
WEST VANCOUVER COMMUNITY FOUNDATION

FINANCIAL STATEMENTS

December 31, 2015

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, 2015, 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, 2015, 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.

Lohn Caulder LLP

Chartered Professional Accountants
Vancouver, BC
March 30, 2016

WEST VANCOUVER COMMUNITY FOUNDATION

STATEMENT OF FINANCIAL POSITION

		As at December 31	
		2015	2014
		\$	\$
ASSETS			
Current			
Cash and cash equivalents		448,240	353,355
Receivables		5,690	3,716
GST receivable		2,885	3,454
Prepaid expenses		2,721	3,263
		459,536	363,788
Investments (note 4)		10,412,089	9,843,137
Interest in Life Insurance Policy (note 6)		37,544	35,644
		10,909,169	10,242,569
LIABILITIES			
Current			
Accounts payable		16,274	14,443
Deferred sponsorship contributions		4,090	-
Managed funds under administration (note 9)		613,845	645,403
		634,209	659,846
Managed Funds Under Administration (note 9)		751,108	741,648
		1,385,317	1,401,494
Net Assets			
Endowment Funds		7,387,014	6,966,967
Restricted Funds		733,649	454,596
Unrestricted Funds		1,403,189	1,419,512
		9,523,852	8,841,075
		10,909,169	10,242,569

APPROVED ON BEHALF OF THE BOARD:

____ "Gerry Humphries" ____ Director ____ "Nancy Farran" ____ 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	
	2015	2014
	\$	\$
Revenues		
Investment income	318,314	778,389
Unrealized (decrease) increase in market value of investments	(121,260)	(215,813)
Sponsorship and event contributions	46,150	44,153
	243,204	606,729
Revenue Allocated to Managed Funds Under Administration		
Investment Income	(43,036)	(115,404)
Unrealized decrease (increase) in market value of investments	15,579	(852)
	215,747	490,473
Donations to Endowment Funds	488,192	4,716,192
Donations to Restricted Funds	318,465	166,006
Donations to Unrestricted Funds	35,145	19,525
	1,057,549	5,392,196
Expenditures		
Grants	192,206	149,309
Administration (note 5)	182,566	158,753
	374,772	308,062
Excess of Revenues Over Expenditures	682,777	5,084,134
Net Assets, beginning of year	8,841,075	3,756,941
Net Assets, end of year	9,523,852	8,841,075

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, 2015

	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)	6,966,967	(72,201)	488,192	137,114		(133,058)	7,387,014
RESTRICTED FUNDS							
<i>Flow Through</i>							
100 Women Who Care Flow Thru	650	-	10,700	-		(7,500)	3,850
Ambleside Skatepark Project	19,541	(829)	37,076	6		(2,850)	52,944
Black Creek Old Growth Environmental Fund	16,401	(168)	-	323		-	16,556
British Pacific Properties Scholarship Fund	419	-	1,500	(43)		(1,500)	376
Capilano Rugby Club Fund	4,330	(55)	12,100	88		-	16,463
Capilano RFC Women's Canadian Players Fund	10,067	(104)	200	200		-	10,363
First Aid Ski Patrol Flow Through Fund	25,508	(261)	-	503		-	25,750
Gift of Music Fund	-	(151)	20,755	(498)		(3,344)	16,762
Harvest Project Flow Through Fund	-	(83)	50,000	(48)		-	49,869
Hollyburn Lodge 2015 Renewal Project	30,579	(613)	32,300	(442)		-	61,824
Inkster Flow Through Fund	4,203	(32)	395	106		(2,000)	2,672
Musica Nautica Fund	-	(12)	14,420	-		-	14,408
North Shore Rescue Team Society Flow Through	4,479	(90)	-	-		-	4,389
Ron and Barbara Howard Fund	24,361	(226)	-	557		(2,878)	21,814
Van/WVCF Flow-Thru Fund	7,336	(51)	-	78	(7,363)	-	-
North Shore Field Hockey Facilities Society	176,514	(2,568)	4,668	-		-	178,614
West Vancouver Marine Rescue Society Fund	5,000	(152)	25,000	162		-	30,010
West Vancouver Police Department Flow Through	25,041	(297)	6,666	363		-	31,773
West Vancouver Soccer Club Facilities Fund	89,347	(1,598)	98,448	-		-	186,197
WVSC Mark Steven Scholarship Fund	4,485	(63)	4,000	(70)		(4,000)	4,352
YAHU Flowthrough Fund	6,337	(55)	237	146		(2,000)	4,665
Total Restricted Funds	454,596	(7,408)	318,465	1,430	(7,363)	(26,072)	733,649
UNRESTRICTED FUNDS							
Administration Flow Through Fund	515	(16,357)	24,069	-	7,363	(11,500)	4,090
William Patrick Memorial Fund	969,396	(82,351)	-	70,133		-	957,178
WVCF Community Fund	376,294	(3,657)	11,077	5,205		1,000	389,919
WVCF Grant Stabilization Fund	73,307	(592)	-	1,862		(22,575)	52,002
Total Unrestricted Funds	1,419,512	(102,957)	35,145	77,200	7,363	(33,075)	1,403,189
TOTAL FUNDS	8,841,075	(182,566)	841,802	215,744	-	(192,206)	9,523,852

The accompanying notes are an integral part of these financial statements

WEST VANCOUVER COMMUNITY FOUNDATION

SCHEDULE OF CONTINUITY OF ENDOWMENT FUNDS

Year ended December 31, 2015

	Balance Beginning of Year	Fees and Expenses	Donations and Bequests	Allocation of Income and Market Change	Grants	Balance End of Year
	\$	\$	\$	\$	\$	\$
ENDOWMENT FUNDS						
<i>Externally Restricted</i>						
100 Women Who Care Endowment Fund	4,296	(55)	2,250	199	-	6,690
Aboriginal Youth Sport Legacy Fund	603,839	(6,380)	20,000	11,779	-	629,237
Bonnie J. McLaren Memorial Fund	607,594	(6,219)	-	11,985	-	613,360
Bradley T. Bowles Scholarship Fund	19,204	(193)	-	349	(1,000)	18,360
Danny Possee Memorial Fund	183,449	(2,087)	49,046	3,014	-	233,422
Daphne Nicholson Charitable Foundation	-	(72)	10,400	(222)	-	10,106
Donald & Marjorie Lanskail Fund	41,986	(430)	-	828	-	42,384
Environmental Endowment Fund	7,605	(71)	-	172	(840)	6,866
Faris Family Scholarship Fund	70,490	(703)	-	1,354	(4,500)	66,641
Fred E. Russell Fund	69,444	(711)	-	1,370	-	70,103
Friends of the Gallery Endowment Fund	20,335	(208)	-	401	-	20,528
Gertrude and Christina Lawson Scholarship Fund	111,497	(1,129)	-	2,201	(2,000)	110,569
Harvest Project Endowment Fund	-	(333)	200,000	(192)	-	199,475
Hender Family Fund	39,245	(378)	1,400	857	(3,104)	38,020
Holly & Beke Burne Fund	274,464	(2,809)	-	5,414	-	277,068
Irene Carpenter Fund	33,404	(304)	-	782	(4,632)	29,250
James A. Inkster Leadership Award Fund	42,203	(435)	500	828	-	43,096
Jeremy Dalton Rugby Endowment	16,807	(172)	100	332	-	17,067
Jerry Beckerman Memorial Fund	23,663	(241)	-	468	(1,000)	22,890
Joshua Goos Memorial Fund	17,487	(168)	-	383	(1,416)	16,286
Kay Meek Fund	126,577	(1,296)	-	2,497	-	127,778
Marc Rozen Memorial Fund for Youth	18,838	(184)	250	403	(1,140)	18,167
Mayors' Endowment Fund	176,037	(1,767)	15,100	3,782	(9,000)	184,151
North Shore Rescue Team Endowment Fund	20,747	(218)	855	391	-	21,776
NSR Tim Jones Legacy Fund	434,513	(5,188)	112,340	6,694	-	548,360
Robertson Taylor Endowment Fund	19,293	(197)	-	381	-	19,476
Thunderbird Marine Corp. Fund	17,999	(197)	10,000	443	(1,500)	26,745
Tom and Judy Baillie Fund	34,135	(329)	-	739	(2,463)	32,082
Trajan Martin Memorial Scholarship Fund	21,592	(230)	1,000	417	(500)	22,279
West Vancouver Artists Fund Endowment	19,035	(195)	-	375	-	19,215
West Vancouver Nature House Society	-	(49)	11,000	68	-	11,019
West Vancouver Public Art Endowment Fund	34,704	(355)	-	685	-	35,034
West Vancouver School District Endowment	19,936	(222)	2,500	335	-	22,549
West Vancouver Youth Band Endowment Fund	100,869	(1,033)	-	1,990	-	101,826
<i>Internally Restricted</i>						
Ernie and Audrey Kershaw Memorial Fund	-	(244)	50,000	(869)	-	48,887
Howard Martin Memorial Fund	3,712,503	(37,160)	-	76,001	(99,513)	3,651,831
YAHU Endowment Fund	23,177	(239)	1,450	483	(450)	24,421
Total Endowment Funds	6,966,967	(72,201)	488,192	137,114	(133,058)	7,387,014

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

	2015 \$	2014 \$
<hr/>		
Cash Provided By:		
Operations		
Excess of revenues over expenditures	682,777	5,084,134
Items not involving cash:		
Change in cash surrender value of life insurance	(1,900)	(1,865)
Realized losses on investments	317,641	-
Unrealized losses on investments	121,260	215,813
	<hr/>	<hr/>
	1,119,778	5,298,082
Changes in non-cash operating capital:		
Accounts receivable	(1,974)	(3,007)
GST receivable	569	(1,143)
Prepaid expenses	542	(1,763)
Accounts payable	1,831	2,654
Grant commitments	-	(1,200)
Deferred sponsorships	4,090	(5,400)
	<hr/>	<hr/>
	1,124,836	5,288,223
	<hr/>	<hr/>
Investments		
Dividends and interest reinvested	(632,854)	(772,256)
Net deposits to investment account	(375,000)	(4,483,400)
Managed funds under administration	(22,097)	66,796
	<hr/>	<hr/>
	(1,029,951)	(5,188,860)
	<hr/>	<hr/>
Increase in cash	94,885	99,363
Cash, beginning of year	353,355	253,992
	<hr/>	<hr/>
Cash, end of year	448,240	353,355

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

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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.

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.

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.

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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.

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.

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, 2015

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	1,712,036	1,613,616	15.5 %
Leith Wheeler Canadian Equity Fund Series A	2,486,118	2,133,964	20.5 %
Leith Wheeler Core Active Fund Series A	3,991,505	4,013,735	38.5 %
Leith Wheeler U.S. Equity Fund Series A	1,431,943	1,837,343	17.6 %
Leith Wheeler Corp. Fixed Income Pooled Fund Series A	827,575	813,431	7.8 %
	10,449,177	10,412,089	100.0%

The cost and fair value of the investment portfolio at December 31, 2014 were \$9,758,965 and \$9,843,137 respectively.

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

5. Administration

Administration expenses are detailed as follows:

	2015 \$	2014 \$
Insurance	2,030	2,619
Office	67,946	69,616
Professional fees	10,761	12,624
Wages and benefits	111,384	83,354
	192,121	168,213
Allocation to:		
Managed funds under administration	9,555	9,460
Foundation funds	182,566	158,753
	192,121	168,213

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. Funds Held by the Vancouver Foundation

The Foundation received \$7,079 (2014 - \$6,726) as income from a permanent endowment fund with the Vancouver Foundation. The market value of the fund as at December 31, 2015 was \$205,786 (2014 - \$195,776).

8. Operating Lease Commitment

The Foundation has operating lease commitments for premises as follows:

Year	\$
2016	2,700
2017	2,782

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

9. Managed Funds Under Administration

Managed 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 Endowment Fund matured on April 22, 2015. The fund continued to be managed pursuant to the original agreement until the signing of a new agreement subsequent to the year. The new agreement enables either the Foundation or the United Church to terminate the agreement upon three months notice. The West Vancouver United Church Permanent fund matures on December 31, 2025.

Balances of managed funds under administration are detailed as follows:

	\$	\$	\$
	WV United Church Endowment Fund	WV United Church Permanent Fund	Total
Balance beginning of the year	645,403	741,648	1,387,051
Fees and expenses	(4,407)	(5,148)	(9,555)
Allocation of income and market change	12,850	14,608	27,458
Grants	(40,000)	-	(40,000)
Balance end of year	613,845	751,108	1,364,954

10. Comparative Figures

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