
WEST VANCOUVER COMMUNITY FOUNDATION

FINANCIAL STATEMENTS

December 31, 2014

WEST VANCOUVER COMMUNITY FOUNDATION

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of West Vancouver Community Foundation

We have audited the accompanying financial statements of West Vancouver Community Foundation, which comprise the statement of financial position as at December 31, 2014, and the statements of operations and net assets, continuity of foundation funds, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for non-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.

Auditors' 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 of 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 risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls 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 of the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

In common with many charitable organizations, the Foundation derives revenue from the general public in the form of donations, fundraising activities, bequests, and other revenues, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to donation revenues, excess of revenue over expense, assets, and net assets.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, these financial statements present fairly, in all material respects, the financial position of West Vancouver Community Foundation as at December 31, 2014, 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.



Vancouver, BC
March 31, 2015

WEST VANCOUVER COMMUNITY FOUNDATION

STATEMENT OF FINANCIAL POSITION

As at December 31

	2014	2013
	\$	\$
ASSETS		
Current		
Cash	353,355	253,992
Receivables	3,716	709
GST receivable	3,454	2,311
Prepaid expenses	3,263	1,500
	363,788	258,512
Investments (note 4)	9,843,137	4,803,294
Interest in Life Insurance Policy (note 6)	35,644	33,779
	10,242,569	5,095,585
LIABILITIES		
Current		
Accounts payable	14,443	12,989
Deferred sponsorship contributions	-	5,400
Managed funds under administration (note 7)	645,403	-
	659,846	18,389
Managed Funds Under Administration (note 7)	741,648	1,320,255
	1,401,494	1,338,644
Net Assets		
Endowment Funds	6,966,967	2,008,033
Flow-Thru & Stabilization Funds	1,497,299	1,392,598
Community Fund	376,809	356,310
	8,841,075	3,756,941
	10,242,569	5,095,585

APPROVED ON BEHALF OF THE BOARD:

___ "Geoff Jopson" _____ Director ___ "Philip McLeod" _____ Director

The accompanying notes are an integral part of these financial statements.

WEST VANCOUVER COMMUNITY FOUNDATION

STATEMENT OF OPERATIONS AND NET ASSETS

	Year ended December 31	
	2014	2013
	\$	\$
Revenues		
Investment income	778,389	167,029
Unrealized (decrease) increase in market value of investments	(215,813)	468,647
Sponsorship and event contributions	44,153	12,075
	606,729	647,751
Revenue Allocated to Managed Funds Under Administration		
Investment Income	(115,404)	(44,564)
Unrealized decrease (increase) in market value of investments	(852)	(126,609)
	490,473	476,578
Donations to Endowment Funds	4,716,192	58,465
Donations to Flow-Thru & Stabilization Funds	166,006	43,785
Donations to Community Fund	19,525	7,381
	5,392,196	586,209
Expenditures		
Grants	149,309	366,549
Administration (note 5)	158,753	109,304
	308,062	475,853
Excess of Revenues Over Expenditures	5,084,134	110,356
Net Assets, beginning of year	3,756,941	3,646,585
Net Assets, end of year	8,841,075	3,756,941

The accompanying notes are an integral part of these financial statements.

WEST VANCOUVER COMMUNITY FOUNDATION

STATEMENT OF CONTINUITY OF FOUNDATION FUNDS

Year ended December 31, 2014

	Balance Beginning of Year	Fees and Expenses	Donations and Bequests	Allocation of Income and Market Change	Grants	Balance End of Year
	\$	\$	\$	\$	\$	\$
ENDOWMENT FUNDS						
100 Women Who Care Endowment Fund	-	(4)	4,300	-	-	4,296
Aboriginal Youth Sport Legacy Fund	-	(1,838)	600,000	5,676	-	603,839
Bonnie J. McLaren Memorial Fund	575,085	(5,545)	-	50,553	(12,500)	607,594
Bradley T. Bowles Scholarship Fund	18,714	(195)	50	1,635	(1,000)	19,204
Danny Possee Memorial Fund	136,585	(1,593)	36,050	12,406	-	183,449
Donald & Marjorie Lanskaill Fund	38,974	(413)	-	3,425	-	41,986
Environmental Endowment Fund	7,249	(75)	100	632	(300)	7,605
Faris Family Scholarship Fund	68,212	(712)	-	5,990	(3,000)	70,490
Fred E. Russell Fund	66,334	(687)	-	5,747	(1,950)	69,444
Friends of the Gallery Endowment Fund	18,877	(200)	-	1,658	-	20,335
Gertrude and Christina Lawson Scholarship Fund	103,499	(1,097)	-	9,096	-	111,497
Hender Family Fund	36,270	(379)	1,000	3,154	(800)	39,245
Holly & Beke Burne Fund	254,774	(2,702)	-	22,391	-	274,464
Howard Martin Memorial Fund	-	(13,982)	3,608,400	118,085	-	3,712,503
Irene Carpenter Fund	32,159	(331)	-	2,775	(1,200)	33,404
James A. Inkster Leadership Award Fund	39,643	(417)	500	3,477	(1,000)	42,203
Jeremy Dalton Rugby Endowment	15,509	(165)	100	1,363	-	16,807
Jerry Beckerman Memorial Fund	22,884	(239)	-	2,018	(1,000)	23,663
Joshua Goos Memorial Fund	16,233	(172)	-	1,427	-	17,487
Kay Meek Fund	120,376	(1,251)	-	10,451	(3,000)	126,577
Marc Rozen Memorial Fund for Youth	17,299	(184)	200	1,522	-	18,838
Mayors' Endowment Fund	156,286	(1,639)	12,500	13,490	(4,600)	176,037
North Shore Rescue Team Endowment Fund	19,212	(204)	50	1,689	-	20,747
NSR Tim Jones Legacy Fund	-	(3,270)	422,942	14,842	-	434,513
Robertson Taylor Endowment Fund	18,725	(191)	-	1,609	(850)	19,293
Thunderbird Marine Corp. Fund	7,354	(103)	10,000	748	-	17,999
Tom and Judy Baillie Fund	32,447	(337)	-	2,818	(793)	34,135
Trajan Martin Memorial Scholarship Fund	20,502	(215)	-	1,805	(500)	21,592
West Vancouver Artists Fund Endowment	17,669	(187)	-	1,553	-	19,035
West Vancouver Public Art Endowment Fund	32,215	(342)	-	2,831	-	34,704
West Vancouver School District Endowment	-	(25)	20,000	(39)	-	19,936
West Vancouver Youth Band Endowment Fund	93,633	(993)	-	8,229	-	100,869
YAHU Endowment Fund	21,312	(226)	-	1,891	200	23,177
Total Endowment Funds	2,008,033	(39,912)	4,716,192	314,947	(32,293)	6,966,967
FLOW-THRU & STABILIZATION FUNDS						
William Patrick Memorial Fund	1,014,900	(113,458)	-	89,455	(21,500)	969,396
WVCF Flow-Thru Funds	309,650	(4,662)	166,006	9,702	(26,100)	454,596
WVCF Grant Stabilization Fund	68,048	(722)	-	5,980	-	73,307
Total Flow-Thru & Stabilization Funds	1,392,598	(118,842)	166,006	105,137	(47,600)	1,497,299
WVCF COMMUNITY FUND	356,310	-	19,525	70,389	(69,415)	376,809
Total Funds	3,756,941	(158,753)	4,901,723	490,473	(149,309)	8,841,075

The accompanying notes are an integral part of these financial statements

WEST VANCOUVER COMMUNITY FOUNDATION

SCHEDULE OF CONTINUITY OF MANAGED FUNDS UNDER ADMINISTRATION AND FOUNDATION FLOW-THRU FUNDS

Year ended December 31, 2014

	Balance Beginning of Year	Fees and Expenses	Donations and Bequests	Allocation of Income and Market Change	Grants	Balance End of Year
	\$	\$	\$	\$	\$	\$
MANAGED FUNDS UNDER ADMINISTRATION						
WV United Church Endowment Fund	634,058	(4,552)	-	55,897	(40,000)	645,403
WV United Church Permanent Trust Fund	686,197	(4,908)	-	60,359	-	741,648
	<u>1,320,255</u>	<u>(9,460)</u>	<u>-</u>	<u>116,256</u>	<u>(40,000)</u>	<u>1,387,051</u>
FOUNDATION FLOW-THRU FUNDS						
100 Women Who Care Flow Thru	-	-	2,850	-	(2,200)	650
Ambleside Skatepark Project	-	(299)	19,749	91	-	19,541
Black Creek Old Growth Environmental Fund	15,224	(161)	-	1,338	-	16,401
British Pacific Properties Scholarship Fund	363	-	1,500	56	(1,500)	419
Capilano Rugby Club Fund	3,771	(70)	11,000	629	(11,000)	4,330
Capilano RFC Women's Canadian Players Fund	-	(33)	10,000	100	-	10,067
First Aid Ski Patrol Flow Through Fund	23,678	(251)	-	2,081	-	25,508
Hollyburn Lodge 2015 Renewal Project	-	(125)	30,704	-	-	30,579
Inkster Flow Through Fund	3,669	(39)	251	322	-	4,203
North Shore Rescue Team Society Flow Through	4,570	(90)	-	-	-	4,479
Ron and Barbara Howard Fund	22,613	(240)	-	1,987	-	24,361
Van/WVCF Flow-Thru Fund	7,291	(23)	6,726	342	(7,000)	7,336
West Vancouver Field Hockey Facilities Society	174,067	(2,241)	4,688	-	-	176,514
West Vancouver Police Department Flow Through	19,263	(222)	4,333	1,667	-	25,041
WVSC Mark Steven Scholarship Fund	3,944	(65)	4,400	606	(4,400)	4,485
West Vancouver Marine Rescue Society Fund	-	-	5,000	-	-	5,000
West Vancouver Soccer Club Facilities Fund	25,786	(740)	64,302	-	-	89,347
YAHU Flowthrough Fund	5,411	(60)	505	482	-	6,337
	<u>309,650</u>	<u>(4,662)</u>	<u>166,006</u>	<u>9,702</u>	<u>(26,100)</u>	<u>454,596</u>

The accompanying notes are an integral part of these financial statements

WEST VANCOUVER COMMUNITY FOUNDATION

STATEMENT OF CASH FLOWS

For the year ended December 31

	2014	2013
	\$	\$
Cash Provided By (Used In):		
Operations		
Excess of revenues over expenditures	5,084,134	110,356
Items not involving cash:		
Change in cash surrender value of life insurance	(1,865)	(1,800)
Unrealized losses (gains) on investments	215,813	(468,647)
	5,298,082	(360,091)
Changes in non-cash operating capital:		
Accounts receivable	(3,007)	(311)
GST receivable	(1,143)	936
Prepaid expenses	(1,763)	(1,500)
Accounts payable	2,654	(10,011)
Grant commitments	(1,200)	1,200
Deferred sponsorships	(5,400)	5,400
	5,288,223	(364,377)
Investments		
Dividends and interest reinvested	(772,256)	(162,596)
Net (deposits) to investment account	(4,483,400)	335,000
Managed funds under administration	66,796	162,479
	(5,188,860)	334,883
Increase in cash	99,363	(29,494)
Cash, beginning of year	253,992	283,486
Cash, end of year	353,355	253,992

The accompanying notes are an integral part of these financial statements.

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

1. Nature of the Organization

The West Vancouver Community Foundation (the "Foundation") was established in 1979 to benefit the citizens of West Vancouver by supporting non-profit charitable, educational and cultural organizations. The Foundation is registered with the Charities Division, Canada Revenue Agency and is classified as a public foundation. The Foundation is exempt from federal income taxes and can issue charitable donation receipts. The income from funds donated and bequeathed is used to provide for the charitable purposes of qualifying community organizations.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Foundation have been prepared in accordance with the Canadian accounting standards for not for profit organizations.

Fund Accounting

In order to ensure observance of the limitations and restrictions placed on the use of resources available to the Foundation resources are classified for accounting and financial reporting purposes into funds. These funds are held in accordance with either the objectives specified by the donors or with directives issued by the Board of Directors (the Board). To meet the objectives of financial reporting and stewardship over assets, certain interfund transfers are necessary to ensure the appropriate allocation of assets and liabilities to the respective funds. Transfers between the funds are made when appropriate, as authorized by the Board.

For financial reporting purposes, the funds have been classified into the following categories:

- i) Managed Funds Under Administration
- ii) Endowment Funds
- iii) Flow-Thru & Stabilization Funds
- iv) Community Fund

Flow-Thru Funds represent funds which do not have an enduring capital component.

Investment Portfolio

Investments are managed by Leith Wheeler and are recorded at fair values determined on the last business day of the fiscal period. Investment income is shown net of fund manager fees.

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

2. Summary of Significant Accounting Policies (Cont.)

Revenue Recognition

Contributions are recognized on the earlier of when they are received and when the deeds of gift have been approved. Contributions are recognized in the fund to which they relate. Non-designated unrestricted donations are recognized in the Community Fund.

Bequests are recorded upon receipt of the donated assets. Bequests in a form other than cash or marketable securities are recorded at values assigned by the Board.

Unrestricted investment and other incomes are recognized as revenue when earned.

Sponsorship contributions for specific events are deferred until the event is undertaken.

Funds are subject to administrative fees established from time to time by the Board.

Grants

Grants are recorded when approved by the Foundation

Donated Services

A number of people donate significant time and expertise to the Foundation. The value of this time has not been recorded in these financial statements.

Financial Instruments

The Foundation's financial instruments consist of cash, receivables, investments, accounts payable and accrued liabilities. Financial instruments are initially measured at fair value and subsequently measured at amortized cost, except for investments, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Management Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Management believes that the estimates utilized in preparing these financial statements are reasonable and prudent; however, actual results could differ from these estimates.

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

3. Financial Instruments

It is in management's opinion that the most significant financial risk to which the Foundation is exposed to is market risk.

Market and Interest Rate Risk:

The Foundation's investments are exposed to market risk due to changing market conditions. Market risk is the potential for financial loss to the Foundation from changes in the value of its investments due to changes in interest rates, currency exchange rates, or equity prices. The Foundation manages market risk by establishing and monitoring asset allocation strategies and by diversifying investments within the various asset classes to control overall market risk. Investments in foreign equities are exposed to currency risk due to fluctuation in foreign exchange rates.

4. Investments

Summary of Investment Portfolio Holdings

	Cost \$	Fair Value \$	%
Leith Wheeler International Fund Series A	1,141,466	1,131,761	11.5 %
Leith Wheeler Canadian Equity Fund Series A	1,957,742	1,989,420	20.2 %
Leith Wheeler Core Active Fund Series A	3,636,831	3,705,927	37.6 %
Leith Wheeler U.S. Equity Fund Series A	1,358,008	1,663,807	16.9 %
Leith Wheeler Income Pooled Fund Series A	1,664,918	1,352,222	13.7 %
	<u>9,758,965</u>	<u>9,843,137</u>	<u>100.0%</u>

The cost and fair value of the investment portfolio at December 31, 2013 were \$4,456,110 and \$4,803,294 respectively.

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

5. Administration

Administration expenses are detailed as follows:

	2014 \$	2013 \$
Insurance	2,619	2,499
Office	69,616	38,911
Professional fees	12,624	10,460
Wages and benefits	83,354	66,127
	168,213	117,997
Allocation to:		
Managed funds under administration	9,460	8,693
Foundation funds	158,753	109,304
	168,213	117,997

6. Interest in Life insurance Policy

The Foundation is the owner and beneficiary of a life insurance policy. The interest in the policy is recorded at its cash surrender value.

7. Managed Funds Under Administration

Managed funds under administration represent funds beneficially owned by other organizations for which the income and capital is designated for the benefit of these organizations. The fund agreement for the West Vancouver United Church Endowment Fund matures on April 22, 2015. At the date of these statements, renewal terms have not been established. As a result, this managed fund is presented as a current item.

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

8. Funds Held by the Vancouver Foundation

The Foundation received \$6,726 (2013 - \$6,503) as income from a permanent endowment fund with the Vancouver Foundation. The market value of the fund as at December 31, 2014 was \$195,776 (2013 - \$188,065).

9. Capital Management

The Foundation defines its capital as the net assets included in the endowment, flow-thru, stabilization funds, and community fund.

The primary objective of the Foundation's capital management policy is to provide adequate funding to achieve the efficient delivery of fund management and distributions of funds to charities.

Net assets invested in endowment funds are restricted pursuant to the deed of gift which established the fund. Only the income on some endowment funds is available for distribution. There are no external restrictions on the net assets in the community or stabilization funds.

10. Operating Lease Commitment

The Foundation has operating lease commitments for premises as follows:

Year	\$
2015	2,623
2016	2,700
2017	2,782

11. Reclassification

Certain comparative figures have been reclassified to conform with the current year presentation.