
**COQUITLAM FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2019**



INDEPENDENT AUDITOR'S REPORT

To the Members of:
Coquitlam Foundation

Opinion

We have audited the financial statements of Coquitlam Foundation (the Foundation), which comprise the statement of financial position as at June 30, 2019, the statement of revenue and expenses and changes in fund balances, and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at June 30, 2019, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



INDEPENDENT AUDITORS' REPORT (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Manning Elliott LLP

Chartered Professional Accountants

Vancouver, British Columbia

August 30, 2019

COQUITLAM FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

	2019	2018
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 156,346	\$ 12,238
Investments (Note 3)	279,987	201,943
	436,333	214,181
INVESTMENTS (Note 3)	2,778,997	2,992,592
	\$3,215,330	\$ 3,206,773
LIABILITIES AND FUND BALANCES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 10,031	\$ 9,137
COMMITMENTS (Note 4)		
FUND BALANCES		
UNRESTRICTED FUNDS	150,413	156,619
RESTRICTED FUNDS (Note 5)	3,054,886	3,041,017
	3,205,299	3,197,636
	\$3,215,330	\$ 3,206,773

Approved by the Board:

_____ Director

_____ Director

COQUITLAM FOUNDATION**STATEMENT OF REVENUE AND EXPENSES AND CHANGES IN FUND BALANCES****FOR THE YEAR ENDED JUNE 30, 2019**

	Unrestricted		Restricted			Total	2019	2018
	General Fund	Bursary and Legacy	Field of Interest	Donor Advised				
REVENUE								
Donations	\$ 547	\$ -	\$ 11,172	\$ 145,849	\$ 157,021	\$ 157,568	\$ 295,044	
Fundraising	29,797	-	-	-	-	29,797	23,613	
Interest and investment income	3,968	1,360	38,577	43,011	82,948	86,916	74,524	
Realized and unrealized gain on investments	(3,154)	(1,152)	(32,951)	(34,106)	(68,209)	(71,363)	134,801	
	31,158	208	16,798	154,754	171,760	202,918	527,982	
EXPENSES								
Honoraria and scholarships	-	-	14,250	20,493	34,743	34,743	24,766	
Donations	-	-	9,800	53,300	63,100	63,100	122,095	
General and administrative:								
Advertising	569	-	-	-	-	569	1,932	
Award ceremony	792	-	-	-	-	792	762	
Bank charges	379	-	17	932	949	1,328	1,140	
Contracted services	51,957	-	-	-	-	51,957	45,104	
Gala fundraising event	7,367	-	-	-	-	7,367	7,582	
Insurance	2,877	-	-	-	-	2,877	2,615	
Investment management fee	721	258	7,266	8,210	15,734	16,455	16,021	
Consulting, professional fees and other	16,067	-	-	-	-	16,067	28,486	
TOTAL EXPENSES	80,729	258	31,333	82,935	114,526	195,255	250,503	
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	(49,571)	(50)	(14,535)	71,819	57,234	7,663	277,479	
INTER-FUND TRANSFERS	43,365	(369)	(31,167)	(11,829)	(43,365)	-	-	
FUND BALANCES, BEGINNING OF YEAR	156,619	49,940	1,431,831	1,559,246	3,041,017	3,197,636	2,920,157	
FUND BALANCES, END OF YEAR	\$ 150,413	\$ 49,521	\$1,386,129	\$1,619,236	\$3,054,886	\$ 3,205,299	\$ 3,197,636	

COQUITLAM FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 7,663	\$ 277,479
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	894	237
	<u>894</u>	<u>237</u>
INVESTING ACTIVITIES		
Change in investments	135,551	<u>(297,359)</u>
INCREASE (DECREASE) IN CASH AND EQUIVALENTS DURING THE YEAR	144,108	(19,643)
CASH AND EQUIVALENTS - BEGINNING OF YEAR	12,238	31,881
CASH AND EQUIVALENTS - END OF YEAR	<u>\$ 156,346</u>	<u>\$ 12,238</u>

COQUITLAM FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

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 have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (“ASNPO”) under Part III of the CPA Canada Handbook - Accounting.

These financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies noted below:

(a) 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) Restricted - Bursary and Legacy Funds:

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

(iii) Restricted - Field of Interest Fund and Donor Advised Fund:

The Field of Interest Fund and Donor Advised Fund primarily represent donations received, which have been designated for specific purposes by the donor.

(b) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks and brokers.

(c) Revenue recognition

The Foundation follows the restricted fund method of accounting for contributions. Donations and fundraising are recorded if the amount to be received can be reasonably estimated and collection is reasonably assured, which may be upon actual receipt.

Interest and investment income is recognized in the period the income is earned.

(d) Contributed services and materials

The Foundation benefits greatly from contributed services in the form of volunteer time, the value of which is not determinable. Contributed services are consequently not recognized in these financial statements.

The Foundation records contributed materials at their fair value when fair value is readily determinable and when the materials and services are used in the normal course of operations and would otherwise have been purchased. No contributed materials were recorded in these financial statements.

COQUITLAM FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) The preparation of the financial statements in conformity with Canadian ASNPO requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, revenues and expenses as at the end of or during the reporting period. Management believes that the estimates used are reasonable and prudent, however, actual results could differ from those estimates. Significant areas requiring estimates relate to the valuation of investments and the amounts recorded as accrued liabilities.

(f) 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.

(g) Financial instruments

i) Measurement

The Foundation's financial instruments consist of cash and cash equivalents, investments, and accounts payable.

The Foundation initially measures all of its financial assets and liabilities at fair value. The Foundation subsequently measures all of its financial assets and liabilities at amortized cost.

ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down that is determined is recognized in the statement of revenue and expenses. A previously recognized impairment loss may be reversed to the extent of any improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenue and expenses in the period in which it is determined.

2. FINANCIAL INSTRUMENTS RISKS

The Foundation's financial instruments are described in Note 1(g). In management's opinion the Foundation is not exposed to significant currency, credit, liquidity, interest rate or other market risks, other than described below. In addition, the Foundation is not exposed to any material concentrations of risk and there has been no change in risk exposures from the prior year.

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 FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

3. INVESTMENTS

	2019	2018
Mutual funds	\$ 810,173	\$ 735,487
Bonds and fixed income securities	868,645	960,736
Stocks and other investments	1,362,338	1,498,312
Foreign securities	17,828	-
	<u>3,058,984</u>	<u>3,194,535</u>
Less: investments maturing during the next fiscal year or available for prompt liquidation	279,987	201,943
	<u>\$ 2,778,997</u>	<u>\$ 2,992,592</u>

4. COMMITMENTS

The Foundation grants bursaries that allow recipients to claim their awards for up to three years. As at June 30, 2019, \$26,950 was unclaimed (2018 - \$44,800).

5. RESTRICTED FUNDS

	2019	2018
Beverley Ann Cook Fund	\$ 85,678	\$ 83,563
Bill LeClair Community Fund	173,758	159,953
Carleigh Rae LeClair Fund	247,887	250,067
CMLA Brodie Campbell Memorial Scholarship Fund	36,670	38,997
Community Diversity Fund	21,784	20,368
Coquitlam Centre Fund	26,664	26,902
Coquitlam Metro Ford Domenic Mobilio Bursary Fund	45,617	45,983
Coquitlam Public Library Living Legacy Fund	57,769	58,244
Coquitlam Search and Rescue Fund	141,689	122,984
Coquitlam Stroke Recovery Fund	80,467	81,128
Danielle & Gary Couling Education Fund	30,393	32,684
ERH Maternity Ward Fund	11,243	11,504
Evergreen Arts Education Endowment Fund	148,777	159,076
Friends of Mundy Park Fund	16,687	16,812
Jack & Helen Stiglish/Stiglish M Fund	25,245	-
Mayor's Community Fund	6,499	10,503
Michael Coss Brain Injury Fund	115,286	121,203
New Earth Sustainability Fund	2,614	-
Noura Homes Community Fund	8,862	9,003
Peter Legge Literacy Endowment Fund	23,994	24,180
R.A. Leclair Scholarship Fund	49,521	49,940
Rotary Club Community Service Award (Rotary Club of Coquitlam)	38,236	43,576
Shelagh Elaine Fulton Memorial Fund	82,701	66,289
Soroptomists Tri-Cities Fund	9,846	12,583
Steps Together Fund	4,688	3,738
Symington Endowment Fund	150,460	134,541
The Coquitlam Foundation Community Fund	885,814	915,416
The Coquitlam Foundation 125 Legacy Fund	31,107	31,845
The Della and Cam Grant Fund	51,591	52,818
The James Gordon Stewart Fund	391,464	405,220
The Johnston Legacy Fund	14,910	15,029
Trevor Wingrove Bursary Fund	25,926	27,046
Tri-Cities Chamber of Commerce Elite Athletes Fund	10,576	6,616
Wesbild Holding's Learning Initiative for Tomorrow (LIFT) Fund	463	3,206
	<u>\$ 3,054,886</u>	<u>\$ 3,041,017</u>