

**Yorkton and District
Community Foundation Inc.**

FINANCIAL STATEMENTS

Year Ended December 31, 2021

Yorkton and District Community Foundation Inc.

Yorkton, Saskatchewan

December 31, 2021

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Independent Practitioners' Review Engagement Report

To the board of directors
Yorkton and District Community Foundation Inc.

We have reviewed the accompanying financial statements of Yorkton and District Community Foundation Inc., that comprise the Statement of Financial Position as at December 31, 2021, and the Statements of Operations, Changes in Net Assets 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 organizations, 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.

Practitioners' 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 non-profit organizations, the organization derives revenue from donations, the completeness of which is not susceptible of satisfactory verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenue over expenses, assets and net assets.

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 Yorkton and District Community Foundation Inc. as at December 31, 2021, 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 organizations.

Baker Tilly SK LLP

Baker Tilly SK LLP

Yorkton, SK
March 16, 2022

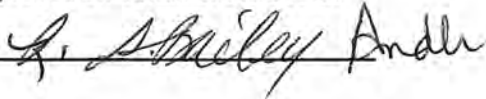
Yorkton and District Community Foundation Inc.

Yorkton, Saskatchewan

Statement of Financial Position as at December 31, 2021

	2021	2020
Assets		
Current Assets		
Cash and cash equivalents	35,714	18,239
Accounts receivable - note 4	2,149	13,237
Prepaid expenses	<u>375</u>	<u>513</u>
	38,238	31,989
Long-Term Investments - note 5		
Saskatoon Community Foundation	162,720	95,294
Capital Assets - note 6	<u>342</u>	<u>456</u>
	<u>\$ 201,300</u>	<u>\$ 127,739</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liabilities	<u>498</u>	<u>0</u>
Net Assets		
Operating fund	31,432	15,785
Funds available for distribution fund	19,233	12,881
Endowment fund	<u>150,137</u>	<u>99,073</u>
	<u>200,802</u>	<u>127,739</u>
	<u>\$ 201,300</u>	<u>\$ 127,739</u>

Approved on behalf of the board:



Yorkton and District Community Foundation Inc.

Statement of Operations and Changes in Net Assets
For the year ended December 31, 2021

	Operating	Funds Available for Distribution	Endowment	2021 Total	2020 Total
Revenue					
Donations	23,069	6,500	51,064	80,633	60,723
Honorariums					10,375
Interest	2	12,739		12,741	7,882
	<u>23,071</u>	<u>19,239</u>	<u>51,064</u>	<u>93,374</u>	<u>78,980</u>
Expenses					
Advertising and promotion	1,242			1,242	2,577
Amortization	114			114	114
Insurance	504			504	
Licenses and memberships	440			440	350
Grants		11,704		11,704	8,840
Office	433			433	459
Professional fees	4,010			4,010	960
Service charges	226	1,183		1,409	584
Website	455			455	340
	<u>7,424</u>	<u>12,887</u>	<u>0</u>	<u>20,311</u>	<u>14,224</u>
Excess of Revenue Over Expenses for the Year	15,647	6,352	51,064	73,063	64,756
Net Assets, Beginning of Year	<u>15,785</u>	<u>12,881</u>	<u>99,073</u>	<u>127,739</u>	<u>62,983</u>
Net Assets, End of Year	<u>\$ 31,432</u>	<u>\$ 19,233</u>	<u>\$ 150,137</u>	<u>\$ 200,802</u>	<u>\$ 127,739</u>

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

Yorkton and District Community Foundation Inc.

Statement of Cash Flow

For the year ended December 31, 2021

	2021	2020
Cash Provided By (Used In):		
Operations		
Excess of revenue over expenses for the year	73,063	64,756
Add items not requiring cash resources		
Amortization	114	114
Net change in working capital	<u>11,723</u>	<u>(12,406)</u>
	<u>84,900</u>	<u>52,464</u>
Investing activities		
Capital asset purchases		(570)
Additions to long-term investments	<u>(67,425)</u>	<u>(64,200)</u>
	<u>(67,425)</u>	<u>(64,770)</u>
Net Cash Increase (Decrease) for the Year	17,475	(12,306)
Cash position, beginning of year	<u>18,239</u>	<u>30,545</u>
Cash Position, End of Year	<u>\$ 35,714</u>	<u>\$ 18,239</u>
Represented By:		
Cash and cash equivalents	<u>\$ 35,714</u>	<u>\$ 18,239</u>
Net change in working capital consists of:		
Decrease (increase) - accounts receivable	11,087	(12,443)
- prepaid expenses	138	37
Increase (decrease) - accounts payable and accrued liabilities	<u>498</u>	<u> </u>
	<u>\$ 11,723</u>	<u>\$(12,406)</u>

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

Yorkton and District Community Foundation Inc.

Notes to Financial Statements
For the year ended December 31, 2021

1. Nature of Operations

The organization was incorporated on April 26, 2016 under the Non-Profit Corporations Act of Saskatchewan. The Yorkton and District Community Foundation Inc. seeks to provide support to charitable organizations in Yorkton and surrounding communities through grants made possible by responsible stewardship of endowment funds. The organization is a registered charity and thus, is not subject to income tax.

2. Significant Accounting Policies

These financial statements are the responsibility of management and have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO) using the accounting policies as summarized below:

(a) Fund accounting

The accounts of the organization are maintained in accordance with the principles of fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

(i) Operating fund

The operating fund reflects the primary operations of the organization, including revenues received for operating purposes and expenses incurred for the administration of the organization.

(ii) Funds available for distribution fund

The funds available for distribution fund reflects donations received for externally specified purposes ("flow-through" funds), interest earned on restricted endowment assets, related investment fees and grant disbursements for those purposes.

(iii) Endowment fund

The endowment fund is a restricted fund that reflects endowment donations or assets transferred to the board as donations. The assets include cash and investments initially accumulated by the organization from donations. These assets are accounted for separately, and must be held in perpetuity.

(b) Cash and cash equivalents

Cash and cash equivalents represents cash on hand and cash held in banks.

Yorkton and District Community Foundation Inc.

Notes to Financial Statements
For the year ended December 31, 2021

2. Significant Accounting Policies - continued

(c) Capital assets

Capital assets are recorded at cost less accumulated amortization.

The assets are amortized until the residual on a straight-line basis at the following rates:

Furniture, fixtures and equipment	5 years
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In the year of purchase, capital assets are amortized at the above rates.

In the year of disposition, capital assets are not amortized.

(d) Revenue

The organization follows the restricted fund method of accounting for contributions. Revenues and expenses related to unrestricted resources are included in the operating fund. Revenues and expenses related to externally restricted resources are reported in the restricted fund.

Restricted contributions are subject to externally imposed stipulations that specify the purpose for which the contribution is to be used. The contribution is recognized as revenue of the restricted fund when the funds have been received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Pledges are recognized as receivable at the time the pledge is made. Pledges are recognized as revenue when the amount to be received can reasonably be estimated and the collection is ultimately assured.

Investment income comprised of interest from cash and fixed income investments are recognized on an accrual basis. Interest on fixed income investments is recognized over the terms of these investments using the effective interest method. Other investment income is recognized when it is received.

(e) Donated materials and services

The organization benefits from the donation of materials and services. These financial statements do not reflect the value of donations-in-kind received in the year.

Yorkton and District Community Foundation Inc.

Notes to Financial Statements
For the year ended December 31, 2021

2. Significant Accounting Policies - continued

(f) Financial instruments

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The organization subsequently measures all its financial assets and 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 excess of revenue over expenses.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in excess of revenue over expenses. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenue over expenses.

(g) Estimates

The preparation of financial statements in accordance 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the statement of operations in the period in which they became known.

Significant estimates have been made in the estimated service lives of capital assets.

Yorkton and District Community Foundation Inc.

Notes to Financial Statements
For the year ended December 31, 2021

3. Risks Arising from Financial Instruments

The organization is exposed to various risks through its financial instruments. The following analysis presents the organization's risk exposure and concentrations at the reporting date.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Other price 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 both interest rate risk and other price risk from its investments. The quarterly return allocated to the entity is based on the underlying market fluctuations and realized investment earnings on the underlying investments held in the pooled fund managed by the Saskatoon Community Foundation. The risk associated with investments is managed through the investment policies established by the Saskatoon Community Foundation.

	2021	2020
4. Accounts Receivable		
Accounts receivable are comprised of the following items:		
Accounts receivable	2,000	960
Pledges receivable		10,000
Unspent grants receivable		2,160
Taxes receivable	149	117
	<u>2,149</u>	<u>13,237</u>
	<u>\$ 2,149</u>	<u>\$ 13,237</u>

5. Long-Term Investments

The Saskatoon Community Foundation manages funds in trust on behalf of the organization. The Saskatoon Community Foundation allocates a proportionate share of the quarterly investment earnings or losses of its pooled investment fund portfolio to the organization's funds on deposit, less a fee for service.

	2021	2020
6. Capital Assets		
Cost		
Furniture, fixtures and equipment	570	570
Accumulated amortization		
Furniture, fixtures and equipment	228	114
Net book value	<u>\$ 342</u>	<u>\$ 456</u>

Yorkton and District Community Foundation Inc.

Notes to Financial Statements
For the year ended December 31, 2021

7. Transactions with Related Parties

Included in these financial statements are transactions with related parties. These related parties include board members of the organization, family members of board members, and businesses owned by board members. Donations revenues a total of \$6,277 (\$7,000 - 2020) from related parties.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

8. Impact of COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The extent of this outbreak and related containment measures could have future material impacts on the organization's operations, which cannot be reliably estimated at this time.

The pandemic influenced the operational direction of the organization in the prior year. The organization administered the Government of Canada's Emergency Community Supports program, in which it facilitated the delivery of grant funds to other organizations working with vulnerable populations impacted by the COVID-19 crisis, as well as initiating a Mask for Seniors project.

In the current year, the pandemic impacted the organization's ability to meet in-person with potential donors.