



North Shore
COMMUNITY FOUNDATION

***North Shore Community Foundation
2017 Annual Report***

***Building a Community Legacy
from Deep Cove to Lions Bay***



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PRESIDENT'S REPORT

As we look back over the past year at our activities and community involvement, one cannot help but acknowledge that the success of the Foundation comes from a dedicated board and supportive donors.

Fiscal 2017 was a special year for the Foundation. Not only did we celebrate Canada's 150th anniversary of Confederation but we also celebrated the 10th anniversary of the North Shore Mayors' Golf Tournament. This event is the single largest fundraiser for the Foundation and surplus funds raised over the past ten years have allowed this fund to increase and become the Foundation's second largest fund. To commemorate these two milestones, the North Shore Community Foundation unanimously endorsed the provision of TWO beneficiaries this year, Turning Point Recovery House and Quest Food Exchange. Each of these organizations received \$50,000 from funds raised at the golf tournament.

2017 was truly special and the 150th anniversary of Confederation gave Canadians the opportunity to get involved in their community and to celebrate together our shared values, our achievements and our majestic environment and our country. The theme of Canada's 150th anniversary included diversity, inclusion and our youth and so many of our past grant recipients certainly matched this criteria. While the Foundation leads the charge in organizing and distributing donated funds, it would not be possible without the continued support of our generous event sponsors, annual donors and new donors. These are the people and the businesses that make up a thriving community, we are simply the intermediary. Thank you to those that help us do what we do and make a difference to charities and organizations across the North Shore, from Deep Cove to Lions Bay.

In closing, I would like to take this opportunity to express my gratitude to our board. They are a dedicated team of individuals each with their own strengths that they bring to the table. We have been fortunate to welcome new members this year but with this comes the departure of others. This leads me to give special thanks to outgoing members Jan Argent, Sandra Dodd and Elizabeth McLaren for their many years of dedication and extraordinary service to the Foundation.

I look forward to another year ahead of working together to help build healthy, vibrant and livable communities throughout the North Shore.

Warm regards,

Michael Boehm
President

TREASURER'S REPORT

Revenues

The Foundation's revenues increased approximately \$50,000 in comparison to the previous year. Current donations decreased to \$26,289 (2016 - \$ 35,401). There was a significant increase in revenue from Fundraising Activities in the amount of \$42,000. During the 2017 fiscal year, the Foundation held a Fall Social Fundraiser which was primary reason for the increase in revenues from Fundraising activities. Please refer to Note 7 of the financial statements which provides a breakdown of the revenues and expenses from the two fundraisers held during the year. Generating current donations continues to be a struggle for the Foundation.

Investment income increased slightly due to higher realized capital gains of \$65,247 (2016 – realized loss of \$38,698). This was offset by foreign exchange loss which was a result of moderating US/Canadian foreign exchange fluctuations.

The Mayors' Golf Tournament raised around \$170,000 in net profit and distributed a total \$190,000, \$20,000 of which was paying out accumulated profits from previous years. The current distributions were allocated \$100,000 to the designated charities, \$67,500 was added to the Foundation's Mayors' Community Trust Fund and \$22,500 was transferred to the West Vancouver Community Foundation.

Expenditures

Total grants and disbursements for the year are just over \$206,000 which is around \$32,000 higher than in 2016. Fundraising expenditures, net of the disbursements to the Mayors' Community Trust Fund and the West Vancouver Community Foundation, increased by \$26,000 compared to 2016. Since this was the 10th anniversary of the tournament, the committee budgeted additional expenditures to celebrate the success of the tournament. The Board and the MGT committee continue to be particularly sensitive to any increase in operating expenses and are within budgeted amounts. The Board continuously commits to keeping general and administrative costs as low as possible while at the same time striving to achieve greater awareness of the Foundation to the North Shore community.

Operating Surplus

The current year's operations ended with a surplus of \$159,376 (2016 deficit - \$27,081). The primary reason for the surplus is the result of our granting policy using a five-year rolling average rate of return to determine the amount of funds to disburse. Due to a strong market valuation at our fiscal year end, our actual rate of return on investments for the 2017 fiscal year was higher than the 5.5% approved disbursement rate. We have recorded an unrealized gain on investments of \$173,304 (2016 – loss of \$47,751) which represents the write up of the Foundation's investments to fair market value as at 30 June 2017.

Net loss prior to accounting for unrealized gains is \$13,928 (2016 – net income of \$20,670). This balance includes the Foundation's share of the net proceeds from the 2017 Mayors' Golf Tournament of \$67,500 (2016 - \$105,000) which have been internally restricted by the Board and are not available for current operating expenditures.

Investment Portfolio

Current accounting standards require the Foundation to report its investments which are quoted in an active market at fair value. It is important to report that the Foundation's book value of these investments, which consists of investments held at RBC Dominion Securities and The Vancouver Foundation, is \$2,769,736 (2016 - \$2,633,430). As disclosed on the statement of financial position, the fair value of these investments is \$3,303,227 (2016 - \$2,987,072). The primary reason for the increase in the book value is due to additional endowment contributions received during the year plus the realization of accrued capital gains on certain investments.

Aaron Kuzik, CPA, CA Treasurer

GRANTS AND DISTRIBUTIONS IN 2017

During the fiscal year ending June 30, 2017, the Board of Directors of the North Shore Community Foundation approved grants and distributions totalling almost **\$270,000**.

Community Grants

The amount available for community granting, which is subject to an application process, is \$97,608 for the fiscal year ending June 30, 2017. The approved recipients of the funds available will be determined, and funds disbursed, in November 2017.	<u>Amount</u>
Total Community Grants	\$97,608

Directed Endowment Funds

District of North Vancouver Community Heritage Grants Fund	\$3,297
Evergreen House Music Fund	\$1,495
Fund for the Arts of the North Shore (FANS)	\$6,371
North Shore Neighbourhood House	\$3,469
North Vancouver Community Arts Centre	\$897
North Vancouver District Public Library	\$891
North Vancouver Museum & Archives	\$3,038
St. Martin's Church Fund	\$635
Scholarship Funds:	
Capilano Golf Fund	\$3,000
City of North Vancouver Youth Centennial Scholarship Fund	\$5,000
Colin Jones Memorial Fund	\$2,200
Judy Dennis Scholarship Fund	\$1,200
North Vancouver Minor Hockey Association	\$7,000
Rotary Club of North Vancouver Scholarship Fund	\$5,500
Strongman All-Rounder Awards	\$28,000
Total Directed Funds	\$71,993

North Shore Mayors' Annual Golf Tournament

Designated Charity: Quest Food Exchange	\$50,000
Designated Charity: Turning Point Recovery Society	\$50,000
Total Grants and Distributions	\$269,601

The community grants presented in November 2016 for the 2015-2016 fiscal year were:

Agency	Project	Amount
Parkgate Community Services	Dementia patient day program, "My Parkgate Break"	8,000
Children of the Street Society	Provides school workshops for the prevention of sexual exploitation of youth	2,500
North Shore Crisis Centre	SafeTALK program to train suicide prevention volunteers	2,000
North Shore Meals on Wheels	Kitchen Supplies	3,000
Canadian Mental Health	Supporting Teens with Mental Health and Addictions Challenges	5,000
Hollyburn Family Services	Support and counselling for victims of domestic violence	5,000
North Shore Stroke Recovery	Support for young stroke survivors	1,500
Harvest Project	Emergency Grocery Depot Fund	3,000
Keep Well Society	support for a Seniors Health and Wellness Project	2,000
Presentation House	Art-based learning program for Kindergarten and Grade 1 students: Firefly Project	3,500
Avalon Recovery Society	Child-minding program and Relocation Project	7,626
Quest Outreach Society	Purchase and installation of a POS system for new North Shore distribution centre	10,000
Athletics 4 Kids	Youth Sports granting program	1,128
Zajac Ranch for Children	Camp fees for five medically challenged North Shore children	13,000
**Vancouver Orphan Kitten Rescue Association	Food and vet bills for cats in North Shore foster homes	10,000
**Wild Bird Trust of British Columbia	Brochure and signage for conservation area	12,000
	**Grants are from the Ward Animal Fund which awards both income and 1/25 th of its capital each year	

HOW YOU CAN GIVE TO THE FOUNDATION

Gifts to the North Shore Community Foundation can be made during your lifetime or after your death. You may make a gift to:

- The Foundation to be added to an existing open fund to be chosen by the Board of Directors.
- A specific existing open fund (see our website for more details).
- Establish a new open or closed fund for the charitable purposes specified by you. To start a new fund, a minimum donation of \$10,000 is required, received as a lump sum or in installments over a period of time. The fund can be tailored to your specific interests and wishes.
- You are encouraged to discuss your proposed gift with a lawyer and/or a tax advisor to ensure you understand all aspects of your donation. It is not our intention to provide legal or tax advice.

What to Give

Cash:

Gifts of cash, whether by cheque, money order or credit card, are the most common ways to donate to a charity and can be of any amount. A donation mailed in December, even if not received until January, qualifies as a charitable donation for the year in which it was mailed.

Securities:

A gift of publicly traded securities, such as stocks, bonds or mutual funds, can save you a considerable amount in capital gains tax. If your securities have increased in value since you purchased them, 50 per cent of the gain is taxable. Since 2006, however, you will not have to pay any capital gains tax on the donation of securities to a charity, such as the North Shore Community Foundation.

Other Property:

Gifts of real estate and/or personal property may be accepted by the Foundation for management or sale. A fair market valuation for such gifts must be established to the satisfaction of Canada Revenue Agency. The ready marketability of the property and the carrying costs are among the factors in determining the acceptance of this type of gift by the Foundation.

Life Insurance:

Life insurance policies can be a tax-effective way to give to our Foundation. There are a number of different types of policies and ways to structure the giving of life insurance. You may give an existing policy which is no longer needed for its intended purpose, or establish a new life insurance policy as a planned gift. It is important to discuss the alternatives for this type of donation with an estate planner or other professional advisor. We would also be pleased to discuss these options with you and your advisor.

RRSPs and RRIFs:

If your spouse is alive, there is a tax advantage to naming him or her as the beneficiary of your RRSP or RRIF. However, if you do not have a spouse or your spouse has passed away, your estate will be taxed on any remaining RRSP or RRIF funds, once you have passed away. If you choose to name the Foundation as the beneficiary of your RRSP or RRIF, your estate will receive a charitable donation receipt to offset the tax.

Will:

You may not be able to afford to make a gift to a charity during your lifetime, but you may have assets that will pass to your estate under a Will. A bequest to the Foundation through your Will is a common option for a charitable donation. It may be for a specific amount or a percentage of the residue of your estate. You should consult with your lawyer about preparing a new Will or a codicil to your existing Will, and to help you word your wishes for this bequest.

Sample Clause:

To give \$ _____ (or X% of the residue of my estate) to the North Shore Community Foundation, PO Box 37104 Lonsdale, North Vancouver, BC V7N 4M0.

(options)

- to add to an open endowment fund to be selected by the Board of Directors of the Foundation
- to add to the _____ endowment fund
- to establish a new endowment fund to be known as _____ for the purpose of _____

Charitable Remainder Trusts:

A Charitable Remainder Trust is an arrangement in which you irrevocably transfer assets (for example: cash, securities, property) to a trustee during your lifetime. You retain the right to the income from the trust either for your lifetime or for a specified number of years. After that time, the assets are transferred to the Foundation. See your lawyer to discuss this option.

2017 North Shore Mayors' Golf Tournament

In celebration of the 10th annual North Shore Mayors' Golf Tournament and in honour of Canada's 150th anniversary, the 2017 golf tournament selected two charities to award \$50,000 each. Charities benefiting from our fundraising event included the North Shore location of Quest Food Exchange and Turning Point Recovery Society's Mens House in North Vancouver. Pictured left to right are Elizabeth Lewis, Executive Director, Quest Food Exchange; Richard Walton, Mayor, District of North Vancouver; Darrell Mussatto, Mayor, City of North Vancouver; Michael Smith, Mayor, District of West Vancouver; Nancy Farran, Chair, West Vancouver Community Foundation; Brenda Plant, Executive Director, Turning Point Recovery Society; Michael Boehm, President, North Shore Community Foundation.



Outgoing North Shore Community Foundation board members volunteering at the 10th annual North Shore Mayors' Golf Tournament.

Thank you Sandra Dodd, Jan Argent and Elizabeth McLaren for your dedication and support of the Foundation.

2016 Grants Ceremony

A happy group of grant recipients at our annual Grants Presentation, November 2016. Each person represents a North Shore community organization that has received a NSCF community grant; they join NSCF Board Members, Alex Moscrip, David Phillips, Elizabeth McLaren, Shirley Kepper, Jan Argent and Sandra Dodd..



2016 Oktoberfest Celebration



In October 2016, the North Shore Community Foundation hosted an Oktoberfest celebration at the Shipyards Pipe Shop. The sold-out event included a bbq dinner, music, dancing and entertainment by a German dance group. A portion of the funds raised was donated to Sage Transition House.

REVIEW ENGAGEMENT REPORT AND FINANCIAL STATEMENT

June 30, 2017

NORTH SHORE COMMUNITY FOUNDATION

Financial Statements
(Unaudited)

June 30, 2017

REVIEW ENGAGEMENT REPORT

To The Members of
North Shore Community Foundation

I have reviewed the statement of financial position of North Shore Community Foundation as at June 30, 2017 and the statements of operations, changes in net assets and cash flows for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussions related to information supplied to me by the Foundation.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

As required by the Society Act of British Columbia, I report that, in my opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis.

L.R. Brager & Associates

North Vancouver, BC
November 15, 2017

CHARTERED PROFESSIONAL ACCOUNTANT

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NORTH SHORE COMMUNITY FOUNDATION
STATEMENT OF FINANCIAL POSITION
June 30, 2017
(Unaudited)

	2017	2016
ASSETS		
Current:		
Cash	\$ 266,984	\$ 188,116
Accounts receivable	62,690	50,811
Government agency recoverable	6,471	4,053
	<u>336,145</u>	<u>242,980</u>
Investments - restricted endowment - note 2	2,960,353	2,664,165
Funds held by Vancouver Foundation - restricted endowment - note 3	342,874	322,907
Mayor's Golf Tournament - restricted funds - note 6	-	18,736
	<u>\$ 3,639,372</u>	<u>\$ 3,248,788</u>
LIABILITIES AND NET ASSETS		
Current:		
Accounts payable and accrued liabilities	\$ 112,004	\$ 54,238
Grants payable	170,064	132,091
	<u>282,068</u>	<u>186,329</u>
Deferred contributions - note 4	24,274	28,187
	<u>306,342</u>	<u>214,516</u>
Net assets		
Restricted endowment fund - note 8	3,303,227	2,987,072
Mayor's Golf restricted - note 6	(827)	18,736
Unrestricted net assets	30,630	28,464
	<u>3,333,030</u>	<u>3,034,272</u>
	<u>\$ 3,639,372</u>	<u>\$ 3,248,788</u>

On behalf of the Board

Michael Boehm Director

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

L.R. BRAGER & ASSOCIATES C P A

NORTH SHORE COMMUNITY FOUNDATION
STATEMENT OF CHANGES IN NET ASSETS
Year Ended June 30, 2017
(Unaudited)

	Restricted for Endowment Purposes	Restricted for Mayor's Golf Tournament	Unrestricted	2017	2016
Net assets, beginning of year	\$ 2,987,072	\$ 18,736	\$ 28,464	\$ 3,034,272	\$ 2,905,284
Increase (Decrease) in unrestricted net assets	-	-	159,376	159,376	(27,081)
Transfers - net	176,773	(19,563)	(157,210)	-	-
Endowment contributions	139,382	-	-	139,382	156,069
Net assets (deficit), end of year	\$ 3,303,227	\$ (827)	\$ 30,630	\$ 3,333,030	\$ 3,034,272

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

L.R. BRAGER & ASSOCIATES | C
P
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NORTH SHORE COMMUNITY FOUNDATION
STATEMENT OF OPERATIONS
Year Ended June 30, 2017
(Unaudited)

	2017	2016
Contributions and revenue		
Donations	\$ 26,289	\$ 35,401
Fundraising Activities - note 7	311,538	269,071
Investment income - note 5	166,454	164,438
Membership fees	290	250
Endowment fund management fees	15,666	15,775
Administration fund income	3,244	2,456
Management fee income	14,500	-
	537,981	487,391
Disbursements and expenditures		
Advertising and promotion	1,718	1,476
Bank charges and interest	726	252
Fundraising expenses - note 7	312,632	267,468
Grants and disbursements	206,038	173,747
Investment management fees	19,176	16,031
Office and general	2,852	3,247
Professional fees	200	4,500
Subcontract labour	8,567	-
	551,909	466,721
(Deficiency) Excess of revenue over expenses before other income	(13,928)	20,670
Other income		
Unrealized (loss) gain on investments	173,304	(47,751)
Excess (Deficiency) of revenue over expenses and unrealized gain	\$ 159,376	\$ (27,081)

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

L.R. BRAGER & ASSOCIATES | C P A

NORTH SHORE COMMUNITY FOUNDATION
STATEMENT OF CASH FLOWS
Year Ended June 30, 2017
(Unaudited)

	2017	2016
Cash flows from operating activities:		
(Deficiency) Excess of Revenue over Expenses for the year	\$ 159,376	\$ (27,081)
Changes in working capital		
Accounts receivable	(11,879)	26,634
Government agency recoverable	(2,419)	(1,959)
Accounts payable and accrued liabilities	57,766	16,020
Grants payable	37,974	(33,001)
Deferred contributions	(3,913)	(9,113)
	236,905	(28,500)
Cash flows from investing activities:		
Increase in investments	(119,074)	(137,556)
Unrealized gain on investments	(177,114)	50,025
Increase in funds held by Vancouver Foundation	(19,967)	(2,274)
Mayor's Golf Tournament - restricted funds	18,736	(3,171)
Endowment contributions	139,382	156,069
	(158,037)	63,093
Increase in cash	78,868	34,593
Cash, beginning of year	188,116	153,523
Cash, end of year	\$ 266,984	\$ 188,116

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

L.R. BRAGER & ASSOCIATES | C
P
A

NORTH SHORE COMMUNITY FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
Year Ended JUNE 30, 2017
(Unaudited)

PURPOSE OF THE ORGANIZATION

The North Shore Community Foundation (“the Foundation”) supports, encourages and advances established and new programs directed to charitable, social, recreational and cultural services and education in the North Shore community by the provision of donations and grants for community service purposes to registered charities and qualified donees.

The Foundation is incorporated under the Society Act of British Columbia as a not-for-profit organization, and is a registered charity under the Income Tax Act. As a not-for-profit organization the Foundation is exempt from income tax.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Foundation prepares its financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). Outlined below are those policies considered particularly significant.

Use of Estimates

When preparing financial statements according to ASNPO, the Foundation makes estimates and assumptions relating to:

- Reported amounts of revenue and expenses
- Reported amounts of assets and liabilities
- Disclosure of contingent assets and liabilities

Management bases its assumptions on a number of factors including historical experience, current events, actions that the Foundation may undertake in the future, and other assumptions that management believes are reasonable under the circumstances. Actual results could differ from those estimates under different conditions and assumptions. The Foundation uses estimates when accounting for certain items such as unrealized gains and losses on certain financial instruments.

Revenue Recognition

The Foundation follows the deferral method of accounting for contributions. Deferred contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received, or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Dividend income is recognized on the ex-dividend date. Interest income is recognized on an accrual basis.

L.R. BRAGER & C P A
ASSOCIATES

NORTH SHORE COMMUNITY FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
(Unaudited)
Year Ended JUNE 30, 2017

1. - CONT'D

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash in banks, and short-term notes with maturities of three months or less at acquisition.

Investments

Investments are recorded at fair market value with unrealized gains and losses reported into income.

Contributed Services

Volunteers contribute a significant amount of time per year to assist the Foundation in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Directors of the Foundation are not compensated for their work or volunteer time.

Donated Materials and Services

Donated materials and services are recorded only when a fair value can be reasonably estimated and when the materials and services are normally purchased by the Foundation and would be paid for if not donated.

Financial Instruments

i) Measurement of financial instruments

The Foundation initially measures its financial assets and liabilities at fair market value.

The Foundation subsequently measures all of its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash, accounts receivable and government agency recoverable.

Financial assets measured at fair value include investments and funds held by the Vancouver Foundation.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and grants payable.

ii) Transaction costs

The Foundation recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their originating issuance or assumption.

L.R. BRAGER & C P A
ASSOCIATES

NORTH SHORE COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

(Unaudited)

Year Ended JUNE 30, 2017

1. - CONT'D

Grants

Grants are recorded when the grant has been approved by the Board 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.

Translation of Foreign Currencies

The Foundation translates investments held in foreign currencies into the reporting currency at the exchange rate in effect at the balance sheet date. Gains and losses arising from the translations are included in the statement of operations for the period. Revenue and expense items are translated at the rate of exchange prevailing at the date of transaction.

2. INVESTMENTS

Investments consist of a portfolio of various Canadian and foreign equities, mutual funds, and fixed income bonds and debentures managed by RBC Dominion Securities.

	2017	2016
Common shares and foreign securities	\$ 1,217,736	\$ 1,168,941
Mutual funds	837,208	777,068
Fixed income and preferred shares	414,329	410,764
Cash	9,181	2,607
Book value of investments	2,478,454	2,359,380
Unrealized (loss) gain on investments	<u>481,899</u>	<u>304,785</u>
Market value of investments held	<u>\$ 2,960,353</u>	<u>\$ 2,664,165</u>

L.R. BRAGER & ASSOCIATES | C P A

NORTH SHORE COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

(Unaudited)

Year Ended JUNE 30, 2017

3. FUNDS HELD BY VANCOUVER FOUNDATION

The Vancouver Foundation is a not-for-profit organization that receives and invests funds for the purpose of distributing the investment income generated from the funds to other not-for-profit organizations under specific terms of agreement.

Through direction of the endowment donor and at the discretion of the board of directors, certain funds have been permanently transferred to the Vancouver Foundation for investment management purposes. The capital of the funds transferred will never be available to the Foundation. The Foundation is entitled to the annual interest earned from these funds. Interest earned from funds held by the Vancouver Foundation as at June 30, 2017 is \$13,248 (2016 - \$11,593).

	2017	2016
Contributed principal	\$ 274,050	\$ 274,050
Add: Unrealized gain	68,824	48,857
Market value of funds held	\$ 342,874	\$ 322,907

4. DEFERRED CONTRIBUTIONS

Deferred contributions consist of non-permanent Flow-Through Funds. The money given to NSCF is intended to be given to recipients within a year or two of its receipt for the purposes stated by the donor.

	2017	2016
Opening Balance - Deferred contributions	\$ 28,187	\$ 37,300
Deferred contributions received	-	4,000
Deferred contributions realized as revenue	(3,913)	(13,113)
	\$ 24,274	\$ 28,187

5. INVESTMENT INCOME

	2017	2016
Interest income	\$ 32,784	\$ 35,669
Dividend income	73,386	73,989
Realized capital gain (loss)	65,247	38,698
Amortized capital loss - net	-	(1,550)
Currency exchange gain	(4,963)	17,632
	\$ 166,454	\$ 164,438

L.R. BRAGER & ASSOCIATES | C P A

NORTH SHORE COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

(Unaudited)

Year Ended JUNE 30, 2017

6. RESTRICTED FUNDS - MAYORS' GOLF TOURNAMENT

Designated proceeds from The North Shore Mayors' Golf Tournament are used to directly fund specified community projects with the remainder deposited to the Mayors' Community Trust Funds of the North Shore Community Foundation (75%) and the West Vancouver Community Foundation (25%). The balance of the funds are used to maintain working capital of the fundraiser.

The Foundation internally restricts its proceeds from the tournament for disbursements through The Mayor's Community Trust Fund. The proceeds included in Fundraising activities revenue and off-setting allocation in Fundraising expense are \$67,500 (2016 - \$105,000).

7. FUNDRAISING

The Foundation's major fundraising activity is the Mayors' Golf Tournament.

Another fundraising activity, the Fall Social, was initiated in fiscal 2017. The net proceeds of the Fall Social are to be used to fund general operating expenses of the Foundation.

	2017	2016
Fundraising activities		
Mayors' Golf Tournament	\$ 272,384	\$ 269,071
Fall Social	39,154	-
Total fundraising activities	311,538	269,071
Fundraising expenses		
Mayors' Golf Tournament	293,630	267,468
Fall Social	19,002	-
Total fundraising expenses	312,632	267,468
Net Fundraising Activities	\$ (1,094)	\$ 1,603

L.R. BRAGER & ASSOCIATES | C P A

NORTH SHORE COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

(Unaudited)

Year Ended JUNE 30, 2017

8. RESTRICTED FOR ENDOWMENT PURPOSES

	2017	2016
Administration Fund	\$ 61,528	\$ 55,581
CNV Youth Centennial Schol. Fund	192,212	176,810
Cap Golf Fund	88,995	46,201
Colin Jones Memorial Fund	66,633	61,728
Cultural Fund	12,158	11,507
DNV Community Heritage Grants Fund	60,575	57,327
Evergreen House Music Fund	26,016	24,621
Judy Dennis Fund	25,987	24,311
Fund for the Arts N.S. (FANS)	124,034	112,383
Heed Youth Sports Fund	26,203	24,799
Marie Pearce - Founders' Fund	272,039	255,031
Mayors' Community Trust Fund	661,186	558,162
North Van Community Arts Council	16,535	15,648
NS Neighbourhood House Fund	67,965	61,465
NS Union Bd. of Health Legacy Fund	27,546	26,006
NV Dist. Public Library Endow. Fund	16,725	15,140
NV District Heritage Fund	30,865	29,210
NV Minor Hockey Scholarship Fund	137,684	130,066
NV Museum Endowment Fund	56,413	53,388
Olga Kempo Fund	25,153	23,804
Rotary Permanent Fund	109,712	103,413
Sheila Jones Seniors' Fund	30,986	28,842
St. Martin's Church Fund	11,053	10,460
Strongman Family Fund	789,412	733,107
Together Against Violence Fund	13,563	12,836
Trevor Cabeldu Fund for Children	50,164	46,991
Ward Animal Shelter Fund	295,340	288,235
Pending Direction	6,545	-
	\$ 3,303,227	\$ 2,987,072

Endowments are included in investments, including funds held by the Vancouver Foundation. Earnings from the investments are used for the purposes specified by the donors. The capital is not available to The Foundation. Realized income from endowments, net of expenses, totaled \$147,279 (2016 - \$148,407).

The Board approved an allocation to all existing funds to present each endowment fund at fair value. In 2017 this increase totalled \$90,541 (2016 - decrease of \$66,266).

L.R. BRAGER & ASSOCIATES | C
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NORTH SHORE COMMUNITY FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
(Unaudited)
Year Ended JUNE 30, 2017

9. FINANCIAL INSTRUMENTS

The Foundation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Foundation's risk exposure and concentrations at the statement of financial position date, June 30, 2017.

i) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and grants payable.

ii) 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's main credit risks relate to its accounts receivable and Government agency recoverable. The Foundation extends credit via committed donations and receipts from donors and other individuals and organizations in its normal course of business.

iii) Market risk

Market risk is the risk that the fair value or future value of cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest risk, and other price risk. The Foundation is mainly exposed to currency risk, interest rate risk and other price risk.

iv) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation has investments denominated in US dollars. As such, these investments are exposed to foreign exchange fluctuations. As of June 30, 2017 the Foundation had \$219 in US cash (2016 - \$198) and \$510,234 in US investments (2016 - \$407,880).

v) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Foundation is exposed to interest rate risk on its fixed interest rate financial instruments. Fixed-rate instruments subject the Foundation to fair value risk.

vi) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is exposed to other price risk through its investments and funds held by the Vancouver Foundation.

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ASSOCIATES

2016 - 2017 BOARD OF DIRECTORS AND OFFICERS

Michael Boehm	President
Shirley Kepper	Vice President
Aaron Kuzik	Treasurer
Robert Fawcett	Executive Director
Kay Vinall	Executive Director
Jan Argent	Director
Chris Ball	Director
Sandra Dodd	Director
Najeeb Hassan	Director
Elizabeth McLaren	Director
Tim McMorran	Director
Alexander Moscrip	Director
Stephanie Orr	Director
David Phillips	Director

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