
THE COMMUNITY FOUNDATION OF MISSISSAUGA
FINANCIAL STATEMENTS
DECEMBER 31, 2010



WITHEY ADDISON LLP
CHARTERED ACCOUNTANTS
TAX CONSULTANTS
MANAGEMENT CONSULTANTS

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INDEPENDENT AUDITORS' REPORT

To the Members of The Community Foundation of Mississauga

We have audited the accompanying financial statements of The Community Foundation of Mississauga, which comprise the statement of financial position as at December 31, 2010, the statements of operations, endowment fund, capital fund and special projects reserve fund for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Foundation is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as the Foundation 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 the Foundation, as well as evaluating the overall presentation of the financial statements.

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



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INDEPENDENT AUDITORS' REPORT
(continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Community Foundation of Mississauga as at December 31, 2010, and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

WITHEY ADDISON LLP

Mississauga, Canada
March 30, 2011

Chartered Accountants
Licensed Public Accountants

THE COMMUNITY FOUNDATION OF MISSISSAUGA
STATEMENT OF FINANCIAL POSITION

DECEMBER 31,	2010	2009
ASSETS		
CURRENT		
Bank	\$ 193,635	\$ 84,307
Accounts receivable - note 3	55,879	47,927
Prepaid expenses	6,268	4,193
Investments - note 2(e), 4	16,370,433	14,697,385
	\$16,626,215	\$14,833,812
FIXED ASSETS - note 2(f), 5	4,036	5,585
	\$16,630,251	\$14,839,397

LIABILITIES		
CURRENT		
Accounts payable - note 6	\$ 53,958	\$ 14,837
Deferred revenue - note 2(g)	35,500	13,450
Funds held for Others - note 2(c)	169,941	157,550
	\$ 259,399	\$ 185,837

NET ASSETS		
ENDOWMENT FUND	16,184,853	14,525,333
CAPITAL FUND	4,036	5,585
SPECIAL PROJECTS RESERVE FUND	10,000	-
OPERATING FUND	171,963	122,642
	\$16,370,852	\$14,653,560
	\$16,630,251	\$14,839,397

APPROVED ON BEHALF OF THE BOARD

_____ Director

_____ Director

See accompanying Notes to the Financial Statements

THE COMMUNITY FOUNDATION OF MISSISSAUGA
STATEMENT OF ENDOWMENT FUND

FOR THE YEAR ENDED DECEMBER 31,	2010	2009
ENDOWMENT FUND - beginning of year	\$14,525,333	\$11,283,537
Contributions	351,471	139,349
Investment income	2,163,847	3,232,090
	\$17,040,651	\$14,654,976
EXPENSES		
Investment management fees	135,673	115,643
Grants	720,125	14,000
	\$ 855,798	\$ 129,643
ENDOWMENT FUND - end of year	\$16,184,853	\$14,525,333

See accompanying Notes to the Financial Statements

THE COMMUNITY FOUNDATION OF MISSISSAUGA
STATEMENT OF CAPITAL FUND

FOR THE YEAR ENDED DECEMBER 31,	2010	2009
CAPITAL FUND - beginning of year	\$ 5,585	\$ 5,033
Purchase of capital equipment	-	2,239
EXPENSES	\$ 5,585	\$ 7,272
Depreciation	1,549	1,687
CAPITAL FUND - end of year	\$ 4,036	\$ 5,585

See accompanying Notes to the Financial Statements

THE COMMUNITY FOUNDATION OF MISSISSAUGA
STATEMENT OF SPECIAL PROJECTS RESERVE FUND

FOR THE YEAR ENDED DECEMBER 31,	2010	2009
SPECIAL PROJECTS RESERVE FUND - beginning of year \$	-	\$ -
Transfer from Operating Fund - note 2(c)	10,000	-
SPECIAL PROJECTS RESERVE FUND - end of year	\$ 10,000	\$ -

See accompanying Notes to the Financial Statements

THE COMMUNITY FOUNDATION OF MISSISSAUGA
STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31,	2010	2009
REVENUE		
Donations	\$ 54,073	\$ 58,922
Grants and other income	107,475	51,050
Investment income	1,827	1,562
Management fees	137,971	117,763
Special events	85,525	74,298
	\$ 386,871	\$ 303,595
EXPENSES		
Administration	\$ 208,154	\$ 195,724
Fund development	38,202	19,067
Investment management fees	45,024	40,217
Special events	36,170	43,508
	\$ 327,550	\$ 298,516
EXCESS OF REVENUE OVER EXPENSES	\$ 59,321	\$ 5,079
TRANSFER (TO) CAPITAL FUND	-	(2,239)
TRANSFER (TO) SPECIAL PROJECTS RESERVE FUND	(10,000)	-
OPERATING FUND - beginning of year	122,642	119,802
OPERATING FUND - end of year	\$ 171,963	\$ 122,642

See accompanying Notes to the Financial Statements

THE COMMUNITY FOUNDATION OF MISSISSAUGA

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2010

1. PURPOSE OF THE ORGANIZATION

The purpose of The Community Foundation of Mississauga is to match acts of caring with community needs. The Foundation provides cost effective, flexible options for donors to build their philanthropic legacy, makes grants that support the broadest range of programs and services for people in Mississauga and works to convene community resources in sharing knowledge and addressing community needs.

The Community Foundation of Mississauga is incorporated in the Province of Ontario as a corporation without share capital and is subject to the Charities Accounting Act and the Charities Gift Act. The Registered Charitable Number is 89239 5112 RR 0001.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) New accounting standard adopted during the year

i) Financial Statement Presentation

Section 4400 has been amended to permit not-for-profit organizations to present net assets invested in capital assets as a category of internally restricted net assets and clarification of presentation of revenue and expenses on a gross basis when the entity is acting as a principal in a transaction. The adoption of this amended accounting standard during the year and its implementation did not have an impact on the results of operations or financial position.

ii) Disclosure of Related Party Transactions

Section 4460 has been amended to align the definition of related parties to CICA section 3840, Related Party Transactions. The adoption of this amended accounting standard during the year and its implementation did not have an impact on the results of operations or financial position.

iii) Disclosure of Allocated Expenses

Section 4470 establishes disclosure standards for a not-for-profit organization that classifies its expenses by function and allocates its expenses to a number of functions to which the expenses relate. The adoption of this accounting standard during the year did not have an impact on the results of operations or financial position.

THE COMMUNITY FOUNDATION OF MISSISSAUGA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(b) Use of estimates

These financial statements have been prepared by management using Canadian generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. These estimates are reviewed periodically and as adjustments become necessary, they are reported in operations in the period in which they become known. Actual results could differ from those estimates. These financial statements have, in management's opinion, been properly prepared using careful judgment within reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

(c) Fund accounting

The accounts of the Foundation are maintained in accordance with the principles of "fund accounting". The specific purpose of each fund is explained below:

Operating Fund

The operating fund reports the general revenues and expenditures from the Foundation's operations.

Funds Held for Others

Funds Held for Others represent community agency funds on deposit with the Community Foundation of Mississauga for investment purposes. Investment income is allocated to the funds on a proportionate basis and the agencies are charged a management fee by the Foundation. The funds can be withdrawn by the agencies with reasonable notice periods as defined in the investment agreement.

Endowment Fund

Donations are allocated to the various Funds which have been established by the Foundation. Allocations among the Funds are determined on the basis of the donors' instructions. Amounts placed in the Endowment Fund are considered to be permanent in nature, pursuant to restrictions established at the time that donations are received, and only the investment income earned from the investment of such Funds is disbursed to charitable organizations. Amounts are disbursed to qualified donees organizations that meet the criteria related to the purpose for which the Endowment Fund was established.

THE COMMUNITY FOUNDATION OF MISSISSAUGA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(c) Fund accounting - continued

Capital Fund

The Community Foundation of Mississauga established a Capital Fund. Transfers to the Capital Fund from the Operating Fund are for the purpose of acquisition of capital assets.

Special Projects Reserve Fund

The Community Foundation of Mississauga established a Special Projects Reserve Fund. Transfers to the Special Projects Reserve Fund from the Operating Fund are to be used for expenditures for the 10th anniversary of The Community Foundation of Mississauga.

(d) Revenue recognition

Fund additions and unrestricted contributions are recognized as revenue when received. Event revenues are recognized on the date of the event. Grant revenues are recognized on completion of the requirements of the grant. Investment income and management fees are recognized as earned.

(e) Investments

Investments are valued at market value. Investment income includes interest and dividends received during the year, realized and unrealized capital gains, net of capital losses. Investment income is allocated to the pool of Endowment and Funds Held for Others.

(f) Fixed assets

Purchased assets are recorded at cost. Contributed assets are recorded at fair market value at the date of contribution.

Amortization is calculated based on the estimated useful life of the assets on a declining balance basis at the following annual rates -

Computer hardware	-	30%
Computer software	-	100%
Furniture and fixtures	-	20%

THE COMMUNITY FOUNDATION OF MISSISSAUGA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(g) Deferred revenue

Deferred revenue includes grant revenue that is deferred and taken into income upon completion of grant requirements.

(h) Financial instruments

Canadian Generally Accepted Accounting Principles requires the Foundation to classify its financial instruments into one of the following categories: Held-for-trading investments, Available-for-sale investments, Held-to-maturity investments or Other. The classification is based on the purpose for which the asset was acquired or liability incurred. The Foundation holds all its cash and cash equivalents, accounts receivable and investments as "Held-for trading" financial instruments.

Held-for trading investments are reported at fair value at each statement of financial position date, and any changes to fair value is recognized in the statement of endowment fund or statement of operations and net assets in the period during which the changes occurs. Transaction costs are expenses when incurred.

(i) Donated services

The Board of Directors and other volunteers contribute services to the Foundation in carrying out its operating activities. Because of the difficulty in determining the fair value of these contributed services, they are not recognized in the financial statements.

3. ACCOUNTS RECEIVABLE

	2010	2009
Accounts receivable from Investment Managers	\$ 48,442	\$ 45,252
GST/HST receivable	7,437	2,675
	\$ 55,879	\$ 47,927

THE COMMUNITY FOUNDATION OF MISSISSAUGA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2010

4. INVESTMENTS

	2010	2009
Community Foundation of Mississauga Pooled Funds	\$ 4,485,252	\$ 3,971,111
Investments managed by Personal Investment Advisors	11,885,181	10,726,274
Fair market value	\$16,370,433	\$14,697,385

5. FIXED ASSETS

	Cost	Accumulated Amortization	2010	2009
Computer hardware	\$ 10,825	\$ 7,806	\$ 3,019	\$ 4,314
Furniture and fixtures	2,800	1,783	1,017	1,271
	\$ 13,625	\$ 9,589	\$ 4,036	\$ 5,585

6. ACCOUNTS PAYABLE

	2010	2009
Accounts payable and accrued liabilities	\$ 6,906	\$ 10,952
Withholding taxes payable	3,982	3,885
Grants payable	43,070	-
	\$ 53,958	\$ 14,837

The accounts payable and accrued liabilities amounts noted above all have normal credit and payment terms. The grants payable amount of \$43,070 are funds set aside from donor advised Endowment Funds for various charities, yet to be determined by the fund advisors.

7. STATEMENT OF CASH FLOWS

A statement of cash flows has not been included as management considers that no additional information would be provided.

THE COMMUNITY FOUNDATION OF MISSISSAUGA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2010

8. RELATED PARTY TRANSACTIONS

No remuneration was paid to Directors or Officers during the year.

9. FINANCIAL INSTRUMENTS

a) Fair value of financial assets and liabilities

The Foundation's financial instruments consist of cash, accounts receivable, investments, accounts payable and accrued liabilities. The fair values of its financial instruments approximate their carrying values.

b) Credit risk

The Foundation is exposed to credit risk in its cash and the bond components of its investment portfolio. This risk is managed through diversification.

c) Foreign currency risk

The Foundation enters into foreign currency purchase and sale transactions and has assets that are denominated in foreign currencies and thus are exposed to the financial risk of earnings fluctuations arising from changes in foreign exchange rates and the degree of volatility of these rates. These assets are of a short-term nature and management does not believe they represent a significant risk to the Foundation. The Foundation does not use derivative financial instruments to reduce its exposure to foreign currency risk.

d) Interest rate risk

The Foundation's investment portfolio assets have a variable interest rate. Changes in the bank's prime rate can cause fluctuations in interest payments and cash flows. The Foundation does not use derivative financial instruments to alter the effects of this risk.

e) Market risk

The Foundation is exposed to market risk on the investment portfolio. Market risk is the risk that the fair market value of the future cash flows from investments will fluctuate because of unfavourable changes in the underlying market factors. This risk is managed through diversification within the investment portfolio. The Foundation does not use derivative financial instruments to alter the effects of this risk.

THE COMMUNITY FOUNDATION OF MISSISSAUGA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2010

10. MAJOR COMMITMENTS

The Foundation is committed to annual lease payments for its office space. The future minimum payments are as follows:

2011	\$ 6,834
2012	6,834
2013	4,556

11. EXPENSE ALLOCATIONS OF FUNDRAISING COSTS

Canadian generally accepted accounting principles for not-for-profit organizations requires disclosure of allocated Expenses, disclosure of an entity's policy on the allocation of fundraising and general support expenses, the nature of expenses being allocated, the basis on which such allocations have been made, and the amounts that have been allocated.

Fundraising expenditures allocated on the Registered Charity Information Return amounts to \$18,085 (2009 - \$21,754), which is 50% of Special Event expenses on the Statement of Operations. All events have a dual purpose of promoting philanthropy and fundraising for operations. There are no fundraising expenses that have been allocated to Administration or Fund Development. No salary or overhead costs have been allocated to fundraising.

12. CAPITAL DISCLOSURES

Endowment Capital

The Foundation's manages the Endowment Funds to achieve optimal investment returns within reasonable risk tolerances.

Operating Capital

The Foundation defines operating capital as the sum of net assets for Operating Fund, the Capital Fund and the Special Projects Reserve Fund. The Foundation's objective in managing operating capital is to hold sufficient net assets to maintain stability of the Foundation in the occurrence of an unexpected negative financial event.

THE COMMUNITY FOUNDATION OF MISSISSAUGA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2010

13. COMPARATIVE FIGURES

Certain comparative figures have been restated in order to conform with the presentation adopted for the current year. The reclassification has no effect on previously reported results.

14. FUTURE CHANGES TO SIGNIFICANT ACCOUNTING POLICIES

The Accounting Standards Board has announced that all Canadian reporting entities, subject to certain exceptions which include not-for-profit organizations, will adopt International Financial Reporting Standards ("IFRS") as Canadian generally accepted accounting principles for years beginning on or after January 1, 2011. The Foundation, at its option, may adopt IFRS if it so chooses. Alternatively, the Foundation has the option of adopting the new accounting standards for private not-for-profit organizations which are effective for year ends beginning on or after January 1, 2012.

The impact of the transition to IFRS or the alternative private not-for-profit standards on the Foundation's financial statements, has yet to be determined with respect to these new standards.