

THE GREATER MONCTON Y.M.C.A. FOUNDATION INC.

Financial Statements
For the year ended
December 31, 2021

THE GREATER MONCTON Y.M.C.A. FOUNDATION INC.

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For the year ended December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of The Greater Moncton Y.M.C.A. Foundation Inc.

Opinion

We have audited the financial statements of The Greater Moncton Y.M.C.A. Foundation Inc., which comprise the statement of financial position as at December 31, 2021, and the statements of operations and changes in net assets 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 accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with ASNPO.

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 organization 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 ASNPO, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Sean Greene CPA CA Michael Thiel CPA CA Bruce Wood FCPA FCA

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INDEPENDENT AUDITOR'S REPORT, continued

- ◆ 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 organization'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 organization to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Thiel Greene

CHARTERED PROFESSIONAL ACCOUNTANTS

Moncton, NB

April 28, 2022

THE GREATER MONCTON Y.M.C.A. FOUNDATION INC.
Statement of Financial Position

1

As at December 31, 2021 2020

ASSETS

Current assets

| | | |
|----------------------|---------------------|---------------------|
| Cash | \$ 3,649 | \$ 6,161 |
| Investments (note 3) | 1,058,083 | 1,032,434 |
| | \$ 1,061,732 | \$ 1,038,595 |

LIABILITY

Current liability

| | | |
|---------------------|----------|----------|
| Accrued liabilities | \$ 5,950 | \$ 5,775 |
|---------------------|----------|----------|

NET ASSETS

| | | |
|--|---------------------|---------------------|
| Endowments and contributions functioning as endowments | 47,510 | 47,510 |
| Contributions by members and others | 1,008,272 | 985,310 |
| | 1,055,782 | 1,032,820 |
| | \$ 1,061,732 | \$ 1,038,595 |

Commitment (note 4)

Signed on Behalf of the Board

_____ Member

_____ Member

See accompanying notes

THE GREATER MONCTON Y.M.C.A. FOUNDATION INC.
Statement of Operations and Changes in Net Assets

2

| For the year ended December 31, | 2021 | 2020 |
|---|---------------------|-------------------|
| REVENUES | | |
| Contributions | \$ 3,008 | \$ 5,535 |
| Investment income | 89,734 | 41,856 |
| Gain on investments | 58,702 | 15,283 |
| | 151,444 | 62,674 |
| EXPENDITURES | | |
| Contributions to the Greater Moncton Y.M.C.A. Inc. | 90,030 | 40,000 |
| Administrative charges | 16,000 | 10,667 |
| Investment management fees | 10,247 | 9,851 |
| Miscellaneous | 5,999 | 3,118 |
| Audit fees | 3,103 | 3,224 |
| Life insurance | 1,508 | 1,508 |
| Meeting expense | 790 | 230 |
| Memberships | - | 25 |
| Bank charges | 15 | 8 |
| Printing and promotion | 790 | - |
| | 128,482 | 68,631 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES FOR THE YEAR | \$ 22,962 | \$ (5,957) |
| CONTRIBUTIONS BY MEMBERS AND OTHERS, BEGINNING OF YEAR | \$ 985,310 | \$ 991,267 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES FOR THE YEAR | 22,962 | (5,957) |
| CONTRIBUTIONS BY MEMBERS AND OTHERS, END OF YEAR | \$ 1,008,272 | \$ 985,310 |

See accompanying notes

THE GREATER MONCTON Y.M.C.A. FOUNDATION INC.
Statement of Cash Flows

3

| For the year ended December 31, | 2021 | 2020 |
|--|-----------------|-----------------|
| OPERATING ACTIVITIES | | |
| Excess (deficiency) of revenues over expenditures for the year | \$ 22,962 | \$ (5,957) |
| Adjustment for | | |
| Gain on investments | (58,702) | (15,283) |
| | (35,740) | (21,240) |
| Change in non-cash working capital item | | |
| Accrued liabilities | 175 | 375 |
| | (35,565) | (20,865) |
| INVESTING ACTIVITIES | | |
| Proceeds on disposal of investments | 122,787 | 66,715 |
| Investment income re-invested | (89,734) | (41,856) |
| | 33,053 | 24,859 |
| (DECREASE) INCREASE IN CASH | (2,512) | 3,994 |
| CASH, BEGINNING OF YEAR | 6,161 | 2,167 |
| CASH, END OF YEAR | \$ 3,649 | \$ 6,161 |

See accompanying notes

For the year ended December 31, 2021

1. STATUS AND NATURE OF ACTIVITIES

The Greater Moncton Y.M.C.A. Foundation Inc. ("the Foundation") is a not-for-profit organization without share capital incorporated under the laws of New Brunswick. The Foundation receives and invests donations from its members and others and makes contributions to the charitable activities of the Greater Moncton YMCA Inc. from the revenue earned. The Foundation is a registered public charitable foundation under the Income Tax Act of Canada and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

2. SIGNIFICANT ACCOUNTING POLICIES

The organization applies the Canadian accounting standards for not-for-profit organizations .

Revenue recognition

Contributions are recognized as revenue as they are received. Certain members of the Foundation have indicated that they will contribute amounts for a number of years. These commitments have not been recorded as receivable.

Interest and dividends on investments are recognized as revenue as they are earned.

Investments

Investments are recorded at quoted market values. Gains and losses as a result of changes in quoted market values of investment holdings are recorded as gains and losses on investments.

Net asset transfers

The Foundation transfers any excess of revenues over expenses (expenses over revenues) incurred on the net assets represented by contributions by others, revenue producing property and earnings retained and endowments and contributions functioning as endowments to its net assets recorded as contributions by members and earnings retained.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any gains and losses from changes in fair value reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Cash and cash equivalents

The Foundation considers its operating bank account to be cash and cash equivalents.

For the year ended December 31, 2021

3. INVESTMENTS

| | 2021 Market | 2021 Cost | 2020 Market | 2020 Cost |
|------------------|---------------------|-------------------|---------------------|---------------------|
| Cash equivalents | \$ 25,709 | \$ 25,709 | \$ 65,868 | \$ 65,868 |
| Fixed income | 380,418 | 367,551 | 449,096 | 444,903 |
| Equities | 539,242 | 470,800 | 517,470 | 498,055 |
| Alternatives | 112,714 | 111,713 | - | - |
| | \$ 1,058,083 | \$ 975,773 | \$ 1,032,434 | \$ 1,008,826 |

4. COMMITMENT

The Foundation has committed to a \$250,000 gift over 5 years to the YMCA Capital Campaign for construction of the new North End Centre, with the first installment having occurred in 2019. To date, total contributions are \$100,000.

5. FINANCIAL INSTRUMENTS

The Foundation is exposed to interest rate risk via its investments in fixed income securities.

The Foundation is exposed to currency risk through its investments in equities outside of Canada with a fair market value at December 31, 2021 of \$309,638 (2020 - \$258,349).

The Foundation is not exposed to significant credit or liquidity risk.