
WEST VANCOUVER COMMUNITY FOUNDATION

FINANCIAL STATEMENTS

December 31, 2005

WEST VANCOUVER COMMUNITY FOUNDATION

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AUDITOR'S REPORT

To the Board of Directors of West Vancouver Community Foundation

We have audited the statement of Financial Position of West Vancouver Community Foundation as at December 31, 2005, and the statements of Operations and Foundation Equity for the year then ended. These financial statements are the responsibility of the foundation's management. 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 standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the Foundation derives revenue from donations and fund raising activities, the completeness of which is not susceptible of audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to donation revenues, excess of revenue over expense, assets and equity.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the society as at December 31, 2005 and the results of operations and changes in financial position for the year then ended, in accordance with Canadian generally accepted accounting principles. As required by the Society Act (British Columbia), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Vancouver, BC
March 1, 2006

WEST VANCOUVER COMMUNITY FOUNDATION

STATEMENT OF FINANCIAL POSITION

As at December 31, 2005

	2005	2004
	\$	\$
ASSETS		
Current		
Cash	11,260	64,594
Marketable securities, at market value	3,146,771	2,444,545
GST receivable	986	1,763
	3,159,017	2,510,902
Interest in Life Insurance Policy (note 4)	25,753	25,753
	3,184,770	2,536,655
LIABILITIES		
Current		
Accounts payable	6,084	8,180
Flow through funds (note 5)	13,536	42,691
Grants payable	50,000	-
	69,620	50,871
Foundation Equity		
Community Fund	1,458,114	1,425,908
Grant Stabilization Fund	49,156	45,068
Endowment Funds	1,607,880	1,014,808
	3,115,150	2,485,784
	3,184,770	2,536,655

APPROVED ON BEHALF OF THE BOARD:

_____ Director _____ Director

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

WEST VANCOUVER COMMUNITY FOUNDATION

STATEMENT OF OPERATIONS AND FOUNDATION EQUITY

Year ended December 31, 2005

	<u>2005</u>	<u>2004</u>
	\$	\$
Revenue		
Investment Income	89,846	60,221
Unrealized increase in market value of investments	156,689	112,892
Total Revenues	246,535	173,113
Expenditures		
Administration	73,321	66,064
Net proceeds from gala	(32,034)	(41,210)
Excess of Revenues Over Expenses	205,248	148,259
Foundation Equity, Beginning of Year	2,611,384	2,270,203
Donations to Endowment Funds	529,039	59,933
Donations to Community Fund	10,884	70,189
Grants	(115,805)	62,800
Dividends	(118,805)	(62,800)
Foundation Equity, end of year	3,240,750	2,611,384

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

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2005

1. Nature of the Organization

The West Vancouver Community Foundation was established in 1979 and is registered under the Society Act of British Columbia. The income from funds donated and bequeathed to its perpetual endowment and flow through funds contributed are used to provide for charitable purposes. The Foundation is registered with the Charities Division, Canada Custom and Revenue Agency and is classified as a public foundation. The Foundation is exempt from federal income taxes and can issue charitable donation receipts.

2. Summary of significant accounting policies

Endowment Funds

The Foundation follows the restricted method of accounting for endowment funds, some of which are subject to external restrictions imposed from outside the organization.

Revenue Recognition

Contributions for endowment purposes are recorded as revenue in the year of receipt.

Bequests are recorded upon confirmation of the donated assets. Bequests in a form other than cash or marketable securities are recorded at values assigned by the Board of Directors.

Dividends and investment income on bonds and short term notes are recorded as received.

Contributed services

The Foundation does not recognize contributed services in its financial statements.

Grant Stabilization Fund

The grant stabilization fund is, established in prior years, is available for distribution at the discretion of the directors when investment income is below expectations.

Investments

Marketable securities and investments held by the foundation are recorded at market value.

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2005

2. Summary of significant accounting policies (cont)

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the period reported. Actual results could differ from those estimates.

3. Accounting Restatement

The Foundation has corrected the recording of funds which were contributed to the Vancouver Foundation in prior years. The Foundation determined that since the funds were transferred permanently to the Vancouver Foundation, the original contributions represent donation expenditures of prior years. The Foundation had originally recorded these contributions as an asset on deposit with the Vancouver Foundation. Comparative figures have been restated to charge the 2004 Vancouver Foundation balance of \$144,637 against the 2004 opening general community fund equity .

The Vancouver Foundation continues to return annually the investment income on this fund to the Foundation. The foundation received \$7,570 (2004 - \$ 7,362) as income from the fund during the year. The market value of the fund as at December 31, 2005 is \$179,815 (2004 - \$172,042).

4. Interest in Life insurance Policy

The Foundation is the owner and beneficiary of a life insurance policy. The interest in the policy is recorded at an amount equal to the premiums in the policy. The cash surrender value of the policy is \$20,717.

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2005

5. Flow Through and Other Funds Payable

Flow through funds represent funds held by the foundation solely in a custodial capacity. Disbursements from these funds are made on the authorization of parties outside of the foundation.

	\$	\$
	2005	2004
DARE	7,882	5,837
Police dog vests	1,051	1,051
Friends of the Gallery Discretionary Fund	-	25,623
YAHU flow through fund	672	431
Rick Genest ball diamond fund	-	3,300
Hartley Holdings Ltd. Fund	3,931	6,449
	13,536	42,691

6. Financial Instruments

The value of the recorded financial instruments including cash, accounts receivable, GST recoverable, and accounts payable and accrued liabilities is approximated by their carrying amounts due to their short-term maturity.

7. West Vancouver United Church Endowment Funds

Donations to the endowment fund include \$339,674 and \$415,631 received from the West Vancouver United Church under the terms of the agreements dated December 22, 2000, and March 20, 2005. The foundation agrees to administer and invest such funds, in trust, for the benefit of the church, to pay the income of the trust to the church, and to pay any remaining trust funds to the church on the settlement dates of December 31, 2025 and April 22, 2015.

WEST VANCOUVER COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

December 31, 2005

8. Statement of cash flows

No statement of cash flows has been presented as it would not provide any additional information to that of the other statements.

9. Comparative Figures

The financial statements as at December 31, 2004 and for the year then ended were audited by another firm of Chartered Accountants.