

**THE MORRIS AREA FOUNDATION INC**

**Financial Statements**

**Year Ended December 31, 2015**

*(Unaudited)*

**THE MORRIS AREA FOUNDATION INC**  
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**Year Ended December 31, 2015**  
*(Unaudited)*

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# Denis G Fillion CMA Ltd

CHARTERED PROFESSIONAL ACCOUNTANTS/COMPTABLES PROFESSIONNELS AGRÉÉS

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## REVIEW ENGAGEMENT REPORT

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To the Members of The Morris Area Foundation Inc

We have reviewed the statement of financial position of The Morris Area Foundation Inc as at December 31, 2015 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the foundation.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

St Pierre Jolys, Manitoba  
June 28, 2016

Denis G Fillion CMA Ltd  
Chartered Professional Accountant

**THE MORRIS AREA FOUNDATION INC**

**Statement of Financial Position**

**December 31, 2015**

*(Unaudited)*

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**ASSETS**

CURRENT

Cash

\$ 2,652

LONG TERM INVESTMENTS *(Note 4)*

54,483

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**TOTAL ASSETS**

\$ 57,135

**LIABILITIES AND NET ASSETS**

CURRENT

Accounts payable

\$ 1,850

NET ASSETS

Operating fund

802

Endowment fund

54,483

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55,285

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\$ 57,135

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**ON BEHALF OF THE BOARD**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

See notes to financial statements

**THE MORRIS AREA FOUNDATION INC**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2015**  
*(Unaudited)*

	Operating Fund	Endowment Fund	<b>2015</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 8,635	\$ -	<b>\$ 8,635</b>
Excess of revenue over expenses	46,650	-	<b>46,650</b>
Transfer to endowment funds	(54,483)	-	<b>(54,483)</b>
Transfer to Endowment Funds	-	54,483	<b>54,483</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 802</b>	<b>\$ 54,483</b>	<b>\$ 55,285</b>

**THE MORRIS AREA FOUNDATION INC**  
**Statement of Revenues and Expenditures**  
**For the Year Ended December 31, 2015**  
*(Unaudited)*

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**REVENUE**

Donations received	\$ 50,242
Interest and dividends	531
Realized/unrealized gains on investments	374
Investment earnings on endowments	53

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**51,200**

**EXPENDITURES**

Administration fees	149
Advertising	617
Bank charges	16
Grants paid to qualified donees	1,600
Postage, courier, telephone	765
Professional fees	1,250
Stationary and supplies	153

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**4,550**

**EXCESS OF REVENUE OVER EXPENSES** **\$ 46,650**

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**THE MORRIS AREA FOUNDATION INC**

**Statement of Cash Flow**

**Year Ended December 31, 2015**

*(Unaudited)*

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**OPERATING ACTIVITIES**

Excess of revenue over expenses \$ 46,650

Change in non-cash working capital:

    Accounts payable 1,850

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Cash flow from operating activities 48,500

**INVESTING ACTIVITY**

    Long term Investments (54,483)

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**DECREASE IN CASH FLOW** (5,983)

Cash - beginning of year 8,635

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**CASH - END OF YEAR** \$ 2,652

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## **THE MORRIS AREA FOUNDATION INC**

### **Notes to Financial Statements**

**Year Ended December 31, 2015**

*(Unaudited)*

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#### 1. BASIS OF PRESENTATION

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

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#### 2. DESCRIPTION OF OPERATIONS

The foundation is incorporated under The Corporations Act - Manitoba . The organization is a public foundation serving the area of Morris, Manitoba.

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#### 3. 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).

##### Cash equivalents

Highly liquid investments with maturities of one year or less at date of purchase are classified as cash equivalents.

##### Contributed services

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

##### Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

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## THE MORRIS AREA FOUNDATION INC

### Notes to Financial Statements

Year Ended December 31, 2015

(Unaudited)

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#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Fund accounting

The Morris Area Foundation Inc follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund.

Endowment contributions are reported in the Endowment Fund. Investment income earned on resources of the Endowment Fund is reported in the [Name of Fund] or Operating Fund depending on the nature of any restrictions imposed by contributors of funds for endowment.

##### Goods and Services Tax

Contributed materials and services are recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

##### Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

##### Revenue recognition

The Morris Area Foundation Inc 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 revenue.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

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#### 4. LONG TERM INVESTMENTS

##### **Endowment fund**

The Winnipeg Foundation	<b>2015</b> <b>\$ 54,483</b>
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