

Financial Statements of

**CHILDREN'S HEALTH FOUNDATION  
OF VANCOUVER ISLAND**

Year ended March 31, 2014



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## INDEPENDENT AUDITORS' REPORT

*To the Members of Children's Health Foundation of Vancouver Island*

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Children's Health Foundation of Vancouver Island, which comprise the statement of financial position as at March 31, 2014, the statements of operations and changes in fund balances 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 the 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 Children's Health Foundation of Vancouver Island as at March 31, 2014, 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.

### **Report on Other Legal and Regulatory Requirements**

As required by the Society Act (British Columbia), we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Chartered Accountants

June 19, 2014  
Victoria, Canada

# CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

## Statement of Financial Position

March 31, 2014, with comparative information for 2013

|  | General<br>Fund | Restricted<br>Funds | Endowment<br>Fund | 2014       | 2013       |
|--|-----------------|---------------------|-------------------|------------|------------|
| <b>Assets</b>                                  |                 |                     |                   |            |            |
| Current assets:                                |                 |                     |                   |            |            |
| Cash   | \$ 30,611       | 169,100             | -                 | 199,711    | 304,655    |
| Accounts receivable                            | 32,487          | 47,122              | -                 | 79,609     | 44,238     |
| Prepaid expenses                               | 49,231          | 8,435               | -                 | 57,666     | 51,439     |
|  | 112,329         | 224,657             | -                 | 336,986    | 400,332    |
| Investments (note 2)                           | 32,000,107      | 10,388,981          | 97,495            | 42,486,583 | 38,256,371 |
| Cash surrender value,<br>life insurance policy | 41,145          | -                   | -                 | 41,145     | 38,940     |
| Capital assets (note 3)                        | 773,248         | 8,159,719           | -                 | 8,932,967  | 9,541,186  |
|  | \$ 32,926,829   | 18,773,357          | 97,495            | 51,797,681 | 48,236,829 |

## Liabilities

|   |            |         |   |           |           |
|---|------------|---------|---|-----------|-----------|
| Current liabilities:                            |            |         |   |           |           |
| Payable to Vancouver<br>Island Health Authority | \$ 643,708 | -       | - | 643,708   | 866,691   |
| Accounts payable and<br>accrued liabilities     | 199,159    | 123,648 | - | 322,807   | 358,476   |
| Deferred revenue                                | 16,630     | 54,109  | - | 70,739    | 41,031    |
|   | 859,497    | 177,757 | - | 1,037,254 | 1,266,198 |

## Fund Balances

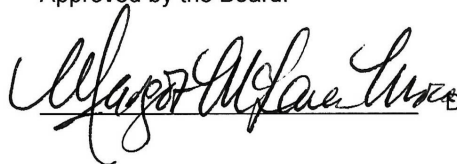
|                            |            |            |        |            |            |
|----------------------------|------------|------------|--------|------------|------------|
| Invested in capital assets | 773,248    | 8,159,719  | -      | 8,932,967  | 9,541,186  |
| Unrestricted               | 31,294,084 | -          | -      | 31,294,084 | 28,338,903 |
| Externally restricted      | -          | 10,435,881 | -      | 10,435,881 | 8,993,047  |
| Endowment                  | -          | -          | 97,495 | 97,495     | 97,495     |
|                            | 32,067,332 | 18,595,600 | 97,495 | 50,760,427 | 46,970,631 |

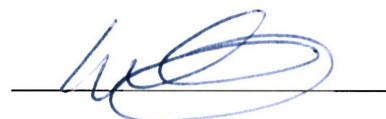
Commitments and contingencies (note 4)

|  |               |            |        |            |            |
|--|---------------|------------|--------|------------|------------|
|  | \$ 32,926,829 | 18,773,357 | 97,495 | 51,797,681 | 48,236,829 |
|--|---------------|------------|--------|------------|------------|

See accompanying notes to financial statements.

Approved by the Board:

 Director

 Director

# CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

## Statement of Operations and Changes in Fund Balances

Year ended March 31, 2014, with comparative information for 2013

|   | General<br>Fund | Restricted<br>Funds | Endowment<br>Fund | 2014          | 2013          |
|---|-----------------|---------------------|-------------------|---------------|---------------|
|   |                 |                     |                   |               | (Schedule 1)  |
| Revenue:  |                 |                     |                   |               |               |
| Bequests and donations                          | \$ 391,495      | \$1,496,511         | \$ -              | \$ 1,888,006  | \$ 2,355,782  |
| Investment income                               | 5,636,440       | 107,300             | -                 | 5,743,740     | 2,852,126     |
| Rentals and cost recovery                       | -               | 900,074             | -                 | 900,074       | 830,678       |
|   | 6,027,935       | 2,503,885           | -                 | 8,531,820     | 6,038,586     |
| Expenses:                                       |                 |                     |                   |               |               |
| Grants and programs                             | 379,302         | 2,373,130           | -                 | 2,752,432     | 2,265,753     |
| Amortization of capital assets                  | 22,495          | 598,435             | -                 | 620,930       | 621,202       |
| Administration                                  | 676,119         | -                   | -                 | 676,119       | 792,560       |
| Donor development                               | 490,225         | -                   | -                 | 490,225       | 439,827       |
| Investment counsel and<br>management            | 202,319         | -                   | -                 | 202,319       | 193,230       |
|   | 1,770,460       | 2,971,565           | -                 | 4,742,025     | 4,312,572     |
| Excess (deficiency) of revenue<br>over expenses | 4,257,475       | (467,680)           | -                 | 3,789,795     | 1,726,014     |
| Fund balances, beginning of<br>year             | 29,128,973      | 17,744,164          | 97,495            | 46,970,632    | 45,244,617    |
| Other interfund transfers<br>(Schedule 2)       | (1,319,116)     | 1,319,116           | -                 | -             | -             |
| Fund balances, end of year                      | \$ 32,067,332   | 18,595,600          | \$ 97,495         | \$ 50,760,427 | \$ 46,970,631 |

See accompanying notes to financial statements.

# CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

## Statement of Cash Flows

Year ended March 31, 2014, with comparative information for 2013

|   | 2014              | 2013               |
|---|-------------------|--------------------|
| Cash provided by (used in):                             |                   |                    |
| Operating activities:                                   |                   |                    |
| Excess of revenue over expenses                         | \$ 3,789,795      | \$ 1,726,014       |
| Add amortization which does not involve cash            | 620,930           | 621,202            |
| Unrealized gain on investments                          | (3,433,881)       | (1,800,409)        |
| Changes in non-cash operating working capital:          |                   |                    |
| Accounts receivable and prepaid expenses                | (41,597)          | 269,557            |
| Current liabilities                                     | (228,944)         | 352,333            |
| Deferred contributions                                  | -                 | (175,076)          |
|   | <u>706,303</u>    | <u>993,621</u>     |
| Investing activities:                                   |                   |                    |
| Additions to capital assets                             | (12,711)          | (62,623)           |
| Net increase in investments                             | (796,331)         | (1,045,421)        |
| Increase in cash surrender value, life insurance policy | (2,205)           | (2,337)            |
|   | <u>(811,247)</u>  | <u>(1,110,381)</u> |
| Decrease in cash  | (104,944)         | (116,760)          |
| Cash, beginning of year                                 | 304,655           | 421,415            |
| Cash, end of year                                       | <u>\$ 199,711</u> | <u>\$ 304,655</u>  |

See accompanying notes to financial statements.

# CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

## Notes to Financial Statements

Year ended March 31, 2014

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Children's Health Foundation of Vancouver Island (the "Foundation") is a registered charity under the Income Tax Act and is incorporated under the Society Act (British Columbia). The primary purpose of the Foundation is to raise and invest funds to support the health and well-being of children and youth in need on Vancouver Island and the Gulf Islands.

### 1. Significant accounting policies:

The financial statements of the Foundation have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

#### (a) Fund accounting:

The General Fund includes investment income, bequests, legacies and unspecified donations received for which there are no restrictions attached by the donor and restricted contributions for which there is no applicable restricted fund.

The Endowment Fund includes resources contributed for endowment. Investment income earned on the resources of the Endowment Fund is reported in the appropriate restricted funds.

The Restricted Funds include resources subject to restrictions by the donor and amounts internally restricted by the board of directors.

#### (i) GR Pearkes Child Development Fund:

This fund is administered by the Foundation and relates to externally restricted funds of the former GR Pearkes Foundation, which was merged with the Foundation.

#### (ii) Western Communities Centres Fund – West Shore and Sooke:

This fund was established to receive externally restricted donations towards the Western Communities facilities and was used primarily to fund the capital costs of the buildings. As of April 1, 2012, there are separate funds for each location to account for the operation of each facility.

#### (iii) Jeneece Place Fund:

This fund was established to receive externally restricted donations for the construction and operation of Jeneece Place. The purpose of Jeneece Place is to provide a home away from home for families who have to travel to Victoria for medical care.

# CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Notes to Financial Statements

Year ended March 31, 2014

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## 1. Significant accounting policies (continued):

### (a) Fund accounting (continued):

#### (iv) HerWay Home Fund:

This fund was established to receive externally restricted donations towards the creation of HerWay Home and is being used to fund the costs of this program. The HerWay Home program is operated by VIHA. The purpose of HerWay Home is to create a child-focused, women-centered, family-oriented drop-in and outreach program for pregnant women and new moms with substance use challenges and their children.

#### (v) Special purpose funds:

The Foundation administers funds of special donors in Named Funds. The Named Funds include Lisa Huus and David Mason Scholarship funds, Women's Institute Fund, Lavender Fund, Maude Vantreight, Family First, Hoensen and Dr Hara Funds. These funds have restrictions by the donors that prescribe the allocation of the resources to specific programs, such as scholarships, child development and education.

### (b) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Investments that are quoted in an active market are subsequently measured at fair value and changes in fair value are recognized in excess of revenue over expenses in the period incurred. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Foundation has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using straight-line method.

# CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

## Notes to Financial Statements

Year ended March 31, 2014

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### 1. Significant accounting policies (continued):

#### (b) Financial instruments (continued):

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.

#### (c) Capital assets:

##### Land:

In 1996 the Foundation recorded the transfer of three parcels of land from the Queen Alexandra Centre for Children's Health (the "Centre"). Two of the parcels are leased to VIHA under restrictive use conditions at \$1 per year for 60 years. Accordingly, the value of these two parcels is nominal and was recorded at an amount of \$1. During 2009 the third parcel was sold. During 2009 the Foundation acquired a fourth parcel of land adjacent to the Centre site and recorded the acquisition at cost.

In 2011 the Foundation entered into an agreement with VIHA which grants a license of occupation of land for the purposes of constructing and operating Jeneece Place. The term of the agreement is for 60 years, subject to various conditions of use.

The remaining land is recorded at cost.

##### Buildings and equipment:

Purchased buildings and equipment are recorded at cost. Assets are amortized over their estimated useful lives using the following methods and rates:

| Asset                         | Basis             | Rate        |
|-------------------------------|-------------------|-------------|
| Buildings                     | straight-line     | 20 years    |
| Equipment                     | straight-line     | 10 years    |
| Computer and office equipment | declining balance | 20% to 100% |

When a capital asset no longer contributes to the Foundation's ability to provide services its carrying value is written down to its residual value.



# CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

## Notes to Financial Statements

Year ended March 31, 2014

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### 1. Significant accounting policies (continued):

#### (d) Revenue recognition:

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

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred. Restricted contributions for scholarships and bursaries are recognized as revenue in the appropriate restricted fund when received or receivable. Contributions for endowment are recognized as revenue in the Endowment Fund when received or are receivable.

Investment income which is required to be expended for restricted purposes is recognized in the appropriate Restricted Fund. Unrestricted investment income including realized and unrealized gains or losses on investments is recognized as revenue of the General Fund.

Bequests, legacies and unspecified donations are recorded when received by the Foundation.

Rental revenue is recorded on a straight-line basis over the term of the rental agreement as rental services are provided to the tenant.

Donations of life insurance policies are recorded as revenue when the funds are received by the Foundation. The cash surrender value of the life insurance policies and changes in the cash surrender value are recorded for those policies in which the Foundation is the beneficiary. The annual change in the aggregate cash value is recorded in the statement of operations.

#### (e) Contributed services and materials:

Volunteers contributed time during the year to assist the Foundation in carrying out its activities. Because of the difficulty of determining their fair value, contributed services and materials are not recognized in the financial statements.

#### (f) Use of estimates:

The preparation of financial statements 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 revenue and expenses during the year. Actual results could differ from those estimates.

# CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

## Notes to Financial Statements

Year ended March 31, 2014

### 2. Investments:

|                                       | 2014                 | 2013                 |
|---------------------------------------|----------------------|----------------------|
| Cash and money market securities      | \$ 188,641           | \$ 4,229             |
| Fixed income funds                    | 18,641,458           | 16,830,863           |
| Canadian equity funds                 | 11,944,848           | 10,766,181           |
| Global and international equity funds | 11,711,636           | 10,655,098           |
|                                       | <u>\$ 42,486,583</u> | <u>\$ 38,256,371</u> |

### 3. Capital assets:

|   | 2014                |                             | 2013                |                     |
|---|---------------------|-----------------------------|---------------------|---------------------|
|   | Cost                | Accumulated<br>amortization | Net book<br>value   | Net book<br>value   |
| Western Communities properties:           |                     |                             |                     |                     |
| Sooke Child Youth and Family Centre:      |                     |                             |                     |                     |
| Land                                      | \$ 120,000          | \$ -                        | \$ 120,000          | \$ 120,000          |
| Building                                  | 2,151,822           | 1,076,193                   | 1,075,629           | 1,183,220           |
| Equipment                                 | 39,113              | 26,462                      | 12,651              | 14,185              |
|   | <u>2,310,935</u>    | <u>1,102,655</u>            | <u>1,208,280</u>    | <u>1,317,405</u>    |
| West Shore Child Youth and Family Centre: |                     |                             |                     |                     |
| Land                                      | 870,000             | -                           | 870,000             | 870,000             |
| Building                                  | 6,432,836           | 2,789,551                   | 3,643,285           | 3,964,927           |
| Equipment                                 | 176,138             | 142,714                     | 33,424              | 50,277              |
|   | <u>7,478,974</u>    | <u>2,932,265</u>            | <u>4,546,709</u>    | <u>4,885,204</u>    |
| Total Western Communities                 | 9,789,909           | 4,034,920                   | 5,754,989           | 6,202,609           |
| Jeneece Place:                            |                     |                             |                     |                     |
| Building                                  | 2,538,518           | 274,588                     | 2,263,930           | 2,388,234           |
| Equipment                                 | 183,386             | 42,586                      | 140,800             | 160,273             |
|   | <u>2,721,904</u>    | <u>317,174</u>              | <u>2,404,730</u>    | <u>2,548,507</u>    |
| Total restricted funds                    | 12,511,813          | 4,352,094                   | 8,159,719           | 8,751,116           |
| Gordon Head and Queen Alexandra Centre:   |                     |                             |                     |                     |
| Land                                      | 587,501             | -                           | 587,501             | 587,501             |
| Buildings                                 | 278,277             | 102,241                     | 176,036             | 189,950             |
| Computer and office equipment             | 110,402             | 100,691                     | 9,711               | 12,619              |
|   | <u>976,180</u>      | <u>202,932</u>              | <u>773,248</u>      | <u>790,070</u>      |
|   | <u>\$13,487,993</u> | <u>\$ 4,555,026</u>         | <u>\$ 8,932,967</u> | <u>\$ 9,541,186</u> |

# CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Notes to Financial Statements

Year ended March 31, 2014

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### 3. Capital assets (continued):

The Foundation owns real property in four areas of southern Vancouver Island.

The two properties in Sooke and West Shore provide facilities for local community service agencies to deliver services to children, youth and their families in these communities.

Jenece Place is situated on the grounds of the Victoria General Hospital in the Town of View Royal.

The Gordon Head properties represent the land and buildings of the Queen Alexandra Centre and properties adjacent to the Centre.

### 4. Commitments and contingencies:

- (a) The Foundation is committed to future payments under property management agreements. Future minimum management fees under these agreements are as follows:

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|      |            |
|------|------------|
| 2015 | \$ 121,740 |
| 2016 | 20,145     |

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- (b) The Foundation is committed to funding HerWay Home, a project with VIHA to support the life-long health of children as follows:

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|  |            |
|--|------------|
| 2015   | \$ 735,000 |
| 2016   | 441,000    |
| 2017   | 294,000    |
| Provision for carry-over of unused funds, estimated based on a memorandum of understanding and therefore subject to change | 927,791    |

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# CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

## Notes to Financial Statements

Year ended March 31, 2014

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#### 4. Commitments and contingencies (continued):

- (c) In 2002, the Foundation received a \$2,000,000 capital grant from the Ministry of Children and Family Development under the Human Resource Facility Act. The capital funding was provided to assist with the development of child and family services in Sooke and West Shore and it was used for the construction of facilities in the Western Communities. Based on the restrictions within the Human Resource Facility agreements, if the Western Communities properties are sold or cease to be used for the purpose the funding was provided for, at that time the Ministry may ask for repayment of the assistance based on the current value of the property. Allocation of the capital grant for each property is \$666,000 for Sooke and \$1,334,000 for Wale Road and is included in invested in capital assets.

#### 5. Employee pension plan:

The Foundation and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trusteed pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has about 179,000 active members and approximately 71,000 retired members.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent valuation as at December 31, 2012 indicated an unfunded liability of \$1,370 million for basic pension benefits. The next valuation will be as at December 31, 2015 with results available later in 2016. The actuary does not attribute portions of the unfunded liability to individual employers. During the year, the Foundation paid \$56,992 (2013 - \$52,877) for employer contributions to the plan.

#### 6. Financial instruments:

##### (a) Foreign currency risk:

The Foundation holds investments in equities outside of Canada which are subject to foreign exchange risk. At March 31, 2014, the Foundation held foreign investments with a fair value of \$11,711,636 (2013 - \$10,655,098).

##### (b) Interest rate risk:

The Foundation's exposure to interest rate risk relates to its investments in fixed income funds. The fair value of these funds is directly impacted by changes in interest rates.

# CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND

Notes to Financial Statements

Year ended March 31, 2014

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## 6. Financial instruments (continued):

### (c) Credit risk:

Credit risk is the risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument. The Foundation manages the risk associated with the concentration of credit risk through its policy of dealing with high credit quality financial institutions. Investments are managed by external advisors in accordance with the Foundation's Investment Policy specifying the required asset mix and minimum required credit ratings of investments within the portfolio.

### (d) Liquidity risk:

Liquidity risk is the risk that the Foundation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Foundation manages its liquidity risk by monitoring its operating requirements. The Foundation prepares budget and cash flow forecasts to ensure it has sufficient funds to fulfill its obligations.

There has been no change to risk exposures from 2013 related to foreign currency, interest rate, credit or liquidity risks.

**CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND**

Schedule of Operations and Changes in Fund Balances

Schedule 1

Year ended March 31, 2014 with comparative information for 2013

|  | 2014                 |                      |                      |                  | 2013                 |                      |                      |                  |
|--|----------------------|----------------------|----------------------|------------------|----------------------|----------------------|----------------------|------------------|
|  | Total                | General Fund         | Restricted Funds     | Endowment Fund   | Total                | General Fund         | Restricted Funds     | Endowment        |
| <b>Revenue:</b>                              |                      |                      |                      |                  |                      |                      |                      |                  |
| Bequests and donations                       | \$ 1,888,006         | \$ 391,495           | \$ 1,496,511         | \$ -             | \$ 2,355,782         | \$ 1,250,783         | \$ 1,104,999         | \$ -             |
| Investment income                            | 5,743,740            | 5,636,440            | 107,300              | -                | 2,852,126            | 2,796,954            | 55,172               | -                |
| Rentals and cost recovery                    | 900,074              | -                    | 900,074              | -                | 830,678              | -                    | 830,678              | -                |
|  | <b>8,531,820</b>     | <b>6,027,935</b>     | <b>2,503,885</b>     | <b>-</b>         | <b>6,038,586</b>     | <b>4,047,737</b>     | <b>1,990,849</b>     | <b>-</b>         |
| <b>Expenses:</b>                             |                      |                      |                      |                  |                      |                      |                      |                  |
| Grants and programs                          | 2,752,432            | 379,302              | 2,373,130            | -                | 2,265,753            | 274,267              | 1,991,486            | -                |
| Amortization of capital assets               | 620,930              | 22,495               | 598,435              | -                | 621,202              | 26,164               | 595,038              | -                |
| Administration                               | 676,119              | 676,119              | -                    | -                | 792,560              | 792,560              | -                    | -                |
| Donor development                            | 490,225              | 490,225              | -                    | -                | 439,827              | 439,827              | -                    | -                |
| Investment counsel and management            | 202,319              | 202,319              | -                    | -                | 193,230              | 193,230              | -                    | -                |
|  | <b>4,742,025</b>     | <b>1,770,460</b>     | <b>2,971,565</b>     | <b>-</b>         | <b>4,312,572</b>     | <b>1,726,048</b>     | <b>2,586,524</b>     | <b>-</b>         |
| Excess (deficiency) of revenue over expenses | <b>3,789,795</b>     | <b>4,257,475</b>     | <b>(467,680)</b>     | <b>-</b>         | <b>1,726,014</b>     | <b>2,321,689</b>     | <b>(595,675)</b>     | <b>-</b>         |
| Fund balances, beginning of year             | <b>46,970,631</b>    | <b>29,128,973</b>    | <b>17,744,163</b>    | <b>97,495</b>    | <b>45,244,617</b>    | <b>25,611,098</b>    | <b>19,536,024</b>    | <b>97,495</b>    |
| Other interfund transfers                    | -                    | (1,319,116)          | 1,319,116            | -                | -                    | 1,196,186            | (1,196,186)          | -                |
| Fund balances, end of year                   | <b>\$ 50,760,426</b> | <b>\$ 32,067,332</b> | <b>\$ 18,595,599</b> | <b>\$ 97,495</b> | <b>\$ 46,970,631</b> | <b>\$ 29,128,973</b> | <b>\$ 17,744,163</b> | <b>\$ 97,495</b> |

**CHILDREN'S HEALTH FOUNDATION OF VANCOUVER ISLAND**  
 Schedule of Changes in Restricted and Endowment Fund Balances

Schedule 2

Year ended March 31, 2014

|   | Balance<br>beginning<br>of year | Bequests<br>and<br>donations | Investment<br>income<br>allocation | Rentals<br>and cost<br>recovery | Grants and<br>programs | Amortization        | Excess (deficiency)<br>of revenue<br>over expenses | Interfund<br>Transfers | Transfer<br>from (to)<br>General Fund | Invested in<br>capital<br>assets | Balance<br>end<br>of year |
|---|---------------------------------|------------------------------|------------------------------------|---------------------------------|------------------------|---------------------|--|------------------------|---------------------------------------|----------------------------------|---------------------------|
| <b>Restricted</b>                             |                                 |                              |                                    |                                 |                        |                     |  |                        |                                       |                                  |                           |
| Externally restricted:                        |                                 |                              |                                    |                                 |                        |                     |  |                        |                                       |                                  |                           |
| Named funds                                   |                                 |                              |                                    |                                 |                        |                     |  |                        |                                       |                                  |                           |
| Family First Fund                             | \$ 56,999                       | \$ -                         | \$ 508                             | \$ -                            | \$ (57,507)            | \$ -                | \$ (56,999)  | \$ -                   | \$ -                                  | \$ -                             | \$ -                      |
| Dr. Hara Fund                                 | 272,539                         | -                            | -                                  | -                               | (35,000)               | -                   | (35,000)   | -                      | -                                     | -                                | 237,539                   |
| Hoensen Fund                                  | 278,302                         | -                            | 38,909                             | -                               | (20,000)               | -                   | 18,909   | -                      | -                                     | -                                | 297,211                   |
| Lisa Huus Scholarship Fund                    | 77,591                          | 900                          | 24,422                             | -                               | (4,500)                | -                   | 20,822   | -                      | -                                     | -                                | 98,413                    |
| Lavender Fund                                 | 191,756                         | 23,795                       | -                                  | -                               | (30,000)               | -                   | (6,205)  | -                      | 8,390                                 | -                                | 193,941                   |
| David Mason Scholarship Fund                  | 223,791                         | -                            | 31,396                             | -                               | (4,000)                | -                   | 27,396   | -                      | -                                     | -                                | 251,187                   |
| Maude Vantreight Fund                         | 63,403                          | -                            | 9,007                              | -                               | -                      | -                   | 9,007  | -                      | -                                     | -                                | 72,410                    |
| Women's Institute Fund                        | 23,186                          | 300                          | 3,058                              | -                               | (2,000)                | -                   | 1,358  | -                      | -                                     | -                                | 24,544                    |
| Program funds                                 |                                 |                              |                                    |                                 |                        |                     |  |                        |                                       |                                  |                           |
| Bear Essentials Fund                          | 1,927                           | 149,459                      | -                                  | -                               | (99,900)               | -                   | 49,559   | -                      | -                                     | -                                | 51,486                    |
| Equipment Fund                                | -                               | 64,550                       | -                                  | -                               | (297,669)              | -                   | (233,119)  | -                      | 233,119                               | -                                | -                         |
| GR Pearkes Child Development Fund             | 6,473,521                       | 358,723                      | -                                  | -                               | (150,665)              | -                   | 208,058  | -                      | -                                     | -                                | 6,681,579                 |
| Healthy Living Fund                           | -                               | 10,000                       | -                                  | -                               | -                      | -                   | 10,000   | (10,000)               | -                                     | -                                | -                         |
| HerWay Home Fund                              | 4,444                           | 4,580                        | -                                  | -                               | (408,512)              | -                   | (403,932)  | 15,792                 | 383,696                               | -                                | -                         |
| I Can Bike Fund                               | -                               | 250                          | -                                  | -                               | -                      | -                   | 250  | -                      | -                                     | -                                | 250                       |
| Jeneece Place Fund                            | 1,260,214                       | 773,361                      | -                                  | 75,656                          | (294,755)              | (148,331)           | 405,931  | 3,000                  | 300,000                               | 143,777                          | 2,112,922                 |
| Mental Health Fund                            | -                               | 411                          | -                                  | -                               | -                      | -                   | 411  | -                      | -                                     | -                                | 411                       |
| Stoneham Fund                                 | -                               | 40,213                       | -                                  | -                               | (48,000)               | -                   | (7,787)  | -                      | 328,285                               | -                                | 320,498                   |
| Donor Designated Fund                         | 3,194                           | 5,198                        | -                                  | -                               | (1,000)                | -                   | 4,198  | -                      | -                                     | -                                | 7,392                     |
| Orthotics / Prosthetics / Seating Fund        | -                               | 2,677                        | -                                  | -                               | -                      | -                   | 2,677  | -                      | -                                     | -                                | 2,677                     |
| Programs Fund                                 | -                               | 8,792                        | -                                  | -                               | -                      | -                   | 8,792  | (8,792)                | -                                     | -                                | -                         |
| Summer Camp                                   | 5,263                           | 53,302                       | -                                  | -                               | (45,000)               | -                   | 8,302  | -                      | -                                     | -                                | 13,565                    |
| Western Communities Centres Fund - Sooke      | (13,804)                        | -                            | -                                  | 199,789                         | (250,001)              | (111,140)           | (161,352)  | -                      | 65,626                                | 108,950                          | (580)                     |
| Western Communities Centres Fund - West Shore | 70,721                          | -                            | -                                  | 624,629                         | (624,621)              | (338,964)           | (338,956)  | -                      | -                                     | 338,671                          | 70,436                    |
| <b>Total restricted</b>                       | <b>\$ 8,993,047</b>             | <b>\$ 1,496,511</b>          | <b>\$ 107,300</b>                  | <b>\$ 900,074</b>               | <b>\$ (2,373,130)</b>  | <b>\$ (598,435)</b> | <b>\$ (467,680)</b>                                | <b>\$ -</b>            | <b>\$ 1,319,116</b>                   | <b>\$ 591,398</b>                | <b>\$ 10,435,881</b>      |
| <b>Endowment</b>                              |                                 |                              |                                    |                                 |                        |                     |  |                        |                                       |                                  |                           |
| Lisa Huus Endowment Func                      | \$ 97,495                       | \$ -                         | \$ -                               | \$ -                            | \$ -                   | \$ -                | \$ -   | \$ -                   | \$ -                                  | \$ -                             | \$ 97,495                 |