

**Barrie Community Foundation**  
**Financial Statements**  
For the year ended March 31, 2020

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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:

- 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.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

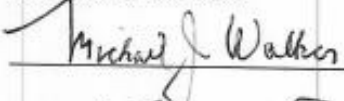
Barrie, Ontario  
September 15, 2020

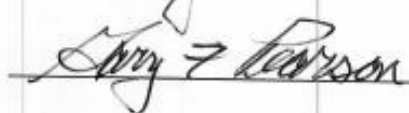
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## Barrie Community Foundation Statement of Financial Position

March 31	2020	2019
<b>Assets</b>		
<b>Current</b>		
Cash (note 2)	\$ 123,209	\$ 32,468
Restricted cash (note 2)	466,656	384,911
Restricted short-term investments (note 3)	-	32,964
Accounts receivable	-	7,347
Interest receivable	-	166
GST/HST recoverable	3,111	3,441
Prepaid expenses	776	-
	<u>593,752</u>	<u>461,297</u>
Restricted Long-term Investments (note 4)	442,359	339,319
	<u>\$ 1,036,111</u>	<u>\$ 800,616</u>
<b>Liabilities and Fund Balances</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 15,734	\$ 5,699
<b>Fund Balances</b>		
Operating fund	71,580	25,211
Restricted fund	490,447	410,114
Endowment fund	458,350	359,592
	<u>1,020,377</u>	<u>794,917</u>
	<u>\$ 1,036,111</u>	<u>\$ 800,616</u>

On behalf of the Board:

 Director

 Director

The accompanying notes are an integral part of these financial statements

## Barrie Community Foundation Statement of Changes in Fund Balances

For the year ended March 31	Operating Fund	Restricted Fund	Endowment Fund	2020 Total	2019 Total
Fund balances, beginning of year	\$ 25,211	\$ 410,114	\$ 359,592	\$ 794,917	\$ 598,655
Excess of revenues over expenses (expenses over revenues) for the year	(26,243)	115,929	135,774	225,460	196,262
Interfund transfers (note 5)	72,612	(35,596)	(37,016)	-	-
Fund balances, end of year	\$ 71,580	\$ 490,447	\$ 458,350	\$ 1,020,377	\$ 794,917

The accompanying notes are an integral part of these financial statements

## Barrie Community Foundation Statement of Operations

For the year ended March 31	Operating Fund	Restricted Fund	Endowment Fund	2020 Total	2019 Total
<b>Revenues</b>					
Donations and fundraising	\$19,483	\$160,788	\$141,774	\$322,045	\$261,744
Unrealized gain (loss) on investments	(48,198)	-	-	(48,198)	621
Lottery income	-	142,398	-	142,398	185,285
Investment income	21,592	5,606	-	27,198	14,862
	(7,123)	308,792	141,774	443,443	462,512
<b>Expenses</b>					
<b>General</b>					
Advertising and promotion	810	-	-	810	570
Consulting fees	7,619	-	-	7,619	-
Dues and subscriptions	532	-	-	532	1,018
Functions and events	960	-	-	960	7,186
Insurance	987	-	-	987	940
Interest and bank charges	46	-	-	46	184
Office and inter-fund fees	1,870	-	-	1,870	1,443
Investment advisor fees	3,896	-	-	3,896	1,992
Rent	2,400	-	-	2,400	2,400
<b>Lottery</b>					
Bank charges	-	878	-	878	1,233
Electronic support fee	-	19,740	-	19,740	22,944
Licensing fees	-	2,267	-	2,267	1,854
Professional fees	-	7,631	-	7,631	5,373
Miscellaneous	-	307	-	307	26
Rent	-	-	-	-	3,117
	19,120	30,823	-	49,943	50,280
<b>Excess of revenues over expenses (expenses over revenues) before charitable grants</b>	(26,243)	277,969	141,774	393,500	412,232
<b>Charitable grants disbursed</b>	-	162,040	6,000	168,040	215,970
<b>Excess of revenues over expenses (expenses over revenues) for the year</b>	\$ (26,243)	\$115,929	\$ 135,774	\$ 225,460	\$196,262

The accompanying notes are an integral part of these financial statements

## Barrie Community Foundation Statement of Cash Flows

For the year ended March 31

2020

2019

**Cash flows from operating activities**

Excess of revenues over expenses for the year	\$ 225,460	\$ 196,262
Unrealized change in fair value of investments	48,198	(621)
Net change in non-cash working capital balances related to operations		
Accounts receivable	7,347	(6,771)
Interest receivable	166	665
GST/HST recoverable	330	4,160
Prepaid expenses	(776)	-
Accounts payable and accrued liabilities	10,035	(28,030)

	290,760	165,665
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**Cash flows from investing activities**

Net change in investments	(118,274)	(146,664)
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**Increase in cash during the year**

	172,486	19,001
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**Cash, beginning of the year**

	417,379	398,378
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**Cash, end of the year**

	\$ 589,865	\$ 417,379
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The accompanying notes are an integral part of these financial statements

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## Barrie Community Foundation Notes to the Financial Statements

For the year ended March 31, 2020

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### 1. Significant Accounting Policies

#### Nature and Purpose of Organization

The Barrie Community Foundation (the "Foundation") was incorporated in 2005 under the Canada Corporations Act as a corporation without share capital. The corporation is a charitable organization and is a registered charity under the Income Tax Act (Canada). The purpose of the Foundation is to promote philanthropy in the Barrie community and to prudently manage community endowments.

#### Basis of Accounting

These 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 comprises the unrestricted resources available for immediate purposes. This fund reports unrestricted contributions and other unrestricted revenues and expenses.

The Restricted Fund comprises funds (also known as "flow through funds") that are to be used for specific purposes as specified by the donor or project fund. These funds are not permanent funds.

The Endowment Fund comprise the resources that are required by the donor to be maintained by the Foundation on a permanent basis. Investment income earned on resources of the Endowment Fund is reported in the Operating Fund.

#### Revenue Recognition

Restricted contributions are recognized as revenue of the appropriate restricted fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. However, if no appropriate restricted fund is presented, then the restricted contribution is recognized as revenue of the Operating Fund in the year in which the related expenses are incurred.

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

Contributions for endowments are recognized as revenue in the Endowment Fund.

Unrestricted net investment income earned on Endowment Fund resources is recognized as revenue of the Operating Fund. Net investment income earned on externally restricted fund resources are recognized as revenue of the Restricted Fund. All other investment income is recognized as revenue of the Operating Fund when earned.



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## Barrie Community Foundation Notes to the Financial Statements

For the year ended March 31, 2020

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### 1. Significant Accounting Policies (continued)

#### 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 and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimate used in the preparation of these financial statements are the fair values of financial instruments. Actual results could differ from management's best estimates as additional information becomes available in the future.

#### Financial Instruments

Financial Instruments are recorded at fair value at initial recognition.

In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

#### In-Kind Contributions

Contributions of materials are recognized in the period they are donated at their fair market value when a fair value can be reasonably estimated and when the materials are used in the normal course of the Foundation's operations and would otherwise have been purchased.

Contributed services are not recognized in the financial statements due to the inherent difficulty in valuing the time of volunteers.

#### Income Taxes

The Foundation is not subject to federal or provincial income taxes pursuant to exemptions accorded to registered charities in the income tax legislation.

## Barrie Community Foundation Notes to the Financial Statements

For the year ended March 31, 2020

### 2. Cash and Restricted Cash

The Foundation's bank accounts are held at a chartered bank and a credit union and earn interest at variable rates dependent on the daily closing balances.

### 3. Restricted Short-term Investments

	2020	2019
Guaranteed Investment Certificate, interest at 1.50% - year 1, 1.75% - year 2, and 2.75% - year 3, interest paid when redeemed, due January 23, 2020	\$ -	\$ 32,964

### 4. Restricted Long-term Investments

	2020	2019
Canadian equities	\$ 442,359	\$ 339,319

During 2020, funds in the amount of \$134,282 (2019 - \$140,000) were transferred to the Toronto Foundation to be pooled and managed by the Toronto Foundation. Investments in securities with an active market have been recorded at market value based on quoted market prices at March 31, 2020. The Foundation has recognized an unrealized loss in the amount of \$48,198 (2019 - gain of \$621) related to the change in the fair value of the investments during the year. This gain/loss has been recorded in the statement of operations.

## Barrie Community Foundation Notes to the Financial Statements

For the year ended March 31, 2020

### 5. Transfers Between Funds

Interfund transfers from (to) funds consist of the following:

	Operating Fund	Restricted Funds	Endowment Funds
Administrative fees	\$ 8,117	\$ (1,603)	\$ (6,514)
Unrealized change in fair value of investments	48,198	-	(48,198)
Investment advisor fees	3,896	-	(3,896)
Investment income earned by endowment funds	(21,592)	-	21,592
Other transfers	33,993	(33,993)	-
	<u>\$ 72,612</u>	<u>\$ (35,596)</u>	<u>\$ (37,016)</u>

### 6. Commitment

The Foundation has entered into a contract with The Ingram Group for Executive Director services for the period from February 1, 2020 to June 30, 2020 for a total cost of \$22,000. As at March 31, 2020, \$7,619 of this contract has been incurred and included in expenses.

### 7. Financial Instrument Risk

#### Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation is exposed to credit risk since the Foundation's cash deposits are in excess of the amount insured by the agencies of the federal government in the amounts of \$100,000 at March 31, 2020.

#### Market Risk

Market risk includes exposure to fluctuations in market values, currency rates and interest rates. The Foundation is exposed to fluctuations in equity markets on its investments. It mitigates this risk through investing in lower risk securities and diversification of the investment portfolios. This investment policy considers market risk and the Foundation has mitigated this risk to the financial statements as a whole.

There have been no changes to the Foundation's financial instrument exposure from the prior year.

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## Barrie Community Foundation Notes to the Financial Statements

For the year ended March 31, 2020

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### 8. Subsequent Event

Subsequent to year end, the impact of COVID-19 in Canada and on the global economy increased significantly. The Foundation implemented a local crisis response program to support local not-for-profit and charitable organizations by issuing over \$254,610 in charitable grants subsequent to year end funded by the Emergency Community Support Fund.

Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of disruption and the related financial impact cannot be reasonably estimated at this time. These factors present uncertainty over future cash flows, may cause significant changes to the assets or liabilities and may have a significant impact on future operations.

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