

**Community Foundation of Whistler  
Financial Statements  
For the year ended December 31, 2018**

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Financial Statements  
For the year ended December 31, 2018**

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## Independent Auditor's Report

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### To the Board of the Community Foundation of Whistler

#### Qualified Opinion

We have audited the accompanying financial statements of the Community Foundation of Whistler (the "Foundation"), which comprise the statement of financial position as at December 31<sup>st</sup>, 2018, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31<sup>st</sup>, 2018, 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 Qualified Opinion

In common with many not-for-profit organizations, the Foundation derives revenue from donations the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues 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 revenues over expenses, and cash flows from operations for the years ended December 31, 2018 and 2017, current assets as at December 31, 2018 and 2017, and net assets as at January 1 and December 31 for both the 2018 and 2017 years. Our audit opinion on the financial statements for the year ended December 31, 2017 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation 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 qualified audit opinion.

#### Responsibilities of Management and Those Charged with Governance 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. In preparing the financial statements, management is responsible for assessing the Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's 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 auditor's 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 these 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 Foundation'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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Foundation 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.

We 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.

Chartered Professional Accountants,

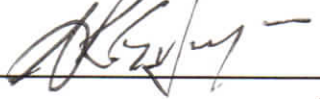
Whistler, British Columbia

April 17, 2019

**Community Foundation of Whistler**  
**Statement of Financial Position**

December 31	Endowment Funds <small>(Note 7)</small>	Restricted & Flow-through Funds <small>(Note 6)</small>	Unrestricted	2018	2017
<b>Assets</b>					
<b>Current</b>					
Cash	\$ 217,613	\$ 237,699	\$ 37,773	\$ 493,085	\$ 272,628
Accounts receivable	-	-	1,301	1,301	1,336
Investments (Note 2)	5,968,894	-	-	5,968,894	6,263,441
	<u>\$ 6,186,507</u>	<u>\$ 237,699</u>	<u>\$ 39,074</u>	<u>\$ 6,463,280</u>	<u>\$ 6,537,405</u>
<b>Managed trust funds (Notes 2 and 3)</b>				<b>\$ 141,372</b>	<b>\$ 128,288</b>
<b>Liabilities and Net Assets</b>					
<b>Liabilities</b>					
<b>Current</b>					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 17,156	\$ 17,156	\$ 14,465
Grants payable	76,024	203,289	-	279,313	50,694
	<u>76,024</u>	<u>203,289</u>	<u>17,156</u>	<u>296,469</u>	<u>65,159</u>
<b>Net assets</b>	<u>6,110,483</u>	<u>34,410</u>	<u>21,918</u>	<u>6,166,811</u>	<u>6,472,246</u>
	<u>\$ 6,186,507</u>	<u>\$ 237,699</u>	<u>\$ 39,074</u>	<u>\$ 6,463,280</u>	<u>\$ 6,537,405</u>
<b>Managed trust funds (Notes 2 and 3)</b>				<b>\$ 141,372</b>	<b>\$ 128,288</b>

Approved on behalf of the Board:

  
\_\_\_\_\_ Director

  
\_\_\_\_\_ Director

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**Community Foundation of Whistler**  
**Statement of Operations**

<b>For the year ended December 31</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Donations	\$ 691,924	\$ 377,115
Interest and dividends	164,198	154,031
(Loss) gain on investments	(347,527)	421,805
Administration fee	1,958	1,883
	<hr/> 510,553	<hr/> 954,834
<b>Expenses</b>		
Grants	690,560	230,410
Administration	125,428	103,922
	<hr/> 815,988	<hr/> 334,332
<b>(Deficiency) excess of revenue over expenses for the year</b>	<b>\$ (305,435)</b>	<b>\$ 620,502</b>

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**Community Foundation of Whistler**  
**Statement of Changes in Net Assets**

	Endowment Funds <small>(Note 7)</small>	Restricted & Flow-through Funds <small>(Note 6)</small>	Unrestricted	2018	2017
<b>Fund balances, December 31, 2017</b>	\$ 6,113,122	\$ 238,522	\$ 120,602	<b>\$ 6,472,246</b>	\$ 5,851,744
<b>Allocation of revenue and expenses:</b>					
Donations	422,813	261,652	7,459	<b>691,924</b>	377,115
Investment and other income	(184,245)	2,342	532	<b>(181,371)</b>	577,719
Grants	(240,402)	(449,758)	(400)	<b>(690,560)</b>	(230,410)
Administration	(117,387)	(2,466)	(5,575)	<b>(125,428)</b>	(103,922)
<b>(Deficiency) excess of revenue over expenses for the year</b>	<b>(119,221)</b>	<b>(188,230)</b>	<b>2,016</b>	<b>(305,435)</b>	<b>620,502</b>
<b>Interfund Transfer (Notes 6 &amp; 7)</b>	<b>116,582</b>	<b>(15,882)</b>	<b>(100,700)</b>	<b>-</b>	<b>-</b>
<b>Fund balances, December 31, 2018</b>	<b>\$ 6,110,483</b>	<b>\$ 34,410</b>	<b>\$ 21,918</b>	<b>\$ 6,166,811</b>	<b>\$ 6,472,246</b>

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**

**2018**

**2017**

**Cash provided by (used in)**

**Operating activities**

(Deficiency) excess of revenue over expenses for the year	\$ (305,435)	\$ 620,502
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Items not requiring cash

Unrealized loss (gain) on investments	<u>597,181</u>	(298,576)
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	<u>291,746</u>	321,926
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Changes in non-cash working capital balances

Accounts receivable	35	(11)
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Accounts payable and accrued liabilities	2,691	(881)
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Grants Payable	<u>228,619</u>	(22,339)
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	<u>523,091</u>	298,695
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**Investing activities**

Purchase of investments	<u>(302,634)</u>	(68,191)
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**Increase in cash during the year**

	220,457	230,504
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**Cash, beginning of year**

	<u>272,628</u>	42,124
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**Cash, end of year**

	<u>\$ 493,085</u>	\$ 272,628
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## Community Foundation of Whistler Notes to the Financial Statements

December 31, 2018

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### 1. Significant Accounting Policies

#### Purposes of the Foundation

The Community Foundation of Whistler (the "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.

The endowment funds consist of contributions which are received to create permanent funds which generate investment income. The investment income is granted to recipients selected by the Foundation in accordance with the objectives specified by the donors.

The restricted funds consist of contributions which are received to create long term funds which generate investment income. The amounts contributed and investment income is granted to recipients selected by the Foundation in accordance with the objectives specified by the donors.

The flow-through funds consist of contributions which are to be granted to recipients in their entirety in accordance with the objectives specified by the donors.

The unrestricted fund consists of the net assets of the Foundation which are not restricted to any other purpose and are used to fund the operating expenses of the Foundation.

Transfers between the funds are recorded in the changes in fund balances.

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## Community Foundation of Whistler Notes to the Financial Statements

December 31, 2018

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### 1. Summary of Significant Accounting Policies (continued)

**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 funds, restricted funds 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.

**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 and contingent 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 accrued liabilities, 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.

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

**December 31, 2018**

**1. Summary of Significant Accounting Policies (continued)**

**Administration Fee** All administration and operating costs are charged to the Unrestricted Fund. In order to recover these costs, an administrative fee is then charged to each individual fund based on 1.5% of the 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 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 providing supporting information. Grants are paid 50% on approval, 40% on substantial completion and 10% on submission of a final report.

**2. Investments**

	<b>2018</b>	<b>2017</b>
Bonds	<b>\$ 1,896,972</b>	\$ 1,559,877
Canadian equities, funds and trusts	<b>2,195,596</b>	2,702,570
Foreign equities and funds	<b>2,004,767</b>	2,114,934
Other	<b>12,931</b>	14,348
	<b>\$ 6,110,266</b>	\$ 6,391,729
Less managed trust funds (Note 3)	<b>141,372</b>	128,288
Investments	<b>\$ 5,968,894</b>	\$ 6,263,441

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## Community Foundation of Whistler Notes to the Financial Statements

December 31, 2018

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### 3. Managed Trust Funds

The Foundation manages and invests funds on behalf of the Rotary Club of Whistler under agreements signed in 2015 and 2018 in accordance with the Foundation's Investment Policy, and as described in Note 1, these are not assets of the Foundation. The agreements were for an initial period of two years from the date signed, after which they run year to year. 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.

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### 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. The interest earned on the the endowment fund is donated back to the Foundation and credited to the Whistler Blackcomb Flow-Through Fund to be used for the purposes established for that fund.

The market value of the fund is estimated at \$123,972 (2017 - \$130,625).

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### 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, 2018.

#### *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, 2018, the Foundation's US dollar denominated investments and cash totaled \$1,496,645 US, \$2,039,927 converted to Canadian dollars (2017 - \$1,686,819 US, \$2,114,934 CDN).

#### *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, 2018, the fair value of instruments subject to interest rate risk totaled \$1,896,972 (2017 - \$1,559,877).

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

**December 31, 2018**

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**5. Financial Instrument Risk (continued)**

*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, 2018 the fair value of the Foundation's equities, funds and trusts totaled \$4,200,363 (2017 - \$4,817,504).

*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. The Foundation is potentially exposed to credit risk on its cash, investments (Note 2) and managed trust funds (Notes 2 and 3). To mitigate this risk, the Foundation has deposited its cash and investments with reputable financial institutions.

*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, 2018**

**6. Restricted and Flow Through Funds**

	2017 Balance	Donations	Transfers	Investment Income/(Loss)	Grants	Administration	2018 Balance
Restricted Funds:							
Terry and Barb Deutscher Fund	-	15,397	-	(304)	-	(11)	15,082
Flow Through Funds	238,522	246,255	(15,882)	2,646	(449,758)	(2,455)	19,328
	238,522	261,652	(15,882)	2,342	(449,758)	(2,466)	34,410

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

**December 31, 2018**

**7. Endowment Funds**

	Contributed Principal	2017 Balance	Donations	Transfers	Investment Income/(Loss)	Grants	Administration	2018 Balance
American Friends of Whistler Fund	\$ 5,121	\$ 7,546	\$ -	\$ -	\$ (211)	\$ 32	\$ (143)	\$ 7,224
Ackhurst Family Rotary Club of Whist	24,650	29,689	-	-	(791)	(1,040)	(545)	27,313
Arts & Culture Legacy Fund	210,616	291,674	11,000	-	(7,661)	(12,780)	(5,343)	276,890
AWARE Environmental Fund	5,347	8,279	-	-	(126)	(320)	(150)	7,683
Whistler and Pemberton Big Brothers	5,170	8,001	-	-	(217)	(195)	(148)	7,441
Bob and Sue Adams Leadership Fund	10,300	11,466	300	-	(306)	(500)	(227)	10,733
Community Fund	105,083	115,780	15,466	6,182	(3,314)	(4,405)	(2,360)	127,349
Chili Thom Scholarship Fund	34,200	-	34,200	-	(836)	-	(391)	32,973
Doug and Mary Forseth Fund	16,000	17,402	1,000	-	(482)	(1,500)	(331)	16,089
Deborah Smythe and Family Fund	40,762	34,216	9,472	-	(998)	(1,000)	(638)	41,052
Environmental Legacy Fund	2,413,817	3,585,918	8,012	-	(97,429)	(142,579)	(66,576)	3,287,346
Emergency Fund	26,885	21,019	-	10,000	(820)	(1,500)	(101)	28,598
Grad 2014 Legacy Scholarship Fund	9,000	10,315	-	-	(291)	(500)	(193)	9,331
Jill Ackhurst Social Action Fund	120,515	165,783	3,000	200	(4,531)	(7,300)	(3,090)	154,062
Kathy Barnett Memorial Fund	78,427	199,479	-	-	(5,392)	(7,362)	(3,726)	182,999
Kelty and Riley Dennehy Scholarship	100,000	120,990	-	-	(3,330)	(3,000)	(2,249)	112,411
Sarah McSeveney Scholarship Fund	11,270	18,305	-	-	(505)	(1,000)	(339)	16,461
Moving Mountains for Children	30,028	-	30,028	-	(999)	-	(500)	28,529
Marlene Siemens Callanish Society	8,575	12,535	-	-	(329)	(549)	(229)	11,428
Michael Sparks Fund	25,178	14,348	-	-	(1,416)	-	-	12,932
Operating Endowment Fund	135,196	63,333	350	100,000	(4,259)	-	(2,761)	156,663
Pemberton Community Fund	13,285	19,701	-	-	(557)	-	(369)	18,775
Pemberton Community Endowment Fund	57,334	81,795	-	-	(2,266)	(1,936)	(1,518)	76,075
Whistler Animals Galore Fund	5,690	8,756	-	-	(133)	(340)	(159)	8,124
Whistler Adaptive Sports Endowment	80,688	35,548	57,433	-	(670)	(1,386)	(680)	90,245
Whistler Blackcomb Foundation Fund	27,000	32,143	-	-	(881)	(1,125)	(593)	29,544
Whistler Employee Fund	9,164	10,548	1,248	-	(335)	-	(210)	11,251
Wendy Thompson Scholarship Fund	136,297	229,349	-	-	(6,217)	(8,000)	(4,259)	210,873
Whistler Museum and Archives Society	11,958	15,103	564	-	(425)	(565)	(283)	14,394
Whistler Public Library Fund	5,100	7,413	-	-	(195)	(325)	(135)	6,758
Whistler Search and Rescue Fund	874,932	819,619	250,000	-	(35,150)	(36,500)	(16,915)	981,054
Whistler Scholarship Society Fund	59,788	88,499	-	-	(2,392)	(3,500)	(1,672)	80,935
Whistler Youth Foundation Fund	14,893	20,404	-	200	(567)	(870)	(377)	18,790
Zero Ceiling Society Fund	6,290	8,166	740	-	(214)	(357)	(177)	8,158
	<b>\$ 4,718,559</b>	<b>\$ 6,113,122</b>	<b>\$ 422,813</b>	<b>\$ 116,582</b>	<b>\$ (184,245)</b>	<b>\$ (240,402)</b>	<b>\$ (117,387)</b>	<b>\$ 6,110,483</b>