



Audited Financial Statements of The Winnipeg Foundation September 30, 2018





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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of The Winnipeg Foundation

We have audited the accompanying financial statements of The Winnipeg Foundation, which comprise the statement of financial position as at September 30, 2018, the statements of operations and changes in fund balances and cash flows for the year then ended and notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion the financial statements present fairly, in all material respects, the financial position of The Winnipeg Foundation as at September 30, 2018, 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.

Chartered Professional Accountants

December 11, 2018
Winnipeg, Manitoba

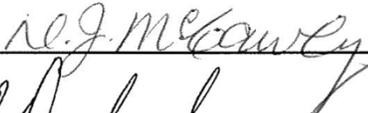
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THE WINNIPEG FOUNDATION
Statement of Financial Position
September 30, 2018

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and short term investments (Note 7(d))	\$ 32,324,476	\$ 16,387,121
Investments (Note 7(d))	909,829,622	799,252,256
Accounts receivable	63,200	136,853
Other assets (Note 3)	4,394,253	5,631,865
	\$ 946,611,551	\$ 821,408,095
LIABILITIES		
Accounts payable	\$ 908,604	\$ 788,837
Grant commitments	31,193,603	25,211,635
Agency managed funds (Note 5(a))	87,653,226	84,562,546
Manitoba community foundation managed funds (Note 5(b))	62,408,246	54,710,493
	182,163,679	165,273,511
Commitment (Note 8)		
FUND BALANCES		
Restricted	502,493,658	409,611,669
Discretionary	260,172,227	245,314,188
Operating	1,781,987	1,208,727
	764,447,872	656,134,584
	\$ 946,611,551	\$ 821,408,095

APPROVED BY THE BOARD


 _____ Director


 _____ Director

THE WINNIPEG FOUNDATION
Statement of Operations and Changes in Fund Balances
September 30, 2018

	2018				2017
	Restricted	Discretionary	Operating	Total	Total
REVENUE					
Gifts	\$ 83,178,529	\$ 7,547,814	\$ 573,967	\$ 91,300,310	\$ 15,788,809
Gifts for immediate granting	8,406,237	181,615	-	8,587,852	6,535,574
Investment income	17,472,618	9,818,482	2,394,789	29,685,889	24,243,701
Realized capital gains	12,454,361	6,761,416	63,014	19,278,791	7,656,691
Net change in unrealized gains	851,882	961,597	6,945	1,820,424	15,424,966
Investment (fee) recovery	(1,581,294)	(857,538)	2,942,388	503,556	432,530
Administrative (fee) recovery	(1,765,981)	(1,212,774)	3,553,934	575,179	513,032
	119,016,352	23,200,612	9,535,037	151,752,001	70,595,303
EXPENDITURES					
Grants approved	26,112,855	8,382,893	328	34,496,076	32,521,613
Investment management costs (Note 9)	-	-	2,950,355	2,950,355	2,582,563
Administration (Note 9)	-	-	5,992,282	5,992,282	5,723,471
	26,112,855	8,382,893	8,942,965	43,438,713	40,827,647
EXCESS OF REVENUE OVER EXPENDITURES	92,903,497	14,817,719	592,072	108,313,288	29,767,656
FUND BALANCE, BEGINNING OF YEAR	409,611,669	245,314,188	1,208,727	656,134,584	626,366,928
TRANSFERS	(21,508)	40,320	(18,812)	-	-
FUND BALANCE, END OF YEAR	\$ 502,493,658	\$ 260,172,227	\$ 1,781,987	\$ 764,447,872	\$ 656,134,584

THE WINNIPEG FOUNDATION
Statement of Cash Flows
September 30, 2018

	2018	2017
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 108,313,288	\$ 29,767,656
Depreciation	213,923	212,576
Unrealized gains on investment	(1,820,424)	(15,424,966)
	106,706,787	14,555,266
Changes in non-cash operating working capital items:		
Accounts receivable	73,653	114,046
Accounts payable	119,767	145,438
Grant commitments	5,981,968	4,146,079
	112,882,175	18,960,829
MANAGED FUND TRANSACTIONS		
Increase in managed funds	10,788,433	22,523,021
INVESTING ACTIVITIES		
Acquisition of capital assets	(150,044)	(59,206)
Net purchases of long term investments	(107,583,209)	(40,632,718)
	(107,733,253)	(40,691,924)
NET INCREASE IN CASH POSITION	15,937,355	791,926
CASH AND SHORT TERM INVESTMENTS, BEGINNING OF YEAR	16,387,121	15,595,195
CASH AND SHORT TERM INVESTMENTS, END OF YEAR	\$ 32,324,476	\$ 16,387,121

THE WINNIPEG FOUNDATION

Notes to the Financial Statements

September 30, 2018

1. ORGANIZATION

The Winnipeg Foundation (“The Foundation”) was established in 1921 to benefit the citizens of Winnipeg by supporting not-for-profit, charitable, educational and cultural organizations. The capital held for investment is contributed to or placed with The Foundation for this purpose.

The Foundation is a registered charity and is classified as a public foundation for purposes of the Income Tax Act (Canada).

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following significant accounting policies:

a) *Externally and internally restricted funds*

The Foundation maintains several funds within its assets as follows:

The Restricted and Discretionary funds consist primarily of endowment funds established from gifts by donors which are designated to remain under The Foundation’s management in perpetuity. Such donations are invested proportionately in The Foundation’s Consolidated Trust Fund so that each fund is adjusted monthly by its proportionate share of investment gains and losses.

The Restricted fund is comprised of funds which are used for specific purposes as specified by the donor and approved by the Board. The Discretionary fund is comprised of funds which are used for needs of the community at the discretion of the Board. The Operating Fund comprises the resources available for The Foundation’s general operating activities.

b) *Income and expense recognition*

The Foundation uses the restricted fund method of accounting for contributions. Contributions are recognized as revenue when received. Expenses are recorded on the accrual basis of accounting.

Investment income as well as realized and unrealized capital gains and losses are recorded on an accrual basis.

Pursuant to its Spending Policy, it is the long term objective of The Foundation to make available for annual grant-making activities an amount of 4.5% of the average of the preceding 12 quarters’ fair value of each fund in the Consolidated Trust Fund. The Foundation monitors an inflation protected target which is required to protect 90% of the purchasing power of the original gifts.

THE WINNIPEG FOUNDATION
Notes to the Financial Statements
September 30, 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Income and expense recognition (continued)

The difference between the inflation protected target and the fair value is monitored, and if this excess deteriorates or improves on an average three year basis, the spending rate will be adjusted upward or downward by an amount not greater than 0.2% in any given year within The Foundation's Spending Policy range of 4.0% to 5.0%. For 2018, the spending rate was 4.8% (2017 – 4.6%). In 2019, this rate will be 5.0%. It is the standard policy of The Foundation to apply an annual administrative recovery charge as per its fee policy and actual investment costs.

Alternate spending policies have been established by agreement with some respective donors. The Foundation's minimum requirement in reaching agreement with donors on spending policies for these funds is in adherence to the requirements of Canada Revenue Agency (CRA), which require spending equal to at least 3.5% of average fair value calculated over two years.

c) Cash and short term investments

Cash and short term investments are made up of unrestricted cash and short term investments with maturity of one year or less at the balance sheet date. Included in cash and short term investments at September 30, 2018 is cash of \$28,198,114 (2017 - \$10,270,377) and short term investments of \$4,126,362 (2017 - \$6,116,744).

d) Capital assets

The Foundation records its capital assets at their historical cost. Depreciation is provided for at rates ranging between 10% and 30%, calculated on a straight-line basis. Leasehold improvements, net of tenant inducements, are depreciated on a straight-line basis over the life of the lease.

e) Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when The Foundation becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost, except for investments which The Foundation has chosen to measure at fair value. The fair value of The Foundation's investments in marketable securities quoted in an active market include bonds, debentures, preferred shares and common shares, which are based on the year end published close prices. The fair value of mortgages, real estate and infrastructure investments is determined by the respective investment manager.

Purchases and sales of investments are recorded at the trade date and transaction costs are expensed as incurred and recorded in the Statement of Operations. Changes in unrealized gains and losses are recognized in the Statement of Operations.

THE WINNIPEG FOUNDATION
Notes to the Financial Statements
September 30, 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) *Financial instruments (continued)*

With respect to financial assets measured at cost or amortized cost, The Foundation recognizes in net earnings an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed in net earnings in the period the reversal occurs.

f) *Bequests and other donations*

Bequests and other donations are recorded when received.

g) *Grant commitments*

Grant commitments are recorded in the year approved.

h) *Foreign currency translation*

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates in effect at the balance sheet date and non-monetary assets and liabilities are translated at the exchange rate prevailing when the asset was acquired. Revenues and expenses are translated into Canadian dollars at the exchange rates in effect on the date of the transaction, except for amortization, which is translated at historical rates. Exchange gains and losses on translation of foreign currencies are reflected in the Statement of Operations.

i) *Use of estimates*

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and disbursements during the reporting period. Significant estimates included in these financial statements relate to the valuation of artwork, charitable remainder trusts and the cash surrender value of life insurance policies as well as the useful life of capital assets. Actual results could differ from these estimates.

3. OTHER ASSETS

	<u>2018</u>	<u>2017</u>
Works of art	\$ 777,359	\$ 752,034
Cash surrender value of life insurance policies	1,257,986	1,829,255
Charitable remainder trusts	1,433,427	2,061,216
Capital assets (Note 4)	925,481	989,360
	<u>\$ 4,394,253</u>	<u>\$ 5,631,865</u>

THE WINNIPEG FOUNDATION
Notes to the Financial Statements
September 30, 2018

3. OTHER ASSETS (continued)

The Foundation is the owner and capital beneficiary of certain charitable remainder trusts, under which The Foundation will become entitled to the investment income from these funds upon the death of the income beneficiaries. The charitable remainder trusts are carried at their estimated net present value, calculated as the current fair value of the trusts' assets discounted by the estimated time until which The Foundation is entitled to the income earned by the trusts' assets.

4. CAPITAL ASSETS

	2018			2017
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Furniture & equipment	\$ 386,934	\$ 262,953	\$ 123,981	\$ 130,231
Computers & peripherals	1,503,164	1,357,541	145,623	177,991
Leasehold improvements	1,199,194	549,986	649,208	663,403
Website	79,288	72,619	6,669	17,735
	\$ 3,168,580	\$ 2,243,099	\$ 925,481	\$ 989,360

5. MANAGED FUNDS

Managed funds represent funds beneficially owned by other organizations for which the income and capital is designated for the benefit of those organizations. Certain organizations, which includes various Manitoba community foundations and other not-for-profit agencies, have placed their investment capital, including their endowment capital, with The Foundation to be managed as part of The Foundation's investment portfolio. This enables The Foundation to foster the growth and development of Manitoba's community foundations by providing support for their activities.

As at September 30, 2018, 46 (2017 - 42) community foundations and 21 (2017 - 21) agencies were working together with The Foundation in this manner. The capital beneficially owned by other organizations is included in The Foundation's managed funds.

a) Agency managed funds

	2018	2017
Contributions	\$ 1,505,977	\$ 9,703,189
Investment income	6,153,402	5,474,515
Investment and administrative fees	(595,000)	(548,541)
Distributions	(3,973,699)	(3,650,706)
Change during the year	3,090,680	10,978,457
Balance, beginning of year	84,562,546	73,584,089
Balance, end of year	\$ 87,653,226	\$ 84,562,546

THE WINNIPEG FOUNDATION
Notes to the Financial Statements
September 30, 2018

5. MANAGED FUNDS (continued)

b) Manitoba community foundation managed funds

	<u>2018</u>	<u>2017</u>
Contributions	\$ 6,758,240	\$ 10,402,777
Investment income	4,055,843	3,412,949
Investment and administrative fees	(483,695)	(392,489)
Distributions	(2,632,634)	(1,878,673)
Change during the year	7,697,754	11,544,564
Balance, beginning of year	54,710,493	43,165,929
Balance, end of year	\$ 62,408,247	\$ 54,710,493

6. INVESTMENT POLICY

In accordance with The Foundation's mission to benefit the people of Winnipeg by supporting not-for-profit, charitable, educational and cultural organizations, the Board of Directors developed an Asset Management Governance Plan and a Statement of Investment Beliefs, Policies and Guidelines, which endeavors to protect the purchasing power of the funds entrusted to The Foundation while achieving maximum returns consistent with prudent investment. The Foundation's investment policy applies to all investments held in The Foundation's Consolidated Trust Fund. The investment policy includes restrictions regarding the minimum and maximum amount of all holdings, the maximum amount of foreign equity holdings and the maximum to be invested in any one related group or industry.

7. RISK MANAGEMENT

The Foundation actively manages the risks that arise from its use of financial instruments, including liquidity, credit and market risk. The Foundation adheres to an investment policy that outlines the objectives, constraints, and parameters related to its investing activities. This policy prescribes limits around the quality and concentration of investments held by The Foundation. Management regularly reviews The Foundation's investments to ensure all activities adhere to the investment policy. The Foundation may periodically enter into exchange rate contracts to manage foreign currency exposure but does not engage in other hedging transactions.

a) *Liquidity Risk*

Liquidity risk is the risk that The Foundation cannot meet a demand for cash or fund its obligations as they come due. A key liquidity requirement for The Foundation is grant commitments. Liquidity risk is managed by investing the majority of The Foundation's assets in investments that are traded in an active market and can be readily liquidated. In addition, The Foundation aims to retain sufficient cash positions to maintain liquidity. The majority of The Foundation's investments are considered readily realizable and liquid, therefore The Foundation's liquidity risk is considered minimal. The Foundation's contractual liabilities are all due within one year, with the exception of lease commitments as set out in Note 8.

7. RISK MANAGEMENT (continued)

b) Credit Risk

Credit risk is the potential for financial loss should a counterparty in a transaction fail to meet its obligations. The Foundation's investments in short term investments, bonds and debentures and mortgages are subject to credit risk. The maximum exposure to credit risk on these financial instruments is their carrying value. The investment policy of The Foundation mandates that at least 90% of the bond portfolio have a minimum credit rating of A-; up to 10% of the bond portfolio can be invested in bonds with a BBB to A- rating. The investment policy also mandates that short term investments have a minimum credit rating of R-1 when purchased. Guaranteed Investment Certificate deposits issued by Credit Unions of Manitoba are guaranteed by Deposit Guarantee Corporation of Manitoba. The Foundation monitors its credit risk management policies regularly to evaluate their effectiveness.

c) Market Risk

Market risk is the potential for financial loss to The Foundation from changes in the values of its financial instruments due to changes in interest rates, currency exchange rates or other price risk. The investments of The Foundation are subject to normal market fluctuations and to the risk inherent in investment in capital markets.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will affect future cash flows or fair values of financial instruments. Interest rate risk arises when The Foundation invests in interest-bearing financial instruments, and therefore The Foundation is exposed to interest rate risk on its bond portfolios. The Foundation also invests in mortgages secured by real estate which are subject to interest rate risk. The objective of The Foundation's investment policy is to manage its interest rate exposure.

Currency Risk

Currency risk is the risk that the value of financial instruments denominated in currencies other than the functional currency of The Foundation, which is the Canadian dollar, will fluctuate due to changes in foreign exchange rates. The Foundation is exposed to currency risk on its foreign market preferred and common stock and its foreign market bonds and debentures, as the prices denominated in foreign currencies are converted to The Foundation's functional currency in determining fair value. The objective of The Foundation's investment policy is to manage currency risk by maintaining a geographically diversified portfolio. The most significant exposure to currency risk is \$194,700,296 (20.7%) (2017 - \$164,168,301 (20.1%)) of investments in US Dollars.

THE WINNIPEG FOUNDATION
Notes to the Financial Statements
September 30, 2018

7. RISK MANAGEMENT (continued)

c) Market Risk (continued)

Currency Risk (continued)

Summary of currency exposure is as follows:

	<u>2018</u>	<u>2017</u>
US Dollar	\$ 194,700,296	\$ 164,168,301
Euro	36,494,785	29,046,065
United Kingdom Pound	20,824,021	19,886,937
Japanese Yen	18,741,878	17,755,279
Other	70,118,609	70,603,204
Total	\$ 340,879,589	\$ 301,459,786

The other category consists of 12 other currencies exposures ranging from \$900 thousand to \$9.8 million.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is exposed to other price risk through its investments in listed shares for which the value fluctuates with the quoted market price and through its investment in mortgages, real estate and infrastructure. The objective of The Foundation's investment policy is to manage other price risk by maintaining a portfolio which is diversified across geographic and industry sectors. The performance of The Foundation's investments is monitored by measuring against a benchmark consisting of relative weightings of various stock exchanges.

d) Risk Concentrations

The risks discussed above exist where a significant portion of the portfolio is invested in securities which have similar characteristics or similar variations relating to economic or political conditions.

THE WINNIPEG FOUNDATION
Notes to the Financial Statements
September 30, 2018

7. RISK MANAGEMENT (continued)

d) Risk concentrations (continued)

As at September 30, 2018 the investment portfolio includes the following concentrations:

	2018		2017	
	%	Fair Value	%	Fair Value
Cash and Short Term Investments				
Canada	3.2%	\$ 30,107,502	1.7%	\$ 14,208,347
Foreign	0.1%	980,234	0.1%	950,676
Corporate (GIC's)	0.1%	1,236,740	0.2%	1,228,098
	3.4%	32,324,476	2.0%	16,387,121
Bonds and Debentures				
Corporate - Canada	0.5%	4,539,707	0.6%	4,599,378
Pooled Fund - Canada	21.9%	206,801,109	21.5%	175,603,926
	22.4%	211,340,816	22.1%	180,203,304
Mortgages				
Pooled Mortgage Fund	8.7%	81,576,142	9.4%	76,498,316
Preferred and Common Stock				
Canada	12.7%	119,475,870	12.9%	105,041,262
Canadian Pooled Equity Fund	12.0%	112,903,478	11.7%	95,975,834
United States	7.9%	74,409,884	7.6%	62,378,196
United States Pooled Equity Funds	12.7%	119,496,176	12.4%	100,957,863
International	15.5%	145,993,295	16.8%	136,777,194
	60.8%	572,278,703	61.4%	501,130,350
Real Estate				
Canadian Pooled Real Estate Fund	4.7%	44,633,961	5.1%	41,420,285
Infrastructure				
Global Infrastructure	0.0%	-	0.0%	-
	100.0%	\$ 942,154,098	100.0%	\$ 815,639,377
Represented as:				
Cash and short term investments		\$ 32,324,476		\$ 16,387,121
Investments		909,829,622		799,252,256
		\$ 942,154,098		\$ 815,639,377

THE WINNIPEG FOUNDATION
Notes to the Financial Statements
September 30, 2018

8. COMMITMENT

The Foundation has current annual lease commitments for office space, the last of which expires in April 30, 2027.

Minimum annual base rent commitments under the lease agreement for the next five years are as follows:

2019	249,484
2020	259,276
2021	259,276
2022	275,146
2023	294,006

The Foundation will receive a tenant inducement payment of \$53,955 towards tenant improvements for an additional 1,199 square feet which will be amortized over the period of the lease.

9. ADMINISTRATION

The Board of Directors has established an objective that administration expenses excluding Manitoba community foundations net expenses and investment management costs are not to exceed 0.75% of the average fair value of assets for the year. Actual expenses incurred for the year amounted to 0.63% (2017 - 0.69%) of the average fair value of The Foundation's assets.

The components of these expenses are as follows:

	2018		2017	
	Amount	% of Average Fair Value of Assets	Amount	% of Average Fair Value of Assets
Administration:				
Salaries and employee benefits	\$ 3,443,430		\$ 3,294,955	
Occupancy and technology costs	1,012,662		1,013,029	
Communications and donor relations	459,706		459,626	
Other program and administration	686,621		681,495	
Administrative support for Manitoba community foundations	389,863		274,366	
Total administration	5,992,282		5,723,471	
Less Manitoba community foundations recovery	(389,863)		(274,366)	
Total net administration	\$ 5,602,419	0.63%	\$ 5,449,105	0.69%
Investment management costs	\$ 2,950,355	0.33%	\$ 2,582,563	0.33%

The Foundation maintains a defined contribution pension plan to which it contributes a percentage of employees' salaries. The total amount contributed to the Plan by The Foundation and recognized as an expense for the year ended 2018 was \$185,127 (2017 - \$162,747).

THE WINNIPEG FOUNDATION
Notes to the Financial Statements
September 30, 2018

10. CAMP MANITOU

On April 25, 2017, The Foundation became the sole corporate member of Camp Manitou (the “Camp”) through a formal agreement between The Foundation and five service clubs of Winnipeg. The Camp was founded in 1930 with the mission to provide an enriching experience for children and youth who would not otherwise have the opportunity or resources to do so. The Camp is incorporated under the Companies Act of the Province of Manitoba and is a registered charity under the Income Tax Act. The True North Youth Foundation entered into a long term lease and operating agreement that resulted in True North Youth Foundation assuming control of the operations, financing and strategic direction of the Camp effective January 2, 2014. The Foundation exercises significant influence over the Camp by virtue of its ability to appoint the Board of Directors of the Camp and accounts for its interest in Camp Manitou at cost, which has been determined to be a nominal amount.

11. THE WINNIPEG FOUNDATION (USA)

In 2007 The Foundation established a non-profit corporation in the United States for charitable purposes. The Winnipeg Foundation USA (the “Corporation”) is registered in the State of Minnesota, and is exempt from federal income tax under section 501 (c) (e) of the Internal Revenue Code.

The Corporation is deemed a “Supporting Organization” for the sole purpose of supporting the charitable purpose of The Foundation under section 509 (a) (3) of the Internal Revenue Code. A Supporting Organization operates as a “public charity” under the IRS Code.

It is the policy of the Corporation to distribute all contributions received during the year to The Foundation. The Corporation can not accept more than \$750,000 USD of gifts per year. During 2018, the Corporation received contributions in the amount of \$143,382 USD (2017 - \$347,771 USD), which was fully distributed to The Foundation and allocated as endowment funds. Therefore, at September 30, 2018, the assets, liabilities, and net assets of corporation are nil.