

Financial Statements of

**CAMOSUN COLLEGE
FOUNDATION**

Year ended December 31, 2019

CAMOSUN COLLEGE FOUNDATION

Financial Statements

Year ended December 31, 2019

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these statements is management's responsibility. Management is also responsible for all of the notes to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. The significant accounting policies are summarized in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

The Camosun College Foundation Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Finance and Audit Committee. The Committee reviews the external audited financial statements yearly and the internal financial reports on a quarterly basis. The external auditor has full access to the Finance and Audit Committee, with and without management present.

KPMG conducts an independent examination, in accordance with Canadian auditing standards, and expresses an opinion on the financial statements. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of the examination and their opinion on the financial statements.

On behalf of the Camosun College Foundation

Executive Director
Camosun College Foundation

Deborah Huelscher
Vice President, Administration and
Chief Financial Officer
Camosun College

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or

Camosun College Foundation

CAMOSUN COLLEGE FOUNDATION

Statement of Operations and Changes in Fund Balances

Year ended December 31, 2019 with comparative figures for 2018

	2019	2018
Restricted Funds		

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Notes to Financial Statements

Year ended December 31, 2019

1. Significant accounting policies (continued):

(b) Investments:

Investments are recorded at fair value. Transaction costs are charged to the statement of operations as incurred.

The change in the difference between the fair value and book value of investments at the beginning and end of each year is recorded in the statement of operations.

The fair value of fixed income securities and equities is determined by the closing bid price for these securities on the last trading date of the year.

Short-term notes, treasury bills and term deposits maturing within a year are stated at cost, which together with accrued interest income approximates their fair value.

(c) Investment transactions and income recognition:

Investment transactions are accounted for as of the trade date. Dividend and interest income are recorded on the accrual basis, with dividends recorded as of the ex-dividend date. Realized gains and losses from investment transactions and unrealized gains or losses of investments are calculated on a weighted-average cost basis.

(d) Revenue recognition:

The Foundation follows the restricted fund method of accounting for contributions. Restricted contributions are recognized as revenue of the appropriate restricted fund. Unrestricted donations are recognized in the Specific Purpose Fund and are internally restricted for use at the discretion of the Board of Directors.

Contributions for endowments are recognized as revenue in the Endowment Fund.

(e) Contributions:

Gifts in kind designated for Camosun College are recorded at their estimated fair market value as determined by independent appraisers on date of receipt, except for contributions of art and collectibles which are recorded at nominal values of \$1 until realization of cash proceeds from the sale of such items. Contributed materials and services, including accounting and administrative services provided by Camosun College, are not recorded in the financial statements.

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Notes to Financial Statements

Year ended December 31, 2019

2. Investments:

	2019	2019	2018
	Cost	Fair value	Fair value

Cash held at broker	\$ 104,864	\$ 104,864	\$ 47,887
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Money market mutual funds	1,292,352	1,292,352	3,163,906
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Fixed income securities, with effective interest

rates of 1.55% t (i)1. (i)1. (i)10 Tw (%)Tj 2.829 (32.1 (est)-1.3 (m)3.8 (en)1.2 (t)82(.8Tj -0.002 Tc 0.002 Tw 00k

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Notes to Financial Statements

Year ended December 31, 2019

5. Other endowment funds (continued):

(b) Victoria Foundation:

Mr. Edward Joseph Harrison donated \$1,000,000 for the benefit of Camosun College. The Funds are held by the Victoria Foundation as the Edward Joseph Harrison Fund and the Foundation receives all the distributions on a semi-annual basis.

The Funds are to provide scholarships and other assistance to students in need.

6. Financial instruments:

(a) Foreign exchange risk:

The Foundation holds investments in securities traded on foreign stock exchanges which are subject to foreign exchange risk (note 2).

(b) Liquidity risk:

Liquidity risk is the risk that the Foundation cannot meet a demand for cash or fund its obligations as they come due. A key liquidity requirement is grant commitments. Liquidity risk is managed by investing the majority of the Foundation's assets in investments that are traded in an active market and can be readily liquidated. The Foundation aims to retain sufficient cash positions to maintain liquidity. The Foundation's investments are considered readily realizable and liquid, therefore the Foundation's liquidity risk is low.

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Notes to Financial Statements

Year ended December 31, 2019

7. Related party transactions:

Camosun College provided operating support to the Foundation:

	2019	2018
Office and administration support	\$ 651,294	\$ 575,927

In addition, donations to the Specific Purpose Fund and Endowment Investment Income Fund of \$2,816 (2018 - \$82,900) were provided by Camosun College to support Camosun programs.

During the year the Foundation contributed \$616,897 (2018 - \$5,551) to Camosun College towards the TRADEmark of Excellence Campaign, and \$3,219,244 (2018 - \$nil) towards the Together for Health Building Campaign.

As of December 31, 2019, the Foundation had an accounts payable balance owing to Camosun College of \$1,106,836 (2018 - \$91,927).

8. Capital Campaigns:

As at December 31, 2019, the Specific Purpose Fund includes the following funds raised for capital campaigns:

	2019	2018
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