

**THE LETHBRIDGE  
COMMUNITY FOUNDATION**

**FINANCIAL STATEMENTS  
DECEMBER 31, 1999**



**BDO Dunwoody LLP**  
Chartered Accountants  
and Consultants

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### **AUDITORS' REPORT**

To the Directors of  
The Lethbridge Community Foundation

We have audited the balance sheet of The Lethbridge Community Foundation as at December 31, 1999 and the statements of revenue, expenditures and undistributed income, fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's Board of Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with 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 Foundation as at December 31, 1999 and the results of its operations and changes in its funds for the year then ended in accordance with generally accepted accounting principles.

*BDO Dunwoody LLP*

Lethbridge, Alberta  
February 8, 2000

Chartered Accountants

# THE LETHBRIDGE COMMUNITY FOUNDATION

BALANCE SHEET AS AT DECEMBER 31, 1999

	<u>1999</u>	<u>1998</u>
<b>ASSETS</b>		
Cash	\$ 268,620	\$ 6,511
Accounts receivable	1,621	3,812
Prepaid expenses	1,316	344
Note receivable	3,914	7,208
Investments (note 3)	3,434,536	2,988,987
Cash surrender value - life insurance policies	61,872	59,774
	<u>\$ 3,771,879</u>	<u>\$ 3,066,636</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 2,000	\$ 2,063
Grants payable	539,692	8,671
	<u>541,692</u>	<u>10,734</u>
<b>FUND BALANCES</b>		
Community fund	1,920,304	1,903,666
Field of interest funds	152,456	150,776
Designated funds	1,154,202	998,135
Reserve for future administrative expenditures	3,225	3,325
	<u>3,230,187</u>	<u>3,055,902</u>
	<u>\$ 3,771,879</u>	<u>\$ 3,066,636</u>

APPROVED BY THE BOARD:

  
\_\_\_\_\_  
DIRECTOR

  
\_\_\_\_\_  
DIRECTOR

# THE LETHBRIDGE COMMUNITY FOUNDATION

## STATEMENT OF REVENUE, EXPENDITURES, AND UNDISTRIBUTED INCOME

	Year Ended December 31, 1999					Eight Months Ended Dec. 31, 1998
	General Community Fund	Field of Interest Funds	Designated Funds	Reserve for Future Administrative Expenditures	Total	Total
<b>REVENUE</b>						
Investments	\$ 124,112	\$ 9,011	\$ 62,063	-	\$ 195,186	\$ 290,956
Other	792,084	-	-	-	792,084	-
	<u>916,196</u>	<u>9,011</u>	<u>62,063</u>	<u>-</u>	<u>987,270</u>	<u>290,956</u>
<b>EXPENDITURES</b>						
Administrative (note 6)	17,123	1,206	7,661	100	26,090	52,055
Capitalized income	71,837	15,255	29,830	-	116,922	133,435
Equipment	-	-	-	-	-	440
Transfers	-	-	-	-	-	(4,497)
	<u>88,960</u>	<u>16,461</u>	<u>37,491</u>	<u>100</u>	<u>143,012</u>	<u>181,433</u>
GRANTS (note 4)	<u>897,084</u>	<u>6,125</u>	<u>36,090</u>	<u>-</u>	<u>939,299</u>	<u>77,073</u>
	<u>986,044</u>	<u>22,586</u>	<u>73,581</u>	<u>100</u>	<u>1,082,311</u>	<u>258,506</u>
INCREASE (DECREASE) IN UNDISTRIBUTED INCOME	(69,848)	(13,575)	(11,518)	(100)	(95,041)	32,450
UNDISTRIBUTED INCOME BEGINNING OF YEAR	69,848	13,575	49,430	3,325	136,178	103,728
UNDISTRIBUTED INCOME END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,912</u>	<u>\$ 3,225</u>	<u>\$ 41,137</u>	<u>\$ 136,178</u>

# THE LETHBRIDGE COMMUNITY FOUNDATION

## STATEMENT OF FUND BALANCES

	Year Ended December 31, 1999					Eight Months Ended Dec. 31, 1998
	General Community Fund	Fleid of Interest Funds	Designated Funds	Reserve for Future Administrative Expenditures	Total	Total
CAPITAL BEGINNING OF YEAR	\$ 1,833,818	\$ 137,201	\$ 948,705	-	\$ 2,919,724	\$ 2,657,575
Donations and Bequests	12,651	-	137,755	-	160,306	161,959
Withdrawals	-	-	-	-	-	(35,000)
Income Capitalized	71,837	15,255	29,830	-	116,922	133,435
Interfund and Other Transfers	-	-	-	-	-	(4,497)
Life Insurance CSV (note 5)	2,098	-	-	-	2,098	6,252
CAPITAL END OF YEAR	1,920,304	152,456	1,116,290	-	3,189,050	2,919,724
UNDISTRIBUTED INCOME	-	-	37,912	3,225	41,137	136,178
BALANCE END OF YEAR	\$ 1,920,304	\$ 152,456	\$ 1,154,202	\$ 3,225	\$ 3,230,187	\$ 3,055,902

# THE LETHBRIDGE COMMUNITY FOUNDATION

## STATEMENT OF CASH FLOWS

	Year Ended December 31, 1999	Eight Months Ended December 31, 1998
CASH PROVIDED BY (USED FOR):		
OPERATIONS		
Increase (decrease) in undistributed income	\$ (95,041)	\$ 32,450
Donations and bequests	152,404	168,211
Income capitalized	116,922	133,435
Transfers	-	(4,497)
Capital withdrawals	-	(35,000)
	<u>174,285</u>	<u>294,599</u>
Net change in non-cash working capital balances		
Accounts receivable	5,485	43,029
Prepaid expenses	(972)	2,474
Cash surrender value of life insurance policies	(2,098)	(6,252)
Accounts and grants payable	530,958	(73,846)
	<u>707,658</u>	<u>260,004</u>
INVESTMENTS		
Net purchase of investments	<u>(445,549)</u>	<u>(757,107)</u>
INCREASE (DECREASE) IN CASH POSITION	262,109	(497,103)
CASH POSITION AT BEGINNING OF YEAR	<u>6,511</u>	<u>503,614</u>
CASH POSITION AT END OF YEAR	<u>\$ 268,620</u>	<u>\$ 6,511</u>

# THE LETHBRIDGE COMMUNITY FOUNDATION

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1999

### 1. GENERAL

The Lethbridge Community Foundation operates under the authority of the Lethbridge Foundation Act, Chapter 120, Statutes of Alberta, 1966, as amended by the Lethbridge Community Foundation Act, 1994. The Foundation was established to benefit the citizens of the community of Southwestern Alberta by supporting non-profit, charitable, educational and cultural organizations.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Foundation have been prepared in accordance with generally accepted accounting principles and follow the restricted fund method of accounting for contributions. Because certain donors have provided amounts for special purposes, the financial statements have been presented in a manner which segregates the Community Fund (unrestricted) from Designated Funds (for special purposes).

Community Fund income earned is distributed as determined by the Board of Directors.

Designated Funds represent amounts donated to the Foundation for which the capital is generally intended to be preserved. Grants are made for designated purposes from the income earned.

The more significant accounting policies followed by the Foundation have been summarized to facilitate a review of the financial statements:

- a) Donations in kind and amounts contributed for reimbursement of specific expenses are included in "donations and bequests".
- b) Donated amounts for which the capital is intended to be preserved are recorded as fund capital. In addition, realized capital gains are recorded as fund capital.
- c) Investments consisting of term deposits, bonds, and debentures are recorded at cost. Income from investments is recorded as earned.

#### d) Financial Instruments

The Foundation's financial instruments consist of cash, accounts receivable, temporary investments and accounts payable. Unless otherwise noted, it is management's opinion that the Foundation is not exposed to significant interest, currency or credit risks arising from these financial instruments.

### 3. INVESTMENTS

1999		1998	
Cost	Market	Cost	Market
\$ 3,434,536	\$ 3,394,546	\$ 2,988,987	\$ 2,990,758

# THE LETHBRIDGE COMMUNITY FOUNDATION

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1999

### 4. GRANTS

#### GENERAL COMMUNITY FUND:

##### Health Needs

Alzheimer Society	Photocopier	\$	5,500
Canadian Mental Health Association	Training courses		6,740
Canadian Red Cross Society	Equipment for loan service		4,262
Lethbridge Party Program	Injury prevention program		5,000
Lethbridge Regional Hospital Foundation	Minor medical equipment		5,775
Mothers Against Drunk Driving	Crash course program		1,000
North American Farm & Environmental Safety Centre	Protection education program		4,000
North County Health Foundation, Picture Butte	Handi-bus		7,000
Sleep Apnea Society of Alberta	Equipment for loaner program		10,000
St. Michael's Health Centre Foundation	Furniture and equipment		4,000
Taber & District Health Foundation	Oximeter machine		2,750
Town of Vauxhall	New ambulance		24,313
Victorian Order of Nurses	Day care centre equipment		7,400

##### Education Needs

Canyon School Booster Society, Pincher Creek	School lunchroom tables		5,562
Children of St. Martha's School	Microprojector		1,038
Coaldale Public Library Friends Society	Library expansion		250,000
Coalhurst Elementary School	Partnership Approach to Literacy Program		21,120
Friends of Literacy, Pincher Creek	Partnership Approach to Literacy Program		3,000
Friends of Lomond Library Association	Facility renovation		20,000
Friends of St. Mary's School, Taber	15 passenger van		4,895
Gilbert Patterson Community School	Library books		4,500
Huntsville School, Iron Springs	Playground equipment		2,000
Literacy Co-ordinators of Alberta	Book Bags for Babies materials		10,700
Mike Mountain Horse Elementary School	Fish in Schools project & artwork frames		2,350
Parent Pre-School Program - Park Meadows School	Refurbish toy lending library		9,000
Park Meadows Elementary School	Library books		480
RCMP Centennial Library, Fort Macleod	Library extension		5,000
Society for the Promotion of Alcohol Free Pregnancies	Training manuals		15,000
Southern Alberta Self-Help Association	Van		5,000
St. Mary's Elementary School	Art display frames		250
St. Patrick's School, Taber	Musical instruments		4,000
Teen-Ed of Lethbridge District	Life skills and human sexuality programs		6,000
W.A. Day Playground Association	Upgrade school playground		5,000
W.R. Myers High School Special Ed. Program, Taber	Handicapped riding lessons		250

# THE LETHBRIDGE COMMUNITY FOUNDATION

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1999

### 4. GRANTS (continued)

#### GENERAL COMMUNITY FUND:

##### Social Services Needs

Chinook Foundation, Magrath	Furniture for Diamond Willow Terrace Lodge	\$	1,000
Community Volunteer Centre	Leaders of Tomorrow program (2 years funding)		14,100
Green Acres Foundation	Computer desks and chairs		4,000
Interfaith Food Bank	Milk and food		9,000
Lethbridge & Community Addictions Treatment Society	Kitchen and dining area renovations		7,000
Lethbridge Community College Foundation	Community Computer Recycling Initiative (3 years)		45,000
Lethbridge Family Services	Equipment for disabled adults assistance		5,000
Lethbridge Food Bank Society	Supplies and furniture		4,500
Lethbridge Handicapped Riding Association	Arena grooming machine		4,600
Lethbridge Lifeline Association	Emergency response units		8,600
Lethbridge Society for Meals on Wheels	Communications equipment, food supplies		5,000
Lethbridge Youth Foundation	Support net, young parents internet program		18,000
McMan Youth, Family & Community Services Association	Youth assets conference		6,000
Opokaa*sin Early Intervention Society	Supplies and furniture		2,000
Salvation Army	Mats and equipment		4,700
Samaritans Suicide Prevention Society	Promotional and awareness materials		5,000
Sik-oo-h-kotoki Friendship Society	Youth recreation project		13,738
Southern Alberta Society for the Handicapped	Walk-in freezer		3,500
St. Mary's Elementary School	Breakfast & lunch program (3 years funding)		106,095
Streets Alive Family Support Association	Tables		2,500
Taber & District Family Crisis Intervention Society	Emergency shelter		70,000
Taber Youth Centre	Youth centre program		17,316
World Citizen Centre	Youth program		1,000
<u>Arts Needs</u>			
Alberta Heritage School Fair Committee	Regional fair support		3,360
Alberta Registered Music Teachers Association	Student awards		1,580
Fort Macleod Historical Association	Fort Museum inventory costs		2,100
Gem of the West Museum, Coaldale	Security system		5,000
Lethbridge Community Band Society	Musical instruments		2,100
Lethbridge Symphony Association	Music supplies		3,000

# THE LETHBRIDGE COMMUNITY FOUNDATION

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1999

### 4. GRANTS (continued)

#### Recreation Needs

City of Lethbridge	Lloyd Nolan baseball park	\$	5,000
G.R. Davis School Playground Committee, Fort Macleod	Playground		9,000
LHS Sports Booster Club, Lundbreck Town of Magrath	15 passenger bus		3,000
	Gymnasium & recreation centre upgrade		20,000

#### Other

Lethbridge Community Foundation	Administration costs		32,000
			<u>906,674</u>
Less - prior year's grants returned			<u>(9,590)</u>
		\$	<u><u>897,084</u></u>

#### FIELD OF INTEREST FUNDS:

1996 Alberta Winter Games	Boys and Girls Club	Program equipment	\$	880
Canadian Suicide Prevention Association	Samaritans	Education		290
W.G. Clarke Memorial	Lethbridge Music Festival	Scholarships		160
William and Phyllis McDonnell Memorial	Lethbridge Community Band	Musical instrument		3,000
	Southern Alberta Art Gallery	Arts Alive & Well program		295
	University of Lethbridge	Concert funding		
	Wind Orchestra			<u>1,500</u>
			\$	<u><u>6,125</u></u>

#### DESIGNATED FUNDS:

1975 Canada Winter Games	University of Lethbridge	Scholarships	\$	1,300
1975 Canada Winter Games	Lethbridge Community College	Scholarships		800
John Kenwood Memorial Scholarships	Catholic Central High School	Scholarships		750
20th Anti Tank Battery Association (W.C. Shirley Memorial)	Military Cadets	2 Scholarships		500
Canbra Foods Ltd.	Safety City Society	Scholarship		943
Dr. Jesse K. Bigelow	Lethbridge Senior Citizens Assoc.	Adult day care program		5,300
Ethel Underdahl Memorial	McKillop United Church	Operations		1,000
Harvest Community Foundation	Harvest Community Foundation	Various grants		1,751
John Albert Gogo	22 charities	Various purposes		3,350
Julian Guay Memorial Biology Education Scholarship	University of Lethbridge	Scholarship		500
Kiwanis Club of Lethbridge	Kiwanis Foundation of Canada	I.D.D. program		1,250
Lethbridge Broomball Association	City of Lethbridge	Recreational support		12,000

# THE LETHBRIDGE COMMUNITY FOUNDATION

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1999

### 4. GRANTS (continued)

Lethbridge Family Services	Lethbridge Family Services	Operations	1,579
Lethbridge Music Club	Kiwanis Music Festival	Scholarships	175
Lethbridge Public Library	Lethbridge Public Library	Operations	1,084
Major Jack Ross Chapter I.O.D.E.	Lethbridge Regional Hospital	Training	100
Patcee Leahy Jensen Memorial	Canadian National Institute for the Blind	General support	250
Safety City Society	Safety City Society	Operations	188
TX Bar Ranches (John P. Ignatius)	4H Club members	3 Scholarships	1,900
United Way of Lethbridge and District	United Way of Lethbridge & District	Operations	1,370
			<u>\$ 36,090</u>

### 5. NET LIFE INSURANCE PREMIUM

	1999	1998
Life insurance premium paid by donor	\$ 14,298	\$ 14,298
Cost of insurance	12,200	8,046
	<u>\$ 2,098</u>	<u>\$ 6,252</u>

### 6. ADMINISTRATIVE EXPENSES

	1999	1998
Advertising and publicity	\$ 6,092	\$ 4,235
Annual report	-	3,972
Bank charges	231	88
Convention and travel	515	2,688
Insurance	1,424	1,191
Investment counsel and custodial fees	25,252	12,977
Management fees	30,000	20,000
Memberships	200	133
Office stationery, postage, repairs	1,879	900
GST	1,621	2,310
Professional fees	5,888	37,908
Rent	7,000	5,000
Telephone	1,698	1,193
	<u>81,800</u>	<u>92,595</u>
Less recovered expenses		
From reserve for future administrative expenditures	50,000	34,195
Administration fee - Designated and Field of Interest Funds	8,867	4,883
Interest earned on administrative endowment fund	1,972	883
Professional fees	3,838	35,857
Annual report	-	3,800
	<u>64,677</u>	<u>79,618</u>
Net administrative expense allocated to Community Fund	<u>\$ 17,123</u>	<u>\$ 12,977</u>

# THE LETHBRIDGE COMMUNITY FOUNDATION

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1999

### 6. ADMINISTRATIVE EXPENSES (continued)

	<u>1999</u>	<u>1998</u>
Allocated to Designated and Field of Interest Funds	<u>\$ 8,867</u>	<u>\$ 4,883</u>

### 7. LEASE COMMITMENT

The Foundation leases its premises under a lease agreement which expires December 31, 2002. The annual rental is \$7,080. There is an option to extend the lease a further three years.

### 8. UNCERTAINTY DUE TO THE YEAR 2000 ISSUE

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. Although the change in date has occurred, it is not possible to conclude that all aspects of the Year 2000 Issue that may affect the organization, including those related to customers, suppliers, or other third parties, have been fully resolved.