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**COQUITLAM FOUNDATION  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
JUNE 30, 2013 AND 2012**

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**MANNING ELLIOTT**  
CHARTERED ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

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To the Members of  
Coquitlam Foundation

**Report on the Financial Statements**

We have audited the accompanying financial statements of Coquitlam Foundation, which comprise the statements of financial position as at June 30, 2013 and 2012 and July 1, 2011, and the statements of operations and changes in net assets, and cash flows for the years ended June 30, 2013 and 2012 and the related notes comprising a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

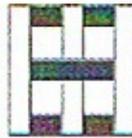
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that 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.



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## INDEPENDENT AUDITOR'S REPORT

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### Basis for Qualified Opinion

In common with many not-for-profit organizations, the completeness of the Foundation's revenue generating activities is not susceptible of 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 revenue, excess of revenue over expenses, and cash flows from operations for the years ended June 30, 2013 and 2012, total assets as at June 30, 2013 and 2012, and net asset at both the beginning and end of the June 30, 2013 and 2012 years.

### 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, 2013 and 2012 and July 1, 2011 and the results of its operations, change in net assets and its cash flows for the years ended June 30, 2013 and 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

*Manning Elliott LLP*

Chartered Accountants

Vancouver, British Columbia

October 7, 2013

**COQUITLAM FOUNDATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2013, 2012 AND JULY 1, 2011**

	June 30 2013	June 30 2012	July 1 2011
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 63,484	\$ 92,179	\$ 77,878
Investments - short-term (Note 3)	324,962	153,529	243,814
	<u>388,446</u>	<u>245,708</u>	<u>321,692</u>
INVESTMENTS - LONG-TERM (Note 3)	1,930,958	1,980,223	1,500,047
EQUIPMENT (Note 4)	1,484	2,474	-
	<u>\$ 2,320,888</u>	<u>\$ 2,228,405</u>	<u>\$ 1,821,739</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ 5,031	\$ 7,410	\$ 13,911
<b>NET ASSETS</b>			
UNRESTRICTED FUNDS	94,477	36,458	42,132
RESTRICTED FUNDS (Note 5)	2,221,380	2,184,537	1,765,696
	<u>2,315,857</u>	<u>2,220,995</u>	<u>1,807,828</u>
	<u>\$ 2,320,888</u>	<u>\$ 2,228,405</u>	<u>\$ 1,821,739</u>

Approved by the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**COQUITLAM FOUNDATION**

**STATEMENTS OF OPERATIONS AND CHANGE IN NET ASSETS**

**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

	Unrestricted		Restricted			Total	2013	2012
	General Fund	Bursary and Legacy	Field of interest	Donor Advised				
<b>REVENUE</b>								
Donations	\$ 64,927	\$ 11,700	\$ 100	\$ 48,393	\$ 60,193	\$ 125,120	\$ 467,097	
Fundraising	19,193	-	-	-	-	19,193	5,526	
Interest and investment income	2,314	13,879	33,224	28,906	76,009	78,324	72,677	
Realized and unrealized gain (loss) on investments	2,018	10,284	24,705	21,195	56,184	58,202	(19,095)	
	<u>88,452</u>	<u>35,863</u>	<u>58,029</u>	<u>98,494</u>	<u>192,386</u>	<u>280,838</u>	<u>526,205</u>	
<b>EXPENSES</b>								
Honoraria and scholarships	-	11,500	1,000	7,900	20,400	20,400	4,866	
Donations	-	9,500	52,500	24,500	86,500	86,500	52,888	
General and administrative								
Advertising	3,057	-	-	-	-	3,057	1,010	
Amortization	990	-	-	-	-	990	495	
Award ceremony	1,661	-	-	-	-	1,661	1,156	
Bank charges	1,479	-	-	54	54	1,533	831	
Contracted services	33,153	-	-	-	-	33,153	27,615	
Gala fundraising event	13,320	-	-	-	-	13,320	1,500	
Insurance	2,912	-	-	-	-	2,912	1,000	
Investment management fee	400	2,149	5,114	4,519	11,782	12,182	10,815	
Other	10,268	-	-	-	-	10,268	10,884	
<b>TOTAL EXPENSES</b>	<u>67,240</u>	<u>23,149</u>	<u>58,614</u>	<u>36,973</u>	<u>118,736</u>	<u>185,976</u>	<u>113,038</u>	
<b>EXCESS OF REVENUES OVER EXPENSES (EXPENSE OVER REVENUS)</b>	21,212	12,714	(585)	61,521	73,650	94,862	413,167	
<b>INTER-FUND CHARGES AND TRANSFERS</b>	36,807	(8,402)	(21,748)	(6,657)	(36,807)	-	-	
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>36,458</u>	<u>398,305</u>	<u>973,291</u>	<u>812,941</u>	<u>2,184,537</u>	<u>2,220,995</u>	<u>1,807,828</u>	
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 94,477</u>	<u>\$ 402,617</u>	<u>\$ 950,958</u>	<u>\$ 867,805</u>	<u>\$2,221,380</u>	<u>\$ 2,315,857</u>	<u>\$ 2,220,995</u>	

**COQUITLAM FOUNDATION**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

	2013	2012
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 94,862	\$ 413,167
Item not involving cash:		
Amortization of equipment	990	495
Changes in non-cash operating working capital:		
Accounts payable and accrued liabilities	(2,379)	(6,501)
	<u>93,473</u>	<u>407,161</u>
INVESTING ACTIVITY		
Net purchase of investments	(122,168)	(389,891)
Purchase of equipment	-	(2,969)
	<u>(122,168)</u>	<u>(392,860)</u>
INCREASE (DECREASE) IN CASH AND EQUIVALENTS DURING THE YEAR	(28,695)	14,301
CASH AND EQUIVALENTS - BEGINNING OF YEAR	92,179	77,878
CASH AND EQUIVALENTS - END OF YEAR	<u>\$ 63,484</u>	<u>\$ 92,179</u>
CASH FLOW SUPPLEMENTAL INFORMATION		
Interest received	<u>\$ 63,414</u>	<u>\$ 58,769</u>

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**COQUITLAM FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

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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") which were adopted as of July 1, 2011, 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.

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**COQUITLAM FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

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**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) Long-lived assets**

The Association monitors the recoverability of long-lived assets, based on factors such as current market value and future asset utilization and records impairment losses when it is determined that the carrying amount of the assets may not be recoverable. To June 30, 2013, no impairment losses have been recorded.

**(h) 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. COMPARATIVE FIGURES**

Certain of the comparative figures have been reclassified to conform to the current year's financial statement presentation. Such reclassification does not have any effect on the earnings or net assets previously reported.

**3. INVESTMENTS**

	2013	2012
Mutual funds	\$ 193,970	\$ 138,014
Bonds and fixed income securities	1,419,612	1,461,865
Stocks and other investments	642,338	533,873
	<u>2,255,920</u>	<u>2,133,752</u>
Less: investments maturing during the next fiscal year or available for prompt liquidation	324,962	153,529
	<u>\$ 1,930,958</u>	<u>\$ 1,980,223</u>

**4. EQUIPMENT**

	2013		2012	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 2,969	\$ 1,484	\$ 1,484	\$ 2,474

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**COQUITLAM FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

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**5. RESTRICTED FUNDS**

	<b>2013</b>	<b>2012</b>
Beverley Ann Cook Fund	\$ 56,049	\$ 52,083
Builders' Trust Fund	902,379	924,093
Carleigh Rae Leclair Fund	175,782	171,636
CCS - Domenic Mobilio Bursary Fund	35,537	33,915
Community Wellness Fund	471	457
Coquitlam Centre Fund	19,068	18,197
Coquitlam Public Library Fund	48,272	46,069
Coquitlam Search and Rescue Fund	101,091	88,916
CMLA Brodie Campbell Fund	31,226	30,370
Cultural Fund	10,849	10,513
Educational Fund	2,750	3,575
Elite Athlete's Fund	5,152	4,917
Embracing Diversity Fund	4,981	3,161
Environment Fund	8,451	8,187
Evergreen Arts Education Fund	154,148	155,695
Gaming Fund	245	245
Heritage Fund	9,520	10,673
James Gordon Stewart Fund	351,918	351,968
Johnston Legacy Fund	16,293	15,550
LIFT Fund	2,950	-
Mayor's Fund	7,354	2,055
Michael Coss Brain Injury Fund	6,208	-
Peter Legge Literacy Fund	19,781	20,785
R.A. Leclair Scholarship	43,843	44,281
Rotary Club Fund	38,993	37,211
Shelagh Fulton Fund	53,701	50,756
Steps Together Fund	2,476	-
Stroke Recovery Fund	63,319	63,311
Symington Fund	42,168	30,788
Trevor Wingrove Fund	6,405	5,130
	<hr/> <b>\$ 2,221,380</b>	<hr/> <b>\$ 2,184,537</b>

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**COQUITLAM FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

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