
**COQUITLAM FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2016**

INDEPENDENT AUDITOR'S REPORT

To the Members of
Coquitlam Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of Coquitlam Foundation which comprise the statement of financial position as at June 30, 2016, and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended, and the related notes comprising 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 our 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, we consider 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.



INDEPENDENT AUDITOR'S REPORT

Basis for Qualified Opinion

In common with many charitable organizations, the Foundation derives revenue 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 the Foundation and we were unable to determine whether any adjustments might be necessary to donation revenue, excess of revenue over expenses, assets and net assets.

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 Coquitlam Foundation as at June 30, 2016 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.

Manning Elliott LLP

Chartered Professional Accountants

Vancouver, British Columbia

September 8, 2016

COQUITLAM FOUNDATION
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2016

	2016	2015
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 67,192	\$ 36,585
Investments - short-term (Note 2)	263,782	280,306
Deposits	1,500	-
	<u>332,474</u>	<u>316,891</u>
INVESTMENTS - LONG-TERM (Note 2)	2,499,142	2,444,024
	<u>\$2,831,616</u>	<u>\$ 2,760,915</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 8,001	\$ 7,295
COMMITMENTS (Note 3)		
NET ASSETS		
UNRESTRICTED FUNDS	141,928	143,554
RESTRICTED FUNDS (Note 4)	2,681,687	2,610,066
	<u>2,823,615</u>	<u>2,753,620</u>
	<u>\$2,831,616</u>	<u>\$ 2,760,915</u>

Approved by the Board:

_____ Director

_____ Director

COQUITLAM FOUNDATION
STATEMENTS OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2016

	Unrestricted		Restricted			Total	2016	2015
	General Fund	Bursary and Legacy	Field of interest	Donor Advised				
REVENUE								
Donations	\$ 4,163	\$ 500	\$ 4,949	\$ 134,395	\$ 139,844	\$ 144,007	\$ 104,486	
Fundraising	27,874	-	-	-	-	27,874	17,737	
Interest and investment income	4,311	1,448	43,327	36,873	81,648	85,959	86,779	
Realized and unrealized (loss) gain on investments	(2,131)	(357)	(10,839)	(7,783)	(18,979)	(21,110)	17,274	
	<u>34,217</u>	<u>1,591</u>	<u>37,437</u>	<u>163,485</u>	<u>202,513</u>	<u>236,730</u>	<u>226,276</u>	
EXPENSES								
Honoraria and scholarships	-	1,000	7,500	31,956	40,456	40,456	59,935	
Donations	-	-	24,469	11,000	35,469	35,469	100,925	
General and administrative								
Advertising	1,311	-	-	-	-	1,311	1,625	
Amortization	-	-	-	-	-	-	495	
Award ceremony	954	-	-	-	-	954	935	
Bank charges	850	-	8	98	106	956	1,254	
Contracted services	47,546	-	-	-	-	47,546	26,232	
Gala fundraising event	6,002	-	-	-	-	6,002	3,968	
Insurance	206	-	-	-	-	206	1,624	
Investment management fee	686	242	7,241	6,185	13,668	14,354	14,452	
Other	19,481	-	-	-	-	19,481	15,213	
TOTAL EXPENSES	<u>77,036</u>	<u>1,242</u>	<u>39,218</u>	<u>49,239</u>	<u>89,699</u>	<u>166,735</u>	<u>226,658</u>	
EXCESS OF REVENUES OVER EXPENSES (EXPENSE OVER REVENUS)	(42,819)	349	(1,781)	114,246	112,814	69,995	(382)	
INTER-FUND CHARGES AND TRANSFERS	41,193	(342)	(33,793)	(7,058)	(41,193)	-	-	
NET ASSETS, BEGINNING OF YEAR	143,554	46,414	1,386,667	1,176,985	2,610,066	2,753,620	2,754,002	
NET ASSETS, END OF YEAR	<u>\$ 141,928</u>	<u>\$ 46,421</u>	<u>\$1,351,093</u>	<u>\$1,284,173</u>	<u>\$2,681,687</u>	<u>\$ 2,823,615</u>	<u>\$ 2,753,620</u>	

COQUITLAM FOUNDATION
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016

	2016	2015
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 69,995	\$ (382)
Item not involving cash:		
Amortization of equipment	-	495
Changes in non-cash operating working capital:		
Deposits	(1,500)	
Accounts payable and accrued liabilities	706	2,269
	(794)	2,382
INVESTING ACTIVITY		
Net purchase of investments	(38,594)	(71,222)
INCREASE (DECREASE) IN CASH AND EQUIVALENTS DURING THE YEAR	30,607	(68,841)
CASH AND EQUIVALENTS - BEGINNING OF YEAR	36,585	105,426
CASH AND EQUIVALENTS - END OF YEAR	\$ 67,192	\$ 36,585

COQUITLAM FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

The purpose of the Coquitlam Foundation is to raise and administer funds for the support of worthy programs and projects to enhance the quality of life and sense of community in the City of Coquitlam. The Foundation was incorporated in 1992 and is a not-for-profit body under the Income Tax Act of Canada

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"), using the accounting policies outlined below:

(a) Foreign currency translation

Transactions and balances in currencies other than the Canadian dollar are translated using the temporal method whereby revenue, expenses and non-monetary balances are translated at the rate of exchange prevailing at the transaction dates and monetary balances are translated at the rate prevailing at the statement of financial position date with resulting exchange gains and losses being included in the determination of income.

(b) Revenue recognition

The Foundation follows the restricted fund method of accounting for contributions. Donations are recorded on a cash basis. Other revenues are recorded when earned on an accrual basis.

(c) Fund accounting

The Foundation follows fund accounting procedures to delineate restrictions on the use of resources. Fund classifications are as follows:

(i) Unrestricted Fund:

The Unrestricted Fund represents funds available for general operations.

(ii) Bursary and Legacy Funds:

The Bursary and Legacy Funds are endowment funds whose principal remains intact but income therefrom is available for distribution.

(iii) Restricted Funds:

The Restricted Funds are primarily donations received, which have been designated for specific purposes by the donor.

(d) Cash and cash equivalents

Cash consists of cash on hand and balances with banks and brokers.

(e) Financial instruments

Financial instruments consisting of cash and cash equivalents, investments – short term and accounts payable, are recorded at amortized cost. It is management's opinion that the Foundation is not exposed to significant risks arising from these financial instruments, except as explained in the following paragraph.

The Foundation's investments include fixed income debt securities and equity securities. The fair value and related investment income stream from these investments will fluctuate according to changes in interest rates among other market factors.

COQUITLAM FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Equipment

Equipment is stated at cost less accumulated amortization, which is recorded over the estimated useful life of the asset on a straight-line basis over 3 years.

(g) Contributed services

A substantial number of volunteers contribute a significant amount of time to the Foundation each year. Due to the difficulty in determining the fair market value of these contributed services, the amounts are not recognized in the financial statements.

2. INVESTMENTS

	2016	2015
Mutual funds	\$ 363,311	\$ 208,526
Bonds and fixed income securities	1,272,796	1,406,258
Stocks and other investments	1,126,817	1,109,546
	<hr/> 2,762,924	<hr/> 2,724,330
Less: investments maturing during the next fiscal year or available for prompt liquidation	263,782	280,306
	<hr/> \$ 2,499,142	<hr/> \$ 2,444,024

3. COMMITMENTS

The Foundation grants bursaries that allow recipients to claim their awards for up to three years. As at June 30, 2016, \$80,092 was unclaimed (2015 - \$85,534).

COQUITLAM FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED JUNE 30, 2016**

4. RESTRICTED FUNDS

	2016	2015
Beverley Ann Cook Fund	\$ 71,508	\$ 67,666
Carleigh Rae LeClair Fund	215,504	203,092
CMLA Brodie Campbell Memorial Scholarship Fund	34,659	34,277
Community Diversity Fund	17,375	14,310
Coquitlam Centre Fund	24,880	24,606
Coquitlam Metro Ford Domenic Mobilio Bursary Fund	41,004	40,556
Coquitlam Public Library Living Legacy Fund	55,151	54,550
Coquitlam Search and Rescue Fund	135,660	133,246
Coquitlam Stroke Recovery Fund	72,341	71,556
Danielle & Gary Couling Education Fund	21,513	16,370
ERH Maternity Ward Fund	10,572	10,617
Evergreen Arts Education Endowment Fund	166,817	165,007
Friends of Mundy Park Fund	14,991	-
Mayor's Community Fund	4,302	6,307
Michael Coss Brain Injury Fund	107,831	106,596
Peter Legge Literacy Endowment Fund	21,569	21,328
R.A. Leclair Scholarship Fund	46,421	46,414
Rotary Club Community Service Award (Rotary Club of Coquitlam)	44,552	44,065
Shelagh Elaine Fulton Memorial Fund	61,162	61,389
Soroptimists Tri-Cities Fund	6,844	1,978
Steps Together Fund	3,200	3,000
Symington Endowment Fund	97,133	65,203
The Coquitlam Foundation Community Fund	895,280	920,385
The Coquitlam Foundation 125 Legacy Fund	2,500	-
The Della and Cam Grant Fund	49,480	49,676
The James Gordon Stewart Fund	383,085	392,728
The Johnston Legacy Fund	13,405	13,262
Trevor Wingrove Bursary Fund	15,200	13,618
Tri-Cities Chamber of Commerce Elite Athletes Fund	5,892	5,822
Wesbild Holding's Learning Initiative for Tomorrow (LIFT) Fund	41,856	22,442
	\$ 2,681,687	\$ 2,610,066
