
Financial statements of
Wood Buffalo Community Foundation

December 31, 2017

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Independent Auditor's Report

To the Directors of
Wood Buffalo Community Foundation

We have audited the accompanying financial statements of the Wood Buffalo Community Foundation, which comprise the statement of financial position as at December 31, 2017, and the statement of operations and changes in fund balances for the 279 day period 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.

Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Wood Buffalo Community Foundation as at December 31, 2017, and the results of its operations and its cash flows for the 279 day period then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Professional Accountants
May 17, 2018

Wood Buffalo Community Foundation

Statement of financial position

As at December 31, 2017

	\$
Asset	
Cash	250,291
Liability	—
Fund balances	
Unrestricted fund	503
Restricted funds	
Operating fund	249,788
	250,291

The accompanying notes are an integral part of the financial statements.

Approved by the Board

_____, Director

_____, Director

Wood Buffalo Community Foundation

Statement of operations and changes in fund balances

279 day period ended December 31, 2017

	Unrestricted Fund	Operating Fund	Total
	\$	\$	\$
Contributions	495	250,000	250,495
Interest income	8	—	8
Miscellaneous expenses	—	(212)	(212)
Change during the year	503	249,788	250,291
Fund balance, beginning of year	—	—	—
Fund balance, end of year	503	249,788	250,291

The accompanying notes are an integral part of the financial statements.

Wood Buffalo Community Foundation

Notes to the financial statements

December 31, 2017

Nature of the organization

The Wood Buffalo Community Foundation (the "Foundation") was incorporated under the Canada Not-for-profit Corporations Act and commenced operations March 27, 2017. The Foundation is a charitable public foundation registered under the Income Tax Act and, as such, is exempt from income taxes and able to issue donation receipts for income tax purposes.

The Foundation encourages and promotes philanthropy in the Regional Municipality of Wood Buffalo ("RMWB"). It creates and manages a variety of funds to meet current and emerging community needs.

1. Accounting policies

The Foundation's accounting policies set out below have been applied consistently to all periods presented in these financial statements and reflect the following policies:

Basis of presentation

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") issued by the Accounting Standards Board of CPA Canada and set out in Part III of the CPA Canada Handbook.

Cash

Cash included cash on hand and balances with banks.

Fund accounting

The accounts of the Foundation are maintained in accordance with the principles of restricted fund accounting for contributions. The accounts have been segregated into the following funds:

Unrestricted fund

The Unrestricted Fund includes resources available for immediate purposes and accounts for the Foundation's general fundraising and administrative activities

Restricted funds

Restricted funds includes those funds whose resources are to be used for an identified purpose as specified by the donor, by fundraising initiatives or as determined by the Board of Directors.

The Foundation currently has the following restricted funds:

Operating fund – The operating fund includes resources restricted by the donor for the purpose of covering operating costs.

Community fund – The community fund includes those funds restricted by the donor for the purpose of supporting Qualified Donees that enhance the quality of life for those living or working in RMWB.

Wood Buffalo Community Foundation

Notes to the financial statements

December 31, 2017

1. Accounting policies (continued)

Fund accounting (continued)

Restricted funds (continued)

Donor specific funds – The donor specific funds includes those funds restricted by the donor for a particular use:

- Field of interest – Donor agreements indicate the area(s) of special interest for support.
- Designated – Donors advise on specific charities for support.

Endowment fund

The Endowment Fund includes those funds where either the donor or internal restrictions require that the principal investment be maintained by the Foundation on a permanent basis. The Foundation endowment funds are held by Edmonton Community Foundation (“ECF”) and therefore does not directly have any funds restricted for endowment (Note 2).

Revenue recognition

Restricted contributions related to operations are recognized as revenue in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund in the period of receipt.

Unrestricted contributions are recognized in the operating fund as revenue in the period of receipt.

Contributed and in-kind services and donations

The Foundation is governed and supported by numerous volunteers. Contributed services are not reflected in these financial statements as determining their fair value is not practicable. Donations and contributions in kind are recorded at fair value at the date of the contribution when such value can reasonably be determined.

Pledges

Pledges receivable are recognized when the amount to be received can be reasonably estimated and when collection is reasonably assured.

Financial instruments

Financial assets include cash. Cash is measured at amortized cost which approximates fair value due to the short term nature of the assets. Financial assets and financial liabilities are initially recognized at fair value when the Foundation becomes a party to the contractual provisions of the financial instrument.

Wood Buffalo Community Foundation

Notes to the financial statements

December 31, 2017

2. Endowments

Endowment contributions are held by ECF, an unrelated charitable foundation, and are held under agreement with ECF. These funds are permanently endowed and are assets of ECF until the Foundation requests a transfer of the funds and the terms set out in the endowment agreement is met. While held by ECF, these funds are managed for the sole benefit of the Foundation.

The endowment balances held under agreement between the Foundation and ECF are as follows:

	\$
Wood Buffalo Community Fund	1,090,988
Wood Buffalo Donor Specific Fund	<u>63,618</u>
	<u>1,154,606</u>

3. Start-up cost funding

Contributions donated to the Community Foundation of Canada, an unrelated entity, for the purpose of paying start-up costs for the Foundation are held by the Community Foundation of Canada and are not reflected in these financial statements. As of December 31, 2017, there is \$50,010 available to the Foundation for use in start-up related expenditures.

4. Pledges

The following are future commitments made by donors which have not been recognized in the financial statements:

	\$
2018	560,192
2019	565,790
2020	555,790
2021	525,393

Included in the above is a commitment from the Suncor Energy Foundation to match \$2,000,000 in donations to the Foundation raised through 2021.