

**SELKIRK & DISTRICT  
COMMUNITY FOUNDATION INC.**

**Financial Statements**  
For the year ended June 30, 2023

# **SELKIRK & DISTRICT COMMUNITY FOUNDATION INC.**

## **Financial Statements**

**For the year ended June 30, 2023**

---

### **Contents**

<b>Independent Practitioner's Review Engagement Report</b>	<b>2</b>
<b>Financial Statements</b>	
Statement of Financial Position	<b>3</b>
Statement of Operations	<b>4</b>
Statement of Changes in Fund Balances	<b>5</b>
Statement of Cash Flows	<b>6</b>
Notes to Financial Statements	<b>7</b>



Tel.: 204 956 7200  
Fax.: 833 888 1678  
Toll Free: 800 268 3337  
www.bdo.ca

BDO Canada LLP  
201 Portage Avenue, 26<sup>th</sup> Floor  
Winnipeg MB R3B 3K6 Canada

---

## Independent Practitioner's Review Engagement Report

---

**To the Board of Directors of Selkirk & District Community Foundation Inc.**

We have reviewed the accompanying financial statements of **Selkirk & District Community Foundation Inc.** that comprise the statement of financial position as at June 30, 2023 and the statement of operations, the statement of changes in fund balance and the statement of 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.

### **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of **Selkirk & District Community Foundation Inc.** as at June 30, 2023, 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 Professional Accountants

Winnipeg, Manitoba  
November 16, 2023

**SELKIRK & DISTRICT COMMUNITY FOUNDATION INC.**  
**Statement of Financial Position**

As at June 30	2023	2022
<b>Assets</b>		
Cash and bank	\$ 126,550	\$ 308,232
Receivables and other (Note 10)	53,418	55,389
Investments (Note 3)	15,779,940	14,689,751
	\$ 15,959,908	\$ 15,053,372
 <b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 12,863	\$ 8,798
Grants payable	345,075	331,447
Designated contributions payable (Note 4)	76,208	56,851
Unearned revenue	-	9,200
Managed funds (Note 5)	428,199	390,940
	862,345	797,236
 <b>Fund Balances</b>		
Unrestricted	277,257	172,108
Endowment (Note 7)	14,820,306	14,084,028
	15,097,563	14,256,136
	\$ 15,959,908	\$ 15,053,372

Approved by the Board of Directors:



**SELKIRK & DISTRICT COMMUNITY FOUNDATION INC.**  
Statement of Operations

For the year ended June 30, 2023

	General Fund		Endowment Fund		Total	
	2023	2022	2023	2022	2023	2022
<b>Revenue</b>						
Donations (Note 10)	\$ 278,205	\$ 85,897	\$ 511,983	\$ 654,940	\$ 790,188	\$ 740,837
Grants and other	57,417	17,300	-	-	57,417	17,300
Special events	25,306	19,830	-	-	25,306	19,830
Investment income (Note 8)	3,706	-	1,060,274	(324,567)	1,063,980	(324,567)
Administration fee	222,246	214,209	(222,246)	(214,209)	-	-
	<u>586,880</u>	<u>337,236</u>	<u>1,350,011</u>	<u>116,164</u>	<u>1,936,891</u>	<u>453,400</u>
<b>Expenses</b>						
Salaries and benefits	150,685	137,516	-	-	150,685	137,516
Program and administration	76,464	60,470	-	-	76,464	60,470
Community awareness and fund development	27,168	28,365	-	-	27,168	28,365
Special events	18,421	17,098	-	-	18,421	17,098
	<u>272,738</u>	<u>243,449</u>	<u>-</u>	<u>-</u>	<u>272,738</u>	<u>243,449</u>
<b>Excess of revenue over expenses before grants awarded</b>	<b>314,142</b>	<b>93,787</b>	<b>1,350,011</b>	<b>116,164</b>	<b>1,664,153</b>	<b>209,951</b>
<b>Grants awarded (Note 9)</b>	<b>(208,993)</b>	<b>(69,691)</b>	<b>(613,733)</b>	<b>(450,894)</b>	<b>(822,726)</b>	<b>(520,585)</b>
<b>Excess (deficiency) of revenue over expenses for the year</b>	<b>\$ 105,149</b>	<b>\$ 24,096</b>	<b>\$ 736,278</b>	<b>\$ (334,730)</b>	<b>\$ 841,427</b>	<b>\$ (310,634)</b>

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

**SELKIRK & DISTRICT COMMUNITY FOUNDATION INC.**  
**Statement of Changes in Fund Balances**

**For the year ended June 30, 2023**

	General Fund		Endowment Fund		Total	
	2023	2022	2023	2022	2023	2022
<b>Fund balances, beginning of year</b>	<b>\$ 172,108</b>	\$ 148,012	<b>\$ 14,084,028</b>	\$ 14,418,758	<b>\$ 14,256,136</b>	\$ 14,566,770
<b>Excess (deficiency) of revenue over expense for the year</b>	<b>105,149</b>	24,096	<b>736,278</b>	(334,730)	<b>841,427</b>	(310,634)
<b>Fund balances, end of year</b>	<b>\$ 277,257</b>	\$ 172,108	<b>\$ 14,820,306</b>	\$ 14,084,028	<b>\$ 15,097,563</b>	\$ 14,256,136

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

---

**SELKIRK & DISTRICT COMMUNITY FOUNDATION INC.**  
**Statement of Cash Flows**

For the year ended June 30	2023	2022
<b>Cash Flow from Operating Activities</b>		
Excess (deficiency) of revenue over expenses for the year	\$ 841,427	\$ (310,634)
Items not affecting cash		
Unrealized loss (gain) on investments	(980,222)	788,297
Changes in non-cash working capital balances		
Receivables and other	1,971	(2,973)
Accounts payable and accrued liabilities	4,065	392
Grants payable	13,628	51,793
Designated contributions payable	19,357	(30,230)
Unearned revenue	(9,200)	-
	(108,974)	496,645
<b>Cash Flows from Investing Activities</b>		
Acquisition of investments	(109,967)	(739,358)
<b>Cash Flows from Financing Activities</b>		
Net increase in managed funds	37,259	2,489
<b>Net decrease in cash and bank during the year</b>	<b>(181,682)</b>	<b>(240,224)</b>
<b>Cash and bank, beginning of year</b>	<b>308,232</b>	<b>548,456</b>
<b>Cash and bank, end of year</b>	<b>\$ 126,550</b>	<b>\$ 308,232</b>

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

---

# SELKIRK & DISTRICT COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

For the year ended June 30, 2023

---

### 1. Nature of the Foundation

The Selkirk & District Community Foundation Inc. (“the Foundation”) has as its mandate to raise, invest and allocate funds in support of the citizens of Selkirk and District by supporting health, social, heritage, educational, cultural, environmental, and community charitable needs in the community.

The Foundation defines its capital as its unrestricted and endowment fund balances. The Foundation's ultimate goal is to provide for grant making in perpetuity. In order to achieve that goal, the Board of Directors follows its Asset Management Governance Policy, which describes the processes put in place for the management of the Foundation's invested funds. The purpose of this policy is to ensure that the invested funds are managed effectively, prudently and in compliance with all applicable laws. In addition, the Board of Directors follows its Statement of Investment Policy that contains investment objectives, investment guidelines, and monitoring procedures.

The Foundation is incorporated under The Corporations Act of Manitoba. The Foundation is a registered charity and is classified as a public foundation for purposes of the Income Tax Act.

### 2. Summary of Significant Accounting Policies

#### a) Basis of Accounting

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

#### b) Fund Accounting

The General Fund reports the Foundation's program delivery and administrative activities including designated non-endowed donations and grants.

The Endowment Fund reports resources donated to the Foundation to be maintained in perpetuity. The Endowment Funds of the Foundation are comprised of funds subject to varying degrees of restriction on the use of capital and investment income. Income earned on resources of the Endowment Fund is used to distribute grants or to be maintained in perpetuity based on the restrictions imposed by donors and the distribution policy of the Foundation.

#### c) Revenue Recognition

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

Restricted contributions for general operations including designated donations and grants are recognized as revenue of the General Fund in the year the related expenses are incurred.

Restricted contributions for endowment are recognized as revenue in the Endowment Fund when the funds are received. Pledges received by the Foundation are not recognized in these financial statements.



---

# SELKIRK & DISTRICT COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

**For the year ended June 30, 2023**

---

### 2. Summary of Significant Accounting Policies (continued)

c) Revenue Recognition (continued)

Unrestricted contributions for general operations including donations and grants are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Special events revenue is recognized in the period the event occurs.

Investment income earned on Endowment Fund assets is recognized as revenue of the Endowment Fund in accordance with Board policy. Other investment income is recognized as revenue of the General Fund when received.

d) Contributed Services

The Foundation is governed and supported by volunteers. Contributed services are not reflected in the financial statements due to the difficulty in determining their fair value.

e) Capital Assets

Capital assets are recorded at original cost less accumulated amortization. Contributed capital assets are recorded at fair value on the date of contribution. Amortization is provided on a straight-line basis over the estimated useful life of the asset. The Foundation does not own capital assets at the current or prior year ends.

f) Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market are reported at fair value, with any unrealized gains and losses reported in operations. In addition, guaranteed investment certificates have been designated to be in the fair value category, with gains and losses reported in operations. 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.

g) Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

# SELKIRK & DISTRICT COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

**For the year ended June 30, 2023**

### 3. Investments

	<b>2023</b>	<b>2022</b>
Savings	<b>\$ 913,338</b>	\$ 884,323
Securities	<b>14,759,129</b>	13,705,932
Charitable remainder trust	<b>14,908</b>	14,908
Held in trust with The Winnipeg Foundation	<b>92,565</b>	84,588
	<b>\$15,779,940</b>	\$14,689,751

a) Savings

Deposits in savings earning interest at 3.50% (2.05% in 2022).

b) Securities

The Foundation holds the following securities at June 30:

	<b>2023</b>	<b>2022</b>
Bonds and mortgages	<b>\$ 4,112,836</b>	\$ 3,999,676
Canadian equities	<b>3,339,073</b>	3,127,286
U.S. and international equities	<b>4,530,333</b>	3,754,581
Real estate fund	<b>2,776,887</b>	2,824,389
	<b>\$14,759,129</b>	\$13,705,932

c) Charitable Remainder Trust

The Foundation received the gift and title to irrevocable interest of property through the settlement of a charitable remainder trust in prior years. The asset is recorded as a long-term asset as the date of the transfer of the interest is not known.

d) Investment Held in Trust with The Winnipeg Foundation

The Foundation holds title to the SDCF–Heritage–Marine Museum of Manitoba (Selkirk) Inc. Fund and the SDCF-Heritage-Cooks Creek Heritage Museum and Social Club Fund which are held by and managed by The Winnipeg Foundation in accordance with an agreement. This investment is presented at its fair value at June 30, 2023 and June 30, 2022.

# SELKIRK & DISTRICT COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

**For the year ended June 30, 2023**

#### 4. Designated Contributions Payable

Designated contributions payable of \$76,208 (\$56,851 at June 30, 2022) represent gifts from donors and restricted grants for various expenses or charitable projects. These contributions will be recognized as revenue when the expenses are incurred.

#### 5. Managed Funds

The Foundation manages funds for various organizations for a management fee based on the fair value of the investments. These funds have been transferred to the Foundation for long-term management and are subject to withdrawal at any time with reasonable notice. Managed funds are comprised of the following at year end:

	<b>2023</b>	<b>2022</b>
Anglican Parish of Christ Church Selkirk Fund	<b>\$ 314,881</b>	\$ 296,957
Chief Peguis Heritage Park Fund	<b>113,318</b>	93,983
	<b>\$ 428,199</b>	\$ 390,940

#### 6. Commitment

The Foundation has entered into a lease for its premises expiring December 2024 with minimum lease payments of \$3,453 and \$1,814 for the years ending June 30, 2024 and 2025, respectively.

#### 7. Endowment Fund

The Foundation holds the following endowment funds at June 30:

	<b>2023</b>	<b>2022</b>
Community Funds	<b>\$ 3,774,600</b>	\$ 3,591,792
Designated Funds	<b>5,047,454</b>	4,729,215
Donor Advised Funds	<b>3,275,333</b>	3,162,179
Field of Interest Funds	<b>855,656</b>	815,662
Scholarship and Bursary Funds	<b>1,867,263</b>	1,785,180
	<b>\$14,820,306</b>	\$14,084,028

# SELKIRK & DISTRICT COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

**For the year ended June 30, 2023**

### 8. Investment Income

Endowment investment income is as follows for the year ended June 30:

	2023	2022
Realized	\$ 158,770	\$ 539,907
Unrealized gain (loss)	980,222	(788,297)
Investment management fees	(75,012)	(76,177)
	<b>\$ 1,063,980</b>	<b>\$ (324,567)</b>

### 9. Grants Awarded

The Foundation awarded the following grants for the year ended June 30:

	2023	2022
Arts, culture, recreation and tourism	\$ 192,731	\$ 172,452
Community development	54,346	12,663
Environment	10,000	-
Health and wellness	107,539	78,857
Inclusive community	51,483	66,140
Income gap	38,420	4,216
Learning, kids and youth	56,185	42,081
Older adult and aging	5,000	3,590
Other community initiatives	208,993	69,691
Rescinded grants	(457)	-
Scholarships and bursaries	98,486	70,895
	<b>\$ 822,726</b>	<b>\$ 520,585</b>

### 10. Endowment Fund Held by The Winnipeg Foundation

The Foundation has an agreement with The Winnipeg Foundation whereby The Winnipeg Foundation holds in perpetuity and manages the Maude Elizabeth Gordon Fund. The Winnipeg Foundation will preserve the capital contributed and will distribute all income generated thereon to the Foundation in perpetuity. During the year, the Foundation received contributions of \$68,212 (\$69,893 in 2022) from the Maude Elizabeth Gordon Fund which are included in donation revenue of the General Fund in the Statement of Operations. The contributions receivable from the Maude Elizabeth Gordon Fund are \$51,306 at June 30, 2023 (\$52,987 in 2022) and are included in receivables and other in the Statement of Financial Position.

The fair value of the Maude Elizabeth Gordon Fund is not reflected in the Foundation's financial statements. As at June 30, 2023, the fair value of the Maude Elizabeth Gordon Fund was \$1,417,644 (\$1,355,919 in 2022).

---

# SELKIRK & DISTRICT COMMUNITY FOUNDATION INC.

## Notes to Financial Statements

For the year ended June 30, 2023

---

### 11. Financial Instrument Risk Management

The Foundation, through its financial assets and liabilities, is exposed to various risks in the normal course of operations. The Foundation's objective in risk management is to optimize the risk return trade-off, within set limits, by applying integrated risk management and control strategies, policies and procedures throughout the Foundation's activities. The following analysis provides a measurement of those risks at year end.

#### Credit Risk

Credit risk is the risk that the Foundation will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the Foundation to significant concentrations of credit risk consist primarily of cash and bank, receivables, and investments. The Foundation is not exposed to significant credit risk as the receivables are typically paid when due, investments in savings accounts are held at a credit union with deposits fully guaranteed, investments in securities are invested in accordance with the Foundation's investment policy and the investments held in trust by The Winnipeg Foundation are invested in accordance with The Winnipeg Foundation's investment policy.

#### Liquidity Risk

Liquidity risk is the risk that the Foundation will not be able to meet its obligations as they fall due. Financial instruments that subject the Foundation to significant concentrations of liquidity risk consist primarily of accounts payable. The Foundation manages its working capital to maintain adequate levels of liquidity to ensure its obligations can be met when they fall due.

#### Interest Rate and Market Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market conditions and interest rates. The Foundation is not exposed to significant interest rate risk through investments in savings since they are held in short-term products at floating interest rates. The Foundation is exposed to interest rate risk through its investments held in bonds and mortgages and is exposed to market risk in its investments in securities. The Foundation follows its Asset Management Governance Policy and Statement of Investment Policies and Guidelines to monitor the investments in an effort to safeguard against interest rate risk and market fluctuations.

#### Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation is exposed to foreign exchange risk since it holds a portion of its investments in U.S. and international equities. The Foundation follows its Asset Management Governance Policy and Statement of Investment Policies and Guidelines to monitor the investments in an effort to minimize its exposure to foreign exchange risk.