

**Community Foundation of Whistler  
Financial Statements  
For the year ended December 31, 2019**

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Financial Statements  
For the year ended December 31, 2019**

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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, 2019, 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, 2019, 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, 2019 and 2018, current assets as at December 31, 2019 and 2018, and net assets as at January 1 and December 31 for both the 2019 and 2018 years. Our audit opinion on the financial statements for the year ended December 31, 2018 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.

*BDO Canada LLP*



Chartered Professional Accountants

Whistler, British Columbia  
May 11, 2020

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

December 31	Endowment Funds (Note 8)	Restricted & Flow-through Funds (Note 7)	Unrestricted	2019	2018
<b>Assets</b>					
<b>Current</b>					
Cash	\$ 253,321	\$ 80,649	\$ 22,090	\$ 356,060	\$ 493,085
Accounts receivable	-	-	1,488	1,488	1,301
Investments (Note 2)	6,651,253	-	-	6,651,253	5,968,894
	<u>\$ 6,904,574</u>	<u>\$ 80,649</u>	<u>\$ 23,578</u>	<u>\$ 7,008,801</u>	<u>\$ 6,463,280</u>
<b>Managed trust funds (Notes 2 and 3)</b>				<u>\$ 250,781</u>	<u>\$ 141,372</u>
<b>Liabilities and Net Assets</b>					
<b>Liabilities</b>					
<b>Current</b>					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 15,459	\$ 15,459	\$ 17,156
Grants payable	74,891	40,150	-	115,041	279,313
	<u>74,891</u>	<u>40,150</u>	<u>15,459</u>	<u>130,500</u>	<u>296,469</u>
<b>Net assets</b>	<u>6,829,683</u>	<u>40,499</u>	<u>8,119</u>	<u>6,878,301</u>	<u>6,166,811</u>
	<u>\$ 6,904,574</u>	<u>\$ 80,649</u>	<u>\$ 23,578</u>	<u>\$ 7,008,801</u>	<u>\$ 6,463,280</u>
<b>Managed trust funds (Notes 2 and 3)</b>				<u>\$ 250,781</u>	<u>\$ 141,372</u>

Approved on behalf of the Board:

  
 \_\_\_\_\_ Director  
  
 \_\_\_\_\_ Director

## Community Foundation of Whistler Statement of Operations

For the year ended December 31	2019	2018
<b>Revenue</b>		
Donations	\$ 271,243	\$ 691,924
Interest and dividends	177,130	164,198
Gain (Loss) on investments	742,578	(347,527)
Administration fee	2,682	1,958
	<u>1,193,633</u>	<u>510,553</u>
<b>Expenses</b>		
Grants	323,869	690,560
Administration	158,274	125,428
	<u>482,143</u>	<u>815,988</u>
<b>Excess (deficiency) of revenue over expenses for the year</b>	<u>\$ 711,490</u>	<u>\$ (305,435)</u>

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

	Endowment Funds (Note 8)	Restricted & Flow-through Funds (Note 7)	Unrestricted	2019	2018
<b>Fund balances,</b>					
beginning of year	\$ 6,110,483	\$ 34,410	\$ 21,918	\$ 6,166,811	\$ 6,472,246
<b>Allocation of revenue and expenses:</b>					
Donations	169,412	87,181	14,650	271,243	691,924
Investment and other income	907,326	6,144	8,920	922,390	(181,371)
Grants	(234,815)	(83,300)	(5,754)	(323,869)	(690,560)
Administration	(122,723)	(3,936)	(31,615)	(158,274)	(125,428)
<b>Excess (deficiency) of revenue over expenses for the year</b>	<b>719,200</b>	<b>6,089</b>	<b>(13,799)</b>	<b>711,490</b>	<b>(305,435)</b>
<b>Fund balances, end of year</b>	<b>\$ 6,829,683</b>	<b>\$ 40,499</b>	<b>\$ 8,119</b>	<b>\$ 6,878,301</b>	<b>\$ 6,166,811</b>

**Community Foundation of Whistler**  
**Statement of Cash Flows**

**For the year ended December 31** **2019** **2018**

**Cash provided by (used in)**

**Operating activities**

Excess (deficiency) of revenue over expenses for the year \$ 711,490 \$ (305,435)

Items not requiring cash

Unrealized loss (gain) on investments (596,492) 597,181

114,998 291,746

Changes in non-cash working capital balances

Accounts receivable (187) 35

Accounts payable and accrued liabilities (1,697) 2,691

Grants payable (164,272) 228,619

(51,158) 523,091

**Investing activities**

Purchase of investments (85,867) (302,634)

**(Decrease) Increase in cash during the year** **(137,025) 220,457**

**Cash, beginning of year** **493,085 272,628**

**Cash, end of year** **\$ 356,060 \$ 493,085**



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## Community Foundation of Whistler

### Notes to the Financial Statements

December 31, 2019

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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.

During the year, the board approved to operate the Foundation under the name Whistler Community Foundation.

##### 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, 2019

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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, 2019

### 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** The Grants Committees review and make recommendations to the Board regarding all grant applications submitted to the foundation. The Committees oversee the granting processes within the policies and guidelines approved by the Board, and within the terms set out in individual fund agreements. 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. Organizations will receive 100% of funding upon approval by the Board of Directors.

Funding of specific capital projects shall be paid out on the following basis upon approval by the Board:

- a) Capital project grant under \$20,000 to be paid out 100%
- b) Capital project grant over \$20,000 to be paid out 80% upon approval and 20% upon receiving an interim report.

### 2. Investments

	2019	2018
Bonds	\$ 2,161,190	\$ 1,896,972
Canadian equities, funds and trusts	2,472,966	2,195,596
Foreign equities and funds	2,254,947	2,004,767
Other	12,931	12,931
	<u>\$ 6,902,034</u>	<u>\$ 6,110,266</u>
Less managed trust funds (Note 3)	250,781	141,372
Investments	<u>\$ 6,651,253</u>	<u>\$ 5,968,894</u>

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## Community Foundation of Whistler

### Notes to the Financial Statements

December 31, 2019

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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, Zero Ceiling Society of Canada under an agreement signed in 2019, and the Whistler Interfaith Society under an agreement signed in 2019. All funds are managed in accordance with the Foundation's Investment Policy. As described in Note 1, these are not assets of the Foundation. The agreements may be terminated and the funds withdrawn by the settlor after a period not less than 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 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 \$132,910 (2018 - \$123,972).

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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, 2019.

##### *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, 2019, the Foundation's US dollar denominated investments and cash totaled \$1,766,910 US, \$2,297,337 converted to Canadian dollars (2018 - \$1,496,645 US, \$2,039,927 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. Subsequent to year end, the Foundation's interest rate risk has increased due to the impact of COVID-19, which could lead to potential losses. As at December 31, 2019, the fair value of instruments subject to interest rate risk totaled \$2,161,190 (2018 - \$1,896,972).

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## Community Foundation of Whistler

### Notes to the Financial Statements

December 31, 2019

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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, 2019 the fair value of the Foundation's equities, funds and trusts totaled \$4,727,913 (2018 - \$4,200,363). Subsequent to year end, COVID-19 has had a significant effect on the financial markets. The Foundation's investments (see Note 2) measured at fair value are reported in these financial statements at their values on December 31, 2019. As of April 30, 2020, the Foundation's investment portfolio has declined 8.6% since year end. This may impact the amount of grants the Foundation is able to provide in the future. The extent of any future impact on the Foundation's investments or operations as a result of COVID-19 is unknown.

##### *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. Subsequent to year end, the credit risk related the Foundation's bond holdings has increased due to the impact of COVID-19, which could lead to potential losses. This may impact the amount of grants the Foundation is able to provide in the future.

##### *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.

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#### 6. Subsequent Events

The global pandemic, COVID-19, has significantly disrupted economic activities in Canada. As the impacts of COVID-19 continue, there could be further impact on the Foundation, its funders and donors. As a result, management anticipates a decline in donation revenue and investment income. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Foundation is not able to fully estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity at this time.

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

**December 31, 2019**

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**7. Restricted and Flow Through Funds**

	2018 Balance	Donations	Transfers	Investment Income/(Loss)	Grants	Administration	2019 Balance
Restricted Funds:							
Terry and Barb Deutscher Fund	15,082	24	-	2,203	-	(303)	17,006
Flow Through Funds	19,328	87,157	-	3,941	(83,300)	(3,633)	23,493
	34,410	87,181	-	6,144	(83,300)	(3,936)	40,499

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

**December 31, 2019**

**8. Endowment Funds**

	Contributed Principal	2018 Balance	Donations	Transfers	Investment Income/(Loss)	Grants	Administration	2019 Balance
American Friends of Whistler Fund	\$ 5,121	\$ 7,224	\$ -	\$ -	\$ 1,059	\$ (125)	\$ (143)	\$ 8,015
Ackhurst Family Rotary Club of Whist	24,650	27,313	-	-	4,040	-	(548)	30,805
Arts & Culture Legacy Fund	216,810	276,890	6,644	-	40,184	(18,330)	(5,431)	299,957
AWARE Environmental Fund	5,447	7,683	100	-	1,237	(218)	(156)	8,646
Whistler and Pemberton Big Brothers	5,170	7,441	-	-	1,087	(200)	(147)	8,181
Bob and Sue Adams Leadership Fund	10,300	10,733	-	-	1,608	(500)	(217)	11,624
Community Fund	128,105	127,349	23,022	-	18,953	(1,375)	(2,771)	165,178
Chili Thom Scholarship Fund	44,187	32,973	14,075	-	4,324	(2,000)	(894)	48,478
Doug and Mary Forseth Fund	16,000	16,089	6,000	-	2,447	(1,000)	(337)	23,199
Deborah Smythe and Family Fund	46,694	41,052	5,932	-	6,099	-	(828)	52,255
Environmental Legacy Fund	2,413,817	3,287,346	-	-	486,509	(143,952)	(65,549)	3,564,354
Emergency Fund	26,885	28,598	-	-	4,248	-	(112)	32,734
Grad Legacy Scholarship Fund	15,789	9,331	6,789	-	1,568	(500)	(203)	16,985
Jill Ackhurst Social Action Fund	125,515	154,062	5,000	-	23,074	(5,300)	(3,295)	173,541
Kathy Barnett Memorial Fund	78,427	182,999	-	-	27,336	(5,961)	(3,691)	200,683
Kelty and Riley Dennehy Scholarship	100,000	112,411	-	-	16,773	(3,000)	(2,274)	123,910
Sarah McSeveney Scholarship Fund	11,270	16,461	-	-	2,490	50	(336)	18,665
Moving Mountains for Children	30,028	28,529	-	-	4,220	-	(572)	32,177
Marlene Siemens Callanish Society	8,575	11,428	-	-	1,691	-	(229)	12,890
Michael Sparks Fund	25,178	12,932	-	-	-	-	-	12,932
Operating Endowment Fund	135,196	156,663	-	-	23,174	-	(3,141)	176,696
Pemberton Community Fund	13,285	18,775	-	-	2,703	(1,285)	(366)	19,827
Pemberton Community Endowment Fund	57,334	76,075	-	-	11,210	(1,715)	(1,516)	84,054
Whistler Animals Galore Fund	5,690	8,124	-	-	1,304	(284)	(160)	8,984
Whistler Adaptive Sports Endowment	80,688	90,245	-	-	14,530	(2,500)	(1,788)	100,487
Whistler Blackcomb Foundation Fund	27,000	29,544	-	-	4,381	-	(594)	33,331
Whistler Employee Fund	9,884	11,251	720	-	1,699	-	(232)	13,438
Wendy Thompson Scholarship Fund	136,297	210,873	-	-	31,249	(6,500)	(4,233)	231,389
Whistler Museum and Archives Society	12,448	14,394	490	-	2,128	(500)	(289)	16,223
Whistler Public Library Fund	5,100	6,758	-	-	983	(235)	(133)	7,373
Whistler Search and Rescue Fund	974,932	981,054	100,000	-	149,069	(35,600)	(20,366)	1,174,157
Whistler Scholarship Society Fund	59,787	80,935	-	-	11,987	(2,500)	(1,624)	88,798
Whistler Youth Foundation Fund	14,993	18,790	100	-	2,754	(1,000)	(374)	20,270
Zero Ceiling Society Fund	6,830	8,158	540	-	1,208	(285)	(174)	9,447
	<b>\$ 4,877,432</b>	<b>\$ 6,110,483</b>	<b>\$ 169,412</b>	<b>\$ -</b>	<b>\$ 907,326</b>	<b>\$ (234,815)</b>	<b>\$ (122,723)</b>	<b>\$ 6,829,683</b>