PILOT MOUND & DISTRICT FOUNDATION INC.

Financial Statements

Year Ended March 31, 2025

PILOT MOUND & DISTRICT FOUNDATION INC.
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Year Ended March 31, 2025

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of PILOT MOUND & DISTRICT FOUNDATION INC.

We have reviewed the accompanying financial statements of PILOT MOUND & DISTRICT FOUNDATION INC. (the organization) that comprise the statement of financial position as at March 31, 2025, and the statements of operations, changes in surplus and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of PILOT MOUND & DISTRICT FOUNDATION INC. as at March 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Morden, MB
August 14, 2025

CHARTERED PROFESSIONAL ACCOUNTANTS

PILOT MOUND & DISTRICT FOUNDATION INC.
Statement of Financial Position
March 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	**$ 204,702**	$ 170,221
LONG TERM INVESTMENTS *(Note 5)*	**2,425,876**	2,183,843
	$ 2,630,578	$ 2,354,064
LIABILITIES AND SURPLUS		
CURRENT		
Accounts payable	**$ 4,900**	$ 4,699
DEFERRED REVENUE *(Note 6)*	**62,866**	57,814
	67,766	62,513
SURPLUS		
General fund	**1,428,484**	1,157,223
Endowment fund *(Note 7)*	**1,134,328**	1,134,328
	2,562,812	2,291,551
	$ 2,630,578	$ 2,354,064

PILOT MOUND & DISTRICT FOUNDATION INC.
Statement of Operations
Year Ended March 31, 2025

	2025	2024
REVENUE		
Donations	**$ 181,488**	$ 53,867
Investment income	**73,271**	68,818
Grants and other recoveries	**55,124**	28,580
	309,883	151,265
EXPENSES		
Advertising	**1,018**	1,095
Dues, fees, and honorariums	**4,808**	4,287
Grants to qualified organizations	**125,002**	138,756
Investment fees	**43,972**	35,376
Office	**148**	138
Professional fees	**5,448**	5,240
Restricted grants paid *(Note 6)*	**7,158**	7,111
Scholarships to individuals *(Note 6)*	**1,873**	920
	189,427	192,923
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS	**120,456**	(41,658)
OTHER INCOME		
Unrealized gains (loss) on investments	**89,730**	100,896
Realized gains on investments	**61,075**	43,680
	150,805	144,576
EXCESS OF REVENUE OVER EXPENSES	**$ 271,261**	$ 102,918

PILOT MOUND & DISTRICT FOUNDATION INC.

Statement of Changes in Surplus

Year Ended March 31, 2025

	General Fund	Endowment Fund	**2025**	2024
SURPLUS - BEGINNING OF YEAR	$ 1,157,223	$ 1,134,328	**$ 2,291,551**	$ 2,188,633
Excess of revenue over expenses	271,261	-	**271,261**	102,918
SURPLUS - END OF YEAR	$ 1,428,484	$ 1,134,328	**$ 2,562,812**	$ 2,291,551

PILOT MOUND & DISTRICT FOUNDATION INC.

Statement of Cash Flows

Year Ended March 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Cash receipts from donors and investments	**$ 223,708**	$ 188,757
Cash paid to vendors	**(55,194)**	(45,936)
Grants to qualified organizations	**(125,002)**	(138,756)
Restricted grants paid	**(7,158)**	(7,111)
Scholarships to individuals	**(1,873)**	(920)
INCREASE (DECREASE) IN CASH FLOW	**34,481**	(3,966)
Cash - beginning of year	**170,221**	174,187
CASH - END OF YEAR	**$ 204,702**	$ 170,221

1. DESCRIPTION OF ENTITY

The Pilot Mound & District Foundation Inc. (the "foundation") is a public foundation established to support cultural, educational, recreational and charitable purposes in the Town of Pilot Mound and surrounding area. The foundation's mission is to earn investment income and distribute this income to the community by way of grants or donations. The foundation is a registered public foundation under *The Income Tax Act* and subject to regulations for this type of organization.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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. Endowment contributions are recognized as direct increases in surplus.

Investment income in the endowment fund is attributable to both restricted and unrestricted funds. Investment income from restricted funds is recognized as revenue in the year in which the related expenses are incurred. Investment income from unrestricted funds is recognized as revenue when earned. Investment income on endowment funds are not added to the endowment fund.

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 unrealized gains and losses 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.

Financial assets measured at amortized cost on a straight-line basis include cash, trade and other receivables, and grants receivable.

Financial liabilities measured at amortized cost on a straight-line basis include trade accounts payable and deferred revenue.

Long term investments

Long term investments for which there is not an active market are carried at amortized cost except when it is established that their value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of net income.

(continues)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

4. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of March 31, 2025.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The organization is mainly exposed to interest rate risk.

(b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the foundation manages exposure through its normal operating and financing activities. The foundation is exposed to interest rate risk primarily through its investments upon which interest is earned. The concentration of interest rate risk is nominal.

5. LONG TERM INVESTMENTS

	2025	2024
The Winnipeg Foundation managed funds *(Note 8)*	**$ 2,425,876**	$ 2,183,843

6. DEFERRED REVENUE

	2025	2024
Balance, beginning of year	**$ 57,814**	$ 50,795
Restricted investment gains (losses)	**14,083**	17,594
Restricted grants paid	**(7,158)**	(7,111)
Scholarships paid	**(1,873)**	(920)
Repayment of grant	**-**	(2,544)
	$ 62,866	$ 57,814

7. ENDOWMENT FUND

Surplus includes externally restricted resources to be permanently held as endowment funds. The foundation cannot access the following endowment funds:

	Opening balance	Endowment contributions	**2025**	2024
Earl Daniel Gilmore fund	$ 896,868	$ -	**$ 896,868**	$ 896,868
United Church Farquharson Foundation fund	61,321	-	**61,321**	61,321
Lavona Marshall fund	38,807	-	**38,807**	38,807
James R. Hysop Memorial fund	31,980	-	**31,980**	31,980
Cohoe fund	15,000	-	**15,000**	15,000
Jeff McCannell Memorial Spirit of Youth fund	17,365	-	**17,365**	17,365
Frank McKay fund	12,000	-	**12,000**	12,000
Clarence and Margie Pollock fund	11,537	-	**11,537**	11,537
Irene Desrouchers Memorial fund	13,450	-	**13,450**	13,450
Kathleen & Harry Stewart Music & Art fund	6,000	-	**6,000**	6,000
Hagyard fund	5,000	-	**5,000**	5,000
Paterson fund	25,000	-	**25,000**	25,000
	$ 1,134,328	$ -	**$ 1,134,328**	$ 1,134,328

The Pilot Mound General fund is not an endowment fund and is therefore not restricted. The Winnipeg Foundation managed fund *(Note 10)* is a blended fund consisting of both restricted and unrestricted portions.

8. THE WINNIPEG FOUNDATION MANAGED FUNDS

	2025	2024
Earl Daniel Gilmore fund	**$ 1,254,112**	$ 1,220,179
Edna McEwen fund	**305,864**	297,588
Pilot Mound General fund	**518,379**	328,054
United Church Farquharson Foundation fund	**91,874**	89,388
Lavona Marshall fund	**52,782**	51,354
James R. Hysop Memorial fund	**40,878**	39,704
Ruth Follis fund	**30,241**	29,423
Paterson fund	**28,436**	27,666
Jeff McCannell Memorial Spirit of Youth fund	**26,635**	25,915
Cohoe fund	**21,872**	21,280
Frank McKay fund	**14,708**	14,310
Irene Desrouchers Memorial Fund	**14,514**	14,095
Clarence and Margie Pollock fund	**12,073**	11,746
Hagyard fund	**7,039**	6,848
Kathleen and Harry Steward Music and Art Fund	**6,469**	6,293
	$ 2,425,876	$ 2,183,843

The James R. Hysop Memorial fund investment income is restricted for scholarships to high school students. The Jeff McCannell Memorial Spirit of Youth fund investment income is restricted for youth purposes. The Cohoe fund investment income is restricted for the the Millennium Centre. The United Church Farquharson Foundation fund is restricted for the Farquharson Foundation Inc. The Kathleen and Harry Steward Music & Art Fund is restricted for art programs at the Pilot Mound School. All other fund investment income is unrestricted.

9. RELATED PARTY TRANSACTIONS

The organization pays a stipend to the executive director of the foundation. Payments during the year were made for the role as the executive director and treasurer. In the current year, the stipend amounted to $3,600 (2024: $3,600), this payment is subject to normal trade terms and is measured at the exchange amount.

10. PILOT MOUND & DISTRICT COMMUNITY FOUNDATION AFFILIATE FUND

The Pilot Mound & District Community Foundation Affiliate fund is managed by The Winnipeg Foundation and is based on one-half of the administration fees charged by The Winnipeg Foundation for this management. The balance of the account at year-end is $85,812 (2024: $81,841). This is an asset of The Winnipeg Foundation that will annually grow and will help reduce the administration fees for the foundation. These assets are held in trust and not recorded on the balance sheet.