



THE McCLURE PLACE  
FOUNDATION

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**Annual Report**

For the Year Ending December 31, 2021

**Meeting Held on June 5<sup>th</sup>, 2022**

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# THE McCLURE PLACE FOUNDATION

## **Vision**

To enrich the lives of seniors in McClure Place and Amy McClure House through fundraising and advocacy initiatives delivered by a non-profit, charitable organization

**BOARD OF DIRECTORS**  
**May 2021- May 2022**

**KELLS, JIM**  
CHAIR OF BOARD

**BURTON, RICK**  
CHAIR OF THE GOVERNANCE COMMITTEE

**BUGG, JIM**  
CHAIR OF THE FINANCE & AUDIT COMMITTEE

**GILLIS, JIM**  
CHAIR OF THE RESOURCE DEVELOPMENT COMMITTEE

**BIRAM, NORM**

**MENON, SHANNON**

**BILOKRELI, BRYAN**

**DELAINEY, MICHAEL**

**CHARTIER, LORI**

**MARTENS, CARA**

**MORRISON, GREG**

# AGENDA

MCCLURE PLACE FOUNDATION INC.

Annual General Meeting

June 5, 2022, 1:00 p.m., McClure Church Sanctuary

- (1) Call to order, appointment of recording secretary
- (2) Establishment of voting privileges
- (3) Declaration of quorum (Bylaw 5.08: majority of Directors and a minimum of 10 Members)
- (4) Adoption of agenda
- (5) Approval of the minutes of the annual general meeting held on May 15, 2021
- (6) Report from the Chair (Jim Kells)
- (7) Presentation of the audited financial statements (Jim Bugg)
- (8) Appointment of auditor for 2022 (Jim Bugg)
- (9) Resolutions for consideration: Changes to articles of incorporation for MPFI (Rick Burton)
- (10) Report of the Nominating Committee and Election of Directors
- (11) Question period
- (12) Other business
- (13) Adjournment

## PROPOSED RESOLUTIONS TO BYLAW CHANGES

### Notices of Motion for McClure Place Foundation Inc. for 2022 AGM

The Board of McClure Place Foundation Inc. recommends the following changes be approved by the membership.

**Motion #1:** that Bylaw 6.05 of McClure Place Foundation Inc. concerning the composition of the board be changed from “at least seventy (70%) percent shall be Members of McClure United Church” to “more than fifty (50%) percent shall be Members or Adherents of McClure United Church”.

RATIONALE: The change from 70% to 50% would make it easier to find board members. Adding Members or Adherents of McClure United church clarifies “members” as defined on the first page of the bylaws.

**Motion #2:** that Bylaw 6.06 of McClure Place Foundation Inc. concerning the appointment of a director by McClure United Church be deleted.

RATIONALE: In actual practice this appointment has not been made in the past few years. It is felt that regular meetings between the Executives of the Place and the Church will serve the liaison purpose that was the rationale for this position.

# MINUTES OF THE ANNUAL GENERAL MEETING

held via Zoom  
May 15, 2021  
1:55 pm

## 1. CALL TO ORDER

The Chair of the Board of McClure Place Foundation Inc., Rick Burton, welcomed those in attendance and called the meeting to order. He informed all those in attendance that the meeting was being recorded for the purposes of minute taking.

## 2. DECLARATION OF QUORUM

Quorum is 25 members. Twenty-eight members or adherents of McClure United Church attended the meeting. Quorum was established. A list of names is available in the McClure Place office.

## 3. ADOPTION OF AGENDA

Rick Burton introduced the agenda as printed.

**MOTION** by Norm Biram seconded by Elaine Tall that the agenda be adopted.  
**CARRIED.**

## 4. APPROVAL OF MINUTES OF THE ANNUAL GENERAL MEETING – SEPTEMBER 20, 2020

**MOTION** by Cara Martens seconded by Lily Krause that the minutes of the 2020 Annual General Meeting of McClure Place Foundation Inc. be accepted. **CARRIED.**

## 5. REPORT FROM THE CHAIR OF THE BOARD

Rick Burton spoke to the printed report. He commented that Big Shred was cancelled for 2020 and 2021. He hopes it will resume in 2022.

## 6. PRESENTATION OF FINANCIAL REPORT AND AUDITED STATEMENTS

Jim Bugg indicated that the auditor, MNP, had no substantial concerns with the financial statements of McClure Place Foundation Inc. Their full audit is included in the 2020 Annual Report. The financial position as of December 31, 2020 was characterised by Assets of \$145,286, Liabilities of \$11,177, and Net Assets of \$134,109. The Statement of Operations showed Revenue of \$42,576, Expenses of \$16,412, for an Excess of Revenue over Expenses of \$27,164.

**MOTION** by Mike Delainey seconded by Jim Gillis that 2020 audited financial statements of McClure Place Foundation Inc. be adopted as submitted by the auditor. **CARRIED.**

**7. ELECTION OF DIRECTORS**

Rick Burton spoke to the amended Nominating Committee report included in the 2020 Annual Report. Members of the Nominating Committee were Rick Burton, Muriel Baxter, and Terry Clark.

Three new Directors (Jim Gillis, Shannon Menon, and Greg Morrison) are standing for election for three-year terms.

One Director (Jim Bugg) is standing for election for a second, three-year term.

One Director (Rick Burton) is standing for election for a one-year term as Past Chair.

**MOTION** by Bryan Bilokreli seconded by Muriel Baxter that Jim Bugg, Jim Gillis, Shannon Menon, and Greg Morrison be appointed to the Board of McClure Place Foundation Inc. for three-year terms

and Rick Burton be appointed to the Board for a one-year term. **CARRIED.**

**8. APPOINTMENT OF AUDITOR**

**MOTION** by Jim Bugg seconded by Dennis Johnson that MNP be appointed as 2021 auditors for McClure Place Foundation Inc. **CARRIED.**

**9. OTHER BUSINESS**

Rick Burton thanked everyone involved in planning the Annual General Meetings and those who let their names stand as Directors.

**10. ADJOURNMENT**

**MOTION** by Angie Bugg seconded by Beth Johnson that the meeting adjourn at 2:05 pm. **CARRIED.**



## **REPORT FROM CHAIR OF THE BOARD**

Even though this annual report is for the year-ending 2021, it reflects on the past year of the Board, which is from June 2021 to June 2022. This report is an abbreviated version of that prepared for the McClure Place Association Inc. (MPAI) annual report, with the focus here being solely on McClure Place Foundation Inc. (MPFI). The two organizations are separate legal entities, but they are overseen by the same Board of Directors. Both are registered charities, with the focus of McClure Place Association (MPAI) being on the provision of living facilities for seniors residents and that of McClure Place Foundation (MPFI) being largely focused on fundraising in support of MPAI. Several years ago, and for practical reasons, the activity of the Foundation was moved to operate under the auspices of the MPAI Resource Development Committee.

The primary activity of the Foundation since its inception has been that of working to pay off the mortgage on Amy McClure House (AMH), which was wrapped up in 2018. Since then, the only activity of the Foundation has been that associated with the so-called Big Shred, which was a successful fundraising activity for the various needs of AMH (e.g., accessible bathtub). The Big Shred has not been held for the past two years because of the Covid pandemic, and it has yet to be restarted this year. One theme for future work of the Foundation has been in helping to make AMH affordable to a greater number of people, but nothing has been done in that regard to date.

Over the past year, the Resource Development Committee (Foundation) has been made active under the leadership of Chair Jim Gillis and the committee members (Greg Morrison, Mike Delainey and Jim Kells (ex-officio), as well as Lisa White (Executive Director) and Jackie Earis (Finance Manager)). The work remains ongoing, but we are hopeful that the Foundation will once again become vital to the life and work of McClure Place. Stay tuned for updates over the next year!

Respectfully submitted,  
Jim Kells, Chair

Board members: Bryan Bilokreli, Norm Biram, Jim Bugg, Rick Burton, Lori Chartier, Mike Delainey, Jim Gillis, Jim Kells (Chair), Cara Martens, Shannon Menon and Greg Morrison

## **REPORT FROM THE CHAIR OF THE NOMINATING COMMITTEE**

Bylaw sections 6.12 – 6.16 of Bylaw #1 for McClure Place Association Inc. (MPAI) describe the make-up of the Nominating Committee and other attributes of the process. Further, as per Bylaw #1, Clause 6.12, for McClure Place Foundation Inc. (MPFI), the nominating committee for MPAI is also to serve as the nominating committee for MPFI. Although not explicitly stated as such, the Board of MPAI is also the Board for MPFI.

The Nominating Committee is to comprise of three members, one each to be appointed from the current MPAI Board, who will serve as Chair, the Board of McClure Church, and the MPAI Residents' Association. For this year, the members of the Nominating Committee are:

- Jim Kells (Chair) – representing McClure Place Association
- Terry Clark – representing McClure United Church
- Joan Brown – representing MPAI Residents' Association

The Board is to comprise of no less than seven nor more than 12 members, at least 70% of whom are members or adherents of McClure United Church. This year, the Board has had 11 members (the Church appointee position being vacant), a total of eight of whom are members or adherents of McClure Church. Three members are retiring from the Board, both Church members, and one member is stepping down after having completed his three-year term on the Board. As such, for a full Board complement of 12 members, there are three vacancies to be filled plus that of the Church appointee.

The members of the Board continuing in their term include:

<b>Name</b>	<b>Completing Year/Term</b>	<b>Attributes</b>
Jim Bugg	1/2	Mechanical engineering (U. of S. faculty member, currently dept. head)
Cara Martens	2/1	Finance background (currently with Assante)
Lori Chartier	2/1	Health care background (currently with SHA)
Shannon Menon	1/1	Teacher
Jim Gillis	1/1	Lawyer (retired; formerly a law partner)
Greg Morrison	1/1	Social work background

**The people being put forward by the Nominating Committee for election to the Board include (brief biographies of each nominee follows):**

<b>Name</b>	<b>Starting Year/Term</b>	<b>Attributes</b>
Bryan Bilokreli	1/2	Public administration background (formerly U. of S.)
Jim Kells	1/2	Civil engineer (retired U. of S. faculty member,

		former dept. head)
Kristi Baxter	1/1	Accountant (currently CFO for St. Andrew's College, U. of S.)
Don Somers	1/1	Various senior executive roles (retired)

### Bryan Bilokreli

Bryan is recently retired from the U. of S. where he spent his entire working career in a variety of roles over some 40+ years in support of such things as major capital planning. With respect to service on the McClure Place Board, he states: *"I have always been interested in the ongoing operations of facilities throughout my career at the U. of S. and I have personal experience with retirement and personal care homes while providing care for my mother, aunts and an uncle. I believe that I can assist with the ongoing operation and renewal of McClure Place."* Bryan is just now completing his first 3-year term on the Board.

### Jim Kells

Jim is a mostly-retired civil engineer. The major part of his working career was as a faculty member in the Department of Civil Engineering at the U. of S., including a 5-year term as Department Head. He has served on many committees and boards, including the past three years on the McClure Place board with the past year being in the chair role. Today, he does a bit of engineering consulting as a hydrotechnical engineer, teaching a senior elective course in civil engineering at the U. of S., various types of volunteer work, and in being an active and new Grandpa to twins, Luke and Sophie, and grandson, Sutton.

### Kristi Baxter

Kristi is an accountant who has served on many boards and committees at various levels throughout her career. She recently returned to Saskatoon to start a new job as Chief Administrative Officer at St. Andrew's College. With respect to service on the McClure Place Board, she states: *"Through my family's involvement in McClure United Church and the planning and building of McClure Place and Amy McClure House, I understand and believe in the philosophy that the church is more than a building. McClure Place and Amy McClure House represent a community that supports people throughout their life and allows them to age in place. I have recently returned to Saskatoon from Edmonton and would like to be a part of this community. I believe I bring knowledge and experience to help the board."*

### Don Somers

Don's academic background is medical genetics and his professional career is varied. He was a faculty member at the University of Guelph before returning to Saskatchewan where he was a senior executive with an international mining company and partner in a Venture Capital Investment firm. Don has served on many committees and boards. He was board member and chair of the Saskatchewan Health Research Foundation, board member of Innovation Saskatchewan, chair of the Meewasin Valley Authority fundraising for River Landing Riverfront Phase One and Chair of the Royal University Hospital Foundation. He was a long-time board member of the McClure Place Foundation and is a past president of the Saskatoon Rotary Club. Today, Don does some consulting in the area of health research innovation. His wife Maureen and George Baxter were early supporters and volunteers in moving the concept of Amy McClure House to fruition.

As of this report, the Nominating Committee is short one nominee in addition to that of the Church appointee. These positions will be filled by the Board as per Bylaw #1 at the earliest opportunity if at all possible.

Report prepared and submitted by  
Jim Kells, Chair of the Nominating Committee

#### MOTION

It is moved by \_\_\_\_\_ and seconded by \_\_\_\_\_ that  
Bryan Bilokreli, Jim Kells, Kristi Baxter and Don Somers each be elected for a 3-year term on the  
Board of Directors of MPFI.



**McClure Place Foundation Inc.**  
**Financial Statements**  
*December 31, 2021*

**McClure Place Foundation Inc.**  
**Contents**

*For the year ended December 31, 2021*

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## Management's Responsibility

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To the Members of McClure Place Foundation Inc.:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Foundation's external auditors.

MNP LLP is appointed by the Members to audit the financial statements and report directly to the Members; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

April 25, 2022



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Executive Director



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Finance Manager



## Independent Auditor's Report

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To the Members of McClure Place Foundation Inc.:

### Qualified Opinion

We have audited the financial statements of McClure Place Foundation Inc. (the "Foundation"), 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Qualified Opinion

In common with many charitable organizations, the Foundation derives revenue from the general public in the form of donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to donations revenue, excess (deficiency) of revenue over expenses, and cash flows from operations for the years ended December 31, 2021 and 2020, current assets as at December 31, 2021 and 2020 and net assets as at January 1 and December 31 for both the 2021 and 2020 years. Our opinion on the financial statements for the year ended December 31, 2020 was modified because of the possible effects of this limitation in scope.

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 qualified opinion.

### Responsibilities of Management and The Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

The Board of Directors are responsible for overseeing the Foundation's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

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

## Independent Auditor's Report *(continued from previous page)*

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

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

We communicate with the Board of Directors 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.

Saskatoon, Saskatchewan

April 25, 2022

*MNP LLP*

Chartered Professional Accountants

**MNP**

**McClure Place Foundation Inc.**  
**Statement of Financial Position**  
*As at December 31, 2021*

	2021	2020
<b>Assets</b>		
<b>Current</b>		
Cash	111,167	142,170
Accounts receivable (Note 4)	2,663	1,799
	<b>113,830</b>	<b>143,969</b>
<b>Net cash surrender value of life insurance policy (Note 3)</b>	<b>1,497</b>	<b>1,317</b>
	<b>115,327</b>	<b>145,286</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	7,377	6,075
Due to McClure Place Association Inc. (Note 4)	150	5,102
	<b>7,527</b>	<b>11,177</b>
<b>Net Assets</b>		
Unrestricted	<b>107,800</b>	<b>134,109</b>
	<b>115,327</b>	<b>145,286</b>

Approved on behalf of the Board of Directors

Director 

Director 

The accompanying notes are an integral part of these financial statements

**McClure Place Foundation Inc.**  
**Statement of Operations and Changes in Net Assets**  
*For the year ended December 31, 2021*

	<b>2021</b>	<b>2020</b>
<b>Revenue</b>		
Donations <i>(Note 3), (Note 4)</i>	<b>14,809</b>	43,257
Interest	<b>211</b>	319
<b>Total revenue</b>	<b>15,020</b>	43,576
<b>Expenses</b>		
Donations to McClure Place Association Inc. <i>(Note 4)</i>	<b>29,573</b>	1,450
Professional fees	<b>7,198</b>	6,860
Administration <i>(Note 4)</i>	<b>2,850</b>	6,229
Life insurance premiums <i>(Note 3)</i>	<b>1,182</b>	1,182
Bank charges and fees	<b>526</b>	691
<b>Total expenses</b>	<b>41,329</b>	16,412
<b>Excess (deficiency) of revenue over expenses</b>	<b>(26,309)</b>	27,164
<b>Net assets beginning of year</b>	<b>134,109</b>	106,945
<b>Net assets, end of year</b>	<b>107,800</b>	134,109

*The accompanying notes are an integral part of these financial statements*

**McClure Place Foundation Inc.**  
**Statement of Cash Flows**  
*For the year ended December 31, 2021*

	<b>2021</b>	<b>2020</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess (deficiency) of revenue over expenses	(26,309)	27,164
Non-cash increase in cash surrender value of life insurance policy	(180)	(85)
	(26,489)	27,079
Changes in working capital accounts		
Accounts receivable	(864)	(23)
Accounts payable and accruals	1,302	1,145
	(26,051)	28,201
<b>Financing</b>		
Increase (decrease) in due to McClure Place Association Inc.	(4,952)	5,102
	(31,003)	33,303
<b>Increase (decrease) in cash resources</b>		
<b>Cash resources, beginning of year</b>	<b>142,170</b>	<b>108,867</b>
<b>Cash resources, end of year</b>	<b>111,167</b>	<b>142,170</b>

*The accompanying notes are an integral part of these financial statements*

# McClure Place Foundation Inc.

## Notes to the Financial Statements

For the year ended December 31, 2021

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### 1. Incorporation and nature of the organization

McClure Place Foundation Inc. (the "Foundation") was incorporated under The Non-Profit Corporations Act in the Province of Saskatchewan on August 2, 1988. The Foundation's principal activity is fundraising for McClure Place Association Inc., which provides housing and support services to its residents.

#### *Impact on operations of COVID-19 (coronavirus)*

In early March 2020 the impact of the global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The Foundation was impacted during 2021 by the cancellation of fundraising events and activities, and by being unable to recruit volunteers.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Foundation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate the outbreak will continue to cause cancellation or deferral of fundraising events and activities and to negatively affect the availability of volunteers, all of which may negatively impact the Foundation's operations and financial condition.

### 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

#### **Financial instruments**

The Foundation recognizes financial instruments when the Foundation becomes party to the contractual provisions of the financial instrument.

#### **Related party financial instruments**

All related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

At initial recognition, the Foundation may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value.

The Foundation has not made such an election during the year, thus all such related party debt instruments are subsequently measured at amortized cost

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess (deficiency) of revenue over expenses.

**2. Significant accounting policies** *(Continued from previous page)*

**Financial asset impairment**

The Foundation assesses impairment of all its financial assets measured at cost or amortized cost. The Foundation groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. Management considers whether the issuer is having significant financial difficulty in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Foundation determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

For related party debt instruments initially measured at cost, the Foundation reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenue over expenses.

The Foundation reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenue over expenses in the year the reversal occurs.

**Revenue recognition**

The Foundation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

**Contributed materials and services**

Contributions of materials and services, including volunteer labour, are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Foundation's operations and would otherwise have been purchased. No contributed materials or services have been recognized in the year.

**Measurement uncertainty**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess (deficiency) of revenue over expenses in the periods in which they become known.

**3. Life insurance policy**

The Foundation is the owner of a life insurance policy with an insured value of \$50,000. Life insurance premiums paid by a donor on the policy owned by the Foundation are shown as both donations revenue and life insurance premiums expense on the Statement of Operations. The cash surrender value of the policy at December 31, 2021 is \$1,497 (2020 - \$1,317).

**4. Related party transactions**

Included in administration and donations expenses are amounts paid to McClure Place Association Inc. (the "Association") of \$2,850 (2020 - \$6,229) and \$29,573 (2020 - \$1,450), respectively. The expenses are in the normal course of operations and were recorded at their exchange amount, which is the amount of consideration established and agreed to by the related parties. Included in donation revenue are amounts received from the Association of \$1,000 (2020 - \$1,000). The revenues are in the normal course of operations and were recorded at their exchange amount, which is the amount of consideration established and agreed to by the related parties.

The amount due to the Association of \$150 (2020 - \$5,102) is unsecured, bears no interest and has no fixed terms of repayment. Included in accounts receivable is an amount due from the Association of \$1,000 (2020 - \$1,000). The Association controls the Foundation through common membership on the Board of Directors.

**5. Financial instruments**

The Foundation, as part of its operations, carries a number of financial instruments. It is management's opinion that the Foundation is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

***Liquidity risk***

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation's exposure to liquidity risk is dependent on the receipt of donations from its operating and fundraising activities to meet commitments and sustain operations.

**6. Income taxes**

The Foundation is registered as a charitable organization under the *Income Tax Act* (the "Act") and as such is exempt from income taxes and is able to issue donation receipts for income tax purposes. In order to maintain its status as a registered charity under the Act, the Foundation must meet certain requirements within the Act. In the opinion of management, these requirements have been met.



