

ANNUAL REPORT 2019

THE IMPACT OF EMPOWERMENT



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MESSAGE FROM THE CHAIR



KEVIN UEBELEIN

CEO, AIMCo | CHAIR, AIMCo
FOUNDATION

We have our first full year of operations under our belt and I could not be prouder of what we have accomplished. Thanks to our generous donors, dedicated volunteers and community partners, The AIMCo Foundation for Financial Education has been able to not only reach, but far exceed our year-one goals in both fundraising and impact.

It was humbling to read the grant applications received in our inaugural granting cycles. To see the important and meaningful work that is changing lives throughout our province was not only inspiring but reaffirmed our commitment to ensuring this work is able to continue with our support.

Saying that 2020 will be a difficult year is an understatement. I'm not sure there are words that properly capture the struggles most Albertans are currently facing both with their health and with their finances. Financial literacy and empowerment programs will be even more important, as will be supporting our students returning to post-secondary with a somewhat different future ahead of them.

If you are able, your support now means more than ever. We want to ensure we can continue supporting vital post-secondary scholarships and innovative community financial empowerment and literacy programs delivered by Albertan not-for-profit organizations. Simply put, access to some these programs cannot exist without our funding. We are grateful and humbled by your generosity and shared passion for financial education. Together, we are empowering prosperity.

A handwritten signature in blue ink that reads "Kevin Uebelein".

KEVIN UEBELEIN

BOARD OF DIRECTORS

KEVIN UEBELEIN

CEO, AIMCo - CHAIR

JILL URBANOSKI

AIMCo - EXECUTIVE DIRECTOR

DAVID TILEY

AIMCo

KIM THOMPSON-SPRINGER

AIMCo

JEAN DAVID TREMBLAY-FRENETTE

AIMCo

SHERI WRIGHT

LAPP

VINCE IMERTI

STIKEMAN ELLIOT

\$387,567

TOTAL FUNDS RAISED

IN 2019



\$160,000

**TOTAL FUNDS TO
COMMUNITY PROGRAMS**

5

**COMMUNITY
PROGRAMS SUPPORTED**

\$66,000

**TOTAL FUNDS TO
SCHOLARSHIP PROGRAMS**

5

**SCHOLARSHIP
PROGRAMS SUPPORTED**

We are proud of the impact we have made in year one thanks to the tremendous support of our donors. We are eager to continue empowering prosperity in communities across Alberta for years to come.

To view our complete audited financial statements, please see the page 12 of this annual report.

The AIMCo Foundation is run entirely by employee volunteers from AIMCo.

A team of 40 employees give the gift of their time to our operational committees managing granting, fundraising and scholarships, as well as our Steering Committee and Board of Directors.

Thank you to our volunteers. You make everything possible.

40

VOLUNTEERS DONATED THEIR TIME

HEAR FROM ONE OF OUR VOLUNTEERS:

I really enjoy my role with the fundraising community and highlighting the impact and importance of the AIMCo Foundation to others. Being able to collaborate with my colleagues towards a common goal has brought many of us closer and strengthened relationships amongst volunteers and with our donors.

Over the next 5 years, I hope to see the AIMCo Foundation continue to grow in size and be able to provide meaningful donations to Albertans. Within 10 years, I would like to see the AIMCo Foundation be the leader in Canada in promoting financial education programs.



As an Albertan,
I am passionate
about giving
back to my
community. I
am so excited
to have an
opportunity
to **make a
difference** in the
lives of Albertans
and support
those in need.



REEMA SOLANKI
CHAIR OF FUNDRAISING COMMITTEE

THE DONORS

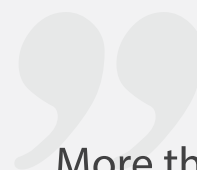
Thanks to the generosity of our donors, we have been able to give the gift of financial education to Albertans who need it most. And we couldn't be more grateful.

INTERNAL

The AIMCo Foundation is not only operated by a group of committed AIMCo volunteers, it is also financially supported through both an AIMCo corporate donation, individual employee donations and team fundraising events like Jeans Week and a holiday auction.

EXTERNAL

We are also incredibly fortunate to have a large portion of our donations come from external donors who are committed to ensuring financial empowerment and prosperity in Alberta. We would like to thank the following corporate donors for their commitment to empowering prosperity.



More than 70% of AIMCo employees supported The AIMCo Foundation this year.

PLATINUM DONORS

\$10,000+

- Sands Capital Management
- Origami Capital Partners
- CIBC Capital Markets
- Bank of America Merrill Lynch
- 17Capital
- SimCorp
- Neo-Criterion Capital Limited
- Christofferson, Robb & Company, LLC
- Mawer
- AQR Capital Management
- DFG Investment Advisers
- Guardian Capital

GOLD DONORS

\$5,000 - \$9,999

- Polar Asset Management
- BlueMountain Capital Management
- Scotiabank Global Banking and Markets
- Goldman Sachs
- Comgest
- LSV Asset Management
- Neo-Criterion Capital Limited
- BlackRock

SILVER DONORS

\$2,500 - \$4,999

- Raymond James
- Belay Benefits Inc.

BRONZE DONORS

Up to \$2,499

- TD Securities
- Credit Suisse
- Virtu ITG Canada Corp
- Juno Finance
- CanDeal Inc.
- Igloo
- Johnson, Winter & Slattery

MAKE A DONATION TODAY

WWW.AIMCOFOUNDATION.CA

IMPACT

COMMUNITY COACHING SUPPORT

In our first ever granting cycle in the spring of 2019, The AIMCo Foundation was proud to be able to support two valuable financial coaching programs with \$40,000 each. United Way Capital Region's Empower U Program and Momentum's Aspire Calgary Program both offer participants an opportunity to not only learn how to manage their finances, but receive the coaching and support to implement the things they have learned and truly make a lasting change in their lives.

These are busy, valued programs in their communities that are already showing their impact:

\$40,000 EACH
IN SUPPORTING GRANTS

9 AGENCIES HELPED

27 EMPOWER U TRAINING GROUPS DELIVERED

311 COACHING SESSIONS

670 HOURS OF FINANCIAL LITERACY EDUCATION

42 NON-PROFITS TRAINED

3,514 MOMENTUM COACHING SESSIONS

60 FINANCIAL COACHES TRAINED

1,053 ALBERTANS HELPED IN CREATING A FINANCIAL PLAN



IMPACT

COMMUNITY COACHING SUPPORT



IMPACT

COMMUNITY PROGRAM SUPPORT

In our second granting cycle of the year, we were able to connect with three valuable community programs: Catholic Social Services, MacEwan University and Action for Healthy Communities. All three of these organizations are undertaking programs that promote financial empowerment and prosperity in our communities using a total of \$80,000 in funding from The AIMCo Foundation. They also each support a different audience, ensuring our reach and impact are as far-reaching and diverse as possible.



MACEWAN UNIVERSITY SCHOOL OF BUSINESS

Within its granting priorities, the Foundation seeks to fund research and development programs to expand accessibility for financial education. MacEwan University School of Business, in their Department of Accounting and Finance, received a \$20,000 grant from the Foundation for a multi-stage, joint research and teaching project. The objective of the study is to test the effectiveness of different and innovative delivery methods for teaching financial literacy to post-secondary students. Already, the development of online modules is underway with eLearning specialists weighing in on how best to deliver to these sorts of programs to post-secondary students.



CATHOLIC SOCIAL SERVICES

Catholic Social Services (CSS) is the agency under which social services are delivered to vulnerable people in communities across central Alberta. The Foundation has provided CSS with a \$35,000 grant to launch a series of financial education workshops to educate and empower some of the most vulnerable individuals they work with such as newcomers, young Albertans, individuals recovering from addiction, victims of domestic violence and formerly incarcerated men and women. Upon completion of the workshops, participants will be able to confidently manage their personal finances, including preparing monthly budgets, managing their household expenses and planning for the future. With plans to deliver these services across the province, this program is estimated to help 390 Albertans and while also expanding The AIMCo Foundation's reach as much as possible.



ACTION FOR HEALTHY COMMUNITIES

Action for Healthy Communities (A4HC) is a charitable non-profit organization that was established in 1995 with a mission to foster individual and group participation and action to improve the comprehensive and holistic health of diverse communities. The Foundation provided A4HC with a grant of \$25,000 to re-launch their Financial Literacy for Newcomers program which is designed for immigrants and newcomers to learn the basics of the Canadian financial system. It is expected that 50 participants will be recruited through outreach and promotion to take part in the two-section course with 200 hours of instruction that is a combination of classroom lessons on things like the Canadian financial system and money management and field trips to help put new skills and knowledge to use in a safe space. This program had been cancelled in the past when funding was cut and is now able to run because of this AIMCo Foundation funding.

IMPACT

SCHOLARSHIP PROGRAM

In 2019, The AIMCo Foundation was able to support students at the University of Alberta, University of Calgary, MacEwan University, NAIT and SAIT with \$66,000 in scholarships. These students are pursuing a formal education in a finance-related discipline. Our scholarships range from certificate and undergraduate degree programs all the way up to MBA and PhD levels, meaning we can make an impact on the broadest spectrum of students and learning.

I am a first year MBA student at the University of Alberta School of Business planning on pursuing a career in finance. A recent Forbes article mentioned that although 46% of financial services employees are women, at the executive level are only 15%. After graduation, I want to be a part of the finance industry, meet some executives breaking the mold and take advice from them to make it to the top. Thanks to you, I am one step closer to that goal.

By awarding me the AIMCo MBA Award in Finance, you have lessened my financial burden which allows me to focus on the most important aspect of my school – learning. Your generosity has inspired me to help others and give back to the community. I hope one day I will be able to help students achieve their goals, just as you have helped me.

Sincerely,

Sarishma Mallampat
UNIVERSITY OF ALBERTA MBA CANDIDATE

FINANCIAL STATEMENTS

Financial Statements of
The AIMCo Foundation for Financial Education
Year ended December 31, 2019

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

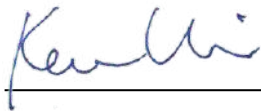
The accompanying financial statements of The AIMCo Foundation for Financial Education ("the Foundation") for the period ended December 31, 2019 have been prepared by management and approved by the Board of Directors. The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and within the framework of significant accounting policies summarized in the notes to the financial statements.

To discharge its responsibility for the integrity and objectivity of financial reporting, management maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of donations and other revenue;
- safeguard the assets and properties under the Foundations' administration.

The Foundation carries out its responsibility for the financial statements through its Board of Directors. The Board of Directors meets with management and KPMG LLP to review financial matters, and to approve the financial statements upon finalization of the audit. KPMG LLP has free access to the Board of Directors.

KPMG LLP provides an independent audit of the financial statements. Their examination is conducted in accordance with Canadian Generally Accepted Auditing Standards and includes tests and procedures, which allow them to report on the fairness of the financial statements prepared by management.



Kevin Uebelein

Board Chair

The AIMCo Foundation for Financial Education

June 1, 2020



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Edmonton, AB T5J 0H3
Telephone (780) 429-7300
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www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of The AIMCo Foundation for Financial Education.

Opinion

We have audited the financial statements of The AIMCo Foundation for Financial Education (the Entity), which comprise:

- the statement of financial position as at December 31, 2019
 - the statement of operations for the year then ended
 - the statement of changes in net assets for the year then ended
 - the statement of cash flows for the year then ended
 - and notes to the financial statements, including a summary of significant accounting policies
- (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2019, and its results of 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 "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' 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 auditors' 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 the 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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.
- 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.

A handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, stylized font. Below the signature is a single, long, horizontal, slightly wavy line that serves as a flourish or underline.

Chartered Professional Accountants

Edmonton, Canada

June 1, 2020

Statement of Financial Position

Assets

Accounts receivable

2019	2018
\$ 266,652	\$ 68,076
7,886	64,856
\$ 274,538	\$ 132,932
\$ 111	\$ 2,000
66,427	130,932
208,000	-
\$ 274,538	\$ 132,932

Accounts payable and accrued liabilities

Internally restricted (Note 6)

Approved by the Board of Directors:

Kim S. Thompson-Springer

Director

Kim Thompson-Springer

Sean David Tre-Hay-French

Director

Jean David Tremblay-Frenette

The AIMCo Foundation for Financial Education

Statement of Operations

For the year ended December 31, 2019 with comparative information for 2018

Revenue

Contributions (Note 3, 5)

Expenses

Programs

Administration

Excess of revenue over expenses

2019	2018
\$ 387,567	\$ 133,209
387,567	133,209
226,000	2,000
18,072	277
244,072	2,277
\$ 143,495	\$ 130,932

The accompanying notes are part of these financial statements.

The AIMCo Foundation for Financial Education

Statement of Changes in Net Assets

For the year ended December 31, 2019 with comparative information for 2018

			2019	2018
	Internally Restricted	Unrestricted	Total	Total
Net assets, beginning of year	\$ -	\$ 130,932	\$ 130,932	\$ -
Excess of revenue over expenses	-	143,495	143,495	130,932
Interfund transfer (Note 6)	208,000	(208,000)	-	-
Net assets, end of year	\$ 208,000	\$ 66,427	\$ 274,427	\$ 130,932

The accompanying notes are part of these financial statements.

The AIMCo Foundation for Financial Education

Statement of Cash Flows

For the year ended December 31, 2019 with comparative information for 2018

Cash provided by (used in):

Operating activities:

	2019	2018
Excess of revenue over expenses	\$ 143,495	\$ 130,932
	143,495	130,932
Change in non-cash operating working capital:		
Accounts receivable	56,970	(64,856)
Accounts payable and accrued liabilities	(1,889)	2,000
	198,576	68,076
Increase in cash	198,576	68,076
Cash, beginning of year	68,076	-
Cash, end of year	\$ 266,652	\$ 68,076

The accompanying notes are part of these financial statements.

Notes to the Financial Statements

For the year ended December 31, 2019

1. Purpose of the Foundation

The AIMCo Foundation for Financial Education (the “Foundation”), a not-for-profit organization, was incorporated under the Canada Not-for-profit Corporations Act on January 25, 2018. The purpose of the Foundation is to advance financial education through grants to charities providing financial literacy education and scholarships to students pursuing an education in a financial field.

The Foundation’s commitment to make a bigger and more meaningful impact on the advancement of financial education is fulfilled through:

- financial support for registered charities offering financial literacy services;
- funding scholarships for students pursuing an academic career related to finance;
- voluntary services and in-kind support of financial education programs mostly provided by employees of Alberta Investment Management Corporation (“the Corporation”).

The Foundation meets the requirements for tax-exempt status as a registered charity under the Income Tax Act (Canada).

2. Summary of Significant Accounting Policies

The financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook.

(a) Revenue Recognition

The Foundation follows the deferral method of accounting for contributions. Under this method, unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the period in which the related expenses are incurred.

(b) Cash

Cash represents cash on hand and cash in the bank.

(c) Financial Instruments

Financial instruments are recorded at fair value on initial recognition. Financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Notes to the Financial Statements

For the year ended December 31, 2019 (continued)

2. Summary of Significant Accounting Policies (continued)

(c) Financial Instruments (continued)

Financial assets are assessed for impairment on an annual basis at the end of the fiscal period if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(d) Allocation of Expenses

The Foundation classifies expenses in the statement of operations by function. Expenses are allocated to the functional areas of programs and administration based on the level of benefits received by each function.

(e) Contributed Services

The work of the Foundation is accomplished by a significant contribution of voluntary services. The Foundation does not record the value of volunteer services unless the fair value can be reasonably estimated. These services are received gratuitously; therefore, no value has been included in these financial statements as the fair value is not determinable.

(f) Use of Estimates

The preparation of the Foundation's financial statements 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 year. Actual results could differ from those estimates.

3. Contributions

Contributions are comprised of the following:

	2019	2018
Donations - individuals	\$ 34,600	\$ 48,536
Donations - corporations	303,722	55,000
Fundraising events	49,245	29,673
	<u>\$ 387,567</u>	<u>\$ 133,209</u>

Notes to the Financial Statements

For the year ended December 31, 2019 (continued)

4. Allocation of Expenses

The Foundation classifies expenses in the statement of operations by function. The Foundation allocates certain costs by identifying the appropriate basis of allocating and applying that basis consistently.

			2019	2018
	Programs	Administration	Total	Total
Scholarships and grants	\$ 226,000	\$ -	\$ 226,000	\$ 2,000
Insurance	-	6,175	6,175	-
Audit fees	-	5,778	5,778	-
Bank fees	-	1,494	1,494	277
Other administrative expenses	-	4,625	4,625	-
	\$ 226,000	\$ 18,072	\$ 244,072	\$ 2,277

5. Related Party Transactions

Related parties of the Foundation are the Board members of the Foundation and select management and staff of the Corporation that make up the Foundation's various committees, who have a direct impact on the daily operations of the Foundation. These transactions with related parties are recorded at the exchange amount agreed to by the related parties.

6. Commitments

The Foundation has cumulative funding commitments of \$208,000, as approved by the Board of Directors. This balance represents a surplus in internally restricted net assets, designated by the Board to a few educational institutions in Alberta to fund student scholarships over the next four years.

7. Financial Risk Management

The Foundation has a risk management framework to monitor, evaluate and manage the principal risks assumed in its financial instruments. The risks that arise from transacting financial instruments include credit risk, liquidity risk and price risk. Price risk arises from changes in interest rates, foreign currency exchange rates and market prices. The Foundation does not use derivative financial instruments.

Changes in interest rates and credit ratings are the main cause of changes in the fair value of interest-bearing instruments resulting in favorable or unfavorable variance compared to book value. Interest rate risk is mitigated by managing maturity dates and payment frequency. Credit risk is managed by investing only with accredited chartered banks and by dealing with reputable and creditworthy counterparties.

It is management's opinion that the Foundation is not exposed to significant interest, currency or credit risk arising from its financial instruments.

8. Additional Information to Comply with the Disclosure Requirement of Charitable Fundraising Act and Regulation

No amounts were paid as remuneration to a fundraising business.

Notes to the Financial Statements

For the year ended December 31, 2019 (continued)

9. Subsequent Events

Subsequent to December 31, 2019, economic conditions around the world have been negatively impacted by the novel Coronavirus or COVID-19, which was declared a pandemic by the World Health Organization in March 2020. Management continues to monitor the impact of the COVID-19 pandemic and the extent of its effect on the Foundation's operational and financial performance, which will depend on the future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict. As a result, it is not currently possible to ascertain the overall impact of COVID-19 on the Foundation's business.



DO YOU SHARE OUR PASSION FOR
ENSURING FINANCIAL EMPOWERMENT
AND PROSPERITY IN ALBERTA?

MAKE A DONATION TODAY.

ANNUAL REPORT 2019

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 www.aimcofoundation.ca

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