

**Community Foundation of Whistler
Financial Statements
For the year ended December 31, 2015**

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Financial Statements
For the year ended December 31, 2015**

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Independent Auditor's Report

To the Board of the Community Foundation of Whistler

We have audited the accompanying financial statements of the Community Foundation of Whistler, which comprise the Statement of Financial Position as at December 31, 2015, and the Statements of Operations, Changes in Net Assets 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.

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 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 Community Foundation of Whistler derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenue was limited to the amounts recorded in the records of the Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenue over expenses, and cash flows from operations for the years ended December 31, 2015 and 2014, current assets as at December 31, 2015 and 2014, and net assets as at January 1, and December 31 for both the 2015 and 2014 years.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Community Foundation of Whistler 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.

Other Matters

The financial statements of the Community Foundation of Whistler for the year ended December 31, 2014, were audited by another auditor who expressed a qualified opinion as the Foundation derived revenue from donations, the completeness of which was not susceptible to satisfactory audit verification. Therefore, the predecessor auditor was not able to determine whether any adjustments might be necessary to donation revenue, excess of revenue over expenses, current assets and fund balances for the year ended December 31, 2014.

BDO Canada LLP.

Chartered Professional Accountants

Whistler, British Columbia
May 18, 2016

Community Foundation of Whistler
Statement of Financial Position

December 31 2015 2014

Assets

Current

Cash	\$ 82,332	\$ 36,978
Accounts receivable	1,120	1,368
Investments (Note 2)	5,439,539	5,259,438

	\$ 5,522,991	\$ 5,297,784
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Managed trust funds (Notes 2 and 3)	\$ 113,336	\$ -
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Liabilities and Net Assets

Liabilities

Current

Accounts payable and accrued liabilities	\$ 11,466	\$ 14,044
Grants payable	77,990	54,628
Deferred contributions	9,950	1,405

	99,406	70,077
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Net assets

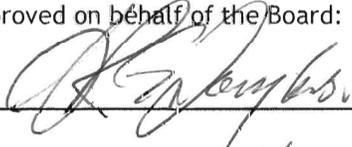
Endowment funds (Note 4)	5,324,549	5,145,623
Restricted flow-through funds	4,477	4,920
Unrestricted	94,559	77,164

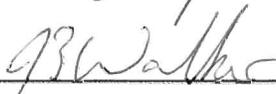
	5,423,585	5,227,707
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	\$ 5,522,991	\$ 5,297,784
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Managed trust funds (Notes 2 and 3)	\$ 113,336	\$ -
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Approved on behalf of the Board:


_____ Director


_____ Director

Community Foundation of Whistler
Statement of Operations

For the year ended December 31	2015	2014
Revenue		
Donations	\$ 43,567	\$ 169,089
Interest and dividends	145,746	147,787
Gain on investments	297,785	418,722
Administration fee	1,336	-
	<hr/> 488,434	<hr/> 735,598
Expenses		
Grants	199,337	172,313
Administration	93,219	91,531
	<hr/> 292,556	<hr/> 263,844
Excess of revenue over expenses for the year	\$ 195,878	\$ 471,754

Community Foundation of Whistler
Statement of Changes in Net Assets

For the year ended December 31

	Endowment Funds	Flow-through Funds	Unrestricted	2015	2014
Fund balances, beginning of year	\$ 5,145,623	\$ 4,920	\$ 77,164	\$ 5,227,707	\$ 4,755,953
Allocation of revenue and expenses:					
Donations	37,581	971	5,015	43,567	169,089
Investment and other income	432,211	4,150	8,506	444,867	566,509
Grants	(192,042)	(5,490)	(1,805)	(199,337)	(172,313)
Administration	(98,824)	(74)	5,679	(93,219)	(91,531)
Excess (deficiency) of revenue over expenses for the year	178,926	(443)	17,395	195,878	471,754
Fund balances, end of year	\$ 5,324,549	\$ 4,477	\$ 94,559	\$ 5,423,585	\$ 5,227,707

The accompanying notes are an integral part of these financial statements

Community Foundation of Whistler
Statement of Cash Flows

For the year ended December 31

2015

2014

Cash provided by (used in)

Operating activities

Excess of revenue over expenses for the year	\$ 195,878	\$ 471,754
Items not requiring cash		
Unrealized gain on investments	<u>(200,989)</u>	<u>(361,088)</u>
	(5,111)	110,666
Changes in non-cash working capital balances		
Accounts receivable	248	1,352
Accounts payable and accruals	(2,578)	1,049
Deferred contribution	8,545	-
Grants Payable	<u>23,362</u>	<u>4,473</u>
	<u>24,466</u>	<u>117,540</u>

Investing activities

Purchase of investments	<u>20,888</u>	<u>(161,525)</u>
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Increase (decrease) in cash during the year

45,354 (43,985)

Cash, beginning of year

36,978 80,963

Cash, end of year

\$ 82,332 **\$ 36,978**

Community Foundation of Whistler Notes to the Financial Statements

December 31, 2015

1. Significant Accounting Policies

Purposes of the Foundation

The Community Foundation of Whistler ("Foundation") was created to improve the quality of life in Whistler by distributing donations and the earnings from a permanent growing endowment of funds to charitable organizations. The Foundation is a registered charity, designated as a public foundation, under the Income Tax Act.

Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Fund Accounting

The Foundation follows the restricted fund method of accounting for contributions to comply with the limitations and restrictions placed on the Foundation's resources by donors. Accordingly, resources are classified for accounting and financial reporting purposes into funds. These funds are maintained in accordance with either the objectives specified by the donors or with directives issued by the Board of Directors. Certain interfund transfers may be necessary to ensure the appropriate allocation of assets and liabilities to the respective funds. Transfers between the funds are recorded in the changes in fund balances.

Revenue Recognition

Donations are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Donations are applied to specific endowment funds, the flow through fund or the unrestricted fund in accordance with the wishes of the donor. Where a donor has not specified the intended use of the funds, the amount is recorded as a deferred contribution until such time as the donor and the Foundation can agree on the intended use of the funds.

Interest earned on investments is recorded on an accrual basis. Dividends that have been declared are recorded as income on the date of record for the dividend.

Investment and interest income earned on endowment and restricted funds is recognized as revenue in the endowment and restricted funds in accordance with the terms of the restricted contribution. Investment and interest income on unrestricted funds is recognized as revenue in the Unrestricted Fund.

Income Taxes

The Foundation is exempt from income tax under Section 149(1)(l) of the Income Tax Act.

Community Foundation of Whistler Notes to the Financial Statements

December 31, 2015

1. Significant Accounting Policies (cont.)

Use of Estimates	The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Areas requiring management to exercise judgment on the determination of estimates include the completeness of accounts payable and accrued liabilities. Actual results could differ from management's best estimates as additional information becomes available and may impact future periods.
Financial Instruments	The Foundation's financial instruments consist of cash, accounts receivable, investments, accounts payable and accruals, and grants payable. The Foundation initially measures all of its financial instruments at fair value and subsequently at amortized cost using the effective interest rate method, except for investments which are measured at fair value. Changes in fair value are recognized in the statement of operations.
Donated Services and Materials	The Foundation does not recognize donated services and materials in these financial statements.
Administration Fee	All administration and operating costs are charged to the Unrestricted Operating Fund. In order to recover these costs, an administrative fee is then charged to each individual fund based on 1.5% of fund balance.
Managed Trust Funds	The Foundation manages funds on behalf of third parties in accordance with the Foundation's investment policy. These amounts are not assets or liabilities of the Foundation.
Foreign Currency Translation	Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at the exchange rates in effect at the statement of financial position date. Revenue and expenses denominated in foreign currencies are translated to Canadian dollars at the exchange rates in effect on the date of the transaction. Exchange gains and losses on translation of foreign currencies are included in the gain (loss) on investments.
Grants	Grants are recorded when the grant has been approved by the Board of Directors and the amount payable can be reasonably estimated and payments reasonably assured. Grant payments are conditional on the recipient meeting certain criteria and provided supporting information. Grants are paid 50% on approval, 40% on substantial completion and 10% on submission of a final report.

Community Foundation of Whistler
Notes to the Financial Statements

December 31, 2015

2. Investments

	<u>2015</u>	<u>2014</u>
Bonds	\$ 1,553,121	\$ 1,648,452
Canadian equities, funds and trusts	2,035,235	2,072,518
Foreign equities and funds	1,947,810	1,520,751
Other	<u>16,709</u>	<u>17,717</u>
	\$ 5,552,875	\$ 5,259,438
Less managed trust funds (Note 3)	<u>113,336</u>	-
Investments	<u>\$ 5,439,539</u>	<u>\$ 5,259,438</u>

3. Managed Trust Funds

During the year the Foundation entered into four agreements with the Rotary Club of Whistler under which the Foundation would invest funds on behalf of the Rotary Club in accordance with the Foundation's Investment Policy. The agreements are for an initial period of two years and will run year to year thereafter. The agreements may be terminated and the funds withdrawn by the Rotary Club after one year upon providing 90 days notice. The value of the funds are determined on the last day of each month based on the fair market value of the investment pool. The Foundation earns an administrative fee of 1.5% on these funds.

4. Funds with the Vancouver Foundation

The Foundation has established a permanent, non-revocable endowment fund with the Vancouver Foundation. The fund is owned and administered by the Vancouver Foundation and, accordingly, as the capital of the fund is not available for use by the Foundation, the fund balance is not included in the Foundation's statement of financial position. Income of the endowment Fund shall be credited to the Whistler Blackcomb flow-through fund and will be used for the purposes established for that fund.

The market value of the fund is estimated at \$120,636 (2014 - \$114,768).

Community Foundation of Whistler Notes to the Financial Statements

December 31, 2015

5. Financial Instrument Risk

The Foundation, through its financial assets and liabilities, is exposed to various risks. The following analysis provides an assessment of those risks as at December 31, 2015.

Foreign Exchange Risk

Foreign currency exposure arises from the Foundation's holdings of foreign currency denominated investments. Fluctuations in the relative value of those currencies against the Canadian dollar can result in a positive or negative effect on the fair value of the investments. As at December 31, 2015, the Foundation's maximum exposure to currency risk is \$ 1,947,810 (2014 - \$1,520,751).

Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation is exposed to fluctuations in interest rates which impact the fair value and future cash flows on its bond investments where the instrument or the underlying security are linked to interest rates, such as fixed income, mortgage and bond funds. As at December 31, 2015, the fair value of instruments subject to interest rate risk totaled \$1,553,121 (2014 - \$1,648,452).

Equity Price Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Foundation is exposed to fluctuations in equity markets on its equities, funds and trusts which are invested in various funds. At December 31, 2015 the fair value of the Foundation's equities, funds and trusts totaled \$3,983,045 (2014 - \$3,593,269).

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Liquidity Risk

Liquidity risk is the risk that the Foundation encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Foundation will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset.

It is management's opinion that the Foundation is not exposed to significant credit risk or liquidity risk arising from financial instruments. There have been no changes in the Foundation's exposure to financial instruments risks from previous years.

**Community Foundation of Whistler
Notes to the Financial Statements**

December 31, 2015

6. Endowment Funds

	Ending Contributed Principal	2014 Balance	Donations	Transfers	Investment Income	Grants	Administration	2015 Balance
American Friends of Whistler Fund	\$ 5,121	\$ 6,788	\$ -	\$ -	\$ 579	\$ (270)	\$ (132)	\$ 6,965
Ackhurst Family Rotary Club of Whist	24,000	25,552	-	-	2,129	(580)	(490)	26,611
Arts & Culture Legacy Fund	199,166	263,167	250	-	21,717	(10,400)	(5,008)	269,726
AWARE Environmental Fund	5,347	6,911	-	-	805	(213)	(133)	7,370
Whistler and Pemberton Big Brothers	5,120	6,912	-	-	574	(195)	(132)	7,159
Bob and Sue Adams Leadership Fund	10,000	-	10,000	-	39	-	(13)	10,026
Community Fund	67,691	85,715	2,026	-	7,245	(3,150)	(1,717)	90,119
Environmental Legacy Fund	2,405,705	3,224,849	-	-	272,167	(128,001)	(62,170)	3,306,845
Emergency Fund	16,635	16,427	7,626	-	1,395	(4,800)	(201)	20,447
Grad 2014 Legacy Scholarship Fund	8,500	-	9,500	-	379	(1,000)	(92)	8,787
Jill Ackhurst Social Action Fund	111,115	135,274	5,661	-	11,434	(4,700)	(2,651)	145,018
Kathy Barnett Memorial Fund	78,321	172,070	896	-	14,686	(5,556)	(3,362)	178,734
Kelty and Riley Dennehy Scholarship	100,000	101,065	-	-	8,536	(1,000)	(1,954)	106,647
Sarah McSeveney Scholarship Fund	11,270	15,124	-	-	1,277	-	(292)	16,109
Martene Siemens Callanish Society	8,575	11,234	25	-	929	(400)	(215)	11,573
Michael Sparks Fund	25,178	17,717	-	-	(1,008)	-	-	16,709
Operating Endowment Fund	34,846	50,803	100	-	4,289	-	(982)	54,210
Pemberton Community Fund	13,285	17,705	-	-	1,479	(700)	(339)	18,145
Pemberton Community Endowment Fund	56,374	70,608	-	-	5,985	(2,500)	(1,361)	72,732
Whistler Animals Galore Fund	5,590	7,183	50	-	837	(223)	(139)	7,708
Whistler Adaptive Sports Endowment	22,704	28,996	250	-	3,377	(900)	(568)	31,155
Whistler Blackcomb Foundation Fund	27,000	27,764	-	-	2,341	(190)	(536)	29,379
Whistler Employee Fund	6,283	7,369	547	-	629	(300)	(146)	8,099
Wendy Thompson Scholarship Fund	136,297	195,604	-	-	16,465	(4,000)	(3,769)	204,300
Whistler Museum and Archives Society	8,160	10,630	-	-	878	(413)	(202)	10,893
Whistler Public Library Fund	5,100	6,604	100	-	550	(261)	(126)	6,867
Whistler Search and Rescue Fund	419,432	534,206	-	-	44,185	(19,000)	(10,181)	549,210
Whistler Scholarship Society Fund	57,788	76,250	-	-	6,389	(2,500)	(1,467)	78,672
Whistler Youth Foundation Fund	13,043	15,730	550	-	1,316	(500)	(306)	16,790
Zero Ceiling Society Fund	5,550	7,366	-	-	608	(290)	(140)	7,544
	\$ 3,893,196	\$ 5,145,623	\$ 37,581	\$ -	\$ 432,211	\$ (192,042)	\$ (98,824)	\$ 5,324,549