

WESTSHORE COMMUNITY FOUNDATION INC.

GIMLI, MANITOBA

DECEMBER 31, 2009

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AUDITOR'S REPORT

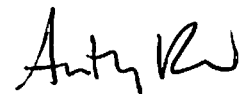
To the Directors of:
Westshore Community Foundation Inc.

We have audited the balance sheet of Westshore Community Foundation Inc. as at December 31, 2009 and the statements of revenue and expenditure, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2009 and the results of its operations and cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Manitoba
May 24, 2010



Chartered Accountants

WESTSHORE COMMUNITY FOUNDATION INC.**BALANCE SHEET**

	December 31	
	2009	2008
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and short term investments	41,185	43,440
Accounts receivable	<u>2,156</u>	<u>2,490</u>
	<u>43,341</u>	<u>45,930</u>
INVESTMENTS (note 3)	<u>882,380</u>	<u>740,840</u>
	<u>925,721</u>	<u>786,770</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accruals	2,500	2,500
Future Contributions (note 5)	<u>9,800</u>	<u>19,000</u>
	<u>12,300</u>	<u>21,500</u>
NET ASSETS		
UNRESTRICTED NET ASSETS	18,659	15,037
RESTRICTED FUNDS (note 4)	<u>894,762</u>	<u>750,233</u>
	<u>913,421</u>	<u>765,270</u>
	<u>925,721</u>	<u>786,770</u>

Approved on Behalf of the Board

_____ Director
_____ Director

WESTSHORE COMMUNITY FOUNDATION INC.
STATEMENT OF REVENUE AND EXPENDITURE

	Year Ended December 31	
	2009	2008
	\$	\$
REVENUE		
Grants	2,861	7,897
Fundraising	7,400	9,610
Donations	1,500	1,750
Miscellaneous	-	893
	<u>11,761</u>	<u>20,150</u>
EXPENDITURE		
Advertising and promotion	2,004	1,287
Accounting and legal	3,068	2,489
Dues and memberships	350	350
Events expense	1,696	2,138
Fundraising	100	1,713
Meetings	561	2,139
Office and supplies	360	800
	<u>8,139</u>	<u>10,916</u>
EXCESS OF REVENUE OVER EXPENDITURE	<u>3,622</u>	<u>9,234</u>

The accompanying notes are an integral part of these financial statements

WESTSHORE COMMUNITY FOUNDATION INC.**STATEMENT OF CHANGES IN NET ASSETS**

	Year Ended December 31			
	Consolidated Restricted Funds	Unrestricted Net Assets	2009 Total	2008 Total
	\$	\$	\$	\$
NET ASSETS				
Balance, beginning of year	750,233	15,037	765,270	770,320
Excess of revenue over expenditure	-	3,622	3,622	9,234
Contributions received	58,494	-	58,494	107,063
Net realized capital gains (losses)	(2,297)	-	(2,297)	(30,438)
Net change in unrealized gains (losses)	80,791	-	80,791	(88,928)
Investment income	28,163	-	28,163	31,368
Administration fees paid	(5,422)	-	(5,422)	(3,285)
Grants paid	(15,200)	-	(15,200)	(30,064)
Balance, end of year	<u>894,762</u>	<u>18,659</u>	<u>913,421</u>	<u>765,270</u>

The accompanying notes are an integral part of these financial statements

WESTSHORE COMMUNITY FOUNDATION INC.**STATEMENT OF CASH FLOWS**

	Year Ended December 31	
	2009	2008
	\$	\$
CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES		
OPERATING		
Excess of revenue over expenditure for the year	3,622	9,234
Net changes in non-cash working capital affecting operations <i>(note 6)</i>	<u>(8,866)</u>	<u>(8,158)</u>
	<u>(5,244)</u>	<u>1,076</u>
FINANCING		
Donations and income earned on endowment fund	233,604	114,206
Endowment fund administration and disbursements paid	-	<u>(39,415)</u>
	<u>233,604</u>	<u>74,791</u>
INVESTING		
Purchase of investments	(230,615)	(102,230)
Sale of investments	-	<u>28,332</u>
	<u>(230,615)</u>	<u>(73,898)</u>
INCREASE (DECREASE) IN CASH RESOURCES	(2,255)	1,969
CASH RESOURCES, BEGINNING OF YEAR	<u>43,440</u>	<u>41,471</u>
CASH RESOURCES, END OF YEAR	<u><u>41,185</u></u>	<u><u>43,440</u></u>

The accompanying notes are an integral part of these financial statements

WESTSHORE COMMUNITY FOUNDATION INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2009

1. PURPOSE OF ORGANIZATION

The organization was incorporated without share capital on May 6, 1997 under the Manitoba Corporations Act. The corporation operates exclusively for charitable purposes by supporting and advancing activities for communities located on the western shore of Lake Winnipeg. The Foundation is a not-for-profit organization and a registered charity under the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Outlined below are those policies considered particularly significant for the organization.

a) REVENUE RECOGNITION

The Foundation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

b) CONTRIBUTED MATERIALS AND SERVICES

Contributed materials and services are recognized in the financial statements when their fair value can be reasonably determined and they are used in the normal course of the organization's operations and would otherwise have been purchased.

c) MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditure during the reporting period. Actual results could differ from those estimates.

WESTSHORE COMMUNITY FOUNDATION INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2009

d) ENDOWMENT FUNDS (NOTE 4)

The Endowment Fund includes contributions from donors' and unused flow through donations and grants. The organization uses income derived from endowment investments, to provide grants as determined by the Board, to recipients located on the western shores of Lake Winnipeg,

The Verna Palmer Memorial Fund was created in 2005, with interest earned on contributions designated to two chosen charities.

The Scholarship and Bursary Fund was created in 2006 to provide grants to local students for post-secondary education.

The Palliative Care Fund was created in 2007 and is a dedicated fund specifically designed to help finance palliative care in the Northeast Interlake.

The Donor Advised Fund was created in 2008, with interest earned on contributions designated to certain charities.

e) SCHOLARSHIP FUNDS (NOTE 4)

During 2003, the Foundation created a separate designated Scholarship Fund within the Winnipeg Foundation, the purpose of which is for the capital to be invested in perpetuity to provide a return to be used for future scholarships to a graduating student going onto further education.

f) FINANCIAL INSTRUMENTS

Our financial instruments consist of marketable securities, receivables, and payables. Unless otherwise noted, it is our opinion that the organization is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair value of the instruments approximates their carrying values, unless otherwise noted.

The organization is exposed to financial risk that arises from the fluctuation in interest rates.

WESTSHORE COMMUNITY FOUNDATION INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2009

3. INVESTMENTS

Investments are carried at market value for 2009 and subsequent years to comply with the new Financial Instruments Standards Section 3855 of the CICA Handbook.

	2009	2008
	\$	\$
The Winnipeg Foundation Endowment Funds	501,164	435,830
The Winnipeg Foundation Scholarship and Bursary Funds	261,216	185,010
Non-redeemable Guaranteed Investment Certificate bearing interest at 5.25%, matures November 10, 2010	30,000	30,000
Non-redeemable Guaranteed Investment Certificate bearing interest at 4.00%, matures May 10, 2009	30,000	30,000
Non-redeemable Guaranteed Investment Certificate bearing interest at 3.5%, matures June 3, 2011	20,000	20,000
Non-redeemable Guaranteed Investment Certificate bearing interest at 4.10% matures December 11, 2011	40,000	40,000
	<u>882,380</u>	<u>740,840</u>

Per agreement, the Winnipeg Foundation agreed to act as trustee on behalf of funds managed by the Westshore Community Foundation Inc. Funds contributed remain the property of Westshore Community Foundation Inc., and are used to purchase units in the Consolidated Trust Fund of the Winnipeg Foundation. The net income derived from Westshore Community Foundation Inc. portion of the Consolidated Trust Fund is paid quarterly.

The Winnipeg Foundation Inc. has developed an Asset Management Governance Plan and a Statement of Investment Policy and Guidelines, which maintains the purchasing power of the funds entrusted to the Foundation while achieving maximum returns consistent with prudent investment. The Foundation's investment policy applies to all investments held in the Foundation's Consolidated Trust Fund, as well as those held in Other Trust Funds. The investment policy includes restrictions regarding the minimum and maximum amount of equity holdings, the maximum amount of foreign equity holdings and a maximum to be invested in any one related group or industry.

The above policy reduces the interest rate, credit, and foreign currency risk to the Westshore Community Foundation Inc. Additional information regarding the potential risks involved can be found on the Winnipeg Foundation's Audited Financial Statements.

WESTSHORE COMMUNITY FOUNDATION INC.**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2009

4. RESTRICTED FUNDS

Changes in restricted funds for the year are as follows:

	Donor Advised Funds	Youth in Philanthropy	Palmer Endowment	Palliative Care Endowment	Community Fund	Scholarship and Bursary	2009 \$
Balance, beginning of year	44,830	5,347	10,887	3,433	500,401	185,335	750,233
Contributions received	30	3,500	170	1,400	-	53,394	58,494
Net realized capital gains (losses)	(130)	(21)	(32)	(12)	(1,556)	(546)	(2,297)
Net change in unrealized gains (losses)	4,153	-	1,016	383	49,961	25,278	80,791
Investment income	1,565	248	383	144	18,591	7,232	28,163
Administration fees paid	(278)	(44)	(68)	(26)	(3,315)	(1,691)	(5,422)
Grants paid	-	-	-	-	(7,500)	(7,700)	(15,200)
Balance, end of year	<u>50,170</u>	<u>9,030</u>	<u>12,356</u>	<u>5,322</u>	<u>556,582</u>	<u>261,302</u>	<u>894,762</u>

5. FUTURE CONTRIBUTIONS

Changes in deferred contributions are as follows:

	2009 \$	2008 \$
Riverton Bifrost Parks and Recreation	800	800
Gimli Historical Society Inc.	-	1,000
Sigurbjorg School Advisory Council	3,000	3,000
Northeast Palliative Care	-	1,500
Lake Winnipeg Conservation	5,000	5,000
RM of Gimli Skate Board Park	1,000	1,000
Gimli High School	-	1,500
Evergreen Band Boosters	-	2,000
Heima Er Best Inc	-	2,000
Northeast Palliative Care Camp Stepping Stone	-	1,200
	<u>9,800</u>	<u>19,000</u>

WESTSHORE COMMUNITY FOUNDATION INC.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2009

6. CASH FLOW STATEMENT

	<u>2009</u>	<u>2008</u>
	\$	\$
Net changes in non-cash working capital affecting operations		
Accounts receivable	334	42
Future Contributions	<u>(9,200)</u>	<u>(8,200)</u>
	<u>(8,866)</u>	<u>(8,158)</u>

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