

BARRIE COMMUNITY FOUNDATION

Financial Statements

March 31, 2023

INDEPENDENT AUDITOR'S REPORT

To the Directors of Barrie Community Foundation

Opinion

We have audited the financial statements of Barrie Community Foundation (the Foundation), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in fund balances and 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 March 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 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 these 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 ASNPO, 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 related 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:

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Independent Auditor's Report To the Directors of Barrie Community Foundation (*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.



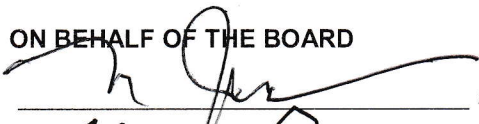
September 18, 2023

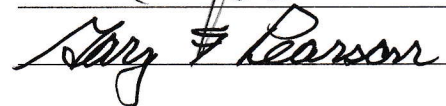
Chartered Professional Accountants
Licensed Public Accountants

BARRIE COMMUNITY FOUNDATION
Statement of Financial Position
As at March 31, 2023

	2023 \$	2022 \$
ASSETS		
CURRENT		
Cash - General	119,066	39,088
Cash - Restricted	34,173	52,021
HST recoverable	2,963	5,353
Prepaid expenses	450	450
	<u>156,652</u>	<u>96,912</u>
RESTRICTED LONG TERM INVESTMENTS (Note 3)	1,917,369	1,858,839
	<u>2,074,021</u>	<u>1,955,751</u>
LIABILITIES AND FUND BALANCES		
CURRENT		
Accounts payable and accrued liabilities	10,863	10,600
FUND BALANCES		
Operating fund	118,333	33,708
Restricted fund	226,156	227,795
Endowment fund	1,718,669	1,683,648
	<u>2,063,158</u>	<u>1,945,151</u>
	<u>2,074,021</u>	<u>1,955,751</u>

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

BARRIE COMMUNITY FOUNDATION
Statement of Operations
For the Year Ended March 31, 2023

	Operating Fund \$	Restricted Fund \$	Endowment Fund \$	2023 \$	2022 \$
REVENUES					
Donations and fundraising	31,415	2,628	50,086	84,129	1,190,382
Internal fee (expense)	34,447	(602)	(33,845)	-	-
Investment income	-	4,558	35,400	39,958	42,300
Other revenue	111,888	-	-	111,888	10,271
Unrealized gain (loss) on investments	-	565	37,062	37,627	(56,481)
Loss on disposal of investments	-	(316)	(9,702)	(10,018)	-
	177,750	6,833	79,001	263,584	1,186,472
EXPENSES					
Advertising and promotion	1,445	-	-	1,445	-
Consulting fees (Note 4)	54,859	-	-	54,859	54,859
Dues and subscriptions	450	-	-	450	450
Insurance	6,328	-	-	6,328	6,208
Interest and bank charges	-	328	-	328	358
Investment advisor fees	20,158	-	-	20,158	13,868
Office expenses	1,147	-	-	1,147	154
Professional fees	6,338	-	-	6,338	6,630
Rent	2,400	-	-	2,400	2,400
	93,125	328	-	93,453	84,927
EXCESS OF REVENUES OVER EXPENSES BEFORE CHARITABLE GRANTS	84,625	6,505	79,001	170,131	1,101,545
CHARITABLE GRANTS DISBURSED	-	(8,144)	(43,980)	(52,124)	(45,801)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	84,625	(1,639)	35,021	118,007	1,055,744

See notes to financial statements

BARRIE COMMUNITY FOUNDATION
Statement of Changes in Fund Balances
For the Year Ended March 31, 2023

	Operating \$	Restricted \$	Endowment \$	2023 \$	2022 \$
FUND BALANCES - BEGINNING OF YEAR	33,708	227,795	1,683,648	1,945,151	889,407
Excess (deficiency) of revenues over expenses	84,625	(1,639)	35,021	118,007	1,055,744
FUND BALANCES - END OF YEAR	118,333	226,156	1,718,669	2,063,158	1,945,151

See notes to financial statements

BARRIE COMMUNITY FOUNDATION
Statement of Cash Flows
For the Year Ended March 31, 2023

	2023 \$	2022 \$
OPERATING ACTIVITIES		
Excess of revenues over expenses	118,007	1,055,744
Items not affecting cash:		
Loss on disposal of investments	10,018	-
Unrealized gain (loss) on investments	(37,627)	56,481
	<u>90,398</u>	<u>1,112,225</u>
Changes in non-cash working capital:		
HST recoverable	2,390	(243)
Prepaid expenses	-	(450)
Accounts payable and accrued liabilities	263	(10,344)
Deferred income	-	(10,646)
	<u>2,653</u>	<u>(21,683)</u>
Cash flow from operating activities	<u>93,051</u>	<u>1,090,542</u>
INVESTING ACTIVITY		
Net change in investments	<u>(30,921)</u>	<u>(1,338,640)</u>
INCREASE (DECREASE) IN CASH FLOW	62,130	(248,098)
Cash - beginning of year	<u>91,109</u>	<u>339,207</u>
CASH - END OF YEAR	<u>153,239</u>	<u>91,109</u>
CASH CONSISTS OF:		
Cash - General	119,066	39,088
Cash - Restricted	<u>34,173</u>	<u>52,021</u>
	<u>153,239</u>	<u>91,109</u>

See notes to financial statements

BARRIE COMMUNITY FOUNDATION
Notes to Financial Statements
For the Year Ended March 31, 2023

1. PURPOSE OF THE FOUNDATION

- Barrie Community Foundation (the "Foundation") was incorporated in 2005 under the Canada Corporations Act as a corporation without share capital. As a registered charity the Foundation is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Foundation operates to promote philanthropy in the Barrie community and to prudently manage community endowments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Fund accounting

The accounts of the Foundation have been segregated into the following funds for reporting purposes. The funds and the purposes of each are as follows:

(a) Operating Fund

The Operating Fund accounts for the unrestricted resources available for immediate purposes. This fund reports unrestricted contributions and other unrestricted revenues and expenses.

(b) Restricted Fund

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.

(c) Endowment Fund

The Endowment Fund comprise the resources that are required by the donor to be maintained by the Foundation on a permanent basis.

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BARRIE COMMUNITY FOUNDATION
Notes to Financial Statements
For the Year Ended March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

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

Use of estimates

The preparation of the Foundation's financial statements, in accordance with Canadian accounting standards for non-profit organizations, requires management to make estimates and assumptions which 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 revenues and expenses for the year. Due to the inherent uncertainty involved with making such estimates, actual results could differ from those reported. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

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BARRIE COMMUNITY FOUNDATION
Notes to Financial Statements
For the Year Ended March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

• Financial instruments

Measurement of Financial Instruments

The Foundation initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Foundation subsequently measures all of its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the respective funds in the period incurred.

Financial assets measured at amortized cost include cash, general and restricted. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment

At the end of each reporting period, the Foundation assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the reduction is recognized as an impairment loss in the respective funds.

Transaction Costs

Transaction costs are recognized in the statement of operations in the period incurred, except for financial instruments that will be subsequently measured at amortized cost. Transaction costs associated with the acquisition and disposal of fixed income investments are capitalized and are included in the acquisition costs or reduce proceeds on disposal.

Gifts in kind

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

The operations of the Foundation depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

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 Financial Statements
For the Year Ended March 31, 2023

3. RESTRICTED LONG TERM INVESTMENTS

	2023	2022
	\$	\$
Equities	1,754,137	1,698,453
GIC maturing January 10, 2024 at 4.15%	163,232	160,386
	<u>1,917,369</u>	<u>1,858,839</u>

During 2023, funds in the amount of \$36,211 (2022 - \$1,150,821) 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, 2023. The Foundation has recognized an unrealized gain in the amount of \$37,627 (2022 - unrealized loss of \$56,481) related to the change in the fair value of the investments during the year. This gain has been recorded in the statement of operations.

4. COMMITMENTS

The Foundation pays for Executive Director services at a monthly cost of \$4,400 plus HST on a month-to-month basis. These costs are included in consulting fees on the statement of operations.

Subsequent to year end, the Foundation disbursed grants to various charities and non-for-profit organizations totalling \$366,201. Community Foundation Canada provided the funds to make these grants under the Community Services Recovery Fund program instituted by the Government of Canada.

BARRIE COMMUNITY FOUNDATION
Notes to Financial Statements
For the Year Ended March 31, 2023

5. FINANCIAL INSTRUMENT RISK

The Foundation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Foundation's risk exposure and concentration as of March 31, 2023.

(a) Credit risk

Credit risk refers to 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, 2023.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Foundation is mainly 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.

Unless otherwise noted, it is management's opinion that the Foundation is not exposed to significant liquidity, currency, interest rate or other price risks arising from these financial instruments.
