferences	92	379
Grants disbursed	16,053	18,275
Website	380	1,474
Unrealized loss on marketable securities	-	66,279
Awards night	608	698
Telephone	334	301
	<hr/> 28,633	<hr/> 96,130
Excess (deficiency) of revenue over expenditures	<hr/> \$ 39,742	<hr/> (52,940)

INTERLAKE COMMUNITY FOUNDATION INC.

Notes to Financial Statements
December 31, 2009

1. Purpose of the organization:

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.

2. Significant accounting policies:

Revenue recognition

The Foundation 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 Corporation does not use derivative instruments to reduce its exposure to interest risk.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 amount of revenues and expenses during the period. Actual results could differ from these estimates.

Investments

Investments are identified as held for trading and are recorded at market value. Unrealized gains and losses are recorded in the current year. Unrealized gains and losses relating to the endowment fund are recorded through net assets.

Capital assets

Capital assets are recorded at cost. No amortization has been recorded in the accounts.

Grant commitments

Board approved commitments for grants which are not disbursed by December 31 are shown as a current liability.

INTERLAKE COMMUNITY FOUNDATION INC.Notes to Financial Statements
December 31, 2009

3. Marketable securities:	<u>2009</u>	<u>2008</u>
At cost:		
Money market funds	\$ 90,367	83,870
Investment in pooled funds and equities (market value 2009 - \$ 2008 - \$390,763)	426,907	433,066
Bonds (market value 2009 - \$29,299, 2008 - \$18,768)	<u>26,775</u>	<u>17,000</u>
	544,049	533,936
Unrealized gains (losses) relating to marketable securities	<u>(5,172)</u>	<u>(40,536)</u>
	<u>\$ 538,877</u>	<u>493,400</u>

4. 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.

	<u>2009</u>	<u>2008</u>
Michael Ferley Bursary Fund	\$ 11,041	9,311
Rev. Dr. Barry Grant Rasmussen Memorial Scholarship Fund	5,530	5,005
Ben and Marjorie King Memorial Bursary Fund	54,686	29,225
Lorne Ferley Scholarship Fund	<u>10,752</u>	<u>8,790</u>
	<u>\$ 82,009</u>	<u>52,331</u>

5. 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 approval of the Board of Directors.

6. Net assets internally restricted for communities:	<u>2009</u>	<u>2008</u>
The net assets restricted for communities are as follows:		
R.M. of Rockwood	\$ 142,436	131,417
R.M. of Rosser	65,344	58,984
R.M. of Woodlands	17,957	14,519
Town of Stonewall	117,629	112,405
Town of Teulon	<u>61,624</u>	<u>54,898</u>
	<u>\$ 404,990</u>	<u>372,223</u>

INTERLAKE COMMUNITY FOUNDATION INC.

Notes to Financial Statements
December 31, 2009

7. Restricted for endowment purposes:	<u>2009</u>	<u>2008</u>
Designations for specific endowment purposes are as follows:		
Teulon Collegiate Alumni Enhancement Fund	\$ 2,016	1,718
Teulon Collegiate Alumni Scholarship Fund	5,316	3,823
Mr & Mrs. A Campbell Scholarship Fund	2,052	2,026
Hunter Cummings Scholarship Fund	2,997	2,986
Dr. Goodwin Memorial Scholarship Fund	2,927	2,848
Community Builder Fund		
- Stonewall	4,425	3,557
- Teulon	2,058	1,682
- Rosser	638	502
- Teulon Museum	1,030	852
- All Communities	5,892	5,246
Herbert and Helen Kletke Endowment Fund	15,023	14,604
Michael A. Lindell Automotive Scholarship Fund	18,068	17,950
The Arts	1,119	1,052
Teulon Hunter Memorial Health District Foundation Inc. Fund	52,913	51,182
Stonewall Collegiate Youth in Philanthropy Fund	4,999	4,699
Warren Collegiate Youth in Philanthropy Fund	2,027	935
Janet Kuchma Scholarship Fund	2,064	-
Teulon Collegiate Youth in Philanthropy Fund	1,032	-
Rev. Dr. Barry Grant Rasmussen Memorial Scholarship Fund	5,530	5,296
Ben and Marjorie King Memorial Bursary Fund	54,686	33,225
Lorne and Irene Ferley Endowment Fund		
Michael Ferley Bursary Fund	11,041	9,311
Lorne Ferley Scholarship Fund	<u>10,752</u>	<u>8,790</u>
	\$ <u>208,605</u>	<u>172,284</u>

8. Comparative figures:

Certain of the prior year comparative figures have been restated to conform with the presentation of the current year.

9. Cash flow statement:

A statement of cash flows has not been provided as it does not provide any additional information not easily determinable from the financial statements.