

**Chilliwack Foundation**  
**Financial Statements**  
*June 30, 2015*



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## INDEPENDENT AUDITORS' REPORT

To the Directors of Chilliwack Foundation

We have audited the accompanying financial statements of Chilliwack Foundation which comprise the statement of financial position as at June 30, 2015, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an 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 our 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, we consider 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 audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Chilliwack Foundation as at June 30, 2015, and its results of operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants

November 6, 2015

Chilliwack, British Columbia

# Chilliwack Foundation Statement of Financial Position

As at June 30, 2015

	2015	2014
<b>Assets</b>		
<b>Current</b>		
Cash	21,865	63,576
Accounts receivable	235	600
	22,100	64,176
<b>Investments (Note 4)</b>	8,171,794	7,867,898
	8,193,894	7,932,074
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	18,000	20,791
<b>Net Assets</b>		
Restricted		
Common Trust Fund (Schedule 2)	7,994,894	7,758,721
Distributable Income Fund (Schedule 1)	181,000	152,562
	8,175,894	7,911,283
	8,193,894	7,932,074

Approved on behalf of the Board

Original signed by Todd Harvey  
Chairman

Original signed by Peter Dombowsky  
Treasurer

**Chilliwack Foundation**  
**Statement of Operations**  
*For the year ended June 30, 2015*

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	<b>2015</b>	<b>2014</b>
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<b>Revenue</b>		
Donations	<b>254,160</b>	56,809
Interest and dividends	<b>271,225</b>	271,342
Gain (loss) on sale of investments	<b>(28,876)</b>	21,043
Increase in fair value of investments	<b>10,888</b>	696,153
	<hr/> <b>507,397</b>	<hr/> 1,045,347
<hr/>		
<b>Expenses</b>		
Awards and grants - Designated Funds <i>(Note 5)</i>	<b>131,856</b>	147,896
Awards and grants - Undesignated Funds <i>(Note 6)</i>	<b>83,797</b>	109,006
Administration	<b>27,134</b>	25,966
	<hr/> <b>242,787</b>	<hr/> 282,868
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<b>Excess of revenue over expenses</b>	<b>264,610</b>	762,479

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

**Chilliwack Foundation**  
**Statement of Changes in Net Assets**  
*For the year ended June 30, 2015*

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	<i>Distributable Income Fund (Schedule 1)</i>	<i>Common Trust Fund (Schedule 2)</i>	<i>2015</i>	<i>2014</i>
<b>Net assets, beginning of year</b>	<b>152,562</b>	<b>7,758,721</b>	<b>7,911,283</b>	7,148,804
<b>Excess of revenue over expenses</b>	<b>28,438</b>	<b>236,172</b>	<b>264,610</b>	762,479
<b>Net assets, end of year</b>	<b>181,000</b>	<b>7,994,894</b>	<b>8,175,894</b>	7,911,283

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**Chilliwack Foundation**  
**Statement of Cash Flows**  
*For the year ended June 30, 2015*

	<b>2015</b>	<b>2014</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess of revenue over expenses	264,610	762,479
Change in fair value of investments	(10,888)	(696,153)
Loss (gain) on sale of investments	28,876	(21,040)
Decrease (increase) in accrued interest	4,969	(3,087)
Return of capital on investments	(8,318)	(4,938)
Reinvested interest	(18,921)	(16,670)
	<b>260,328</b>	<b>20,591</b>
Changes in working capital accounts		
Accounts receivable	365	450
Accounts payable and accruals	(2,791)	8,743
	<b>257,902</b>	<b>29,784</b>
<b>Investing</b>		
Purchase of investments	(1,923,050)	(597,133)
Proceeds on disposal of investments	1,623,439	670,497
	<b>(299,611)</b>	<b>73,364</b>
<b>Increase (decrease) in cash resources</b>	<b>(41,709)</b>	<b>103,148</b>
<b>Cash resources (deficiency), beginning of year</b>	<b>63,574</b>	<b>(39,572)</b>
<b>Cash resources, end of year</b>	<b>21,865</b>	<b>63,576</b>

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

**1. Incorporation and nature of the organization**

The Chilliwack Foundation was created by an Act of the British Columbia provincial legislature on June 28, 1985. This perpetual body was created to receive donations in trust so that the net annual income from such donations would be devoted perpetually to charitable purposes, principally within or near the boundaries of the former Regional District of Fraser-Cheam (as defined within the Act), in British Columbia.

**2. Significant accounting policies**

The accounting policies used by the Foundation are stated below to assist in understanding the financial statements.

***Basis of presentation***

The financial statements of the Foundation have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

***Fund accounting***

The Foundation follows the restricted fund method of accounting for contributions.

The General Fund:

There is no activity in the General Fund and therefore it is not disclosed in the financial statements.

Restricted Funds:

The Common Trust Fund comprises those assets contributed for perpetual management by the Foundation. The contributions within the fund are further segregated into an undesignated or specific fund category according to the terms of the donor. The Foundation exercises discretionary investment control within guidelines established by the Board of Directors.

The Distributable Income Fund accounts for all revenue, expenses and net assets of the Foundation which are available for distribution within the guidelines of the Foundation.

***Investments***

Investments are valued at current market prices on the last day of the fiscal year. Gains or losses arising from investment transactions, including the revaluation of investments to current market prices, are reflected in the Common Trust Fund. The Foundation has entered into a pooled investment arrangement whereby investment income is allocated between general and specifically donated funds, held within the Common Trust Fund, based on the average net asset balance during the year.

Market value for non-publicly traded investments is determined on the basis of generally accepted valuation methods which best and most objectively reflect the expected value that would be agreed upon in an open and unrestricted market between fully informed, knowledgeable and willing parties dealing at arm's length and without constraints.

The process of valuing investments from which no public market exists is inevitably based on inherent uncertainties and the resulting values that would have been used had a ready market existed for the investments. These differences could be material to the fair value of the investment portfolio.

***Revenue recognition***

Contributions are recognized on the earlier of when they are received or when the deeds of gift have been approved.

Bequests are recorded upon receipt of the donated assets. Bequests in a form other than cash or marketable securities are recorded at fair value as determined by the Board.

Interest on bonds, debentures and short-term notes is recorded using the accrual basis. Dividends which have been declared are recorded as income on the last date of record set for the dividend. Interest and dividends are recorded as revenue in the Distributable Income Fund.

**2. Significant accounting policies** *(Continued from previous page)*

***Financial instruments***

The Foundation recognizes its financial instruments when the Foundation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

The Foundation subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

***Measurement uncertainty (use of estimates)***

The preparation of financial statements in conformity 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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

**3. Commitments**

The Foundation has committed to scholarships, awards and grants totaling \$136,398 at June 30, 2015. Payment of these awards and grants are conditional on the recipients meeting certain criteria and providing certain supporting information.



**Chilliwack Foundation**  
**Notes to the Financial Statements**  
*For the year ended June 30, 2015*

**4. Financial instruments**

The Foundation, as part of its operations, carries a number of financial instruments. It is management's opinion that the Foundation is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

	2015		2014	
	Cost	Market Value	Cost	Market Value
<b>Financial assets</b>				
Cash and cash equivalents	\$ 21,865	\$ 21,865	\$ 63,576	\$ 63,576
Fixed income	1,370,396	1,305,249	1,804,968	1,756,085
Equities	4,888,477	6,866,545	4,217,874	6,111,813
	<u>6,258,873</u>	<u>8,171,794</u>	<u>6,022,842</u>	<u>7,867,898</u>
	<u>6,280,738</u>	<u>8,193,659</u>	<u>6,086,418</u>	<u>7,931,474</u>

**5. Awards and Grants Distributed - Designated Funds**

	2015	2014
F. Clifford Brown Memorial Scholarship	<b>18,600</b>	21,600
UFV - Betty Urquhart Fund	-	800
Chilliwack Community Services	<b>21,408</b>	22,384
UFV Scholarships and Bursaries	<b>21,061</b>	22,002
Chilliwack Museum and Historical Society Fund	<b>9,738</b>	10,173
Chilliwack Society for Community Living	<b>2,438</b>	2,547
The Bowes Education Fund	<b>2,700</b>	3,000
Dr. W.G. "Tony" Newby Memorial Scholarship Fund	<b>1,200</b>	2,400
B.C. Summer Games Legacy Fund:		
Educational Awards	<b>3,000</b>	4,000
Culture/Arts Awards	<b>4,147</b>	3,884
Sports/Recreation Awards	<b>7,115</b>	6,825
Luscombe/Von Bylburg Memorial Scholarship Fund	<b>2,000</b>	2,550
Chilliwack Restorative Action and Youth Advocacy Association Fund	<b>2,461</b>	2,571
Jack Williams Memorial Fund:		
Educational Awards	<b>4,000</b>	4,700
Culture/Arts Awards	<b>1,688</b>	1,591
Sports/Recreation Awards	<b>1,740</b>	1,629
Chris and Ken Jessiman Endowment Fund	<b>6,042</b>	6,037
Dr. Anne and Sam Sussell Scholarship Endowment Fund	<b>232</b>	1,300
Hospice Society	<b>971</b>	1,015
Chilliwack General Hospital Memorial Fund	<b>15,644</b>	16,342
Frank George Memorial Scholarship Fund	<b>1,850</b>	600
John & Joy Helder's Performing Arts Scholarship Fund	<b>1,000</b>	7,000
St. Thomas Anglican Youth Ministry Fund	<b>2,821</b>	2,946
	<b>131,856</b>	147,896

**Chilliwack Foundation**  
**Notes to the Financial Statements**  
*For the year ended June 30, 2015*

**6. Awards and Grants Distributed - Undesignated Funds**

	2015	2014
Anne Davis Transition Society	-	9,000
BC Dairy Historical Society	<b>2,000</b>	-
BC Wheelchair Basketball Society	<b>431</b>	-
Chilliwack Academy of Music	<b>5,000</b>	-
Chilliwack Arts & Cultural Centre Society	<b>1,292</b>	-
Chilliwack Bowls for Hope	-	11,000
Chilliwack Centre of Excellence	-	1,547
Chilliwack Community Arts Council	<b>3,408</b>	-
Chilliwack Community Services	<b>4,000</b>	-
Chilliwack Curling Club	-	2,250
Chilliwack Health & Housing Care	-	5,909
Chilliwack Museum & Historical Society	<b>6,366</b>	-
Chilliwack Opportunity Society	-	5,050
Chilliwack Players Guild	-	5,000
Chilliwack Resource Centre	-	8,000
Chilliwack 4H Club	<b>2,450</b>	-
Cyrus Centre	-	5,000
Federation of B.C. Naturalists	-	1,345
Fraser Valley Child Development Centre	<b>3,500</b>	3,400
Fraser Valley Health Care Foundation	<b>31,000</b>	19,000
Great Blue Heron Nature Reserve Society	<b>5,500</b>	-
Meadow Rose Society	<b>350</b>	-
Salvation Army	-	12,000
Sardis Doorway	<b>2,000</b>	1,360
School District #33 - A.D. Rundle Middle	-	1,680
School District #33 - Central Elementary	<b>6,500</b>	-
School District #33 - Evans Elementary	-	7,000
School District #33 - McCammon Elementary	<b>5,000</b>	5,000
School District #33 - Mt. Slesse Middle	-	5,465
147 Airwolf Cadets Parent Society	<b>5,000</b>	-
	<b>83,797</b>	109,006

## Chilliwack Foundation

### Schedule 1 - Distributable Income Fund Continuity

For the year ended June 30, 2015

	Net Assets As at June 30, 2014	Interest and Dividend Income	Awards and Grants Distributed	Administrative and Program Expenses	Excess of Revenue over Expenses	Net Assets As at June 30, 2015
<b>General Funds</b>	\$ 8,533	\$ 116,241	\$ (83,797)	\$ (11,359)	\$ 21,085	\$ 29,618
<b>Specific Funds</b>						
F. Clifford Brown Memorial Scholarship Fund	25,792	21,941	(18,600)	(2,153)	1,188	26,980
Chilliwack Community Services	21,408	23,558	(21,408)	(2,307)	(157)	21,251
UFV Scholarships and Bursaries	21,061	22,987	(21,061)	(2,251)	(324)	20,737
Chilliwack Society for Community Living	2,439	2,661	(2,438)	(261)	(38)	2,402
The Bowes Education Fund	3,197	2,283	(2,700)	(223)	(640)	2,557
Dr. W.G. "Tony" Newby Memorial Scholarship Fund	3,773	2,491	(1,200)	(245)	1,046	4,819
B.C. Summer Games Legacy Fund:					-	
Education Awards	7,966	4,657	(3,000)	(459)	1,198	9,165
Culture/Arts Awards	351	4,285	(4,147)	(418)	(280)	71
Sports/Recreation Awards	511	7,487	(7,114)	(727)	(355)	156
Luscombe/Von Bylburg Memorial Scholarship Fund	2,248	2,033	(2,000)	(199)	(166)	2,082
Jack Williams Memorial Fund:					-	
Education Awards	4,754	3,839	(4,000)	(374)	(535)	4,219
Culture/Arts Awards	226	1,854	(1,688)	(179)	(12)	214
Sports/Recreation Awards	143	1,829	(1,740)	(176)	(87)	56
Chris and Ken Jessiman Endowment Fund	6,041	6,584	(6,041)	(642)	(99)	5,942
Chilliwack Restorative Justice and Youth Advocacy Assoc.	2,462	2,687	(2,461)	(263)	(38)	2,425
Anne and Sam Sussell Scholarship Endowment Fund	942	1,406	(232)	(139)	1,034	1,976
Hospice Society	971	1,060	(971)	(104)	(15)	956
Helders Scholarship Fund	7,317	4,273	(1,000)	(423)	2,851	10,167
Frank George Memorial	3,354	1,339	(1,850)	(131)	(642)	2,713
Chilliwack General Hospital Memorial Fund	15,644	17,075	(15,644)	(1,672)	(241)	15,403
St. Thomas Anglican Youth Ministry Fund	2,821	3,079	(2,821)	(301)	(43)	2,777
Chilliwack Museum and Historical Soc. Fund	9,738	10,629	(9,738)	(1,041)	(150)	9,588
Don Urquhart McGillvary fund	870	833	-	(83)	750	1,620
Frances and Charles Thomas Scholarship Fund	-	1,718	-	(171)	1,548	1,548
Frances G. Thomas Memorial Fund	-	2,396	-	(836)	1,560	1,560
	\$ 152,562	\$ 271,225	\$ (215,653)	\$ (27,134)	\$ 28,438	\$ 181,000

## Chilliwack Foundation

Schedule 2 - Common Trust Fund Continuity

For the year ended June 30, 2015

	Contributed Principal as at June 30, 2015	Net Assets as at June 30, 2014	Donations Bequests and Contributions	Awards and Payments	Gain (Loss) on Sale of Investments	Unrealized Gain (Loss) on Investments	Excess of Revenue over Expenses	Net Assets As at June 30, 2015
<b>General Funds</b>	\$ 2,157,986	\$ 3,396,408	\$ 4,160	\$ -	\$ (12,447)	\$ 4,558	\$ (3,729)	\$ 3,392,680
<b>Specific Funds</b>								
F. Clifford Brown Memorial Scholarship Fund	289,771	623,310	-	-	(2,364)	864	(1,499)	621,811
Chilliwack Community Services	414,937	675,416	-	-	(2,540)	926	(1,614)	673,802
UFV Scholarships and Bursaries	400,069	658,980	-	-	(2,478)	903	(1,575)	657,404
Chilliwack Society for Community Living	40,000	76,296	-	-	(287)	105	(182)	76,113
The Bowes Education Fund	25,000	64,859	-	-	(248)	90	(158)	64,701
Dr. W.G. "Tony" Newby Memorial Scholarship Fund	30,500	69,206	-	-	(267)	98	(168)	69,038
B.C. Summer Games Legacy Fund:								
Education Awards	50,000	129,336	-	-	(501)	184	(317)	129,018
Culture/Arts Awards	50,000	126,158	-	-	(461)	168	(294)	125,864
Sports/Recreation Awards	86,693	219,453	-	-	(803)	292	(512)	218,942
Luscombe/Von Bylburg Memorial Scholarship Fund	23,776	57,951	-	-	(220)	80	(140)	57,812
Jack Williams Memorial Fund:								
Education Awards	45,000	108,854	-	-	(414)	150	(264)	108,590
Culture/Arts Awards	22,500	53,735	-	-	(198)	72	(126)	53,608
Sports/Recreation Awards	22,500	53,065	-	-	(195)	71	(124)	52,941
Chris and Ken Jessiman Endowment Fund	110,000	187,948	-	-	(708)	258	(450)	187,497
Chilliwack Restorative Justice and Youth Advocacy Assoc.	50,571	77,017	-	-	(290)	106	(184)	76,833
Anne and Sam Sussell Scholarship Endowment Fund	26,865	40,152	-	-	(150)	56	(94)	40,058
Hospice Society	21,583	30,387	-	-	(114)	42	(73)	30,314
Helders Scholarship Fund	85,000	117,441	-	-	(456)	170	(287)	117,154
Frank George Memorial	25,000	36,924	-	-	(145)	53	(92)	36,832
Chilliwack General Hospital Memorial Fund	374,162	489,495	-	-	(1,841)	671	(1,170)	488,325
St. Thomas Anglican Youth Ministry Fund	60,000	88,262	-	-	(332)	121	(211)	88,051
Chilliwack Museum and Historical Soc. Fund	240,000	304,693	-	-	(1,146)	418	(728)	303,965
Don Urquhart McGillvary fund	20,000	23,375	-	-	(89)	33	(56)	23,319
Frances and Charles Thomas Scholarship Fund	50,000	50,000	-	-	(183)	68	(115)	49,885
Frances G. Thomas Memorial Fund	250,000	-	250,000	-	-	335	250,335	250,335
	\$ 4,971,914	\$ 7,758,721	\$ 254,160	\$ -	\$ (28,876)	\$ 10,888	\$ 236,172	\$ 7,994,894