

WESTLOCK COMMUNITY FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

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FOR THE YEAR ENDED DECEMBER 31, 2023

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**WESTLOCK COMMUNITY FOUNDATION
DECEMBER 31, 2023**

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of the Westlock Community Foundation are the responsibility of management and have been approved by the Board of Directors on behalf of the Foundation.

The financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise since they include certain amounts based on estimates and judgment. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Board of Directors maintains systems of internal accounting and administrative controls of high quality. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Foundation's assets are appropriately accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The financial statements have been audited by Doyle & Company in accordance with Canadian Auditing Standards on behalf of the Organization. Doyle & Company have full and free access to the Board.



Director



Treasurer

Edward Cheung, CPA, CA*
Scott T. Mockford, CPA, CA*
Allen Lee, CPA, CMA*
Jason Bondarevich, CPA, CA*
*Operates as a Professional Corporation

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Edmonton, Alberta T5H 0Y1
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INDEPENDENT AUDITOR'S REPORT

To the board of
Westlock Community Foundation

Opinion

We have audited the financial statements of the Westlock Community Foundation, which comprise the statement of financial position as at December 31, 2023 and the Statements of Revenue, Expenses and Fund Balances, and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Westlock Community Foundation as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, 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.

In preparing these financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT CONTINUED

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

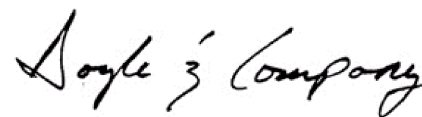
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

June 25, 2024

11210 - 107 Avenue NW
Edmonton, Alberta T5H 0Y1



Chartered Professional Accountants

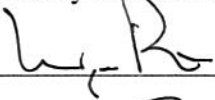
WESTLOCK COMMUNITY FOUNDATION

STATEMENT OF FINANCIAL POSITION


AS AT DECEMBER 31, 2023

	2023	2022
	\$	\$
ASSETS		
Cash	549,574	3,052,315
GST receivable	883	-
Prepaid expenses	2,100	-
	552,557	3,052,315
INVESTMENTS (Note 4)	6,928,011	1,000,000
CAPITAL ASSETS (Note 9)	12,536	-
	7,493,104	4,052,315
LIABILITIES		
Accounts payable	26,202	-
NET ASSETS		
FUND BALANCES		
Operations - Unrestricted	104,291	4,052,315
Board Admin - Restricted	1,574,366	-
Community Priorities - Restricted	5,112,599	-
Rural Resiliency - Restricted	263,683	-
Youth in Action - Restricted	210,943	-
Westlock Literacy and Learning - Endowment	201,020	-
	7,466,902	4,052,315
	7,493,104	4,052,315

Approved by the Board:



Director



Director

The accompanying notes form part of these financial statements.

WESTLOCK COMMUNITY FOUNDATION
STATEMENT OF REVENUE, EXPENSES AND FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Operations	Board Admin	Community	Community Services	Rural	Youth	Westlock		
	(Unrestricted)	(Restricted)	(Restricted)	(Restricted)	(Restricted)	(Restricted)	(Endowment)	2023	2022
	\$	\$	\$	\$	\$	\$	\$		
REVENUES									
Donations - internal	-	1,500,000	5,040,636	-	250,000	200,000	-	6,990,636	-
Donations and contributions	9,520	-	-	-	-	-	200,684	210,204	4,030,952
Federal revenues	-	-	-	201,600	-	-	-	201,600	-
Interest income	-	-	-	-	-	-	-	-	23,469
Investment income	239,874	39,872	131,913	-	6,637	5,308	164	423,768	-
Municipal revenues	2,693,105	-	-	-	-	-	-	2,693,105	-
Realized gains (loss)	222	319	1,055	-	53	42	-	1,691	-
Unrealized gains (loss)	29,307	42,012	138,995	-	6,993	5,593	172	223,072	-
	2,972,028	1,582,203	5,312,599	201,600	263,683	210,943	201,020	10,744,076	4,054,421
EXPENSES									
Operating expenses (Schedule)	159,416	7,837	-	-	-	-	-	167,253	2,106
Grants	-	-	-	171,600	-	-	-	171,600	-
Internal grant expenses	6,790,636	-	200,000	-	-	-	-	6,990,636	-
	6,950,052	7,837	200,000	171,600	-	-	-	7,329,489	2,106
Excess (deficiency) of revenues over expenses	(3,978,024)	1,574,366	5,112,599	30,000	263,683	210,943	201,020	3,414,587	4,052,315
FUND BALANCE, BEGINNING OF YEAR	4,052,315	-	-	-	-	-	-	4,052,315	-
FUND TRANSFERS (NOTE 6)	30,000	-	-	(30,000)	-	-	-	-	-
FUND BALANCE, END OF YEAR	104,291	1,574,366	5,112,599	-	263,683	210,943	201,020	7,466,902	4,052,315

The accompanying notes form part of these financial statements.

WESTLOCK COMMUNITY FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	3,414,587	4,052,315
Non-cash items included in excess of revenue over expenditures:		
Amortization of capital assets	1,873	-
Realized and unrealized (gains) losses on investments	(224,763)	-
Non-cash changes to operations (net change):		
Decrease (increase) in goods and services tax receivable	(883)	-
Decrease (increase) in prepaid expenses	(2,100)	-
Increase (decrease) in accounts payable and accrued liabilities	26,202	-
	3,214,916	4,052,315
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital assets purchased	(14,409)	-
Net disposal (purchase) of investments	(5,703,248)	(1,000,000)
	(5,717,657)	(1,000,000)
DECREASE IN CASH DURING THE YEAR	(2,502,741)	3,052,315
CASH - Beginning of year	3,052,315	-
CASH - End of year	549,574	3,052,315

The accompanying notes form part of these financial statements.

WESTLOCK COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

NATURE OF FOUNDATION

The Westlock Community Foundation ("the Foundation") is a not-for-profit organization incorporated in December 2021 under The Canada Not-for-profit Corporation Act. The Foundation is a registered charity and is classified as a public foundation for purposes of the Income Tax Act.

The Foundation fulfills its mission by influencing the future direction of the region where it will invest in the community's health and wellness, arts and culture, education, environmental sustainability, leisure and recreation and ongoing economic prosperity.

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations. The significant accounting policies are described below:

a) Cash and cash equivalents

Cash consists of cash deposited in a Canadian financial institution.

b) Fund Accounting

Revenue and expenses related to program delivery and administrative activities are reported in the operating fund. The accounts have been segregated into non-restricted funds, restricted funds and endowment funds as described in Notes 7 and 8.

c) Revenue Recognition

The Foundation follows the restricted fund method of accounting for contributions. Restricted contributions are recognized as revenue in the related fund when amounts can be reasonably estimated and collection is ensured. Restricted contributions and other revenues contributed to or raised for the operating fund are deferred and recognized in the year in which the related expenses are incurred. Unrestricted contributions, and donations are recognized in the corresponding fund as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income comprises interest from cash, short-term investments and investments, distributions from investment trusts, realized gains and losses on the sales of investments, and the Unrealized appreciation and depreciation in the fair value of the securities. Realized gains or losses are recognized in the period the securities are sold. Dividends and interest from the securities are recognized as revenue when received.

WESTLOCK COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

(d) Tangible Capital Assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life at the following rates and methods:

Computer equipment	5 years
Furniture and equipment	5 years

(e) Measurement of Financial Instruments

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

The Foundation subsequently measures all of its financial assets and liabilities at amortized cost, except in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and long term investments.

Financial liabilities measured at amortized cost include accounts payable and accruals.

(f) Use of accounting estimates:

The preparation of the financial statements in accordance with ASNPO requires management to make accounting estimates and assumptions that affect the reported amount of assets, liabilities and contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Key areas of estimation where management has made subjective judgments, often as a result of matters that are inherently uncertain, include those relating to useful life of capital assets and corresponding depreciation rates, fair values of investments, accrued liabilities for items where the invoice has not been received, and accruals for investment income not yet received. Actual results could differ materially from those estimates.

2. 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 amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the revenue or expenses in the period in which they become known. Actual results could differ from those estimates.

WESTLOCK COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

3. FINANCIAL INSTRUMENTS

Market risk

Market risk is the potential for financial loss to the Foundation from changes in the values of its financial instruments due to changes in interest rates, currency exchange rates or equity prices. The investments of the Foundation are subject to normal market fluctuations and to the risk inherent in investment in capital markets.

Currency risk

Currency risk is the risk that the value of the financial instruments denominated in currencies other than the functional currency of the Foundation will fluctuate due to changes in foreign exchange rates. The Foundation is exposed to currency risk on its foreign market fixed income financial instruments as the prices denominated in foreign currencies are converted to the Foundation's functional currency in determining fair value. The financial instrument manager reduces currency risk by maintaining a geographically diversified portfolio.

Interest rate risk

Interest rate risk is the risk that changes in interest rates will affect future cash flows or fair values of financial instruments held by the Foundation. Interest rate risk arises when the Foundation invests in interest-bearing financial instruments, and therefore the Foundation is exposed to interest rate risk on its fixed income portfolio.

Liquidity Risk

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting its obligations associated with financial liabilities. The Foundation manages its liquidity risk by monitoring its operating requirements and cash forecasts to ensure it has sufficient funds to fulfil its financial obligations.

4. INVESTMENTS

Funds contributed to the Foundation for its charitable purposes are managed externally in accordance with the investment policies of the Foundation. The Foundation's investments are comprised of Canadian, US and international equities, fixed income and cash and short term investments held with Leith Wheeler Investments.

	2023 Cost	2023 Market Value	2022 Cost	2022 Market Value
	\$	\$	\$	\$
Fixed Income Investments:				
BMO - Nesbitt Burns	-	-	1,000,000	1,000,000
Stocks, Equities and Equity Mutual Funds:				
Leith Wheeler Investment Counsel Ltd.	6,704,557	6,928,011	-	-
	6,704,557	6,928,011	1,000,000	1,000,000

WESTLOCK COMMUNITY FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

5. TANGIBLE CAPITAL ASSETS

	2023			2022
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Office equipment and furniture	10,086	1,008	9,078	-
Computer equipment	4,323	865	3,458	-
	14,409	1,873	12,536	-

Amortization amounted to \$1,873 for the year ended December 31, 2023 (2022 - \$0), and is included in the statement of operations.

6. INTERFUND TRANSFERS

The Board of Directors have approved the transfer of amounts from the Community Services Recovery Fund \$30,000 (2022 - \$0) to Operations.

7. RESTRICTED FUNDS

Restricted funds are restricted for the purpose of funding for projects determined by Westlock Community Foundation Board which include Board Admin, Community Priorities, Rural Resiliency and Youth in Action.

8. ENDOWMENT FUNDS

The Westlock Literacy & Learning Endowment fund is comprised of permanent contributions and attributed cumulative net growth, are administered in accordance with the objectives established by the donor.

9. COMPARATIVE FIGURES

Certain figures for the previous year have been reclassified to conform to the presentation adopted in the current year.

WESTLOCK COMMUNITY FOUNDATION
SCHEDULE OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
	\$	\$
EXPENSES		
Advertising and promotion	12,478	-
Amortization	1,873	-
Bank interest and fees	233	-
Courier and postage	97	-
Event rentals	1,598	-
Honorarium	5,000	-
Insurance	1,952	-
Investment expenses	17,221	-
Material and supplies	-	263
Memberships, fees and dues	1,157	-
Office	1,233	-
Office rent	2,100	-
Printing	396	-
Professional fees	16,282	1,843
Salaries, wages and benefits	67,092	-
Software and licenses	25,001	-
Telephone	763	-
Training	2,670	-
Travel	10,107	-
	167,253	2,106