
WEST VANCOUVER COMMUNITY FOUNDATION

FINANCIAL STATEMENTS

December 31, 2017

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, 2017, and the statement of operations and fund balances, 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 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.

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, 2017, 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, these standards have been applied on a basis consistent with that of the preceding year.

Lohn Caulder LLP

Chartered Professional Accountants
Vancouver, BC
April 3, 2018

WEST VANCOUVER COMMUNITY FOUNDATION

STATEMENT OF FINANCIAL POSITION

As at December 31

	2017 \$	2016 \$
<hr/>		
ASSETS		
Current		
Cash and cash equivalents	266,484	832,920
Receivables	2,780	688
GST receivable	2,751	3,604
Prepaid expenses	12,815	3,049
	<hr/>	<hr/>
	284,830	840,261
Investments (note 4)	13,705,415	12,265,514
Interest in Life Insurance Policy (note 5)	41,344	39,444
Capital Assets (note 6)	29,184	28,742
	<hr/>	<hr/>
	14,060,773	13,173,961
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LIABILITIES		
Current		
Accounts payable	31,341	35,652
Funds under administration (note 9)	1,109,485	1,075,969
	<hr/>	<hr/>
	1,140,826	1,111,621
Funds Under Administration (note 9)	881,706	824,680
	<hr/>	<hr/>
	2,022,532	1,936,301
Fund Balances		
Endowment Funds	8,099,539	7,740,561
Restricted Funds	2,252,481	1,835,489
Unrestricted Funds	1,686,221	1,661,610
	<hr/>	<hr/>
	12,038,241	11,237,660
	<hr/>	<hr/>
	14,060,773	13,173,961
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APPROVED ON BEHALF OF THE BOARD:

"Nancy Farran" Director "Gordon Holley" Director

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

WEST VANCOUVER COMMUNITY FOUNDATION

STATEMENT OF OPERATIONS AND FUND BALANCES

Year ended December 31, 2017

	Endowment Funds	Restricted Funds	Unrestricted Funds	2017 Total	2016 Total
	\$	\$	\$	\$	\$
Revenues					
Donations and bequests	162,421	398,404	205,544	766,369	1,611,993
Investment income	373,654	86,806	74,094	534,554	920,561
Unrealized increase in market value of investments	194,447	36,126	30,837	261,410	32,186
Sponsorship and event contributions	-	-	67,019	67,019	51,858
	730,523	521,336	377,493	1,629,352	2,616,598
Expenditures					
Grants	238,657	75,244	74,788	388,689	560,856
Management and administration	-	-	131,187	131,187	125,545
Granting and community leadership	-	-	164,609	164,609	116,969
Fund development	-	-	144,286	144,286	99,420
Administration allocation	110,138	29,100	(139,238)	-	-
	348,795	104,344	375,632	828,771	902,790
Excess of Revenues Over Expenditures	381,728	416,992	1,861	800,581	1,713,808
Fund Balances, beginning of year	7,740,561	1,835,489	1,661,610	11,237,660	9,523,852
Fund Transfers	(22,750)	-	22,750	-	-
Fund Balances, end of year	8,099,539	2,252,481	1,686,221	12,038,241	11,237,660

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, 2017

	Balance Beginning of Year	Fees and Expenses	Donations and Bequests	Allocation of Income and Market Change	Fund Transfer	Grants	Balance End of Year
	\$	\$	\$	\$	\$	\$	\$
ENDOWMENT FUNDS							
Total Endowment Funds (Scheduled)	7,740,561	(110,138)	162,421	568,102	(22,750)	(238,657)	8,099,539
RESTRICTED FUNDS							
100 Women Who Care Flow Thru	5,050	-	10,300	-	-	(9,850)	5,500
365give	-	(201)	31,375	995	-	(12,500)	19,669
Ambleside Skatepark Project	939	-	-	11	-	(950)	-
Bird Family Fund	-	(26)	10,000	82	-	(7,500)	2,556
Black Creek Old Growth Environmental Fund	18,096	(261)	-	1,339	-	-	19,174
British Pacific Properties Scholarship Fund	1,155	-	1,500	96	-	(2,250)	501
Capilano Rugby Club Fund	28,072	(410)	5,000	2,077	-	-	34,739
Compelling Opportunities Fund	36,482	(662)	12,310	3,126	(1,000)	(4,390)	45,865
First Aid Ski Patrol Flow Through Fund	28,145	(404)	-	2,082	-	(1,500)	28,323
Gift of Music Fund	16,175	(223)	-	1,155	-	(867)	16,240
Harvest Project Flow Through Fund	54,507	(785)	-	4,032	-	-	57,754
Hollyburn Lodge 2015 Renewal Project	272	-	-	-	-	(272)	-
Inkster Flow Through Fund	2,630	(74)	3,715	365	-	-	6,636
Linda Harrison Youth Fund	54,113	(1,526)	34,599	5,780	-	(5,575)	87,390
Music Matters	24,578	(305)	8,000	1,715	-	(12,000)	21,987
Musica Nautica Fund	19,407	(376)	10,500	1,747	-	(1,395)	29,883
North Shore Field Hockey Facilities Society	109,040	(3,618)	10,925	-	-	-	116,347
North Shore Keep Well Society	-	-	35,000	-	-	-	35,000
North Shore Rescue Team Society Flow Through	844,688	(12,105)	-	62,926	-	-	895,509
North Shore Stroke Recovery Centre	-	-	175,000	3,860	-	-	178,860
Ron and Barbara Howard Fund	23,843	(195)	-	1,325	-	(8,843)	16,130
West Vancouver Marine Rescue Society Fund	53,428	(769)	-	3,952	-	-	56,611
West Vancouver's Place for Sport	273,042	(4,318)	42,680	22,248	-	(4,351)	329,301
West Vancouver Police Department Flow Through	28,778	(414)	-	2,129	-	-	30,492
West Vancouver Soccer Club Facilities Fund	207,990	(2,331)	3,500	1,410	-	-	210,569
WVSC Mark Steven Scholarship Fund	4,744	(92)	4,000	471	-	(2,000)	7,123
Youth Philanthropy Council Flow Through Fund	316	(4)	-	10	1,000	(1,000)	322
Total Restricted Funds	1,835,489	(29,100)	398,404	122,932	-	(75,244)	2,252,481
UNRESTRICTED FUNDS							
Administration Flow Through Fund	278,251	(80,600)	182,794	46,878	-	(72,787)	354,535
Smart and Caring Community Fund	54,619	(945)	22,750	4,701	22,750	-	103,874
William Patrick Memorial Fund	917,523	(186,130)	-	84,325	-	-	815,717
WVCF Capacity Building & Growth Fund	362,006	(32,463)	-	32,463	-	-	362,006
WVCF Grant Stabilization Fund	49,211	(706)	-	3,583	-	(2,000)	50,088
Total Unrestricted Funds	1,661,610	(300,845)	205,544	171,949	22,750	(74,787)	1,686,221
TOTAL FUNDS	11,237,660	(440,082)	766,369	862,983	-	(388,689)	12,038,241

The accompanying notes are an integral part of these financial statements

WEST VANCOUVER COMMUNITY FOUNDATION

STATEMENT OF CONTINUITY OF ENDOWMENT FUNDS

Year ended December 31, 2017

	Balance Beginning of Year	Fees and Expenses	Donations and Bequests	Allocation of Income and Market Change	Fund Transfer	Grants	Balance End of Year
	\$	\$	\$	\$	\$	\$	\$
ENDOWMENT FUNDS							
<i>Externally Restricted</i>							
100 Women Who Care Endowment Fund	8,747	(139)	2,375	1,111	-	-	12,094
Aboriginal Youth Sport Legacy Fund	687,759	(9,905)	-	50,873	-	-	728,727
Bonnie J. McLaren Memorial Fund	670,405	(9,460)	-	48,588	-	(13,500)	696,033
Bradley T. Bowles Scholarship Fund	19,037	(269)	-	1,370	-	(1,000)	19,137
Danny Possee Memorial Fund	294,333	(4,508)	32,426	23,368	-	-	345,620
Daphne Nicholson Charitable Foundation	18,770	(341)	6,000	1,664	-	-	26,093
Donald & Marjorie Lanskail Fund	46,326	(667)	-	3,427	-	-	49,085
Environmental Endowment Fund	7,115	(81)	-	505	(7,539)	-	-
Faris Family Scholarship Fund	69,815	(993)	-	5,094	-	(3,000)	70,916
Fred E. Russell Fund	74,422	(1,019)	-	5,341	-	(5,000)	73,744
Friends of the Gallery Endowment Fund	21,199	(288)	-	1,503	-	(5,000)	17,414
Gertrude and Christina Lawson Scholarship Fund	119,776	(1,720)	-	8,821	-	(1,000)	125,877
Harvest Project Endowment Fund	218,027	(3,140)	-	16,127	-	-	231,014
Hender Family Fund	51,179	(736)	1,000	3,777	-	(256)	54,965
Holly & Beke Burne Fund	302,837	(4,361)	-	22,401	-	-	320,876
Irene Carpenter Fund	30,319	(420)	-	2,190	-	(1,610)	30,479
James A. Inkster Leadership Award Fund	47,362	(665)	-	3,405	-	(2,000)	48,101
Jeremy Dalton Rugby Endowment	18,655	(269)	200	1,380	-	-	19,966
Jerry Beckerman Memorial Fund	23,981	(345)	-	1,774	-	-	25,409
Joshua Goos Memorial Fund	16,877	(234)	-	1,219	-	(889)	16,974
Kay Meek Fund	123,368	(1,522)	-	8,327	-	(24,346)	105,827
Marc Rozen Memorial Fund for Youth	18,152	(130)	-	432	-	(18,455)	-
Mayors' Endowment Fund	225,053	(3,223)	22,500	17,119	-	(12,048)	249,402
North Shore Rescue Team Endowment Fund	34,666	(501)	100	2,572	-	-	36,837
NSR Tim Jones Legacy Fund	669,906	(10,298)	96,696	51,117	-	-	807,421
Robertson Taylor Endowment Fund	19,008	(243)	-	1,311	-	(2,903)	17,172
Thunderbird Marine Corp. Fund	27,409	(382)	-	1,987	-	(1,246)	27,768
Tom and Judy Baillie Fund	34,331	(465)	-	2,448	-	(2,794)	33,520
Trajan Martin Memorial Scholarship Fund	45,810	(663)	500	3,412	-	(1,000)	48,058
West Vancouver Artists Fund Endowment	17,667	(223)	-	1,199	-	(3,335)	15,307
West Vancouver Nature House Society	12,043	(174)	-	848	7,539	(992)	19,264
West Vancouver Public Art Endowment Fund	38,293	(551)	-	2,832	-	-	40,574
Enhanced Learning Opportunities Fund	24,646	(333)	-	1,754	-	(2,337)	23,730
West Vancouver Youth Band Endowment Fund	111,297	(1,564)	-	8,259	-	-	117,992
<i>Internally Restricted</i>							
Ernie and Audrey Kershaw Memorial Fund	56,903	(797)	-	4,139	-	(2,125)	58,120
Howard Martin Memorial Fund	3,509,702	(49,142)	-	254,549	(22,750)	(132,822)	3,559,537
Youth Philanthropy Council Endowment Fund	25,365	(366)	623	1,862	-	(1,000)	26,484
Total Endowment Funds	7,740,561	(110,138)	162,421	568,102	(22,750)	(238,657)	8,099,539

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

	2017 \$	2016 \$
Cash Provided By:		
Operations		
Excess of revenues over expenditures	800,581	1,713,808
Items not involving cash:		
Change in cash surrender value of life insurance	(1,900)	(1,900)
Realized gains on investments	(47,694)	(262,781)
Unrealized gains on investments	(308,717)	(52,387)
Amortization	6,846	487
	449,116	1,397,227
Changes in non-cash operating capital:		
Accounts receivable	(2,092)	5,002
GST receivable	853	(719)
Prepaid expenses	(9,766)	(328)
Accounts payable	(4,311)	19,378
Deferred sponsorships	-	(4,090)
	433,800	1,416,470
Investments		
Dividends and interest reinvested	(573,489)	(813,256)
Net deposits to investment account	(510,000)	(725,000)
Allocation to funds under administration	90,542	535,695
Purchase of capital assets	(7,289)	(29,229)
	(1,000,236)	(1,031,790)
(Decrease) Increase In Cash	(566,436)	384,680
Cash, beginning of year	832,920	448,240
Cash, end of year	266,484	832,920

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

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2017

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. The Foundation regularly conducts business using the name "West Vancouver Foundation".

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.

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.

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 Unrestricted Funds.

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.

Investment income includes realized (decrease) increase in market value of investments.

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

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.

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2017

2. Summary of Significant Accounting Policies (Cont.)

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 using restricted fund accounting. 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.

Funds are subject to an allocation of administrative expenses as established from time to time by the Board.

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

- i) Endowment Funds
- ii) Restricted Funds
- iii) Unrestricted Funds

Endowment funds comprise of permanent contributions restricted either by the donor or internally by the Foundation.

Restricted funds are primarily donations received, which have been externally designated for specific purposes by the donor, and are not required to be maintained in perpetuity. These funds include flow-through funds which also designate the use of current and future capital receipts.

Unrestricted funds are available for granting purposes and general operations.

Financial Instruments

Financial instruments are initially measured at fair value and equity instruments are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost. Changes in fair value are recognized in the statement of operations.

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2017

2. Summary of Significant Accounting Policies (Cont.)

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. While management believes that the estimates utilized in preparing these financial statements are reasonable and prudent, actual results could differ from those estimates.

Accounts Payable

Accounts payable includes \$7,812 (2016: \$7,271) for payroll source deductions.

Capital Assets

Equipment is recorded at amortized cost. Amortization is calculated on a straight-line basis over the expected useful life of the asset as follows:

Computer equipment

Five years

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.

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2017

4. Investments

Summary of Investment Portfolio Holdings

	Cost \$	Fair Value \$	%
Leith Wheeler International Pooled Fund Series A	2,001,005	1,982,495	14.4 %
Leith Wheeler Canadian Equity Fund Series A	3,017,138	3,547,107	25.9 %
Leith Wheeler Core Active Bond Fund Series A	4,251,693	4,164,449	30.4 %
Leith Wheeler Corp. Bond Fund Series A	1,500,799	1,459,862	10.7 %
Leith Wheeler U.S. Equity Non-Taxable Pooled Fund Series A	2,568,628	2,511,926	18.3 %
Leith Wheeler International Equity Plus Fund Series A	40,936	39,576	0.3 %
	13,380,199	13,705,415	100.0%

The cost and fair value of the investment portfolio at December 31, 2016 were \$12,249,014 and \$12,265,514 respectively.

5. 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.

6. Capital Assets

Capital Assets	2017		2016	
	\$		\$	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer Hardware	36,517	(7,333)	29,184	28,742

7. Funds Held by the Vancouver Foundation

The Foundation received \$8,844 (2016 - \$7,458) as income from a permanent endowment fund with the Vancouver Foundation. The market value of the fund as at December 31, 2017 was \$222,653 (2016 - \$214,914).

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2017

8. Operating Lease Commitment

The Foundation has operating lease commitments for premises as follows:

Year	\$
2018	3,009
2019	3,099
2020	3,192
2021	3,288
2022	1,976

9. Funds Under Administration

Funds under administration represent funds beneficially owned by another organization for which the income and capital is designated for the benefit of this organization. The West Vancouver United Church Permanent Trust Fund matures on December 31, 2025 at which time the funds are to be returned to the United Church. The 2015 and 2016 fund agreements enable either the Foundation or the United Church to terminate the agreement upon three months notice, as a result, the total of these two funds are presented as a current liability.

Balances of funds under administration are detailed as follows:

	\$	\$	\$	\$
	WV United Church Endowment Fund 2015	WV United Church Trust Fund II 2016	WV United Church Permanent Trust Fund	Total
Balance Beginning of the Year	632,419	443,550	824,680	1,900,649
Fees and Expenses	(3,171)	(2,295)	(4,268)	(9,734)
Funds Received	-	-	-	-
Allocation of Income and Market Change	46,016	32,966	61,294	140,276
Funds Disbursed	(40,000)	-	-	(40,000)
Balance End of Year	635,264	474,221	881,706	1,991,191

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2017

10. Comparative Figures

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