

# RED DEER & DISTRICT COMMUNITY FOUNDATION



Independent Auditor's Report and Financial  
Statements  
December 31, 2022



RSM Canada LLP

546 Laura Avenue  
Red Deer County, AB T4E 0A5

T: +1 (403) 342 5541

F: +1 (403) 347 3766

[www.rsmcanada.com](http://www.rsmcanada.com)

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## INDEPENDENT AUDITOR'S REPORT

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### To the Board of Directors of Red Deer & District Community Foundation

#### *Opinion*

We have audited the financial statements of Red Deer & District Community Foundation ("Foundation"), which comprise the statement of financial position as at December 31, 2022, and the statements of changes in fund balances, general operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### *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 the financial statements in accordance with Canadian Generally Accepted Auditing 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 the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to 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 but 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

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## INDEPENDENT AUDITOR'S REPORT, continued

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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. 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.

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## INDEPENDENT AUDITOR'S REPORT, continued

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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.

Red Deer County, Alberta

May 17, 2023

*RSM Canada LLP*

Chartered Professional Accountants

# RED DEER & DISTRICT COMMUNITY FOUNDATION

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December 31, 2022

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# RED DEER & DISTRICT COMMUNITY FOUNDATION

## Statement of Financial Position

As at December 31, 2022

	2022	2021
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 254,950	\$ 454,812
Accrued interest receivable	414	3,528
Goods and Services Tax receivable	1,770	1,639
Prepaid expenses	<u>2,000</u>	<u>2,000</u>
	259,134	461,979
<b>Restricted cash (note 3)</b>	<b>382,417</b>	<b>283,858</b>
<b>Investments (note 4)</b>	<b>16,500,578</b>	<b>19,683,169</b>
<b>Tangible capital assets (note 5)</b>	<b><u>14,973</u></b>	<b><u>21,664</u></b>
	<b><u>\$ 17,157,102</u></b>	<b><u>\$ 20,450,670</u></b>
<b>LIABILITY</b>		
<b>Current liability</b>		
Accounts payable and accruals	<b><u>\$ 63,870</u></b>	<b><u>\$ 90,889</u></b>
<b>NET ASSETS</b>		
Designated Endowment funds	4,907,309	5,692,145
Scholarship funds	3,557,683	4,210,020
General Endowment fund	3,073,051	3,689,954
Operating Endowment fund	1,645,061	1,935,219
Field of Interest funds	1,353,080	1,597,078
Donor Advised funds	750,249	827,584
Managed funds	641,240	1,453,852
Flow Through funds	515,715	514,817
Operating fund	<u>649,844</u>	<u>439,112</u>
	17,093,232	20,359,781
	<b><u>\$ 17,157,102</u></b>	<b><u>\$ 20,450,670</u></b>

Approved by the board:

\_\_\_\_\_ Board Chair

\_\_\_\_\_ Treasurer

# RED DEER & DISTRICT COMMUNITY FOUNDATION

## Statement of Changes in Fund Balances

Year ended December 31, 2022

	Balance, beginning of year	Interest, dividends and capital gains (losses)	Distributions	Operating costs	Net change in unrealized losses in investments	Contributions received	Excess of revenues over expenditures	2022 Balance, end of year
Operating	\$ 439,112	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210,732	\$ 649,844
Designated Endowment	5,692,145	383,131	(191,926)	(99,881)	(1,061,734)	185,574	-	4,907,309
Scholarships	4,210,020	278,107	(93,275)	(76,434)	(778,256)	17,521	-	3,557,683
General Endowment	3,689,954	239,654	(113,680)	(69,454)	(679,715)	6,292	-	3,073,051
Operating Endowment	1,935,219	128,356	(52,000)	(9,015)	(357,749)	250	-	1,645,061
Field of Interest	1,597,078	105,857	(42,366)	(28,853)	(295,414)	16,778	-	1,353,080
Donor Advised	827,584	59,701	(2,605)	(16,493)	(156,791)	38,853	-	750,249
Managed	1,453,852	(57,115)	(619,395)	(19,913)	(138,644)	22,455	-	641,240
Flow Through	514,817	-	(495,739)	(10,319)	-	506,956	-	515,715
	<b>\$ 20,359,781</b>	<b>\$ 1,137,691</b>	<b>\$ (1,610,986)</b>	<b>\$ (330,362)</b>	<b>\$ (3,468,303)</b>	<b>\$ 794,679</b>	<b>\$ 210,732</b>	<b>\$ 17,093,232</b>
2021	<u>\$ 17,525,800</u>	<u>\$ 1,906,627</u>	<u>\$ (1,045,273)</u>	<u>\$ (337,015)</u>	<u>\$ (288,835)</u>	<u>\$ 2,444,450</u>	<u>\$ 154,027</u>	<u>\$ 20,359,781</u>

see accompanying notes

# RED DEER & DISTRICT COMMUNITY FOUNDATION

## Statement of General Operations

Year ended December 31, 2022

	2022	2021
<b>Revenues</b>		
Fund administrative fees	\$ 240,815	\$ 244,812
Honorariums and grants	197,212	28,288
Operating endowment revenue	52,000	106,160
Donations	10,023	-
Investment income	3,901	-
Amortization of deferred capital grant	-	3,682
	<u>503,951</u>	<u>382,942</u>
<b>Expenditures</b>		
Wages and benefits	156,295	115,650
Professional fees	35,642	31,922
Office	35,582	23,368
Rent	22,081	22,125
Honorariums and grants	20,000	557
Amortization	6,692	3,979
Advertising	6,608	4,791
Membership fees	5,380	5,248
Insurance	2,941	2,941
Conferences and meetings	1,054	13,923
Bank charges	944	730
	<u>293,219</u>	<u>225,234</u>
<b>Excess of revenues over expenditures from operations</b>	<b>210,732</b>	<b>157,708</b>
<b>Loss on disposal of tangible capital assets</b>	<b>-</b>	<b>(3,681)</b>
<b>Excess of revenues over expenditures</b>	<b><u>\$ 210,732</u></b>	<b><u>\$ 154,027</u></b>

see accompanying notes



# RED DEER & DISTRICT COMMUNITY FOUNDATION

## Statement of Cash Flows

Year ended December 31, 2022

	2022	2021
<b>CASH PROVIDED BY (USED FOR)</b>		
<b>Operating activities</b>		
Cash receipts from sponsorships, donations, grants and other	\$ 266,120	\$ 135,576
Cash paid to suppliers and employees	(279,248)	(193,691)
Funds received from contributors	794,679	2,390,735
Disbursements paid to recipients	(1,645,287)	(992,973)
	<u>(863,736)</u>	<u>1,339,647</u>
<b>Investing activities</b>		
Contributions to investment funds	(97,651)	(2,042,246)
Withdrawal of investment funds	860,084	1,096,546
Change in restricted cash	(98,559)	(148,347)
Purchase of tangible capital assets	-	(1,062)
	<u>663,874</u>	<u>(1,095,109)</u>
<b>Increase (decrease) in cash</b>	<b>(199,862)</b>	<b>244,538</b>
<b>Cash, beginning of year</b>	<b><u>454,812</u></b>	<b><u>210,274</u></b>
<b>Cash, end of year</b>	<b><u>\$ 254,950</u></b>	<b><u>\$ 454,812</u></b>

During the year, contributions of securities were received in the amount of \$52,949 (2021 - \$53,715). These have been excluded from the statement of cash flows as they are non-cash transactions.

# RED DEER & DISTRICT COMMUNITY FOUNDATION

## Notes to the Financial Statements

December 31, 2022

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### 1. Objective of the Foundation

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Red Deer & District Community Foundation ("the Foundation") was incorporated pursuant to the Societies Act of the Province of Alberta on June 27, 1989.

The objective of the Foundation is to employ the funds entrusted to the Foundation together with the income generated thereon to provide funding for charitable, philanthropic, humanitarian, educational, cultural, and benevolent purposes in the City of Red Deer and surrounding district.

The Foundation is a registered charitable organization under Section 149(1)(f) of the Income Tax Act and, accordingly, is exempt from income taxes. The Foundation may issue tax-deductible receipts to donors.

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### 2. Significant Accounting Policies

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These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

#### **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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Areas requiring the use of estimates include the fair value estimate of goods received. Actual results may differ from management's best estimates as additional information becomes available in the future.

# RED DEER & DISTRICT COMMUNITY FOUNDATION

## Notes to the Financial Statements

December 31, 2022

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### 2. Significant Accounting Policies, continued

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#### Fund accounting

The Foundation follows the restricted fund method of accounting for contributions. As certain donors have provided funds for special purposes, the financial statements have been prepared in a manner that segregates the fund categories in accordance with the restrictions and conditions regarding the distribution of these funds.

The Board of Directors established a policy whereby a portion of the annual income of each fund within the below funds shall be set aside as a Preservation of Capital allocation. The distribution of the accumulated Preservation of Capital is subject to the approval of the Board of Directors.

Each fund incurs operating costs which includes administrative fees and investment fund management fees.

The funds, by category, are reported in the Statement of Changes in Fund Balances and are described as follows:

a) General Endowment Fund – unless otherwise specified by the donor, donations are recorded as additions to the capital base of these funds. The income earned on these funds, except as it relates to the preservation of capital, is available for distribution in accordance with the General Endowment Funds Policy of the Foundation as established by the Board of Directors.

b) Designated Endowment Funds – a donor may specify that a donation shall be restricted for a specific purpose as defined by the donor. These funds are defined as designated and the income earned on these funds, except as it relates to the preservation of capital, is available for distribution only in accordance with the terms and conditions established by the donor upon settling the fund. Donations to these funds are recorded as additions to the capital base of the Designated Funds.

c) Operating Endowment Funds - the donors of the funds within this category have specified that these funds be specifically designated for the operations of the Foundation.

d) Field of Interest Funds – the donors of the funds within this category have specified the types of activities or projects shall benefit from these funds. Distributions are therefore restricted to the donor's specified field of interest. Donations to these funds are recorded as additions to the capital base of the Field of Interest Funds. The income earned on these funds, except as it relates to the preservation of capital, is available for distribution in accordance with the Field of Interest Funds Policy of the Foundation as established by the Board of Directors together with the field of interest criteria as specified by the donor.

# RED DEER & DISTRICT COMMUNITY FOUNDATION

## Notes to the Financial Statements

December 31, 2022

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### 2. Significant Accounting Policies, continued

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e) Donor Advised Funds - the donors of these funds are given the opportunity to recommend to the Foundation's Board of Directors, specific organizations to receive grants from their funds. As such, the funds assist individuals and their families with their charitable donations without the costs associated with establishing a private foundation. Additionally, it fosters a variety of ways in which community members can participate in building a community legacy for Red Deer and the surrounding area. The income earned on these funds, except as it relates to the preservation of capital, is available for distribution in accordance with the Donor Advised Funds Policy of the Foundation as established by the Board of Directors together with the criteria as specified by the donor. Donations to these funds are recorded as additions to the capital base of the Donor Advised Funds.

f) Flow Through Funds - contributions are distributed to registered charities and the criteria for the distribution are determined solely by the benefactor of the fund. The distribution process normally occurs within the year of receipt; however, the distribution must occur in compliance with Canada Revenue Agency regulations.

g) Managed Funds - contributions are the property of another agency or organization that have been placed with the Foundation solely for management of the funds. Any income or loss experienced by these funds is reported within the fund. The distribution of the fund is solely determined by the settlor of the fund and the fund is charged a management fee by the Foundation.

h) Scholarship Funds - the donors of the funds within this category have specified that the donation shall be restricted for scholarships. The Foundation helps to facilitate the decision making process providing annual scholarship applications to the committees. Distributions are therefore restricted to the agreed upon scholarship. The income earned on these funds, except as it relates to the preservation of capital, is available for distribution in accordance with the Scholarship Funds Policy of the Foundation as established by the Board of Directors together with the criteria as specified by the donor. Donations to these funds are recorded as additions to the capital base of the Scholarship Funds.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash on deposits that form an integral part of the Foundation's cash management. Cash equivalents exclude amounts externally or internally restricted to fund balances. Restricted cash is excluded from the statement of cash flows.

#### **Donated services**

The Foundation benefits from donated services in the form of volunteer time by the members of the Board and various committees of the Board. There are no amounts reflected in these financial statements relative to these donated services.

# RED DEER & DISTRICT COMMUNITY FOUNDATION

## Notes to the Financial Statements

December 31, 2022

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### 2. Significant Accounting Policies, continued

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#### **Contributed goods**

Contributed goods are recorded in the financial statements based of their estimated fair market value at the time of donation. Where the fair value cannot be reasonably estimated, contributed goods are not recorded in the financial records.

#### **Financial instruments**

##### *Measurement*

Financial instruments are financial assets or liabilities of the Foundation where, in general, the Foundation has the right to receive cash or another financial asset from another party or the Foundation has the obligation to pay another party cash or other financial assets.

The Foundation initially measures its financial assets and liabilities at fair value.

The Foundation subsequently measures its financial assets and liabilities at amortized cost, except for investments which are measured at fair value. Transaction costs are expensed when incurred.

Financial assets measured at amortized cost include cash, restricted cash, and accrued interest receivable.

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

##### *Impairment*

Financial assets measured at cost or amortized cost are tested for impairment, at the end of each year, to determine whether there are indicators that the asset may be impaired. The amount of the write-down, if any, is recognized in operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account. The reversal may be recorded provided it is not greater than the amount that had been previously reported as a reduction in the asset and it does not exceed original cost. The amount of the reversal is recognized in operations.

# RED DEER & DISTRICT COMMUNITY FOUNDATION

## Notes to the Financial Statements

December 31, 2022

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### 2. Significant Accounting Policies, continued

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#### Tangible capital assets

Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution, unless the fair value cannot be reasonably determined, in which case the asset is recorded at a nominal value. During the year, no contributed tangible capital assets were recorded in the financial statements. The annual amortization rates are as follows:

Computer equipment	55%
Computer software	30%

A half year of amortization is calculated in the year of acquisition. No amortization is calculated in the year of disposition.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Foundation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their book value. Net write-downs are accounted for as expenses in the Statement of General Operations.

#### Revenue recognition

Fund administrative fees are recognized as revenue in the Operating fund when earned at rates approved by the Board of Directors. Unrestricted donations are recognized as revenue in the Operating fund when received.

Restricted operating donations are deferred and recognized as revenue in the operating fund when the related expense is incurred. Restricted contributions related to tangible capital assets are recognized as revenue in the operating fund as the related tangible capital assets are amortized.

Restricted donations to a fund are recognized as a direct increase to the fund balance. Interest, dividends, and capital gains are recognized as direct increases to specific fund balances when earned net of investment management fees. Return of capital distributions received from investments in income trusts are treated as a reduction of the cost base of the asset.

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### 3. Restricted Cash

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Long term cash is restricted to fund net asset balances.

# RED DEER & DISTRICT COMMUNITY FOUNDATION

## Notes to the Financial Statements

December 31, 2022

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### 4. Investments

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	<u>2022</u>	<u>2021</u>
Cash, cash equivalents and short-term notes	\$ 1,647,291	\$ 1,027,317
Foreign securities	6,550,538	9,605,253
Bonds and debentures	5,224,842	5,294,339
Canadian securities	3,077,907	3,756,260
	<u>\$ 16,500,578</u>	<u>\$ 19,683,169</u>

Included in short-term notes and bonds and debentures are bonds with interest rates ranging from 0.50% to 6.25% and maturity dates ranging from February 2023 to December 2064.

Investments are restricted to fund net asset balances.

The total accumulated unrealized loss at December 31, 2022 was \$2,120,319 (2021 unrealized gain - \$1,347,984).

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### 5. Tangible Capital Assets

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	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2022 Net</u>	<u>2021 Net</u>
Computer software	\$ 24,581	\$ 9,955	\$ 14,626	\$ 20,894
Computer equipment	1,062	715	347	770
	<u>\$ 25,643</u>	<u>\$ 10,670</u>	<u>\$ 14,973</u>	<u>\$ 21,664</u>

# RED DEER & DISTRICT COMMUNITY FOUNDATION

## Notes to the Financial Statements

December 31, 2022

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### 6. Original Endowment

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	<u>2022</u>	<u>2021</u>
Designated	\$ 4,445,302	\$ 4,190,028
Scholarships	3,054,145	3,036,625
General Endowment	2,716,892	2,710,600
Operating Endowment	1,266,999	1,266,749
Field of Interest	1,047,767	1,030,989
Donor Advised	<u>677,976</u>	<u>639,123</u>
	<u>\$ 13,209,081</u>	<u>\$ 12,874,114</u>

The balance included in each fund grouping includes the accumulated contributions to the capital base of each fund.

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### 7. Commitments

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The Foundation entered into an office premise lease effective February 2022 due to expire January 2024. Under the terms of the operating lease, the Foundation is committed to the following minimum payments per year:

2023	\$ 19,864
2024	<u>1,806</u>
	<u>\$ 21,670</u>



# RED DEER & DISTRICT COMMUNITY FOUNDATION

## Notes to the Financial Statements

December 31, 2022

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### 8. Financial Instruments

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It is management's opinion that the Foundation is not exposed to significant interest, credit, liquidity, market or currency risk arising from these financial instruments, except as follows:

#### **Credit risk**

The Foundation is exposed to credit risk in two areas, if within the investments a bond or note issuer of a financial instrument fails to meet their contractual obligations or secondly, if accounts receivable is not collected. To mitigate the accounts receivable risk the Foundation only records amounts receivable from reputable donors where agreements are in place to receive the funds. To mitigate the investment risk, the Foundation obtains investment advice from qualified investment advisors to select appropriate issuers.

#### **Market risk**

The Foundation is exposed to market price risk as the Canadian and foreign securities included in investments are traded in the market. Market price risk is the risk that the value of an investment will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuers or factors affecting all securities traded in the market. To mitigate this risk the Foundation obtains investment advice from qualified investment advisors to select appropriate issuers. Furthermore, the board of directors has set out fund parameters that detail the permissible ranges for each asset class indicating minimum and maximum positions as a percentage of the Fund's total market value.

#### **Interest rate risk**

The Foundation is exposed to interest rate price risk as certain investments bear interest at fixed interest rates.

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### 9. Comparative Figures

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Certain comparative figures have been reclassified from those previously presented to conform to the presentation of the 2022 financial statements due to funds transferred between fund groupings. There is no impact on the prior year net income or net assets ending balance.

# Red Deer & District Community Foundatio

Year End: December 31, 2022

Trial Balance

8000

Prepared by JH 3/4/2023	In-Chrg Review	Manager Review KP 3/11/2023
Partner Review KP 3/19/2023	FSR Review	Other Review

Account	Prelim	Adj's	Reclass	Rep	Rep 12/21	Amount	Chg %	Chg %
1013 Servus Operations Bank Account	254,350.20	0.00	0.00	254,350.20	439,486.34	(185,136.14)	(42)	
1250 Undeposited Non-Checks/Cash	600.00	0.00	0.00	600.00	15,326.00	(14,726.00)	(96)	
<b>5000 Cash and cash equivalents</b>	<b>254,950.20</b>	<b>0.00</b>	<b>0.00</b>	<b>254,950.20</b>	<b>454,812.34</b>	<b>(199,862.14)</b>	<b>(44)</b>	
1014 Servus Endowment Bank Account	329,144.01	0.00	0.00	329,144.01	283,858.15	45,285.86	16	
1260 Undeposited Checks/Cash	53,273.06	0.00	0.00	53,273.06	0.00	53,273.06	0	
<b>5000.100 Restricted Cash</b>	<b>382,417.07</b>	<b>0.00</b>	<b>0.00</b>	<b>382,417.07</b>	<b>283,858.15</b>	<b>98,558.92</b>	<b>35</b>	
1500 Investment Pool Combined	16,421,668.28	0.00	0.00	16,421,668.28	18,844,952.52	(2,423,284.24)	(13)	
1520 Mawer - Piper Creek	91,959.96	0.00	0.00	91,959.96	832,761.47	(740,801.51)	(89)	
1521 Mawer - Piper Creek - Market Adjustment	(13,050.18)	0.00	0.00	(13,050.18)	5,455.14	(18,505.32)	(339)	
<b>5100.200 Debt or equity securities - non-cu</b>	<b>16,500,578.06</b>	<b>0.00</b>	<b>0.00</b>	<b>16,500,578.06</b>	<b>19,683,169.13</b>	<b>(3,182,591.07)</b>	<b>(16)</b>	
1110 Accounts receivable	0.00	0.00	0.00	0.00	1,810.83	(1,810.83)	(100)	
1211 GST Receivable	1,769.66	0.00	0.00	1,769.66	0.00	1,769.66	0	
2060 Taxes Payable - GST	0.00	0.00	0.00	0.00	(171.56)	171.56	(100)	
<b>5200.100 GST receivable</b>	<b>1,769.66</b>	<b>0.00</b>	<b>0.00</b>	<b>1,769.66</b>	<b>1,639.27</b>	<b>130.39</b>	<b>8</b>	
1522 Mawer - Piper Creek - Accrued Interest	413.50	0.00	0.00	413.50	3,527.86	(3,114.36)	(88)	
<b>5200.500 Accrued interest</b>	<b>413.50</b>	<b>0.00</b>	<b>0.00</b>	<b>413.50</b>	<b>3,527.86</b>	<b>(3,114.36)</b>	<b>(88)</b>	
1410 Prepaid expenses	2,000.00	0.00	0.00	2,000.00	2,000.00	0.00	0	
<b>5400 Prepaid Expenses and Other Assets A</b>	<b>2,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,000.00</b>	<b>2,000.00</b>	<b>0.00</b>	<b>0</b>	
1301 Computer Hardware	1,062.29	0.00	0.00	1,062.29	1,062.29	0.00	0	
1303 Computer Software	24,581.16	0.00	0.00	24,581.16	24,581.16	0.00	0	
<b>5500.100 Property, plant and equipment - c</b>	<b>25,643.45</b>	<b>0.00</b>	<b>0.00</b>	<b>25,643.45</b>	<b>25,643.45</b>	<b>0.00</b>	<b>0</b>	
1302 Computer Hardware - Accum Amort	(292.13)	(423.59)	0.00	(715.72)	(292.13)	(423.59)	145	
1304 Computer Software - Accum Amort	(3,687.17)	(6,268.20)	0.00	(9,955.37)	(3,687.17)	(6,268.20)	170	
<b>5500.200 Property, plant and equipment - a</b>	<b>(3,979.30)</b>	<b>(6,691.79)</b>	<b>0.00</b>	<b>(10,671.09)</b>	<b>(3,979.30)</b>	<b>(6,691.79)</b>	<b>168</b>	
2010 Accounts payable	(23,844.87)	0.00	0.00	(23,844.87)	(27,143.44)	3,298.57	(12)	
2015 Servus Mastercard (6733)	(998.53)	0.00	0.00	(998.53)	(420.95)	(577.58)	137	
2020 Accounts Payable - Year End	(11,025.00)	(10,000.00)	0.00	(21,025.00)	(11,025.00)	(10,000.00)	91	
2030 Grants & allocations payable	(18,000.00)	0.00	0.00	(18,000.00)	(52,300.00)	34,300.00	(66)	
<b>6100 Accounts payable</b>	<b>(53,868.40)</b>	<b>(10,000.00)</b>	<b>0.00</b>	<b>(63,868.40)</b>	<b>(90,889.39)</b>	<b>27,020.99</b>	<b>(30)</b>	
2301 Deferred Operating Revenue	(180,000.00)	180,000.00	0.00	0.00	0.00	0.00	0	
<b>6400.100 Deferred revenue - current</b>	<b>(180,000.00)</b>	<b>180,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	
3001 Medicine River Wildlife Rehab Centre	(65,930.96)	0.00	0.00	(65,930.96)	(79,797.83)	13,866.87	(17)	
3002 Kerry Wood Nature Centre	(126,080.99)	0.00	0.00	(126,080.99)	(152,598.85)	26,517.86	(17)	
3003 Red Deer & District Museum Fund	(126,332.64)	0.00	0.00	(126,332.64)	(152,658.18)	26,325.54	(17)	
3004 Red Deer River Naturalists Society	(63,798.32)	0.00	0.00	(63,798.32)	(77,563.05)	13,764.73	(18)	
3005 Canadian Red Cross Fund	(86,478.39)	0.00	0.00	(86,478.39)	(104,666.91)	18,188.52	(17)	
3006 Easter Seal Ability Council	(65,047.47)	0.00	0.00	(65,047.47)	(78,728.53)	13,681.06	(17)	
3007 Ellis Bird Farm	(120,462.61)	0.00	0.00	(120,462.61)	(145,798.41)	25,335.80	(17)	
3008 Lacombe & District Historical Society Fun	(8,278.73)	0.00	0.00	(8,278.73)	(10,019.93)	1,741.20	(17)	
3009 Friends of Waskasoo Park	(20,926.70)	0.00	0.00	(20,926.70)	(25,328.12)	4,401.42	(17)	

# Red Deer & District Community Foundatio

Year End: December 31, 2022

Trial Balance

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Prepared by JH 3/4/2023	In-Chrg Review	Manager Review KP 3/11/2023
Partner Review KP 3/19/2023	FSR Review	Other Review

Account	Prelim	Adj's	Reclass	Rep	Rep 12/21	Amount	Chg %	Chg
3010 United Way of Central Alberta Fund	(12,885.94)	0.00	0.00	(12,885.94)	(14,909.96)	2,024.02	(14)	
3011 Central Alberta Humane Society	(21,031.13)	0.00	0.00	(21,031.13)	(25,262.01)	4,230.88	(17)	
3012 Queen Elizabeth II Scholarship Fund	(11,694.36)	0.00	0.00	(11,694.36)	(14,153.94)	2,459.58	(17)	
3013 Arthur Teague Hub Memorial Fund	(23,080.74)	0.00	0.00	(23,080.74)	(27,935.19)	4,854.45	(17)	
3014 Central Alberta Women's Shelter	(39,553.55)	0.00	0.00	(39,553.55)	(16,872.80)	(22,680.75)	134	
3015 Red Deer Heritage Fund	(108,345.62)	0.00	0.00	(108,345.62)	(131,133.36)	22,787.74	(17)	
3016 John & Anna Olson Memorial Fund	(22,698.05)	0.00	0.00	(22,698.05)	(27,472.02)	4,773.97	(17)	
3017 Red Deer & Dist. Allied Arts Council	(27,281.02)	0.00	0.00	(27,281.02)	(33,018.86)	5,737.84	(17)	
3018 Lapalme Legacy Fund	(128,187.74)	0.00	0.00	(128,187.74)	(155,148.77)	26,961.03	(17)	
3019 Princess Margaret Scholarship	(6,677.43)	0.00	0.00	(6,677.43)	(8,081.82)	1,404.39	(17)	
3020 Charles Snell Scholarship Fund	(10,248.17)	0.00	0.00	(10,248.17)	(12,403.60)	2,155.43	(17)	
3021 County of Red Deer Educational Fund	(8,515.31)	0.00	0.00	(8,515.31)	(10,306.27)	1,790.96	(17)	
3022 Red Deer Food Bank	(10,449.10)	0.00	0.00	(10,449.10)	(12,645.41)	2,196.31	(17)	
3023 Dr. Ethel Taylor Bursary	(13,095.23)	0.00	0.00	(13,095.23)	(15,849.46)	2,754.23	(17)	
3024 Normandeau School Libr (Fam Trust)	(20,397.01)	0.00	0.00	(20,397.01)	(24,687.02)	4,290.01	(17)	
3025 Red Deer Rail Bridge Endowment Fund	(31,623.86)	0.00	0.00	(31,623.86)	(38,275.08)	6,651.22	(17)	
3026 Stonewall Community Fund	(13,568.44)	0.00	0.00	(13,568.44)	(15,674.72)	2,106.28	(13)	
3027 Helen M. Dawe Memorial Fund	(6,739.12)	0.00	0.00	(6,739.12)	(8,156.53)	1,417.41	(17)	
3029 Vantage Community Services Society Fur	(10,935.76)	0.00	0.00	(10,935.76)	(13,293.64)	2,357.88	(18)	
3031 Alberta Legal Heritage Fund	(6,378.60)	0.00	0.00	(6,378.60)	(7,720.18)	1,341.58	(17)	
3032 Red Deer Genealogical Fund	(297.95)	0.00	0.00	(297.95)	(344.20)	46.25	(13)	
3033 Red Deer Safety City Society	(7,194.85)	0.00	0.00	(7,194.85)	(7,646.68)	451.83	(6)	
3034 JJ Collett Foundation	(41,547.42)	0.00	0.00	(41,547.42)	(50,475.51)	8,928.09	(18)	
3037 Murray Rairdan Memorial Fund	(13,593.04)	0.00	0.00	(13,593.04)	(17,568.49)	3,975.45	(23)	
3038 Central Alberta Housing Society	(41,648.46)	0.00	0.00	(41,648.46)	(50,401.47)	8,753.01	(17)	
3039 Bev & Glen Buchwald Scholarship	(29,621.23)	0.00	0.00	(29,621.23)	(35,851.27)	6,230.04	(17)	
3040 Keith Mann Memorial Fund	(31,777.36)	0.00	0.00	(31,777.36)	(38,628.93)	6,851.57	(18)	
3041 Mountain View Museum Fund	(3,591.33)	0.00	0.00	(3,591.33)	(4,641.91)	1,050.58	(23)	
3042 Sylvan Lake Lodge Legacy Fund	(6,736.32)	0.00	0.00	(6,736.32)	(8,153.11)	1,416.79	(17)	
3043 Bridges Community Living	(43,910.51)	0.00	0.00	(43,910.51)	(7,184.77)	(36,725.74)	511	
3044 Canadian Arts & Heritage Sustainability F	(80,858.28)	0.00	0.00	(80,858.28)	(97,864.72)	17,006.44	(17)	
3045 Red Deer Hospice Society Fund	(28,144.68)	0.00	0.00	(28,144.68)	(33,526.19)	5,381.51	(16)	
3046 John and Reima Klancher Fund	(211,581.39)	0.00	0.00	(211,581.39)	(256,772.71)	45,191.32	(18)	
3048 Margaret Bolze Memorial Fund	(150,968.76)	0.00	0.00	(150,968.76)	(183,213.93)	32,245.17	(18)	
3049 John & Margaret Dickson Fund	(260,993.48)	0.00	0.00	(260,993.48)	(316,738.65)	55,745.17	(18)	
3050 Friends of the Red Deer Public Library	(40,268.03)	0.00	0.00	(40,268.03)	(48,878.08)	8,610.05	(18)	
3051 Lacombe Arts Endowment Fund	(279,708.67)	0.00	0.00	(279,708.67)	(299,679.18)	19,970.51	(7)	
3052 Schizophrenia Society Hope Endowment	(10,194.22)	0.00	0.00	(10,194.22)	(12,392.22)	2,198.00	(18)	
3053 Safe Communities Coalition of Central Alt	(11,829.40)	0.00	0.00	(11,829.40)	(14,379.94)	2,550.54	(18)	
3054 James Berg Endowment Fund	(24,990.45)	0.00	0.00	(24,990.45)	(30,378.72)	5,388.27	(18)	
3055 CNIB Red Deer Endowment Fund	(5,014.17)	0.00	0.00	(5,014.17)	(6,095.29)	1,081.12	(18)	
3056 Red Deer Catholic Education Foundation	(245,967.34)	0.00	0.00	(245,967.34)	(299,001.24)	53,033.90	(18)	
3060 Lloyd and Evelyn McNeil Endowment	(59,123.61)	0.00	0.00	(59,123.61)	(71,870.06)	12,746.45	(18)	
3061 Red Deer Public Library Concert Endowm	(15,487.92)	0.00	0.00	(15,487.92)	(18,771.56)	3,283.64	(17)	
3064 Grand Prairie United Way (Trenaman)	(10,715.31)	0.00	0.00	(10,715.31)	(12,968.98)	2,253.67	(17)	
3065 Salvation Army Fund (Trenaman)	(21,434.21)	0.00	0.00	(21,434.21)	(25,942.33)	4,508.12	(17)	
3066 Alberta Wildlife and Habitat (Trenaman)	(21,430.65)	0.00	0.00	(21,430.65)	(25,938.02)	4,507.37	(17)	
3067 Grand Prairie Hospital Seniors Care (Tre	(21,430.65)	0.00	0.00	(21,430.65)	(25,938.02)	4,507.37	(17)	
3068 Red Deer Hospital Senior's Care (Trenam	(21,430.82)	0.00	0.00	(21,430.82)	(25,938.21)	4,507.39	(17)	
3070 25th Anniversary Fund	(44,271.30)	0.00	0.00	(44,271.30)	(51,356.97)	7,085.67	(14)	

# Red Deer & District Community Foundatio

Year End: December 31, 2022

Trial Balance

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Prepared by JH 3/4/2023	In-Chrg Review	Manager Review KP 3/11/2023
Partner Review KP 3/19/2023	FSR Review	Other Review

Account	Prelim	Adj's	Reclass	Rep	Rep 12/21	Amount	Chg %	Chg
3071 Chapman Literacy Fund	(330,148.66)	0.00	0.00	(330,148.66)	(401,333.26)	71,184.60	(18)	
3073 Travis Moore Endowment Fund	(51,664.44)	0.00	0.00	(51,664.44)	(62,804.02)	11,139.58	(18)	
3074 Legacy Land Trust Endowment Fund	(180,245.55)	0.00	0.00	(180,245.55)	(220,738.42)	40,492.87	(18)	
3075 Subsidy Ride Program Fund	(22,708.59)	0.00	0.00	(22,708.59)	(24,998.89)	2,290.30	(9)	
3404 Care for Kids (Fee Assistance Program)	(319,691.06)	0.00	0.00	(319,691.06)	(386,887.55)	67,196.49	(17)	
3425 Eva Schmidt Memorial Endowment Fund	(18,626.22)	0.00	0.00	(18,626.22)	(22,567.52)	3,941.30	(17)	
3510 Marion Roberta Smith Endowment Fund	(101,123.91)	0.00	0.00	(101,123.91)	0.00	(101,123.91)	0	
3801 Nurturing Our Future Generations	(217,802.85)	0.00	0.00	(217,802.85)	(263,494.73)	45,691.88	(17)	
3902 Aspire Fee Assistance Program Endowme	(60,649.40)	0.00	0.00	(60,649.40)	0.00	(60,649.40)	0	
3030-1 Rex Turple Education Fund	0.00	0.00	0.00	0.00	(445,928.23)	445,928.23	(100)	
3057-1 Volunteer Central Society	0.00	0.00	0.00	0.00	(32,453.83)	32,453.83	(100)	
3069-1 Central AB Human Resources Scholars	0.00	0.00	0.00	0.00	(44,521.59)	44,521.59	(100)	
3900-1 Olds & District Hospice Society Endown	(172,025.62)	0.00	0.00	(172,025.62)	(199,556.84)	27,531.22	(14)	
3901-1 Red Deer River Naturalists Endowment	(430,137.66)	0.00	0.00	(430,137.66)	(498,913.75)	68,776.09	(14)	
<b>6920.101 Designated Funds</b>	<b>(4,907,308.76)</b>	<b>0.00</b>	<b>0.00</b>	<b>(4,907,308.76)</b>	<b>(6,122,900.44)</b>	<b>1,215,591.68</b>	<b>(20)</b>	
3301 Smart & Caring Communities Fund	(2,641,500.38)	0.00	0.00	(2,641,500.38)	(3,189,333.74)	547,833.36	(17)	
3952-1 Indigenous Reconciliation Fund-Pending	(431,550.62)	0.00	0.00	(431,550.62)	(500,620.59)	69,069.97	(14)	
<b>6920.102 General Endowment</b>	<b>(3,073,051.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>(3,073,051.00)</b>	<b>(3,689,954.33)</b>	<b>616,903.33</b>	<b>(17)</b>	
3035 Red Deer Housing Initiatives Fund	(13,393.89)	0.00	0.00	(13,393.89)	(15,537.57)	2,143.68	(14)	
3057 Volunteer Central Society	(31,568.52)	0.00	0.00	(31,568.52)	0.00	(31,568.52)	0	
3401 Anita Scott Memorial Fund	(39,645.43)	0.00	0.00	(39,645.43)	(49,023.82)	9,378.39	(19)	
3402 Central AB Personal Disaster Fund	(9,684.91)	0.00	0.00	(9,684.91)	(11,233.47)	1,548.56	(14)	
3403 Conservation of Blue Birds, Swallows and	(204,604.13)	0.00	0.00	(204,604.13)	(243,148.09)	38,543.96	(16)	
3405 Leadership Development	(8,820.89)	0.00	0.00	(8,820.89)	(10,231.31)	1,410.42	(14)	
3406 Children and Families	(197,427.97)	0.00	0.00	(197,427.97)	(243,871.38)	46,443.41	(19)	
3407 Elnora Community Fund	(10,091.88)	0.00	0.00	(10,091.88)	(11,687.10)	1,595.22	(14)	
3408 Sylvan Lake Community Endowment Fund	(84,209.48)	0.00	0.00	(84,209.48)	(103,030.81)	18,821.33	(18)	
3409 Olds Institute Community Legacy Fund	(40,395.29)	0.00	0.00	(40,395.29)	(37,916.81)	(2,478.48)	7	
3410 Community Culture Fund	(8,456.89)	0.00	0.00	(8,456.89)	(10,351.34)	1,894.45	(18)	
3411 Summer Employment for Students (Ellis E	(90,405.31)	0.00	0.00	(90,405.31)	(110,891.81)	20,486.50	(18)	
3412 Phil Rauch Social Justice Fund	(10,085.84)	0.00	0.00	(10,085.84)	(11,698.55)	1,612.71	(14)	
3413 Big Valley Endowment Fund	(8,993.26)	0.00	0.00	(8,993.26)	(10,431.23)	1,437.97	(14)	
3414 Children In Care Bursary Fund	(9,876.73)	0.00	0.00	(9,876.73)	(11,455.99)	1,579.26	(14)	
3416 Stephen & Laura Laird Fund	(36,923.33)	0.00	0.00	(36,923.33)	(42,827.17)	5,903.84	(14)	
3418 Alberta Summer Games Legacy Fund	(204,154.02)	0.00	0.00	(204,154.02)	(236,797.18)	32,643.16	(14)	
3419 Women & Girls Endowment Fund	(158,159.01)	0.00	0.00	(158,159.01)	(183,332.26)	25,173.25	(14)	
3420 Innisfail Recreation Endowment Fund	(6,385.61)	0.00	0.00	(6,385.61)	(7,406.62)	1,021.01	(14)	
3421 Lacombe Community Endowment Fund	(49,558.06)	0.00	0.00	(49,558.06)	(57,482.12)	7,924.06	(14)	
3422 Sylvan Lake Extended Care Society	(69,073.06)	0.00	0.00	(69,073.06)	(82,424.71)	13,351.65	(16)	
3423 Youth In Philanthropy Endowment	(12,209.37)	0.00	0.00	(12,209.37)	(11,196.83)	(1,012.54)	9	
3480 Environmental Legacy Fund	(45,336.60)	0.00	0.00	(45,336.60)	(58,448.48)	13,111.88	(22)	
3481 Sunworks Environment Legacy Fund	(3,620.91)	0.00	0.00	(3,620.91)	(4,199.90)	578.99	(14)	
<b>6920.103 Field of Interest funds</b>	<b>(1,353,080.39)</b>	<b>0.00</b>	<b>0.00</b>	<b>(1,353,080.39)</b>	<b>(1,564,624.55)</b>	<b>211,544.16</b>	<b>(14)</b>	
3503 Bridges Community Living (formerly Piper	(97,641.43)	0.00	0.00	(97,641.43)	(821,873.81)	724,232.38	(88)	
3504 Waskasoo Museum Foundation	(168,276.45)	0.00	0.00	(168,276.45)	(195,635.04)	27,358.59	(14)	
3509 Lacombe Athletic Park (LAPA)-Managed I	(375,322.45)	0.00	0.00	(375,322.45)	(436,342.83)	61,020.38	(14)	
3510-1 Marion Roberta Smith Managed Funds	0.00	0.00	0.00	0.00	(92,148.49)	92,148.49	(100)	

**Red Deer & District Community Foundatio**

Year End: December 31, 2022

Trial Balance

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Prepared by JH 3/4/2023	In-Chrg Review	Manager Review KP 3/11/2023
Partner Review KP 3/19/2023	FSR Review	Other Review

Account	Prelim	Adj's	Reclass	Rep	Rep 12/21	Amount	Chg %	Chg %
<b>6920.104 Managed funds</b>	<b>(641,240.33)</b>	<b>0.00</b>	<b>0.00</b>	<b>(641,240.33)</b>	<b>(1,546,000.17)</b>	<b>904,759.84</b>	<b>(59)</b>	
3803 Vogelzang Fund	(11,704.36)	0.00	0.00	(11,704.36)	(14,038.10)	2,333.74	(17)	
3804 Chase Brewster Memorial Fund	(12,208.92)	0.00	0.00	(12,208.92)	(14,162.92)	1,954.00	(14)	
3805 Anderson Family Endowment	(123,561.34)	0.00	0.00	(123,561.34)	(143,337.40)	19,776.06	(14)	
3806 Smiles Thru Lindsey	(478,417.27)	0.00	0.00	(478,417.27)	(520,334.24)	41,916.97	(8)	
3807 Jennifer Polyester Foundation	(61,776.80)	0.00	0.00	(61,776.80)	(72,163.43)	10,386.63	(14)	
3808 Rhonda Elder Endowment Fund	(54,780.89)	0.00	0.00	(54,780.89)	(63,548.59)	8,767.70	(14)	
3810 Jake Saufert Memorial Fund	(7,799.41)	0.00	0.00	(7,799.41)	0.00	(7,799.41)	0	
<b>6920.105 Donor Advised funds</b>	<b>(750,248.99)</b>	<b>0.00</b>	<b>0.00</b>	<b>(750,248.99)</b>	<b>(827,584.68)</b>	<b>77,335.69</b>	<b>(9)</b>	
3602 London Community FDN FT	(5,757.10)	0.00	0.00	(5,757.10)	(5,853.34)	96.24	(2)	
3603 ED. Discretionary FT	(455.82)	0.00	0.00	(455.82)	(463.44)	7.62	(2)	
3607 Rex Turple Memorial Flow Through	(13.35)	0.00	0.00	(13.35)	(13.59)	0.24	(2)	
3613 General Flow Through Fund	(2,258.41)	0.00	0.00	(2,258.41)	(6.93)	(2,251.48)	2489	
3620 Jennifer Polyester FT	(82.71)	0.00	0.00	(82.71)	(87.15)	4.44	(5)	
3624 City of Red Deer - Tennis Club FT	(716.36)	0.00	0.00	(716.36)	(728.29)	11.93	(2)	
3628 True Line FT	(3,794.47)	0.00	0.00	(3,794.47)	(3,857.89)	63.42	(2)	
3629 Echo Lacombe Flow Thru	(4,999.56)	0.00	0.00	(4,999.56)	(5,083.11)	83.55	(2)	
3630 Daughters of Wisdom FT	(13,215.89)	0.00	0.00	(13,215.89)	(13,436.72)	220.83	(2)	
3631 Vogelzang FT Fund	(1,564.22)	0.00	0.00	(1,564.22)	(2,393.67)	829.45	(35)	
3633 Lacombe Athl Park Assoc (LAPA) FT	17.97	0.00	0.00	17.97	(6,615.20)	6,633.17	(100)	
3634 Sylvan Lake Lighthouse FT	(0.58)	0.00	0.00	(0.58)	(0.58)	0.00	0	
3635 A. Bernard and Mary Dixon FT	(4.02)	0.00	0.00	(4.02)	(4.14)	0.12	(3)	
3636 Rotary Career Opportunity FT	(7,633.68)	0.00	0.00	(7,633.68)	(7,761.23)	127.55	(2)	
3637 Don Church Scholarship FT	(1,979.57)	0.00	0.00	(1,979.57)	(6,035.33)	4,055.76	(67)	
3641 Central AB Human Resources Scholarshij	(34.17)	0.00	0.00	(34.17)	(34.65)	0.48	(1)	
3642 Soroptimist International of Central AB F	(526.78)	0.00	0.00	(526.78)	(535.59)	8.81	(2)	
3644 Benalto Booster FT	(627.91)	0.00	0.00	(627.91)	(638.38)	10.47	(2)	
3645 A Better World Canada FT	(65.45)	0.00	0.00	(65.45)	(10,062.32)	9,996.87	(99)	
3647 Fort MacMurray Rebuilding Ft	(1,070.17)	0.00	0.00	(1,070.17)	(1,088.05)	17.88	(2)	
3649 Jason Stephan FT	(2,249.62)	0.00	0.00	(2,249.62)	(2,287.22)	37.60	(2)	
3650 Smiles Thru Lindsey FT	(15,732.44)	0.00	0.00	(15,732.44)	(38,834.72)	23,102.28	(59)	
3651 Portraits of Honour FT	(33,301.39)	0.00	0.00	(33,301.39)	(45,891.35)	12,589.96	(27)	
3652 Youth In Philanthropy Program - FT	(4,237.31)	0.00	0.00	(4,237.31)	(5,076.91)	839.60	(17)	
3653 MNP FT Fund	(308,450.15)	0.00	0.00	(308,450.15)	(212,661.84)	(95,788.31)	45	
3654 Didsbury Skatepark Society FT	(246.16)	0.00	0.00	(246.16)	(250.24)	4.08	(2)	
3655 Trey Purdie - FT Fund	(2.64)	0.00	0.00	(2.64)	(2.64)	0.00	0	
3656 Echo Lacombe-Lacombe Performing Arts	(32,317.90)	0.00	0.00	(32,317.90)	(29,462.53)	(2,855.37)	10	
3657 Echo Lacombe - Bill Nielsen Trail Society	(1,469.04)	0.00	0.00	(1,469.04)	(1,445.00)	(24.04)	2	
3661 Together Initiative FT Fund	(15,805.20)	0.00	0.00	(15,805.20)	(13,534.56)	(2,270.64)	17	
3663 Covid-19 Community FT Fund	(318.27)	0.00	0.00	(318.27)	(11,515.85)	11,197.58	(97)	
3664 Broom Tree Foundation FT	(45,140.44)	0.00	0.00	(45,140.44)	(83,768.40)	38,627.96	(46)	
3669 Team Jigger Flow Through	(1,242.92)	0.00	0.00	(1,242.92)	(263.66)	(979.26)	371	
3700 100 Men-Red Deer FT Fund	(5,399.65)	0.00	0.00	(5,399.65)	0.00	(5,399.65)	0	
3701 100 Women-Red Deer FT	(1,557.71)	0.00	0.00	(1,557.71)	(1,704.00)	146.29	(9)	
3702 100 Women-Sylvan Lake FT	(100.00)	0.00	0.00	(100.00)	0.00	(100.00)	0	
3703 Fund For Gender Equality-FT	(3,362.03)	0.00	0.00	(3,362.03)	(3,418.20)	56.17	(2)	
<b>6920.106 Flow Through funds</b>	<b>(515,715.12)</b>	<b>0.00</b>	<b>0.00</b>	<b>(515,715.12)</b>	<b>(514,816.72)</b>	<b>(898.40)</b>	<b>0</b>	

# Red Deer & District Community Foundatio

Year End: December 31, 2022

Trial Balance

8000-4

Prepared by JH 3/4/2023	In-Chrg Review	Manager Review KP 3/11/2023
Partner Review KP 3/19/2023	FSR Review	Other Review

Account	Prelim	Adj's	Reclass	Rep	Rep 12/21	Amount	Chg	%Chg
3101 RDDCF Operating Endowment Fund	(1,624,516.34)	0.00	0.00	(1,624,516.34)	(1,911,387.73)	286,871.39	(15)	
3102 Director's & Staff Operating Fund	(6,603.94)	0.00	0.00	(6,603.94)	(7,660.88)	1,056.94	(14)	
3345 Prosperous Futures Fund	(4,639.09)	0.00	0.00	(4,639.09)	(5,381.57)	742.48	(14)	
3415 Canada In The World Fund	(9,301.27)	0.00	0.00	(9,301.27)	(10,788.51)	1,487.24	(14)	
<b>6920.107 Operating endowment fund</b>	<b>(1,645,060.64)</b>	<b>0.00</b>	<b>0.00</b>	<b>(1,645,060.64)</b>	<b>(1,935,218.69)</b>	<b>290,158.05</b>	<b>(15)</b>	
3030 Rex Turtle Education Fund	(377,257.62)	0.00	0.00	(377,257.62)	0.00	(377,257.62)	0	
3036 Rotary Career Opp. Awards Fund	(834,809.45)	0.00	0.00	(834,809.45)	(993,278.94)	158,469.49	(16)	
3062 A. Bernard and Mary Dixon Memorial Sch	(51,829.69)	0.00	0.00	(51,829.69)	(60,987.54)	9,157.85	(15)	
3063 Ford Family Scholarship Fund	(1,199,809.39)	0.00	0.00	(1,199,809.39)	(1,420,715.81)	220,906.42	(16)	
3069 Central AB Human Resources Scholarshij	(37,397.77)	0.00	0.00	(37,397.77)	0.00	(37,397.77)	0	
3809 Trey Purdie - Endowment Fund	(97,145.29)	0.00	0.00	(97,145.29)	(106,877.72)	9,732.43	(9)	
3811 Murray Family Endowment Fund	(91,322.98)	0.00	0.00	(91,322.98)	(111,536.31)	20,213.33	(18)	
3812 Red Deer Golf & Country Club Endowmer	(5,126.64)	0.00	0.00	(5,126.64)	0.00	(5,126.64)	0	
3815 Brady van der Heide Citizenship Fund	(27,986.69)	0.00	0.00	(27,986.69)	(28,655.95)	669.26	(2)	
3816 William Bower Memorial Scholarship	(834,997.53)	0.00	0.00	(834,997.53)	(997,517.56)	162,520.03	(16)	
<b>6920.108 Scholarship funds</b>	<b>(3,557,683.05)</b>	<b>0.00</b>	<b>0.00</b>	<b>(3,557,683.05)</b>	<b>(3,719,569.83)</b>	<b>161,886.78</b>	<b>(4)</b>	
3900 1 - Operations	(302,558.76)	(1,000.00)	0.00	(303,558.76)	(149,531.33)	(154,027.43)	103	
3910 4 - Women of Excellence - Accounting	(135,553.34)	0.00	0.00	(135,553.34)	(135,553.34)	0.00	0	
<b>6920.400 Retained earnings</b>	<b>(438,112.10)</b>	<b>(1,000.00)</b>	<b>0.00</b>	<b>(439,112.10)</b>	<b>(285,084.67)</b>	<b>(154,027.43)</b>	<b>54</b>	
4201 Grants - Revenue received by RDDCF	(4,712.00)	0.00	0.00	(4,712.00)	0.00	(4,712.00)	0	
4601 Uncategorized Income	0.00	1,000.00	0.00	1,000.00	(1,000.00)	2,000.00	(200)	
4602 Honorarium Revenue	(13,500.00)	(180,000.00)	0.00	(193,500.00)	(27,287.50)	(166,212.50)	609	
<b>7000 Honorariums and grants</b>	<b>(18,212.00)</b>	<b>(179,000.00)</b>	<b>0.00</b>	<b>(197,212.00)</b>	<b>(28,287.50)</b>	<b>(168,924.50)</b>	<b>597</b>	
4655 Amort of Deferred Capital Grant	0.00	0.00	0.00	0.00	(3,681.85)	3,681.85	(100)	
<b>7000.100 Amort of deferred capital grant an</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(3,681.85)</b>	<b>3,681.85</b>	<b>(100)</b>	
4211 Operating Endowment Fund Revenue	(52,000.00)	0.00	0.00	(52,000.00)	(106,160.28)	54,160.28	(51)	
<b>7000.150 Operating Endowmment Fund</b>	<b>(52,000.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>(52,000.00)</b>	<b>(106,160.28)</b>	<b>54,160.28</b>	<b>(51)</b>	
4226 Administration Fees Revenue	(222,747.31)	0.00	0.00	(222,747.31)	(226,466.89)	3,719.58	(2)	
4227 Admin Fees Allocated To RDDCF Operati	(18,067.59)	0.00	0.00	(18,067.59)	(18,345.54)	277.95	(2)	
<b>7000.200. 1 Admin Fees</b>	<b>(240,814.90)</b>	<b>0.00</b>	<b>0.00</b>	<b>(240,814.90)</b>	<b>(244,812.43)</b>	<b>3,997.53</b>	<b>(2)</b>	
4101 Interest - Bank-Operations	(3,900.87)	0.00	0.00	(3,900.87)	0.00	(3,900.87)	0	
<b>7000.300 Interest Income</b>	<b>(3,900.87)</b>	<b>0.00</b>	<b>0.00</b>	<b>(3,900.87)</b>	<b>0.00</b>	<b>(3,900.87)</b>	<b>0</b>	
4210 Donated Revenue - Operations	(10,023.42)	0.00	0.00	(10,023.42)	0.00	(10,023.42)	0	
<b>7000.700 Donations and Sponsorships</b>	<b>(10,023.42)</b>	<b>0.00</b>	<b>0.00</b>	<b>(10,023.42)</b>	<b>0.00</b>	<b>(10,023.42)</b>	<b>0</b>	
5215 Advertising - Foundation	11,744.79	(10,000.00)	0.00	1,744.79	3,574.44	(1,829.65)	(51)	
5216 Public Relations	1,378.00	0.00	0.00	1,378.00	1,216.78	161.22	13	
5215-1 Advertising - Foundation Vital Signs	2,000.00	0.00	0.00	2,000.00	0.00	2,000.00	0	
5215-2 Advertising-Foundation Processing Fee.	1,485.57	0.00	0.00	1,485.57	0.00	1,485.57	0	
<b>7200.101 Advertising and promotion</b>	<b>16,608.36</b>	<b>(10,000.00)</b>	<b>0.00</b>	<b>6,608.36</b>	<b>4,791.22</b>	<b>1,817.14</b>	<b>38</b>	
5225 Amortization - Leasehold Expenses	0.00	6,691.79	0.00	6,691.79	3,979.30	2,712.49	68	



**Red Deer & District Community Foundatio**

Year End: December 31, 2022

Trial Balance

8000-5

Prepared by JH 3/4/2023	In-Chrg Review	Manager Review KP 3/11/2023
Partner Review KP 3/19/2023	FSR Review	Other Review

Account	Prelim	Adj's	Reclass	Rep	Rep 12/21	Amount	Chg %	Chg %
<b>7200.102 Amortization on Tangible assets</b>	<b>0.00</b>	<b>6,691.79</b>	<b>0.00</b>	<b>6,691.79</b>	<b>3,979.30</b>	<b>2,712.49</b>	<b>68</b>	
5260 Insurance - non-employee related	2,941.00	0.00	0.00	2,941.00	2,941.00	0.00	0	
<b>7200.103 Insurance</b>	<b>2,941.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,941.00</b>	<b>2,941.00</b>	<b>0.00</b>	<b>0</b>	
5270 Interest & Bank Charges	431.36	0.00	0.00	431.36	730.25	(298.89)	(41)	
9001 Payment Processing/Credit Card Fee Exp	512.60	0.00	0.00	512.60	0.00	512.60	0	
<b>7200.104 Interest and bank charges</b>	<b>943.96</b>	<b>0.00</b>	<b>0.00</b>	<b>943.96</b>	<b>730.25</b>	<b>213.71</b>	<b>29</b>	
5280 Membership & Dues	5,380.02	0.00	0.00	5,380.02	5,247.71	132.31	3	
<b>7200.106 Memberships and licences</b>	<b>5,380.02</b>	<b>0.00</b>	<b>0.00</b>	<b>5,380.02</b>	<b>5,247.71</b>	<b>132.31</b>	<b>3</b>	
5250 Equipment rental	1,370.45	0.00	0.00	1,370.45	233.11	1,137.34	488	
5285 Office Supplies	1,346.99	0.00	0.00	1,346.99	2,456.23	(1,109.24)	(45)	
5286 Postage & shipping	478.97	0.00	0.00	478.97	311.55	167.42	54	
5287 Printing & copying	1,919.50	0.00	0.00	1,919.50	861.72	1,057.78	123	
5288 Meals Per Diem	115.45	0.00	0.00	115.45	0.00	115.45	0	
5295 Telephone & telecommunications	3,250.61	0.00	0.00	3,250.61	3,179.53	71.08	2	
5298 Travel	997.31	0.00	0.00	997.31	117.11	880.20	752	
5299 Website & Technology Expense	900.25	0.00	0.00	900.25	1,414.85	(514.60)	(36)	
5750 Office Equipment Rental	336.96	0.00	0.00	336.96	1,605.71	(1,268.75)	(79)	
5865 IRP Expense	500.00	0.00	0.00	500.00	0.00	500.00	0	
5868 Accounting Software Expense	22,554.17	0.00	0.00	22,554.17	13,186.67	9,367.50	71	
5869 Vital Signs Program Expense	1,811.88	0.00	0.00	1,811.88	0.00	1,811.88	0	
<b>7200.107 Office expenses</b>	<b>35,582.54</b>	<b>0.00</b>	<b>0.00</b>	<b>35,582.54</b>	<b>23,366.48</b>	<b>12,216.06</b>	<b>52</b>	
5210 Accounting & Legal	35,641.67	0.00	0.00	35,641.67	31,922.42	3,719.25	12	
<b>7200.108 Professional fees</b>	<b>35,641.67</b>	<b>0.00</b>	<b>0.00</b>	<b>35,641.67</b>	<b>31,922.42</b>	<b>3,719.25</b>	<b>12</b>	
5770 Rent	21,465.84	0.00	0.00	21,465.84	21,465.84	0.00	0	
5772 Rent - Parking	615.00	0.00	0.00	615.00	615.00	0.00	0	
5775 Rent - Cleaning	0.00	0.00	0.00	0.00	43.95	(43.95)	(100)	
<b>7200.110 Rent</b>	<b>22,080.84</b>	<b>0.00</b>	<b>0.00</b>	<b>22,080.84</b>	<b>22,124.79</b>	<b>(43.95)</b>	<b>0</b>	
5867 Review Committee Honorarium Expense	0.00	10,000.00	0.00	10,000.00	556.99	9,443.01	1695	
5874 Grant paid	0.00	10,000.00	0.00	10,000.00	0.00	10,000.00	0	
<b>7200.115 Grant paid</b>	<b>0.00</b>	<b>20,000.00</b>	<b>0.00</b>	<b>20,000.00</b>	<b>556.99</b>	<b>19,443.01</b>	<b>3491</b>	
5240 Board Development	0.00	0.00	0.00	0.00	13,301.42	(13,301.42)	(100)	
5241 Board meeting Expenses	658.42	0.00	0.00	658.42	124.03	534.39	431	
5245 CEO Expense Account	0.00	0.00	0.00	0.00	92.44	(92.44)	(100)	
5275 Meeting Expense - other	330.14	0.00	0.00	330.14	205.00	125.14	61	
5290 Staff Profession Development	65.00	0.00	0.00	65.00	200.60	(135.60)	(68)	
<b>7200.121 Conference &amp; Meetings</b>	<b>1,053.56</b>	<b>0.00</b>	<b>0.00</b>	<b>1,053.56</b>	<b>13,923.49</b>	<b>(12,869.93)</b>	<b>(92)</b>	
7000 Salaries & Wages	146,210.36	0.00	0.00	146,210.36	107,543.00	38,667.36	36	
7001 Salary & Wages - EI Employer Portion	2,671.40	0.00	0.00	2,671.40	2,077.88	593.52	29	
7002 Salary & Wages - CPP Employer Portion	6,528.56	0.00	0.00	6,528.56	5,224.05	1,304.51	25	
7004 Salary & Wages - Benefits	130.43	0.00	0.00	130.43	804.90	(674.47)	(84)	
7005 Payroll Service Processing Expense	754.63	0.00	0.00	754.63	0.00	754.63	0	

**Red Deer & District Community Foundatio**

**8000-6**

Year End: December 31, 2022

Trial Balance

Prepared by JH 3/4/2023	In-Chrg Review	Manager Review KP 3/11/2023
Partner Review KP 3/19/2023	FSR Review	Other Review

Account	Prelim	Adj's	Reclass	Rep	Rep 12/21	Amount Chg	%Chg
7300.200 Payroll Expenses	156,295.38	0.00	0.00	156,295.38	115,649.83	40,645.55	35
9500 Gain/loss on disposal of assets	0.00	0.00	0.00	0.00	3,681.15	(3,681.15)	(100)
<b>7410.400</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,681.15</b>	<b>(3,681.15)</b>	<b>(100)</b>
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0</u>
Net Income (Loss)	48,423.86			210,732.07	154,027.43	56,704.64	37



**Red Deer & District Community Foundation**

8010

Year End: December 31, 2022

Journal Entries: Adjusting

Date: 1/1/2022 To 12/31/2022

Prepared by JH 3/4/2023	In-Chrg Review	Manager Review KP 3/11/2023
Partner Review KP 3/19/2023	FSR Review	Other Review

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
A1	12/31/2022	1 - Operations	3900	ACCT 3900		1,000.00		
A1	12/31/2022	Uncategorized Income	4601	ACCT 3900	1,000.00			
		To reconcile opening retained earnings.						Factual
A2	12/31/2022	Computer Hardware - Accum Amort	1302	5501		423.59		
A2	12/31/2022	Computer Software - Accum Amort	1304	5501		6,268.20		
A2	12/31/2022	Amortization - Leasehold Expenses	5225	5501	6,691.79			
		To record current year amortization.						Factual
A3	12/31/2022	Deferred Operating Revenue	2301	ACCT 2301	180,000.00			
A3	12/31/2022	Honorarium Revenue	4602	ACCT 2301		180,000.00		
		To adjust deferred revenue to actual.						Factual
A4	12/31/2022	Accounts Payable - Year End	2020	ACCT 2020		10,000.00		
A4	12/31/2022	Review Committee Honorarium Expense	5867	ACCT 2020	10,000.00			
		To record accruals to actual.						Factual
R1	12/31/2022	Advertising - Foundation	5215	ACCT 5874		10,000.00		
R1	12/31/2022	Grant paid	5874	ACCT 5874	10,000.00			
		To reclassify grant paid.						
					<b>207,691.79</b>	<b>207,691.79</b>		
<b>Net Income (Loss)</b>			<b>210,732.07</b>					



# Red Deer & District Community Foundation

Audit Findings Report  
For the Year Ended December 31, 2022



May 17, 2023

The Board of Directors  
Red Deer & District Community Foundation  
Suite 503, 4901 - 48 Street  
Red Deer, AB  
T4N 6M4

**RSM Canada LLP**

546 Laura Avenue  
Red Deer County, AB T4E 0A5

T: +1 (403) 342 5541

F: +1 (403) 347 3766

[www.rsmcanada.com](http://www.rsmcanada.com)

Dear Sir/Madam:

**Re: Audit of the financial statements of Red Deer & District Community Foundation**

This report summarizes certain key audit findings and responses to assessed audit risks which we believe to be of interest to assist the Board of Directors in discharging their responsibilities in connection with the audited financial statements of Red Deer & District Community Foundation (the "Foundation") for the year ended December 31, 2022.

We would like to express our appreciation for the cooperation we received from the officers and employees of the Foundation with whom we worked during our audit. We look forward to meeting with the Board of Directors to discuss the content of this report and answering any questions you may have.

Yours very truly,

*RSM Canada LLP*

per: Kris Poulsen, Partner

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## STATUS OF THE AUDIT

We have substantially completed our audit of the financial statements of the Foundation for the year ended December 31, 2022.

### Outstanding items

The following items require completion prior to issuing our auditor's report:

- receipt of management representation letter (Appendix C);
- subsequent events review to audit report date;
- approval of the financial statements by the Board of Directors.

### Draft independent auditor's report

Our draft independent auditor's report is attached (Appendix B).

## SIGNIFICANT AUDIT FINDINGS

### Materiality

Final overall materiality was \$406,000 based on net assets. This was not changed from planning materiality as communicated in our Audit Services Plan.

### Accounting policies

Management is responsible for selecting and applying appropriate accounting policies. The Board of Directors is responsible to review accounting policies adopted by the Foundation and where alternative policies are available, determine the most appropriate policies to be adopted in the circumstances. If the Board of Directors believes that the adoption of or change in accounting policies may produce inappropriate or misleading financial reporting, this concern must be discussed with management and us.

Our views on the qualitative aspects of accounting practices used in the Foundation's financial reporting are intended to assist the Board of Directors in its review of the financial statements. Policies affecting the understandability, relevance, reliability and comparability of the financial statements are:

Changes in significant accounting policies, including adoption of new standards.	There were no new accounting policies adopted or changes to the application of accounting policies of the Foundation during the year.
Accounting policies unique to the industry, or relate to controversial or emerging areas.	No significant items to report.

Existence of alternative policies and methods.	No significant items to report.
Effect of timing of occurrence and recognition of transactions relating to when accounting policies are adopted.	No significant items to report.

## Conclusion

We reviewed the significant accounting policies selected and applied by management and in our judgment we believe that the accounting policies are, in all material respects, acceptable under Canadian accounting standards for not-for-profit organizations and are appropriate to the particular circumstances of the Foundation.

## Significant risk

The following is a summary of key issues and significant risks of material misstatement, whether due to fraud or error.

### Issue/Risk Area - Management override of controls

#### Issue/Risk Area

Management override of controls is, by definition, a significant risk

#### Our Response

During the course of our audit, we designed and performed audit procedures to respond to the risks of management override of controls. Our procedures included assessing appropriateness of general journal entries and other adjustments on a test basis, reviewing accounting estimates for biases and evaluating business rationale for transactions outside the normal course of business. These procedures did not reveal any evidence of management override of controls and, as such, no additional audit procedures were performed.

### Issue/Risk Area - Revenue recognition

#### Issue/Risk Area

Auditing standards assume a rebuttal presumption that there is a significant risk of fraud in revenue recognition in all entities.

#### Our Response

To address the risk, we tested a sample of revenue transaction and vouched them to supporting documentation to ensure they have occurred and are appropriately recorded.

## **Conclusion**

We reviewed all significant accounting estimates and agree that they are, in all material respects, free from possible management bias and of material misstatement. The audit procedures performed in the areas noted above were consistent with those set out in our Audit Services Plan. The accounting treatment of the items noted above and related disclosures are appropriate and in accordance with Canadian accounting standards for not-for-profit organizations. We were able to obtain sufficient appropriate audit evidence to reduce the risk of material misstatement in the financial statements to an appropriate low level.

## **MISSTATEMENTS AND ADJUSTMENTS**

### **Adjustments**

During our audit, we identified accounting differences that required adjustment. These differences were adjusted by management after discussion with us (Appendix D).

### **Misstatements**

During our audit, we did not identify any uncorrected financial statement misstatements.

## Appendix A

### Other required communication

Area	Comment
Independence	<p>CAS 260, Communication with Those Charged with Governance, requires communications in relation to any matters or relationships which we believe may have a bearing on RSM's independence or the objectivity of the audit engagement team. We have considered whether there are any independence matters or relationships that could have a bearing on the question of our independence. We confirm that, in our professional judgement, RSM is independent within the meaning of regulatory and professional requirements and the objectivity of the audit team is not impaired.</p>
Illegal Acts, Fraud, Intentional Misstatements and Errors	<p>Testing during our audit did not reveal any illegal, improper or questionable payments or acts, nor any acts committed with the intent to deceive, involving either misappropriation of assets or misrepresentation of financial information.</p>
Related Party Transactions	<p>We conducted tests and procedures to identify related parties and transactions. Our audit did not reveal any related parties or significant related party transactions that were not disclosed to us by management, nor did it reveal any significant related party transactions which give rise to suspected fraud. There has been no disagreement between management and ourselves regarding the accounting for and disclosure of related party transactions.</p>
Deficiencies in Internal Controls	<p>A financial statement audit is not designed to provide assurance on internal controls and we have not presented an opinion on internal controls over financial reporting. However, during our audit, we identified the following significant deficiencies:</p> <ul style="list-style-type: none"><li data-bbox="553 1312 846 1339">• Segregation of Duties</li></ul> <p>The Foundation has a limited number of individuals performing accounting and control functions in addition to having access to Foundation assets.</p> <p>While lack of segregation of duties is common in entities of similar size, we recommend that whenever practical, duties be segregated to help ensure that errors or misappropriations are prevented or detected by management to safeguard Foundation assets.</p> <p>Where segregation is not practical or cost effective, senior management should continue to supervise these duties and follow up on any significant or unusual transactions. The Board of Directors should also continue to act in an oversight role, especially in areas where segregation was not able to occur.</p>




## Appendix A

### Other required communication (cont'd)

Area	Comment
	<ul style="list-style-type: none"><li>• <b>Information Technology</b>  It was noted during the course of the audit that there are some areas related to information technology security and control that should be reviewed. These areas include requirements for staff to regularly change computer passwords, requirements to update anti-virus software, a data corruption policy, and a formal IT emergency plan. These are areas that could leave the Foundation at a higher risk of data theft, corruption and loss of data and information in the event of IT failure or a cyber security breach.  We recommend a review of IT policies to ensure appropriate security of information and assets.</li></ul>
	<hr/> <p>During our audit, we also identified the following deficiencies in internal controls which are not considered significant:</p> <hr/>
	<ul style="list-style-type: none"><li>• <i>Cash Donations</i>  It was noted during the course of the audit that the Foundation does not retain documentations from the recipients for all cash donations received at events. The risk is that the incorrect recipient will receive a donation receipt or a receipt will not be sent. We recommend retaining the information provided from the donors.  Management has begun scanning copies of envelopes into the software program to ensure a record received directly from the fund event organizers are maintained.</li></ul>
	<ul style="list-style-type: none"><li>• <i>Preservation of Capital</i>  It was noted during the course of the audit that the current year income allocations and the proration amounts are not always pulling the correct information from the appropriate funds on the corresponding calculation tabs. The risk is that the incorrect preservation of capital is being calculated and the information cannot be relied upon. We recommend that the preservation of capital document be reviewed by a second individual to ensure all calculations are pulling in the information for the correct fund.  Management corrected the errors specifically identified in the current year preservation of capital document.</li></ul>
	<ul style="list-style-type: none"><li>• <i>Payroll review</i>  It was identified that payroll reports are not reviewed prior to submission when temporary hourly employees are employed. The risk is that employees are paid incorrect amounts.  We recommend review of payroll reports prior to submission when there are hourly staff employed.</li></ul>

## Appendix A

### Other required communication (cont'd)



Area	Comment
Disagreements with Management	During our audit, we did not have any significant disagreements with management.
Consultations with Other Accountants	We are not aware of any consultations that have taken place with other accountants.
Cooperation of Management	We received full cooperation of management and other personnel during our audit and we had full and unrestricted access to all records and personnel required to complete our audit. We encountered no significant difficulties during our audit that should be brought to the attention of the Board of Directors.

**Appendix B**

Draft independent auditor's report



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## INDEPENDENT AUDITOR'S REPORT

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### To the Board of Directors of Red Deer & District Community Foundation

#### *Opinion*

We have audited the financial statements of Red Deer & District Community Foundation ("Foundation"), which comprise the statement of financial position as at December 31, 2022, and the statements of changes in fund balances, general operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### *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 the financial statements in accordance with Canadian Generally Accepted Auditing 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 the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to 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 but 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

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## INDEPENDENT AUDITOR'S REPORT, continued

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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. 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.

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## INDEPENDENT AUDITOR'S REPORT, continued

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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.

Red Deer County, Alberta

Chartered Professional Accountants

*PRELIMINARY DRAFT  
— Subject to Change —  
Not to be Reproduced*

**Appendix C**

Management representation letter



# Red Deer & District Community Foundation

Suite 503, 4901 - 48 Street  
Red Deer, AB  
T4N 6M4

May 17, 2023

RSM Canada LLP  
Chartered Professional Accountants  
546 Laura Avenue  
Red Deer, Alberta  
T4E 0A5

Dear Madam:

We are providing this letter in connection with your audit of the financial statements of Red Deer & District Community Foundation (the "Foundation") as at December 31, 2022 and for the year then ended, for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of Red Deer & District Community Foundation in accordance with Canadian accounting standards for not-for-profit organizations.

We acknowledge that we are responsible for the fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for the design and implementation of internal control to prevent and detect fraud and error. We have assessed the risk that the financial statements may be materially misstated as a result of fraud, and have determined such risk to be low. Further, we acknowledge that your examination was planned and conducted in accordance with Canadian generally accepted auditing standards so as to enable you to express an opinion on the financial statements. We understand that while your work includes an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, it is not designed to identify, nor can it necessarily be expected to disclose fraud, shortages, errors and other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

We confirm, to the best of our knowledge and belief, as of May 17, 2023, the following representations were made to you during your audit.

## Financial statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated December 9, 2022, for the preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations; in particular, the financial statements are fairly presented in accordance therewith.
2. The Foundation's significant accounting policies are disclosed in the financial statements and:
  - (a) there have been no changes in the Foundation's accounting policies.
  - (b) the accounting policies selected and applied are appropriate in the circumstances.
  - (c) significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.
3. Significant matters have not arisen that would require a restatement of the comparative financial statements.



## **Completeness of information**

4. We have provided you with:
  - access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
  - additional information that you have requested from us for the purpose of this audit;
  - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence; and
  - all minutes of the meetings of shareholders, directors and committees of directors, or summaries of recent meetings for which minutes have not yet been prepared.
5. All transactions have been recorded in the accounting records and are reflected in the financial statements.
6. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory agencies, applicable securities commissions or governmental authorities, including their financial reporting requirements.
7. We are unaware of any instances of non-compliance or suspected non-compliance with laws or regulations the effects of which should be considered when preparing financial statements.
8. We have identified to you all known related parties and all known related party relationships and transactions, including guarantees, non-monetary transactions and transactions for no consideration.
9. We have communicated to you all deficiencies in internal control of which management is aware.

## **Fraud and error**

10. We have no knowledge of fraud or suspected fraud affecting the Foundation involving management; employees who have significant roles in internal control; or others, where the fraud could have a non-trivial effect on the financial statements.
11. We have no knowledge of any allegations of fraud or suspected fraud affecting the Foundation's financial statements communicated by employees, former employees, analysts, regulators or others.
12. We believe there were no non-trivial uncorrected financial statement misstatements aggregated by you during the year, both individually and in the aggregate, to the financial statements taken as a whole.

## **Recognition, measurement and disclosure**

13. We believe that the significant assumptions used in arriving at the fair values of financial instruments as measured and disclosed in the financial statements are reasonable and appropriate in the circumstances.
14. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
15. All related party relationships and transactions have been appropriately measured and disclosed in the financial statements.
16. We are not aware of any environmental laws or regulations that impact our Foundation.
17. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.

18. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel. Any such items have been accounted for and disclosed in accordance with Canadian accounting standards for not-for-profit organizations.
19. We confirm that there are no derivative or off-balance sheet financial instruments held at the year then ended.
20. All liabilities, both actual and contingent, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
21. The Foundation has satisfactory title to, or control over, all assets, and there are no liens or encumbrances on the Foundation's assets or assets pledged as collateral that are not disclosed in the notes to the financial statements.
22. We have disclosed to you, and the Foundation has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
23. There have been no events subsequent to the balance sheet date up to the date hereof that would require recognition or disclosure in the financial statements other than that disclosed in the notes to the financial statements.
24. The terms of your engagement, as set out in your letter to us dated December 9, 2022, are still in effect and we agree with the terms as set out.

**Journal entry approval**

25. We confirm our approval of and acknowledge responsibility for the journal entries listed in the accompanying schedule.

Yours very truly,

---

Erin Peden, Executive Director

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Stacey Poier, Treasurer

KP/

**Red Deer & District Community Foundation**

Year End: December 31, 2022

Journal Entries: Adjusting

Date: 1/1/2022 To 12/31/2022

8010

Prepared by JH 3/4/2023	In-Chrg Review	Manager Review KP 3/11/2023
Partner Review KP 3/19/2023	FSR Review	Other Review

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
A1	12/31/2022	1 - Operations	3900	ACCT 3900		1,000.00		
A1	12/31/2022	Uncategorized Income	4601	ACCT 3900	1,000.00			
		To reconcile opening retained earnings.						Factual
A2	12/31/2022	Computer Hardware - Accum Amort	1302	5501		423.59		
A2	12/31/2022	Computer Software - Accum Amort	1304	5501		6,268.20		
A2	12/31/2022	Amortization - Leasehold Expenses	5225	5501	6,691.79			
		To record current year amortization.						Factual
A3	12/31/2022	Deferred Operating Revenue	2301	ACCT 2301	180,000.00			
A3	12/31/2022	Honorarium Revenue	4602	ACCT 2301		180,000.00		
		To adjust deferred revenue to actual.						Factual
A4	12/31/2022	Accounts Payable - Year End	2020	ACCT 2020		10,000.00		
A4	12/31/2022	Review Committee Honorarium Expense	5867	ACCT 2020	10,000.00			
		To record accruals to actual.						Factual
R1	12/31/2022	Advertising - Foundation	5215	ACCT 5874		10,000.00		
R1	12/31/2022	Grant paid	5874	ACCT 5874	10,000.00			
		To reclassify grant paid.						
					<b>207,691.79</b>	<b>207,691.79</b>		
<b>Net Income (Loss)</b>			<b>210,732.07</b>					

# Appendix D

## Summary of adjustments



**Red Deer & District Community Foundation**

Year End: December 31, 2022

Journal Entries: Adjusting

Date: 1/1/2022 To 12/31/2022

8010

Prepared by JH 3/4/2023	In-Chrg Review	Manager Review KP 3/11/2023
Partner Review KP 3/19/2023	FSR Review	Other Review

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
A1	12/31/2022	1 - Operations	3900	ACCT 3900		1,000.00		
A1	12/31/2022	Uncategorized Income	4601	ACCT 3900	1,000.00			
		To reconcile opening retained earnings.						Factual
A2	12/31/2022	Computer Hardware - Accum Amort	1302	5501		423.59		
A2	12/31/2022	Computer Software - Accum Amort	1304	5501		6,268.20		
A2	12/31/2022	Amortization - Leasehold Expenses	5225	5501	6,691.79			
		To record current year amortization.						Factual
A3	12/31/2022	Deferred Operating Revenue	2301	ACCT 2301	180,000.00			
A3	12/31/2022	Honorarium Revenue	4602	ACCT 2301		180,000.00		
		To adjust deferred revenue to actual.						Factual
A4	12/31/2022	Accounts Payable - Year End	2020	ACCT 2020		10,000.00		
A4	12/31/2022	Review Committee Honorarium Expense	5867	ACCT 2020	10,000.00			
		To record accruals to actual.						Factual
R1	12/31/2022	Advertising - Foundation	5215	ACCT 5874		10,000.00		
R1	12/31/2022	Grant paid	5874	ACCT 5874	10,000.00			
		To reclassify grant paid.						
					<b>207,691.79</b>	<b>207,691.79</b>		
<b>Net Income (Loss)</b>			<b>210,732.07</b>					

## Appendix E

### 2022 Industry Trends and Hot Topics

Below is a summary of what we are hearing and seeing in the nonprofit industry:

Trend/ hot topic	Description	Suggested reading/webcasts
Inflation	Nonprofits are faced with significant cost increases and a lack of ability to increase funding, all while dealing with stakeholders who also are responding to increased costs. Nonprofits will need to rethink budgets, plan for salary increases to retain employees and prioritize spending.	<ul style="list-style-type: none"><li>• The Real Economy, Canada edition (February 2022) <a href="https://tinyurl.com/j6ch99fn">https://tinyurl.com/j6ch99fn</a></li><li>• Our economic outlook for Canada – Continued recovery but challenges remain <a href="https://tinyurl.com/37ennr6p">https://tinyurl.com/37ennr6p</a></li><li>• Forced to do more with less – The impact of inflation on charities and nonprofits (Imagine Canada) <a href="https://tinyurl.com/y6pfsppb">https://tinyurl.com/y6pfsppb</a></li></ul>
Environmental, social and governance (ESG)	Nonprofits are rethinking their approach to ESG with a focus on measurement of impact as demanded by funders and donors.	<ul style="list-style-type: none"><li>• 5 ways nonprofits can stay agile <a href="https://tinyurl.com/ypyraavb">https://tinyurl.com/ypyraavb</a></li><li>• How boards can help integrate ESG criteria into business performance – Meeting ESG criteria requires a comprehensive strategy and useful data <a href="https://tinyurl.com/4w8j9kwm">https://tinyurl.com/4w8j9kwm</a></li></ul>
Cyber risk/security	Organizations face large reputation and financial risk in the event of a cyber security breach. We are seeing more organizations elevate the risk assessment and potential impact of cyber-related matters in their annual risk assessments. Organizations are also developing response plans for the day the incident happens.	<ul style="list-style-type: none"><li>• 4 steps for nonprofits to protect against cybersecurity attacks <a href="https://tinyurl.com/36y9fnm9">https://tinyurl.com/36y9fnm9</a></li><li>• IT risk management for not-for-profits – Securing your technology and data <a href="https://tinyurl.com/27zkv3k3">https://tinyurl.com/27zkv3k3</a></li></ul>
Digital transformation	Nonprofits are continuing to invest in technologies to serve their stakeholders more effectively. This includes customer relationship management (CRM), donor management, member systems and measurement of key performance indicators (KPIs).	<ul style="list-style-type: none"><li>• Data management and digital transformation for not-for-profits <a href="https://tinyurl.com/5fu7cvcm">https://tinyurl.com/5fu7cvcm</a></li><li>• Making mobile secure – How Microsoft 365 empowers a hybrid workplace <a href="https://tinyurl.com/bddn9d7n">https://tinyurl.com/bddn9d7n</a></li><li>• Create a data-driven culture with Microsoft Power BI <a href="https://tinyurl.com/5n87vxb4">https://tinyurl.com/5n87vxb4</a></li></ul>

## Appendix E

### 2022 Industry Trends and Hot Topics (cont'd)

Trend/ hot topic	Description	Suggested reading/webcasts
Digital transformation	Nonprofits are faced with significant cost increases and a lack of ability to increase funding, all while dealing with stakeholders who also are responding to increased costs. Nonprofits will need to rethink budgets, plan for salary increases to retain employees and prioritize spending.	<ul style="list-style-type: none"><li>• The Real Economy, Canada edition (February 2022) <a href="https://tinyurl.com/j6ch99fn">https://tinyurl.com/j6ch99fn</a></li><li>• Our economic outlook for Canada – Continued recovery but challenges remain <a href="https://tinyurl.com/37ennr6p">https://tinyurl.com/37ennr6p</a></li><li>• Forced to do more with less – The impact of inflation on charities and nonprofits <a href="https://tinyurl.com/y6pfsppb">https://tinyurl.com/y6pfsppb</a></li></ul>
Governance—2022 refocus	2022 provides an opportunity to refocus and reprioritize. This includes strategic planning, a governance refresh and risk assessment	<ul style="list-style-type: none"><li>• Boards and audit committees: Considerations for the remainder of 2022 <a href="https://tinyurl.com/mwf979d2">https://tinyurl.com/mwf979d2</a></li></ul>
Grant management and funding challenges	Nonprofits focused on careful grant management planning can help reduce paperwork, save time, improve compliance and lead to increased grant awards.	<ul style="list-style-type: none"><li>• Strategies for streamlining the grant management process <a href="https://tinyurl.com/mrxzber3">https://tinyurl.com/mrxzber3</a></li><li>• Addressing funding challenges in the nonprofit sector <a href="https://tinyurl.com/mr32v6bu">https://tinyurl.com/mr32v6bu</a></li></ul>
Human capital	Organizations are rethinking how to protect their most valuable asset—people. Employee/volunteer attraction and retention is a key focus to navigate through the upcoming years.	<ul style="list-style-type: none"><li>• Strategies to help nonprofits address the talent gap <a href="https://tinyurl.com/4xzapk6d">https://tinyurl.com/4xzapk6d</a></li><li>• 5 ways outsourcing can help organizations manage risk <a href="https://tinyurl.com/vyb6d39d">https://tinyurl.com/vyb6d39d</a></li><li>• Nonprofits can attract talent with parental leave “top-ups” <a href="https://tinyurl.com/yf4wrcrc">https://tinyurl.com/yf4wrcrc</a></li><li>• 5 ways nonprofits can stay agile <a href="https://tinyurl.com/ypyraavb">https://tinyurl.com/ypyraavb</a></li></ul>

## Appendix E

### 2022 Industry Trends and Hot Topics (cont'd)

Trend/ hot topic	Description	Suggested reading/webcasts
Tax/CRA compliance	We see heightened awareness and discussion on Canada Revenue Agency (CRA) compliance matters. This includes Canada Emergency Wage Subsidy (CEWS) compliance, harmonized sales tax (HST) compliance, international activities, or international work placements. See below for our federal budget commentary discussing the expanded hospital rebate that covers charities and nonprofit organizations providing health care services like those traditionally performed in hospitals.	<ul style="list-style-type: none"><li>• Out with the old and in with the new – Updated subsidies announced <a href="https://tinyurl.com/2fknyp38">https://tinyurl.com/2fknyp38</a></li><li>• Reduce Indirect Tax Related Costs and Risks in Not-for-Profit Sector. <a href="https://tinyurl.com/4wmsfjzx">https://tinyurl.com/4wmsfjzx</a></li></ul>

Other resources that could be of interest to you:

- Federal Budget Commentary <https://tinyurl.com/mr2ajy45>
- The Real Economy <https://tinyurl.com/mwv332py>



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