

The Killarney Foundation Inc.
Financial Statements
December 31, 2019

Management's Responsibility

To the Directors of The Killarney 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 and ensuring that all information in the annual report is consistent with the statements. 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 of Directors is composed entirely of Directors who are neither management nor employees of the Foundation. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. 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 Directors to audit the financial statements and report directly to them; 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 15, 2020

Secretary/Treasurer

Independent Auditor's Report

To the Members of The Killarney Foundation Inc.:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Killarney Foundation Inc. (the "Foundation"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2019, 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 Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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 opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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.

Those charged with governance 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.

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

Brandon, Manitoba

April 15, 2020

MNP LLP

Chartered Professional Accountants

The Killarney Foundation Inc.
Statement of Financial Position

As at December 31, 2019

	<i>Operating Fund</i>	<i>Designated Endowment Fund</i>	<i>Undesignated Endowment Fund</i>	2019	2018
Assets					
Current					
Cash	7,261	68,548	75,155	150,964	147,382
Accounts receivable	239	6,030	6,611	12,880	10,902
	7,500	74,578	81,766	163,844	158,284
Investments (Note 6)	-	3,536,511	3,818,033	7,354,544	6,535,476
	7,500	3,611,089	3,899,799	7,518,388	6,693,760
Liabilities					
Current					
Accounts payable and accruals	7,500	6,450	97,700	111,650	125,215
Commitments (Note 8)					
Net Assets					
Net assets	-	3,604,639	3,802,099	7,406,738	6,568,545
	7,500	3,611,089	3,899,799	7,518,388	6,693,760

Approved on behalf of the Board

Director

Director

The accompanying notes are an integral part of these financial statements

The Killarney Foundation Inc.
Statement of Operations

For the year ended December 31, 2019

	<i>Operating Fund</i>	<i>Designated Endowment Fund</i>	<i>Undesignated Endowment Fund</i>	2019	2018
Revenue					
Grant	7,000	-	-	7,000	7,000
Interest and dividends	-	140,240	150,908	291,148	263,499
	7,000	140,240	150,908	298,148	270,499
Expenses					
Administrative	1,064	-	-	1,064	520
Advertising	1,976	-	-	1,976	1,302
Consulting fees	11,700	-	-	11,700	9,900
Grants <i>(Note 9)</i>	-	80,187	168,694	248,881	296,096
Membership fees	450	-	-	450	1,952
Meals	282	-	-	282	-
Professional fees	41,413	-	-	41,413	42,108
Supplies	1,802	-	-	1,802	795
	58,687	80,187	168,694	307,568	352,673
Excess (deficiency) of revenue over expenses before other items	(51,687)	60,053	(17,786)	(9,420)	(82,174)
Other items					
Gain (loss) on held for trading assets	-	383,795	420,786	804,581	(748,658)
Excess (deficiency) of revenue over expenses	(51,687)	443,848	403,000	795,161	(830,832)

The accompanying notes are an integral part of these financial statements

The Killarney Foundation Inc.
Statement of Changes in Net Assets

For the year ended December 31, 2019

	<i>Operating Fund</i>	<i>Designated Endowment Fund</i>	<i>Undesignated Endowment Fund</i>	2019	<i>2018</i>
Net assets, beginning of year	-	3,272,617	3,295,928	6,568,545	6,497,867
Excess (deficiency) of revenue over expenses	(51,687)	443,848	403,000	795,161	(830,832)
Endowment contributions	-	18,569	62,317	80,886	801,102
Net realized capital gains (losses)	-	(18,057)	(19,797)	(37,854)	100,408
Inter-fund transfers (Note 4)	51,687	(112,338)	60,651	-	-
Net assets, end of year	-	3,604,639	3,802,099	7,406,738	6,568,545

The accompanying notes are an integral part of these financial statements

The Killarney Foundation Inc.

Statement of Cash Flows

For the year ended December 31, 2019

	<i>Operating Fund</i>	<i>Designated Endowment Fund</i>	<i>Undesignated Endowment Fund</i>	2019	2018
Cash provided by (used for) the following activities					
Operating activities					
Cash received from grantors	7,000	2,598	-	9,598	7,000
Dividends and interest received	-	127,266	139,532	266,798	268,848
Cash paid - grants	-	(125,190)	(137,255)	(262,445)	(185,382)
Cash paid - operating expenses	(7,025)	(24,655)	(27,032)	(58,712)	(49,329)
	(25)	(19,981)	(24,755)	(44,761)	41,137
Financing					
Endowment contributions received	-	18,569	62,317	80,886	181,123
Net realized capital gains (losses)	-	(18,057)	(19,797)	(37,854)	100,408
	-	512	42,520	43,032	281,531
Investing					
Purchase of investments	-	(691,505)	(793,932)	(1,485,437)	(2,003,637)
Proceeds on investments sold	-	711,105	779,643	1,490,748	1,582,271
	-	19,600	(14,289)	5,311	(421,366)
Increase (decrease) in cash resources	(25)	131	3,476	3,582	(98,698)
Cash resources, beginning of year	7,286	68,417	71,679	147,382	246,080
Cash resources, end of year	7,261	68,548	75,155	150,964	147,382

The accompanying notes are an integral part of these financial statements

1. Incorporation and operations

The Killarney Foundation Inc. (the "Foundation") was incorporated under the laws of the Province of Manitoba as a not-for-profit organization and is a registered charity under the Income Tax Act.

2. Organization

The Killarney Foundation Inc. is a registered community fund established to support cultural, educational, recreational and charitable purposes in the Municipality of Killarney-Turtle Mountain and surrounding area.

The Foundation has a permanent pool of capital made up of gifts and bequests, carefully invested, which provides a perpetual stream of income to assist and support the changing needs of the community.

3. 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, which are part of Canadian generally accepted accounting principles, using the following significant accounting policies:

Fund accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, the accounts are maintained on a fund accounting basis. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the contributors or in accordance with the directives issued by the Board of Directors.

Three funds are maintained: Operating Fund, Designated Endowment Fund and Undesignated Endowment Fund.

The Operating Fund is used to account for all expenses related to general and ancillary operations of the Foundation. Funds are transferred from the Endowment Funds to the Operating Fund to cover the administrative costs of the Foundation. The Designated Endowment Fund has been allocated its share of administrative overhead by the Board of Directors based on the average number of units held in the fund during the year. During the year an average of 47.70% (2018 - 48.84%) of all investments were held in the Designated Endowment Fund, therefore 47.70% of the administrative overhead has been allocated to the fund. The Undesignated Endowment Fund is allocated the remaining administrative costs.

The Designated and Undesignated Endowment Funds are restricted funds used to account for monies for specific purposes. Contributions are in the form of endowments from which only the income earned is expendable. In situations where contributions are specified to be used for operating purposes, the contributions would be fully expended.

Revenue recognition

The Foundation uses the deferral method of accounting for contributions and reports on a fund accounting basis. The Designated Endowment Fund contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. The Undesignated Endowment Fund and Operating Fund 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 the Endowment Fund balances. Restricted investment income is recognized in the appropriate deferred contribution balance or in net assets depending on the nature of the restrictions. Unrestricted investment income is recognized as revenue when earned.

Gains and losses on disposals of investments are reflected directly in the Endowment Funds. For the year, net capital losses realized were \$37,854 (2018 - net capital losses of \$100,408).

Pledges are recognized as revenue when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured. At December 31, 2019 the Foundation has no pledges receivable.

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

Accounts receivable

The accounts receivable consist mainly of accrued interest receivable and are recorded with no allowance for doubtful accounts.

Capital gains

The Foundation will allocate 25% of capital gains, net of capital losses, earned in the previous year to the Undesignated Endowment Fund for the purposes of granting. The remaining 75% will continue to be capitalized and included in contributed capital. During 2019, the capital gain allocation policy was rescinded.

Financial instruments

The Foundation recognizes its financial instruments when the Foundation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management.

At initial recognition, the Foundation may irrevocably elect to subsequently measure any financial instrument at fair value. The Foundation has not made such an election. Cash and long-term investments have been designated to be subsequently measured at their fair value.

The Foundation subsequently measures long-term investments quoted in an active market and all derivative instruments at fair value. Fair value is determined by reference to quoted market prices. Long-term investments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. As of December 31, 2019, all long-term investments have quotes in an active market.

All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the statement of operations for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

The carrying values of financial assets measured at amortized cost or fair value are as follows:

	2019	2018
Financial assets measured at fair value:		
Cash	150,964	147,382
Investments	7,354,544	6,535,476
Financial assets measured at amortized cost:		
Accounts receivable	12,641	10,689

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

Financial asset impairment

The Foundation assesses impairment of all of 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 or whether there has been a breach in contract, such as a default or delinquency in interest or principal payments 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. If so, the Foundation reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; 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 the current year statement of operations.

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 the statement of operations in the year the reversal occurs.

Measurement uncertainty (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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Measurement uncertainty applies to the allocation between designated and undesignated amounts reported on the statement of financial position of the Foundation.

Contributed services

Volunteers contribute approximately 70 hours per year to assist the Killarney Foundation Inc. in carrying out its service-delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

4. Interfund transactions

During the year the Foundation transferred \$24,655 (2018 - \$24,213) from the Designated fund and \$27,032 (2018 - \$25,364) from the Undesignated Fund to provide for net expenditures in the Operating fund totaling \$51,687 (2018 - \$49,577). Additionally, \$87,683 was transferred between the Undesignated and Designated funds.

5. 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.

The Killarney Foundation Inc.
Notes to the Financial Statements

For the year ended December 31, 2019

6. Investments

	2019		2018	
	Fair Market Value	Cost	Fair Market Value	Cost
DESIGNATED				
Investment in Bonds and Debentures:				
Provincial Government	28,931	31,312	28,709	29,238
Corporate/Guaranteed Certificates	937,394	1,023,861	624,952	645,635
	<u>966,325</u>	<u>1,055,173</u>	<u>653,661</u>	<u>674,873</u>
Investment in Shares:				
Canadian & International Equities	<u>2,224,404</u>	<u>2,042,672</u>	2,091,495	2,094,807
Investment in Savings Account	<u>214,391</u>	<u>235,054</u>	344,955	344,955
Investment in GIC	<u>73,099</u>	<u>73,260</u>	73,260	73,260
Winnipeg Foundation	53,721	45,298	48,740	45,298
Investment in Mineral Rights	<u>4,571</u>	<u>4,571</u>	4,584	3,127
	<u>58,292</u>	<u>49,869</u>	<u>53,324</u>	<u>48,425</u>
	<u>3,536,511</u>	<u>3,456,028</u>	3,216,695	3,236,320
UNDESIGNATED				
Investment in Bonds and Debentures:				
Provincial Government	31,719	28,559	30,078	30,633
Corporate/Guaranteed Certificates	<u>1,027,742</u>	<u>933,854</u>	654,751	676,420
	<u>1,059,461</u>	<u>962,413</u>	684,829	707,053
Investment in Shares:				
Canadian & International Equities	<u>2,438,802</u>	<u>1,863,101</u>	2,191,224	2,194,694
Investment in Savings Account	<u>235,055</u>	<u>214,391</u>	361,404	361,404
Investment in GIC	<u>80,144</u>	<u>73,099</u>	76,740	76,740
Investment in Mineral Rights:	<u>4,571</u>	<u>4,571</u>	4,584	3,127
	<u>3,818,033</u>	<u>3,117,575</u>	<u>3,318,781</u>	<u>3,343,018</u>
Total Investment	<u>7,354,544</u>	<u>6,573,603</u>	<u>6,535,476</u>	<u>6,579,338</u>

The Foundation's financial instruments that are exposed to interest rate risk are long-term investments. As of December 31, 2018, interest rates associated with corporate and provincial bonds range from 2.35% - 5.25% (2018 - 2.55% - 7.25%) with maturity dates from 2021 to 2028 (2018 - 2019 to 2026).

The Killarney Foundation Inc.
Notes to the Financial Statements
For the year ended December 31, 2019

7. 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.

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. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Foundation is exposed to interest rate risk primarily relating to investments.

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 foreign 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 enters into transactions to purchase shares or equities, for which the market price fluctuates.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation enters into investment transactions denominated in U.S. currency for which the related revenues, capital gains and losses and equity balances are subject to exchange rate fluctuations. As at December 31, 2019, the following items are denominated in U.S. currency:

	2019	2018
	CAD\$	CAD\$
Investments \$131,096 USD (2018 - \$338,982 USD)	170,268	462,711

8. Commitments

As at December 31, 2019, the Foundation has grant commitments for designated funds of \$6,450 (2018 - \$17,715) and for undesignated funds of \$163,100 (2018 - \$100,000).

9. Grants

	2019	2018
Designated		
Brandon University - scholarships	10,325	12,381
Scholarship - other	125	118
Red River College - scholarships	1,000	2,000
Tri-Lake Health Centre	1,351	1,605
University of Manitoba - scholarships	12,650	15,021
Municipality of Clanwilliam-Erickson	3,523	3,000
Municipality of Harrison Park (Sandy Lake Area Fund)	16,345	3,341
Municipality of Killarney-Turtle Mountain:		
Handi-van	6,500	5,000
Other	3,393	5,009
Prairie Mountain RHA	12,857	67,542
Royal Canadian Legion Branch No. 25	433	458
Air Greenway Ltd.	410	-
Community Florist & Gifts	137	-
Holy Trinity Anglican Church	2,067	-
Kinsmen Club of Killarney	1,500	-
Killarney Food Bank	191	-

The Killarney Foundation Inc.
Notes to the Financial Statements
For the year ended December 31, 2019

9. Grants (Continued from previous page)

	2019	2018
Killarney Lakeside Golf Club	511	-
Killarney United Church	3,434	-
Lake Region State College	800	-
Turtle Mountain Flywheel Club Inc.	710	-
University of Regina	1,100	-
University of Winnipeg	825	-
Lakehead University - scholarships	-	833
Marlee Scebenski - Bursary	-	125
Marringhurst Historical Society	-	2,200
University of Waterloo - scholarships	-	1,663
Rural Municipality of Argyle	-	6,307
Tri-Lake Palliative Care	-	1,380
	80,187	127,983
Undesignated		
Brandon University - scholarships	1,600	3,100
Municipality of Killarney-Turtle Mountain:		
Killarney Kiddie Korner	11,000	-
Tots of Love	2,500	-
Communities in Bloom	2,000	3,000
Killarney Turtle Mountain Arts Council	2,700	4,925
Lakeland Regional Library	4,500	4,500
Service for Seniors	2,000	1,000
Killarney Lake Action Committee	-	7,200
Killarney Nursery School	-	560
Killarney Parent Advisory Board	-	10,200
Killarney Gymnastics	-	3,000
Turtle Mountain Fire Department	-	100,000
Youth in Philanthropy	-	5,500
Assiniboine Community College	400	-
Killarney Agricultural Society	14,700	-
Prairie Mountain RHA	98,044	-
Rock Lake United Church	1,200	-
Turtle Mountain School Division	27,050	-
University of Regina	1,000	-
Killarney & Area Donor's Choice	-	750
MB Institute of Trades & Technology - scholarships	-	800
Providence College - scholarships	-	2,300
Returned funds	-	(5,000)
Tri-Lake Health Centre	-	18,478
Turtle Mountain Flywheel Club	-	4,000
University of Manitoba - scholarships	-	3,800
	168,694	168,113
	248,881	296,096

The Killarney Foundation Inc.
Notes to the Financial Statements
For the year ended December 31, 2019

10. Endowment contributions

Total Contributions prior to 2019	\$ 7,361,889
 2019 Contributions	
James Terekoff Fund	
Peter Terekoff	1,500
Baldur Area Fund	
Rural Municipality of Argyle	1,390
United Way	520
Winnipeg Foundation	4,201
Marringhurst Fund	
Marie Nelson	150
Killarney Beautification Fund	
Jan Heming	1,250
Tri-Lake Hospital Fund	
Anonymous	480
TLHC Cobbletick Fund	
Anonymous	480
Heather Sabad	200
Sandy Lake Fund	
Doris Gilmore	100
Killarney Golf Course Fund	
Marilyn Lamb	150
Municipality of Clanwilliam-Erickson Fund	
Annette Beatty	50
Jackie Greavett	331
Quinn Greavett	331
Tami Johnson	331
Winnipeg Foundation	5,424
Irene Wild Palliative Fund	
Anonymous	480
Lakeland Regional Library Fund	
Jan Heming	1,250
Other Donations	
Estate of Roy Clark	25,000
Estate of Donna Wilkins	15,112
Irene Wild	10,589
Winnipeg Foundation	6,667
Killarney & Area Donor's Choice	2,675
Various	2,225
Total 2019 Donations	80,886
 Total contributions to December 31, 2019	 7,442,775
 Income capitalized to specific funds prior to 2019	171,203
Net realized capital gains in 2019	-
Net realized capital gains prior to 2019	508,392
Capital gains converted to distributable income for granting	(97,757)
Total income capitalized and capital gains	581,838
Total Endowments	\$8,024,613

10. Endowment contributions *(Continued from previous page)*

The following funds have been established for the specific purposes indicated. These are maintained in the Designated Endowment Fund investment account.

In 1994, an Administrative Endowment Fund was created in order to provide for future administrative expenses. To date, \$174,447 (2018 - \$174,447) has been allocated to this fund.

In 1999, the Directors passed a motion to capitalize the interest earned on the High School Scholarship Fund and any further donations made to the fund until the fund contains the sum of \$20,000. In 2019, \$nil (2018 - \$2,273) in interest was capitalized to the High School Fund. To date, \$15,462 (2018 - \$15,462) has been allocated to this fund.

Under a 1999 written donor direction, any monies earned by the Willard and Margaret Clements Scholarship Fund but not distributed in the form of scholarships is to be capitalized in order to increase the original endowed value. To date, \$71,214 (2018 - \$71,214) has been allocated to this fund.

Under a 2000 written donor direction, any monies earned by the Keith Heming & Family Scholarship Fund but not distributed in the form of scholarships is to be capitalized in order to increase the original endowed value to a maximum of \$100,000. To date, \$80,477 (2018 - \$80,477) has been allocated to this fund.

Under a 2010 written donor direction, any monies earned by the John Arthur Ross Memorial Bursary Fund but not distributed in the form of scholarships is to be capitalized in order to increase the original endowed value. To date, \$25,696 (2018 - \$25,696) has been allocated to this fund.

In 2007, a fund was established with the Winnipeg Foundation to participate in the Province of Manitoba bursary initiative program. To date, \$45,298 (2018 - \$45,298) has been contributed.

11. Directors

As at December 31, 2019 the members of the Board of Directors of the Foundation were as follows:

Richard Pauls - Chairperson
Janice Arlene Smith - Director
Laurie Campbell - Director
David Jones - Director
Brett Skeoch - Director
Matthew Nichol- Director

Jackie Mitchell - Treasurer
Shelley Vandenberghe - Secretary

12. Subsequent event

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had 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. 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 of the disease, 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.