

**Plum Coulee Community Foundation  
Inc.**

**Financial Statements**

**For the Year Ended December 31, 2022**

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**Financial Statements**  
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## Independent Practitioner's Review Engagement Report

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**To the Board of Directors of  
Plum Coulee Community Foundation Inc.**

We have reviewed the accompanying financial statements of Plum Coulee Community Foundation Inc. that comprise the statement of financial position as at December 31, 2022, and the statements of operations and changes in fund balances and 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 enterprises, 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.

### **Basis for Qualified Conclusion**

In common with many not-for-profit organizations, Plum Coulee Community Foundation Inc. derives revenue from donations, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of Plum Coulee Community Foundation Inc. Therefore, we were not able to determine whether any adjustments might be necessary to donations revenue, excess of revenue over expenditures, and cash flows from operations for the years ended December 31, 2022 and 2021, current assets as at December 31, 2022 and 2021, net assets as at January 1 and December 31 for both the 2022 and 2021 years. Our review conclusion on the financial statements for the year ended December 31, 2021 was modified accordingly because of the possible effects of this limitation in scope.

**Qualified Conclusion**

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, 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 Plum Coulee Community Foundation Inc. as at December 31, 2022, 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 enterprises.

Chartered Professional Accountants

RM of Stanley, Manitoba  
May 4, 2023

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**Plum Coulee Community Foundation Inc.**  
**Statement of Financial Position**

December 31	2022	2021
<b>Assets</b>		
<b>Current</b>		
Cash and bank	\$ 59,570	\$ 64,252
Accounts receivable	145	142
Inventory	468	588
	<u>60,183</u>	<u>64,982</u>
Long-term investments (Note 2)	707,750	764,209
	<u>\$ 767,933</u>	<u>\$ 829,191</u>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 10,215	\$ 24,535
<b>Net assets</b>		
Unrestricted	47,970	40,157
Internally restricted elevator reserve	134,238	151,308
Internally restricted administration fund	20,638	8,238
Restricted for endowment purposes	554,872	604,953
	<u>757,718</u>	<u>804,656</u>
	<u>\$ 767,933</u>	<u>\$ 829,191</u>

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

Plum Coulee Community Foundation Inc.  
Statement of Operations and Changes in Fund Balances

For the year ended December 31

	General Fund		Elevator Building Reserve Fund (Internally Restricted)		Administrative Fund (Internally Restricted)		Heritage Museum Endowment Fund		Community Endowment Fund	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenue										
Donations	\$ -	\$ -	-	-	13,535	7,965	-	12,750	16,161	24,380
Donations - Age Friendly	-	-								
Administration support grants	3,500	3,500								
Thomas Sill Foundation YIP grant	-	-							-	-
Investment income (loss)	1,799	1,675	(9,225)	16,477	(715)	370	(5,479)	9,306	(31,835)	54,090
Fundraising sales	50	210								
Fundraising sales - YIP	-	-								
Administration fees earned	-	-								
Loss on disposal of tangible capital assets										
	5,349	5,385	(9,225)	16,477	12,820	8,335	(5,479)	22,056	(15,674)	78,470
Expenditures										
Administrative fees	10,599	9,333								
Salaries	-	-								
AGM expenses	-	-								
Elevator maintenance support	2,294	5,865								
Fundraising expense	120	348								
Granting support	12,068	12,530								
Granting support - Age Friendly	-	-								
Granting support - MB 150	-	-								
Granting support - YIP	2,500	2,500								
YIP expenses	1,000	1,000								
Investment administration fees	-	-	1,200	1,403	123	41	715	814	4,109	4,561
Richard L Frost Scholarship support	-	500								
Plum Fest support	-	-								
	28,581	32,076	1,200	1,403	123	41	715	814	4,109	4,561
Excess (deficiency) of revenue over expenditures	(23,231)	(26,691)	(10,424)	15,074	12,697	8,294	(6,194)	21,242	(19,784)	73,909
Net assets, beginning of year	40,157	37,472	151,307	142,889	8,238	-	89,282	70,536	515,671	461,931
Interfund transfers (Note 5)	31,045	29,377	(6,645)	(6,656)	(297)	(56)	(3,064)	(2,496)	(21,039)	(20,168)
Net assets, end of year	\$ 47,970	\$ 40,157	134,238	151,307	20,638	8,238	80,023	89,282	474,849	515,671

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

## Plum Coulee Community Foundation Inc. Statement of Cash Flows

For the year ended December 31	2022	2021
<b>Cash flows from operating activities</b>		
Excess of revenue over expenditures for the year	\$ (46,937)	\$ 91,828
Changes in non-cash working capital:		
Accounts receivable	(5)	(39)
Inventory	120	348
Accounts payable and accrued liabilities	(14,320)	(839)
	<u>(61,142)</u>	<u>91,298</u>
<b>Cash flows from investing activities</b>		
Purchase of investments, net of fees	56,460	(89,102)
Redemption (purchase) of GIC	-	15,000
	<u>56,460</u>	<u>(74,102)</u>
<b>Net (decrease) increase in cash and bank</b>	<b>(4,682)</b>	<b>17,196</b>
<b>Cash and bank, beginning of the year</b>	<b>64,252</b>	<b>47,056</b>
<b>Cash and bank, end of the year</b>	<b>\$ 59,570</b>	<b>\$ 64,252</b>

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

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## Plum Coulee Community Foundation Inc. Notes to Financial Statements

December 31, 2022

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### 1. Significant Accounting Policies

#### Purpose of the Organization

The Plum Coulee Community Foundation Inc. ("the organization") was established to enhance and promote the Town of Plum Coulee. The Plum Coulee Community Foundation Inc. is a registered charity and is classified as a public foundation for purposes of the Income Tax Act, and was incorporated without share capital under the Corporations Act of Manitoba.

The organization is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

#### Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

#### Inventories

Inventory is valued at the lower of cost or market value. Cost is determined on a weighted average cost basis.

#### Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any unrealized gains and losses reported in operations. In addition, all bonds and 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.



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## Plum Coulee Community Foundation Inc. Notes to Financial Statements

December 31, 2022

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### 1 . Significant Accounting Policies (continued)

#### Fund Accounting

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

The General Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Endowment Funds reports resources contributed for endowment.

The Community Endowment Fund was established by the Board of Directors to create an ongoing source of income which could be used to enhance and promote the Town of Plum Coulee.

The Elevator Building Reserve Fund was established by the Board of Directors to set aside funds which will be available to fund further expansion and changes to the elevator and provide building maintenance.

The Heritage Museum Endowment fund was established by the Board of Directors to set aside funds which will be available to fund the Prairie View Elevator Museum.

The Administrative fund was established by the Board of Directors to set aside funds which will be available for the administrative operations of the organization.

#### Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions 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.

Contributions for endowment are recognized as revenue in the Endowment Funds.

Investment income earned on Endowment and Reserve resources is recognized in the applicable endowment or reserve fund. Other investment income is recognized as revenue of the General Fund when earned.

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## Plum Coulee Community Foundation Inc. Notes to Financial Statements

December 31, 2022

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### 2. Long-term Investments

	2022	2021
Winnipeg Foundation - Community Endowment Fund	\$ 474,350	\$ 515,402
Winnipeg Foundation - Elevator Building Reserve Fund	134,239	151,308
Winnipeg Foundation - Heritage Museum Endowment Fund	80,023	89,282
Winnipeg Foundation - Administration Fund	19,138	8,218
	<u>\$ 707,750</u>	<u>\$ 764,210</u>

The investments are recorded at market value. The contributed amount of the combined long-term investments at December 31, 2022, is \$559,716 (2021 - \$431,730).

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### 3. Interfund Transfers and Internally Restricted Net Assets

In 2008 the Foundation's board of directors internally restricted \$130,000 to be held for endowment purposes and \$100,000 to be held for elevator maintenance reserve. Transfers of these amounts were made from the General Fund to the respective Community Endowment Fund and Elevator Building Reserve Fund. These internally restricted amounts are not available for unrestricted purposes without approval of the board of directors.

The Foundation has reviewed and adopted the investment policies of the Winnipeg Foundation with respect to the endowment and reserve funds. These policies include the spending policy whereby a specified percent of the assets are made available to the Foundation for annual grant making activities. In 2022 the spending policy rate was 4.0% (2021 - 4.0%). The board has authorized transfers of the spending policy allocation to the General Fund each year for designated community enhancements. An additional administration fee policy was introduced by the Winnipeg Foundation in 2014 whereby a portion of the endowment and reserve assets are made available to the Foundation to support administrative costs. The board has authorized transfers of the administration policy allocation to the General Fund each year for administrative costs.

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### 4. Financial Instruments

#### 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. The organization is exposed to fluctuations in equity markets on its long-term investments which are invested with the Winnipeg Foundation.

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