

Financial Statements

**Thunder Bay Foundation**

December 31, 2002



---

**Thunder Bay Foundation**

**TABLE OF CONTENTS**

---

December 31, 2002

	Page
Auditors' Report	1
Balance Sheet	2
Statement of Operations and Fund Balances	3
Notes to Financial Statements	4
Schedule 1 - Externally Restricted Funds	9
Schedule 2 - Grants, Scholarships and Bursaries	10



---

## AUDITORS' REPORT

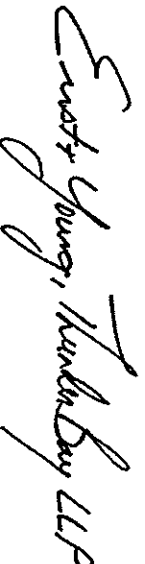
---

To the Board of Trustees of the  
**Thunder Bay Foundation**

We have audited the balance sheet of the **Thunder Bay Foundation** as at December 31, 2002 and the statement of operations and fund balances for the year then ended. These financial statements are the responsibility of the Foundation's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2002 and the results of its operations and the changes in its capital for the year then ended in accordance with Canadian generally accepted accounting principles.



Thunder Bay, Canada,  
March 14, 2003.

Chartered Accountants

**Thunder Bay Foundation**  
(Incorporated by Specific Act of the Province of Ontario)

**BALANCE SHEET**

As at December 31

	2002	2001
	\$	\$
<b>ASSETS</b>		
Cash and interest-bearing bank accounts	23,654	471,920
Accrued interest receivable	24,007	25,364
Accrued GST receivable	529	391
Prepaid expenses	1,662	1,610
Marketable securities, at cost [market value \$3,549,243; \$2,999,835 in 2001]	3,459,488	2,883,841
	<b>3,509,340</b>	<b>3,383,126</b>

**LIABILITIES AND FUND BALANCES**

<b>Liabilities</b>		
Accounts payable	9,783	7,301
Commitments for grants and scholarships	26,000	24,000
<b>Total liabilities</b>	<b>35,783</b>	<b>31,301</b>

<b>Fund balances [note 2]</b>		
Externally restricted	610,492	516,455
Internally restricted	200,000	200,000
Unrestricted	2,663,065	2,635,370
<b>Total fund balances</b>	<b>3,473,557</b>	<b>3,351,825</b>
	<b>3,509,340</b>	<b>3,383,126</b>

See accompanying notes

On behalf of the Board:

Trustee

Trustee



# Thunder Bay Foundation

## STATEMENT OF OPERATIONS AND FUND BALANCES

Year ended December 31

	Unrestricted Funds		Internally Restricted Funds		Externally Restricted Funds		Total	
	General		Helen L. Dewar Scholarship Fund					
	2002	2001	2002	2001	2002	2001	2002	2001
	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>								
Capital gains on sale of securities	20,439	32,485	1,257	2,125	[schedule 1] 3,659	3,675	25,355	38,285
Dividend income	18,904	19,846	1,163	1,298	3,384	2,245	23,451	23,389
Interest income	136,710	127,445	8,409	8,452	24,475	16,708	169,594	152,605
<b>Total revenue [note 3]</b>	<b>176,053</b>	<b>179,776</b>	<b>10,829</b>	<b>11,875</b>	<b>31,518</b>	<b>22,628</b>	<b>218,400</b>	<b>214,279</b>
<b>EXPENSES</b>								
Office and miscellaneous	8,473	8,143	572	625	1,736	1,208	10,781	9,976
Professional fees	4,318	5,273	291	404	885	783	5,494	6,460
Promotions and publications	791	523	53	40	161	63	1,005	626
Wages and benefits	16,207	12,183	1,094	934	3,320	1,846	20,621	14,963
<b>Total expenses [note 3]</b>	<b>29,789</b>	<b>26,122</b>	<b>2,010</b>	<b>2,003</b>	<b>6,102</b>	<b>3,900</b>	<b>37,901</b>	<b>32,025</b>
<b>Earnings before the following</b>	<b>146,264</b>	<b>153,654</b>	<b>8,819</b>	<b>9,872</b>	<b>25,416</b>	<b>18,728</b>	<b>180,499</b>	<b>182,254</b>
<b>Deduct: grants, scholarships and bursaries [schedule 2]</b>								
Children and Youth's Services	6,300	6,400	—	—	5,700	—	12,000	6,400
Alleviation of Human Suffering	42,500	42,500	—	—	—	—	42,500	42,500
Advancement of Social Work, Education and Cultural Purposes	15,500	11,100	—	—	—	—	15,500	11,100
Scholarships awarded	8,000	12,000	26,000	26,000	26,000	22,000	60,000	60,000
<b>Total grants, scholarships and bursaries</b>	<b>72,300</b>	<b>72,000</b>	<b>26,000</b>	<b>26,000</b>	<b>31,700</b>	<b>22,000</b>	<b>130,000</b>	<b>120,000</b>
<b>Excess (shortfall) of revenue over expenses, grants, scholarships and bursaries before the following</b>	<b>73,964</b>	<b>81,654</b>	<b>(17,181)</b>	<b>(16,128)</b>	<b>(6,284)</b>	<b>(3,272)</b>	<b>50,499</b>	<b>62,254</b>
Write-down in value of marketable securities for non-temporary decline in market value	12,194	20,995	—	—	—	—	12,194	20,995
<b>Excess (shortfall) of revenue over expenses, grants, scholarships and bursaries</b>	<b>61,770</b>	<b>60,659</b>	<b>(17,181)</b>	<b>(16,128)</b>	<b>(6,284)</b>	<b>(3,272)</b>	<b>38,305</b>	<b>41,259</b>
Fund balances, beginning of year	2,635,370	2,593,116	200,000	209,280	516,455	370,545	3,351,825	3,172,941
Capital receipts [note 4]	—	—	—	—	83,427	137,625	83,427	137,625
Transfer from (to) other funds	(34,075)	(18,405)	17,181	6,848	16,894	11,557	—	—
<b>Fund balances, end of year</b>	<b>2,663,065</b>	<b>2,635,370</b>	<b>200,000</b>	<b>200,000</b>	<b>610,492</b>	<b>516,455</b>	<b>3,473,557</b>	<b>3,351,825</b>

See accompanying notes

---

**Thunder Bay Foundation**

**NOTES TO FINANCIAL STATEMENTS**

---

December 31, 2002

---

**GENERAL**

The Thunder Bay Foundation is incorporated by Specific Act of the Province of Ontario without share capital and is a registered charity under the Income Tax Act. The objects of the Foundation are to receive, maintain, manage, control and use donations for charitable purposes, to promote educational advancement and scientific and medical research for the increase in human knowledge in alleviation of human suffering, and to provide for such other charitable purposes relating to welfare and cultural matters as may appear to contribute to the mental, moral, cultural and physical improvement of the inhabitants of the District of Thunder Bay.

**1. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles.

**Revenue recognition**

The Foundation follows the restricted fund method of accounting for contributions.

Restricted contributions are recognized as revenue of the appropriate restricted fund in the year received or receivable if the amount can be reasonably estimated and collection can be reasonably assured.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Investment income earned is recognized in the appropriate fund when earned.

**Fund accounting**

In order to ensure observance of limitations and restrictions placed on funds administered by the Foundation, the accounts of the Foundation are maintained in accordance with the principle of "fund accounting". Under this principle, resources for various purposes are classified for accounting purposes into funds whose transactions are grouped together and treated in accordance with the particular activities or objectives specified.

[a] The General Fund is used to account for donation revenues received without external restrictions. Accumulated funds are to be expended for administrative and operational costs and for charitable purposes.



---

**Thunder Bay Foundation**

**NOTES TO FINANCIAL STATEMENTS**

---

December 31, 2002

---

[b] The Helen L. Dewar Scholarship Fund was established by the Board of Trustees of the Thunder Bay Foundation as recognition of the funds received from the Estate of Helen L. Dewar. It is the intention of the Trustees to maintain the fund's capital account at \$200,000. The fund is used for awarding scholarships annually to any high school graduates of Thunder Bay, North, Geraldton, Nipigon-Red Rock, Manitouwadge, Marathon or Terrace Bay, conditional on attendance at a Canadian University.

[c] The Robert Kerr Dewar M.D. Research Fund was established upon receipt of \$45,000. The initial funds are to be maintained as a separate trust fund. The income generated from the fund is to be used to award medical research.

[d] The Joshua Dyke Family Scholarship Trust Fund was established from the Estate of Edyth Dyke. The capital is to be maintained at \$200,000. The fund is to be used for awarding five scholarships annually to any high school or collegiate graduates of Thunder Bay, South, and is conditional on attendance at a Canadian University.

[e] The Ontario Endowment for Children and Youth in Recreation Program was established by the Government of Ontario to support projects for children and youth. The program has matched dollar-for-dollar eligible donations provided by the Foundation.

[f] The J. A. McLean Scholarship Trust Fund was established upon receipt of \$60,000 from the Estate of Jean E. Alexander McLean. The initial funds are to be maintained as a separate trust fund. The fund is to be used for awarding a scholarship annually to any secondary school graduate of Thunder Bay who will be qualifying themselves to become a teacher.

**Investment valuation**

Investments are valued at the lower of cost or market determined on an aggregate basis. Cost includes any discounts or premiums arising on the purchase of investments.

When there has been an other than temporary decline in the value of a security, the investment is written-down to recognize the loss. Any losses in value of prior years are not reversed if there is a subsequent increase in value.



Thunder Bay Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2002

2. FUND BALANCES

	Ontario		
	Robert Kerr Dewar M.D. Research Fund	Joshua Dyke Family Scholarship Trust Fund	Endowment for Children and Youth in Recreation Program Trust Fund
	\$	\$	\$
Externally restricted			
Capital	45,000	200,000	211,652
Surplus	88,910	—	1,822
	133,910	200,000	213,474
			Helen L. Dewar Scholarship Fund
			\$
			2002
			\$
			2001
			\$
			60,000
			3,108
			63,108
			516,652
			93,840
			610,492
			516,455
Internally restricted			
Capital	160,519	160,519	160,519
Surplus	39,481	39,481	39,481
	200,000	200,000	200,000
			General
			\$
			2002
			\$
			2001
			\$
Unrestricted			
Capital	2,278,394	2,278,394	2,278,394
Surplus	384,671	384,671	356,976
	2,663,065	2,663,065	2,635,370





**Thunder Bay Foundation**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2002

**3. REVENUE AND EXPENSE ALLOCATIONS**

Revenue of the Foundation is allocated between the General Fund, Helen L. Dewar Scholarship Fund, Robert Kerr Dewar M.D. Research Fund, Joshua Dyke Family Scholarship Trust Fund, J. A. McLean Scholarship Trust Fund and Ontario Endowment for Children and Youth in Recreation (OECYR) Program based on proportionate capital and surplus of each fund at year-end.

Expenses of the Foundation are allocated between the General Fund, Helen L. Dewar Scholarship Fund, Robert Kerr Dewar M.D. Research Fund, Joshua Dyke Family Scholarship Trust Fund and J. A. McLean Scholarship Trust Fund based on proportionate capital and surplus of each fund at year-end.

Expenses of the OECYR Program are limited to 1.5% of the market value of the fund at the beginning of the fiscal year.

**4. CAPITAL RECEIPTS**

Donated capital receipts consist of the following:

	2002	2001
	\$	\$
Estate of Jean E. McLean	—	60,000
Walter Ross Rogers	—	10,000
Marguerite Neelands	—	100
Dr. George Morrison	—	100
Dr. James Colquhoun	—	1,000
Elizabeth Maurer	100	100
John McCartney	—	500
G. Gasparotto	—	5,000
Kenneth Morrison	—	25
Deborah DeBakker	—	100
Kraft Marketing	—	100
Province of Ontario	44,957	60,600
Daniel Clara	500	—
Anonymous	5,000	—
Lenora Aedy	500	—
Dr. Ian Sewell	1,000	—
Carried forward	52,057	137,625



**Thunder Bay Foundation**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2002

	2002 \$	2001 \$
<b>Brought forward</b>	<b>52,057</b>	<b>137,625</b>
James Piper	70	—
Glenn Brassard	500	—
C-Cann Investments Ltd.	500	—
Elizabeth Dougall	100	—
CIBC	2,500	—
Toronto Dominion Bank	750	—
Scotiabank	1,000	—
Richard Sanderson	100	—
H. F. Dougall	100	—
Paterson Foundation	5,000	—
RBC Foundation	1,000	—
John Andrews Foundation	5,000	—
Shella Campbell	50	—
Ellen Romano	1,000	—
Peggy Dromisky	200	—
Rotary Club of Fort William	5,000	—
Taylor Pyatt	1,000	—
Bugene Kozyk	5,000	—
HSBC Bank of Canada	1,000	—
Dr. S. Kennedy	500	—
Dr. and Mrs. J. Augustine	250	—
G. William Mork	200	—
Dr. G. Derbysire	500	—
Elaine Lynch	50	—
	<b>83,427</b>	<b>137,625</b>



## EXTERNALLY RESTRICTED FUNDS

Year ended December 31

	2002				Total \$
	Robert Kerr Dewar M. D. Research Fund \$	Joshua Dyke Family Scholarship Trust Fund \$	Ontario Endowment for Children and Youth in Recreation Program \$	J. A. McLean Scholarship Trust Fund \$	
<b>REVENUE</b>					
Capital gains on sale of securities	985	1,291	942	441	3,659
Dividend income	911	1,194	871	408	3,384
Interest income	6,587	8,634	6,301	2,953	24,475
<b>Total revenue [note 3]</b>	<b>8,483</b>	<b>11,119</b>	<b>8,114</b>	<b>3,802</b>	<b>31,518</b>
<b>EXPENSES</b>					
Office and miscellaneous	419	573	547	197	1,736
Professional fees	213	292	279	101	885
Promotions and publications	39	53	51	18	161
Wages and benefits	801	1,095	1,046	378	3,320
<b>Total expenses [note 3]</b>	<b>1,472</b>	<b>2,013</b>	<b>1,923</b>	<b>694</b>	<b>6,102</b>
<b>Earnings before the following</b>	<b>7,011</b>	<b>9,106</b>	<b>6,191</b>	<b>3,108</b>	<b>25,416</b>
<b>Deduct [schedule 2]</b>					
Children and Youth Services grants awarded	—	—	5,700	—	5,700
Scholarships awarded	—	26,000	—	—	26,000
<b>Total grants, scholarships and bursaries</b>	<b>—</b>	<b>26,000</b>	<b>5,700</b>	<b>—</b>	<b>31,700</b>
<b>Excess (shortfall) of revenue over expenses, grants, scholarships and bursaries</b>	<b>7,011</b>	<b>(16,894)</b>	<b>491</b>	<b>3,108</b>	<b>(6,284)</b>
Fund balances, beginning of year	126,899	200,000	129,556	60,000	516,455
Capital receipts [note 4]	—	—	83,427	—	83,427
Transfer from other funds	—	16,894	—	—	16,894
<b>Fund balances, end of year</b>	<b>133,910</b>	<b>200,000</b>	<b>213,474</b>	<b>63,108</b>	<b>610,492</b>

Thunder Bay Foundation

Schedule 2

**GRANTS, SCHOLARSHIPS AND BURSARIES**

Year ended December 31

	2002
	\$
<b>CHILDREN AND YOUTH'S SERVICES</b>	
<b>General Fund</b>	
Childrens Museum of Thunder Bay	600
Communities Together for Children	1,400
Navy League of Canada, Thunder Bay Branch	1,300
Northwestern Ontario Science Fair	900
Thunder Bay Big Brother Big Sister Association	2,100
<b>Ontario Endowment for Children and Youth Fund</b>	
Easter Seal Society, Ontario	2,000
Harbour Youth Services	2,200
Thunder Bay Boys & Girls Club	1,500
	<b>12,000</b>

**ALLEVIATION OF HUMAN SUFFERING**

AIDS Committee of Thunder Bay	1,200
Alzheimer Society of Thunder Bay	2,200
Arthritis Society	500
Camp Quality of Northwestern Ontario	1,900
Canadian Diabetes Association	1,200
Canadian Hearing Society	900
Canadian National Institute for the Blind	500
D.A.R.E. Program	2,300
George Jeffrey Children's Centre	1,600
HAGI	1,200
Hospice Northwest	4,100
Northwest Community Health Centre	2,000
Operation Hope	1,800
Our Kids Count	1,700
Salvation Army	1,800
St. Andrew's Catholic Church	3,500
St. John Ambulance	900
St. Joseph's Foundation	5,000
Thunder Bay Christmas Cheer Fund	700
Thunder Bay District Health Unit	700
Thunder Bay Regional Hospital Foundation	5,000
Wesway	1,800
	<b>42,500</b>
<b>Carried forward</b>	<b>54,500</b>



Thunder Bay Foundation

Schedule 2 (continued)

### GRANTS, SCHOLARSHIPS AND BURSARIES

Year ended December 31

	2002
	\$
<b>Brought forward</b>	<b>54,500</b>
<b>ADVANCEMENT OF SOCIAL WORK, EDUCATION AND CULTURAL PURPOSES</b>	
Lakehead Festival of Music Arts	1,300
Lakehead Social Planning Council	1,000
Lakehead University	2,700
Thunder Bay Christian Community	800
Thunder Bay Fringe Festival	500
Thunder Bay Military Museum	800
Thunder Bay Symphony Orchestra	1,000
Thunder Bay Symphony Youth Orchestra Association	2,300
United Way of Thunder Bay	5,100
	<b>15,500</b>
<b>Total grants</b>	<b>70,000</b>
Scholarships and bursaries paid from General Fund	8,000
Scholarships paid from Joshua Dyke Family Scholarship Trust Fund	26,000
Scholarships paid from Helen L. Dewar Scholarship Fund	26,000
<b>Total scholarships and bursaries</b>	<b>60,000</b>
<b>Total grants, scholarships and bursaries</b>	<b>130,000</b>

