

Altona Community Foundation Inc.
Financial Statements
For the Year Ended September 30, 2015

Altona Community Foundation Inc.
Financial Statements
For the Year Ended September 30, 2015

Contents

Independent Auditor's Report	2
Financial Statements	
Statement of Financial Position	4
Statement of Operations and Change in Fund Balances	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 9



Tel: 204 325 4787
Tel: 204 822 5486
Tel: 204 324 8653
Fax: 204 325 8040
www.bdo.ca

BDO Canada LLP
P.O. Box 1357
Unit 3 23111 Hwy 14
Winkler, MB R6W 4B3

Independent Auditor's Report

To the board of directors of
Altona Community Foundation Inc.

We have audited the accompanying financial statements of Altona Community Foundation Inc., which comprise the statement of financial position as at September 30, 2015, and the statements of operations and changes in fund balances and cash flows 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 qualified audit opinion.



Basis for Qualified Opinion

In common with many not-for-profit organizations, Altona Community Foundation Inc. derives revenues from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of Altona Community Foundation Inc. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenues, excess of revenue over expenditures, and cash flows from operations for the years ended September 30, 2015 and 2014, current assets as at September 30, 2015 and 2014 and fund balances as at October 1 and September 30 for both the 2015 and 2014 years. Our audit opinion on the financial statements for the year ended September 30, 2015 was modified accordingly because of the possible effects of this limitation in scope.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Altona Community Foundation Inc. as at September 30, 2015, 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.

BDO Canada LLP
Chartered Accountants

RM of Stanley, Manitoba
January 15, 2016

**Altona Community Foundation Inc.
Statement of Financial Position**

September 30 **2015** **2014**

Assets

Current

Cash	\$ 47,648	\$ 63,534
Accrued interest receivable	19,454	18,958
GST receivable	176	177
Current portion of long term investments (Note 2)	<u>168,200</u>	<u>74,429</u>

235,478 **157,098**

Long term investments (Note 2) **1,003,217** **1,035,744**

\$ 1,238,695 **\$ 1,192,842**

Liabilities and Fund Balances

Current

Accounts payable and accrued liabilities	\$ 2,501	\$ 5,001
Grants payable	<u>26,000</u>	<u>30,000</u>

28,501 **35,001**

Fund Balances

Operating	4,932	4,579
Curtis Klassen Memorial	5,648	6,789
Undistributed income	20,611	20,617
Contributed Capital	1,163,806	1,125,856
Rosenfeld Cemetery	5,000	-
Kendall Wiebe Memorial	<u>10,197</u>	<u>-</u>

1,210,194 **1,157,841**

\$ 1,238,695 **\$ 1,192,842**

On behalf of the Board:

_____ Director

_____ Director

**Altona Community Foundation Inc.
Statement of Operations and Changes in Fund Balances**

For the year ended September 30

	Operating Fund		Curtis Klassen Memorial Fund		Undistributed Income Endowment Fund	Contributed Capital Endowment Fund	Rosenfeld Cemetery Endowment Fund	Kendall Wiebe Memorial Endowment Fund	2015		2014	
	2015	2014	2015	2014					2015	2014	2015	2014
Revenue												
Donations	\$ 5,056	\$ 7,480	\$ 6,286	\$ 3,068	\$ -	\$ 37,951	\$ 5,000	\$ 10,197	\$ 53,147	\$ 47,537	\$ -	\$ 47,537
Interest	-	-	49	16	36,993	-	-	-	36,993	-	35,273	35,273
Administration support grants	2,867	2,008	-	-	-	-	-	-	-	-	-	-
Fundraising	1,300	820	-	-	-	-	-	-	-	-	-	-
	9,223	10,308	6,335	3,084	36,993	37,951	5,000	10,197	90,141	47,537	35,273	82,810
Expenditures												
Advertising and promotion	1,708	1,933	-	-	-	-	-	-	-	-	-	-
Annual meeting dinner	1,544	1,052	-	-	-	-	-	-	-	-	-	-
Bank charges	10	6	-	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	37,000	-	-	-	37,000	-	45,413	45,413
Meetings	644	652	-	-	-	-	-	-	-	-	-	-
Memberships	505	501	-	-	-	-	-	-	-	-	-	-
Office supplies	597	922	-	-	-	-	-	-	-	-	-	-
Professional fees	3,240	3,780	-	-	-	-	-	-	-	-	-	-
Salaries and benefits	536	224	-	-	-	-	-	-	-	-	-	-
Youth activities and bursaries	-	-	7,475	2,500	-	-	-	-	-	-	-	-
Website	86	-	-	-	-	-	-	-	-	-	-	-
	8,870	9,069	7,475	2,500	37,000	-	-	-	37,000	-	45,413	45,413
Excess (deficiency) of revenue over expenditures	353	1,239	(1,140)	584	(7)	37,951	5,000	10,197	53,141	47,537	(10,141)	37,396
Fund balances, beginning of year	4,579	3,340	6,789	6,205	20,617	1,125,856	1,146,473	1,078,319	1,146,473	1,078,319	30,758	1,109,077
Fund balances, end of year	\$ 4,932	\$ 4,579	5,648	6,789	20,611	1,163,806	5,000	10,197	1,199,614	1,125,856	20,617	1,146,473

The accompanying notes are an integral part of these financial statements.

Altona Community Foundation Inc. Statement of Cash Flows

For the year ended September 30	2015	2014
Cash flows from operating activities		
Excess of revenue over expenditures for the year	\$ 52,353	\$ 39,219
Changes in non-cash working capital:		
Accrued interest receivable	(496)	3,773
GST receivable	1	(81)
Accounts payable and accrued liabilities	(2,500)	2,500
Grants payable	(4,000)	8,200
	45,358	53,611
Cash flows from investing activities		
Purchase of investments	(61,244)	(37,201)
	(61,244)	(37,201)
Net (decrease) increase in cash	(15,886)	16,410
Cash, beginning of the year	63,534	47,124
Cash, end of the year	\$ 47,648	\$ 63,534

The accompanying notes are an integral part of these financial statements.

Altona Community Foundation Inc.

Notes to Financial Statements

September 30, 2015

1. Significant Accounting Policies

Purpose of the Organization

Altona Community Foundation Inc. ("the Foundation") is a self-funded organization, which raises funds to provide funding through grants for projects relating to youth, education, health and other local community development initiatives for the area of Altona, Manitoba including Gretna, Rosenfeld and Rhineland. The foundation utilizes the interest and donations received in funds to make the grants. The Foundation was incorporated in the Province of Manitoba as a not-for-profit organization and is a registered charity under the Income Tax Act.

Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Fund Accounting

The Foundation follows the restricted fund method of accounting for contributions.

The Operating Fund consists of contributions for which donors have not designated a specific purpose as well as revenue related to general fundraising. This fund is utilized for general operations, website and related expenses.

The Curtis Klassen Memorial Fund consists of restricted contributions designated to be used for specific youth activities and bursaries.

Capital funds are contributions designated by donors to remain in perpetuity. The interest income earned and donations received by these funds are either restricted by the donor for specific use, or used by the Foundation for granting purposes. The Foundation has two main capital funds:

The Undistributed Income Fund represents the interest income generated by contributed capital held for endowment purposes less grants that are approved for disbursement by the board.

The Contributed Capital Fund is solely an endowment fund which holds designated contributions from donors in perpetuity for purposes of generating interest income for granting purposes by the board.

The Rosenfeld Cemetery Fund is solely an endowment fund which holds designated contributions from donors in perpetuity for purposes of improving and maintaining the Rosenfeld Cemetery.

Altona Community Foundation Inc.

Notes to Financial Statements

September 30, 2015

1 . Significant Accounting Policies (continued)

The Kendall Wiebe Memorial Fund is solely an endowment fund which holds designated contributions from donors in perpetuity for purposes of providing scholarships to art/cosmetology students at W.C. Miller Collegiate enrolled in a post secondary institution.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates and may have an impact on future periods.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any unrealized gains and losses reported in operations, other than financial instruments related to endowment funds. In addition, all bonds and guaranteed investment certificates have been designated to be in the fair value category, with gains and losses reported in operations, other than financial instruments related to endowment funds. Changes in fair value of financial instruments related to endowment funds. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

Altona Community Foundation Inc. Notes to Financial Statements

September 30, 2015

1 . Significant Accounting Policies (continued)

Revenue Recognition

Contributions for endowment are recognized as revenue in the respective Endowment Fund.

Contributions restricted for the Curtis Klassen Memorial Fund are recognized as revenue in the Curtis Klassen Memorial Fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonable assured.

Investment income earned on Contributed Capital Endowmnet Fund resources is recognized in the Undistributed Income Fund. Investment income earned in the Rosenfeld Cemetary Endowment Fund and Kendall Wiebe Memorial Endowment Fund is recognized in the respective funds. Investment income earned in the Curtis Klassen Memorial Fund is recognized in the Curtis Klassen Memorial Fund.

Grants

Grants are expensed in the fiscal year for which they are approved. Grants that are approved but unpaid as at year end are recorded as a liability (grants payable). Approved grants are disbursed when all the guideline requirements have been met.

2. Long term Investments

	2015	2014
Access Credit Union guaranteed investment certificates maturing between November 2015 - July 2020, bearing interest at various rates between 2.75% - 3.65% per annum	\$ 1,169,310	\$ 1,107,539
Access Credit Union surplus shares	2,107	2,634
	1,171,417	1,110,173
Less: current portion of long term investments	(168,200)	(74,429)
	\$ 1,003,217	\$ 1,035,744