

JEWISH FEDERATION OF GREATER VANCOUVER

Vancouver, B.C.

FINANCIAL STATEMENTS

March 31, 2013

INDEPENDENT AUDITOR'S REPORT

To the Directors of Jewish Federation of Greater Vancouver:

Report on the Financial Statements

We have audited the accompanying financial statements of Jewish Federation of Greater Vancouver, which comprise the statement of financial position as at March 31, 2013 and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and 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 the auditor's 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, the auditor considers 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 presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the Federation derives part of its revenues from pledges and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the accounts of the Federation and we were not able to determine whether, as at or for the year ending March 31, 2013, any adjustments might be necessary to revenues, excess of revenues over expenditures and allocations, assets and net assets.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Jewish Federation of Greater Vancouver as at March 31, 2013 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Comparative Information

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describes that the Jewish Federation of Greater Vancouver adopted Canadian accounting standards for not-for-profit organizations on April 1, 2012 with a transition date of April 1, 2011. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statements of financial position as at March 31, 2012 and April 1, 2011, and the statement of operations, statement of changes in net assets and statement of cash flows for the year ended March 31, 2012 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is unaudited.

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 consistent basis.

"Wolrige Mahon LLP"

CHARTERED ACCOUNTANTS

June 20, 2013
Vancouver, B.C.

JEWISH FEDERATION OF GREATER VANCOUVER

STATEMENT OF FINANCIAL POSITION

March 31, 2013

	General Fund \$	Foundation Fund \$	March 31, 2013 Total \$	March 31, 2012 Total \$ (Unaudited) (Restated) (Note 16)	April 1, 2011 Total \$ (Unaudited)
ASSETS					
Cash	5,458,757	153,742	5,612,499	6,219,049	4,912,834
Pooled investments	-	34,523,872	34,523,872	30,742,800	27,907,808
State of Israel Bonds	-	452,784	452,784	446,826	441,627
Pledges receivable (Note 5)	2,186,826	-	2,186,826	1,743,424	1,601,024
Other receivables (Note 6)	234,350	261,304	495,654	251,391	163,109
Interfund advances (Note 7)	881,177	(881,177)	-	-	-
Prepaid expenses and allocations	79,098	-	79,098	219,520	57,203
Mortgage receivable (Note 8)	-	250,000	250,000	250,000	1,755,475
Property and equipment (Note 9)	45,936	-	45,936	45,980	67,082
	8,886,144	34,760,525	43,646,669	39,918,990	36,906,162
LIABILITIES					
Payables and accruals	1,180,871	-	1,180,871	1,102,398	1,127,145
Grants and allocations payable (Note 16)	2,810,579	172,948	2,983,527	3,072,371	2,790,506
Due to other charitable entities (Note 10)	682,853	-	682,853	535,387	146,212
Deferred revenue	671,257	-	671,257	1,279,267	603,944
	5,345,560	172,948	5,518,508	5,989,423	4,667,807
NET ASSETS					
Invested in property and equipment	45,936	-	45,936	45,980	67,082
Board designated (Note 11)	2,260,160	-	2,260,160	1,274,873	1,046,628
Externally restricted	-	31,258,847	31,258,847	28,824,531	26,976,647
Unrestricted	1,234,488	3,328,730	4,563,218	3,784,183	4,147,998
	3,540,584	34,587,577	38,128,161	33,929,567	32,238,355
	8,886,144	34,760,525	43,646,669	39,918,990	36,906,162

Approved by Directors:

JEWISH FEDERATION OF GREATER VANCOUVER

STATEMENT OF OPERATIONS

For the year ended March 31, 2013

	General Fund \$	Foundation Fund \$	2013 Total \$	2012 Total \$ (Unaudited) (Restated) (Note 16)
Revenues				
Pledges				
Annual Campaign	7,274,486	-	7,274,486	7,141,733
Annual Campaign Plus	365,690	-	365,690	461,510
Provision for uncollectible pledges	(86,000)	-	(86,000)	(83,000)
	<u>7,554,176</u>	<u>-</u>	<u>7,554,176</u>	<u>7,520,243</u>
Miscellaneous donations	1,527,584	-	1,527,584	2,364,753
Contributions	-	1,744,432	1,744,432	1,859,481
Interest and dividends	53,245	1,030,079	1,083,324	1,003,129
Grant and other income (Note 13)	547,281	-	547,281	421,554
Gain on sale of investments	-	83,799	83,799	74,161
Unrealized gain (loss) in value of investments	-	2,136,029	2,136,029	(25,643)
	<u>9,682,286</u>	<u>4,994,339</u>	<u>14,676,625</u>	<u>13,217,678</u>
Expenditures				
Administration, Schedule 1	267,686	130,153	397,839	333,576
Fundraising, Schedule 2	1,538,247	195,230	1,733,477	1,708,971
	<u>1,805,933</u>	<u>325,383</u>	<u>2,131,316</u>	<u>2,042,547</u>
Excess of revenues over expenditures before allocations	<u>7,876,353</u>	<u>4,668,956</u>	<u>12,545,309</u>	<u>11,175,131</u>
Allocations				
Local agencies and programs				
Regular (Note 16)	4,580,328	-	4,580,328	5,210,221
Annual Campaign Plus	201,873	-	201,873	292,127
Israel and overseas agencies and programs (UIAC) (Note 14)				
Regular (Note 16)	2,023,374	-	2,023,374	2,756,921
Annual Campaign Plus	163,818	-	163,818	169,383
National allocations	521,635	-	521,635	503,373
Allocations to Board designated funds (Note 11)	(2,105,057)	-	(2,105,057)	(622,975)
Expenditures of Board designated funds (Note 11)	1,119,770	-	1,119,770	394,730
Foundation grants (Note 12)	-	1,840,974	1,840,974	780,139
	<u>6,505,741</u>	<u>1,840,974</u>	<u>8,346,715</u>	<u>9,483,919</u>
Excess of revenues over expenditures and allocations (Note 16)	<u>1,370,612</u>	<u>2,827,982</u>	<u>4,198,594</u>	<u>1,691,212</u>

JEWISH FEDERATION OF GREATER VANCOUVER

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2013

	General Fund	Board Designated Funds	Foundation Fund	2013	2012
	\$	\$	\$	\$	\$
					(Unaudited) (Restated) (Note 16)
Net assets, beginning, as previously reported	3,823,702	1,274,873	31,708,813	36,807,388	34,731,861
Prior period adjustment (Note 16)	(2,877,821)	-	-	(2,877,821)	(2,493,506)
Net assets, beginning, as restated	945,881	1,274,873	31,708,813	33,929,567	32,238,355
Excess of revenues over expenditures and allocations	1,370,612	-	2,827,982	4,198,594	1,691,212
Interfund transfers (Note 7)	(50,782)	-	50,782	-	-
Net transfers to Board Designated Funds (Note 11)	(985,287)	985,287	-	-	-
Net assets, ending	1,280,424	2,260,160	34,587,577	38,128,161	33,929,567

JEWISH FEDERATION OF GREATER VANCOUVER

STATEMENT OF CASH FLOWS

For the year ended March 31, 2013

	2013 \$	2012 \$ (Unaudited) (Restated) (Note 16)
Cash flows related to operating activities		
Excess of revenues over expenditures and allocations	4,198,594	1,691,212
Adjustments for items not affecting cash:		
Amortization	36,667	37,815
Unrealized loss (gain) in value of investments	(2,136,029)	25,643
Realized gain on sale of investments	(83,799)	(74,161)
	<u>2,015,433</u>	<u>1,680,509</u>
Changes in non-cash working capital:		
Pledges receivable	(443,402)	(142,400)
Other receivables	(244,263)	(88,282)
Prepaid expenses and allocations	140,422	(162,317)
Mortgage receivable	-	1,505,475
Payables and accruals	78,473	(24,747)
Grants and allocations payable	(88,844)	281,865
Due to other charitable entities	147,466	389,175
Deferred revenue	(608,010)	675,323
	<u>997,275</u>	<u>4,114,601</u>
Cash flows related to investing activities		
Purchase of pooled investments	(8,512,336)	(8,290,025)
Proceeds on sale of pooled investments	6,951,092	5,503,551
Purchase of State of Israel Bonds	(191,500)	(63,979)
Proceeds on redemption of State of Israel Bonds	185,542	58,780
Purchase of property and equipment	(36,623)	(16,713)
	<u>(1,603,825)</u>	<u>(2,808,386)</u>
Net increase in cash	(606,550)	1,306,215
Cash, beginning	6,219,049	4,912,834
Cash, ending	5,612,499	6,219,049

JEWISH FEDERATION OF GREATER VANCOUVER

NOTES

For the year ended March 31, 2013

The Jewish Federation of Greater Vancouver (the "Federation" or "Society") was incorporated under the Society Act of British Columbia and is a registered charitable organization under the *Income Tax Act*. Its purpose is to serve as a primary source of funding for organizations, programs and services that have objectives specifically relevant to the Jewish community.

Note 1 Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

Fund Accounting

The Society follows the restricted fund method of accounting for revenues. These financial statements include the undernoted funds which are segregated for purposes of carrying on specific activities as described below:

- (i) The General Fund accounts for the Federation's program delivery and administrative activities. This fund reports unrestricted and internally restricted contributions.
- (ii) The Jewish Community Foundation of Greater Vancouver Fund (the "Foundation") reports externally restricted funds, which are used to meet the long-term needs of the Jewish community. In general, investment income earned on resources of the Foundation is available for distribution, depending on the nature of any restrictions imposed by contributors of these funds.

Financial Instruments

Measurement of financial instruments

The Society measures its financial assets and financial liabilities at fair value at the acquisition date, except for financial assets and financial liabilities acquired in related party transactions. Transaction costs related to the acquisition of financial instruments subsequently measured at fair value are recognized in net earnings when incurred. The carrying amounts of financial instruments not subsequently measured at fair value are adjusted by the amount of transaction costs directly attributable to the acquisition of the instrument.

The Society subsequently measures all of its financial assets and financial liabilities at amortized cost, except for derivatives and equity securities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in net earnings.

Impairment

Financial assets measured at amortized cost are assessed for indications of impairment at the end of each reporting period. When impairment is identified, the amount of the write-down is recognized as an impairment loss in net earnings. Previously recognized impairment losses are reversed when the extent of the impairment decreases, provided that the adjusted carrying amount is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net earnings.

JEWISH FEDERATION OF GREATER VANCOUVER

NOTES

For the year ended March 31, 2013

Note 1 Significant Accounting Policies (continued)

Property and Equipment

Property and equipment are carried at cost less accumulated amortization. Amortization is charged against operations and is provided for annually on the following basis:

Leasehold improvements	-	5 years straight-line
Office equipment	-	5 years straight-line
Computer equipment	-	3 years straight-line
Computer software	-	3 years straight-line

except in the year of acquisition, at which time amortization is provided for at one-half the annual rate.

Deferred Revenue

Grants and pledges received which relate to programs and events to be carried out in the next fiscal year are reflected as deferred revenue.

Contributed Services and Materials

A number of volunteers contribute a significant amount of their time and services to the Federation each year. Because of the difficulty in determining fair value, these contributed services are not recognized in the financial statements. The Federation records the fair value of contributed materials at the time of receipt, where such fair value is determinable and the materials would otherwise have been purchased. The Federation did not receive any such contributed materials.

Revenue Recognition

Pledge revenue is recognized on a campaign year basis. Revenues for the year ended March 31, 2013 are referred to as the revenues for the 2012/2013 campaign year. A receivable is set up when a pledge is made. Pledges received for future campaign years are deferred and recognized as revenue in the campaign years to which the pledges relate.

Miscellaneous donations are recognized when they are received.

Certain donors may remit amounts directly to the United Israel Appeal of Canada Inc. (the "UIAC") on behalf of the Federation. These amounts are recorded as revenue and allocations to UIAC on a campaign year basis.

Gains and losses on the sale of investments are recognized in the period in which the related investments are sold.

The unrealized gain (loss) in the value of investments represents the change in the fair value of the pooled investments and bonds during the year.

Interest, dividends, grants and other income are recognized as they are earned.

The Foundation receives contributions in the form of long-term pledges, assignments of life insurance policies and bequest provisions. Pledges are recognized when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured. Other contributions are recognized when received.

JEWISH FEDERATION OF GREATER VANCOUVER

NOTES

For the year ended March 31, 2013

Note 1 Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 Impact of the Change in the Basis of Accounting

These financial statements are the first financial statements of the Society prepared in accordance with ASNPO. The Society adopted ASNPO in accordance with the *Canadian Institute of Chartered Accountants ("CICA") Handbook* Section 1501, First-Time Adoption by Not-For-Profit Organizations. In accordance with ASNPO, the Society has:

- applied the same accounting policies throughout all periods presented; and
- retrospectively applied effective ASNPO standards as of April 1, 2011, as required.

The adoption of ASNPO had no impact on the previously reported assets, liabilities and net assets of the Society and, accordingly, no adjustments have been recorded in the comparative balance sheets, statement of operations, statement of changes in net assets and statement of cash flows. Certain disclosures included in these financial statements reflect the new disclosure requirements of ASNPO.

The comparative figures as of March 31, 2012 and April 1, 2011 are labeled as unaudited under the new Canadian accounting standards for not-for-profit organizations. Financial statements as at and for the year ending March 31, 2012 were audited under a previous standard, Part 5 of the Canadian Institute of Chartered Accountants Handbook, and can be found on the Jewish Federation of Greater Vancouver website: jewishvancouver.com.

Note 3 Financial Instruments

Items that meet the definition of a financial instrument includes cash, pooled investments, State of Israel Bonds, pledges receivable, other receivables, mortgages receivable, payables and accruals, grants and allocations payable and due to other charitable entities.

Risks and concentrations

The Society is exposed to various risks through its financial instruments.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to liquidity risk in respect of its payables and accruals, grants and allocations payable and due to other charitable entities.

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 Society is exposed to credit risk in respect of its pledges and other receivables. The Society provides credit to its donors in the normal course of its operations.

JEWISH FEDERATION OF GREATER VANCOUVER

NOTES

For the year ended March 31, 2013

Note 3 Financial Instruments (continued)

Market risk

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

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 Society undertakes transactions in foreign currencies and, consequently, certain of its financial instruments are exposed to foreign currency fluctuations. Financial instruments include the following amounts, presented in Canadian dollars, which are denominated in foreign currencies:

	2013	2012
	%	%
Cash	17.7	8.2
Pooled investments	24.4	25.1
State of Israel Bonds	2.5	2.7

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 market interest rates. Fixed-interest and non-interest bearing financial instruments are subject to changes in fair value, while floating rate financial instruments are subject to fluctuations in cash flows. The Society is exposed to interest rate risk with respect of its pooled investments and State of Israel Bonds.

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 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 Society is exposed to other price risk in respect of its pooled investments.

Note 4 Capital Management

The Society's capital consists of the general and foundation fund net assets reported in the statement of financial position.

The Society's primary objectives when managing capital are two-fold:

- a) For short-term cash, the objectives are to safeguard the sustainability of the organization, to provide sufficient capital to maintain operations and to manage risks.
- b) For long-term funds, the objectives are to invest the portfolio prudently, without exposing the Foundation funds to undue risk of loss or impairment and with a reasonable expectation of return or capital appreciation based on the nature of the investments.

JEWISH FEDERATION OF GREATER VANCOUVER

NOTES

For the year ended March 31, 2013

Note 4 Capital Management (continued)

The Society manages capital through the regular monitoring of the returns on investments, projections of donation revenues, and monthly financial results.

Contributions to the externally restricted foundation funds are restricted for specific purposes by the contributors.

The Society was in compliance with these restrictions during the year.

Note 5 Pledges Receivable

The pledges receivable include pledges for unrestricted and restricted purposes. The restricted pledges are for the Annual Campaign Plus, through which donors may direct 75% of the increase over the prior year's total pledge to a specific agency or program. The unrestricted and restricted pledges receivable are as follows:

	2013 \$	2012 \$ (Unaudited)
Unrestricted pledges receivable by campaign year		
Current year	1,433,610	1,355,142
Prior years	804,773	505,356
Deferred	11,629	-
	<u>2,250,012</u>	<u>1,860,498</u>
Restricted pledges receivable		
Annual Campaign Plus current year	168,016	175,979
Annual Campaign Plus prior years	31,687	26,676
	<u>2,449,715</u>	<u>2,063,153</u>
Less: Allowance for uncollectible pledges	<u>(262,889)</u>	<u>(319,729)</u>
Total pledges receivable	<u>2,186,826</u>	<u>1,743,424</u>

The total current year pledge receivables of \$1,601,626 (2012: \$1,531,121) are included in pledge revenue for the current year. As at March 31, 2013, the carrying amount of impaired receivables totalled \$NIL (2012: \$NIL), which is net of the allowance for doubtful accounts of \$262,889 (2012: \$319,729).

JEWISH FEDERATION OF GREATER VANCOUVER

NOTES

For the year ended March 31, 2013

Note 6 Other Receivables - Foundation Fund

	2013 \$	2012 \$ (Unaudited)
GST / HST	8,304	14,605
Life insurance policy	253,000	-
Promissory note	256,138	-
	<u>517,442</u>	<u>14,605</u>
Less: allowance	(256,138)	-
	<u>261,304</u>	<u>14,605</u>

As at March 31, 2013, the carrying amount of impaired other receivables totalled \$NIL (2012: \$NIL), which is net of the allowance for doubtful accounts of \$256,138 (2012: \$NIL).

Note 7 Interfund Transfers and Advances

Interfund transfers are made from the Federation to the Foundation to cover the excess of expenditures over revenues in the Foundation. Interfund advances are non-interest bearing and without specific terms for repayment.

Note 8 Mortgage Receivable

The Foundation Fund mortgage receivable includes a loan of \$250,000 (2012: \$250,000) made to an executive of the Federation, bearing interest at 3.0% per annum, and secured by real property. The loan payments are for interest only and the loan is due upon the sale of the real property or cessation of employment.

Note 9 Property and Equipment

	Cost \$	Accumulated Amortization \$	2013 Net \$	2012 Net \$ (Unaudited)
Leasehold improvements	97,570	96,354	1,216	14,405
Office equipment	67,471	46,209	21,262	9,571
Computer equipment	94,030	72,016	22,014	19,503
Computer software	7,167	5,723	1,444	2,501
	<u>266,238</u>	<u>220,302</u>	<u>45,936</u>	<u>45,980</u>

JEWISH FEDERATION OF GREATER VANCOUVER

NOTES

For the year ended March 31, 2013

Note 10 Due to Other Charitable Entities

The balance represents funds that are specifically designated to be forwarded to third party tax exempt organizations.

Note 11 Board Designated Net Assets

	2012	Allocations	Expenditures	2013
	\$	\$	\$	\$
	(Unaudited)			
Emergency Reserve Fund	350,000	-	-	350,000
Internally Restricted Funds	560,601	2,030,057	(1,020,842)	1,569,816
Overseas Emergency Reserve Fund	202,300	-	(7,200)	195,100
Special Purpose Fund	60,417	-	-	60,417
Local Allocation Reserve Fund	101,555	75,000	(91,728)	84,827
	<u>1,274,873</u>	<u>2,105,057</u>	<u>(1,119,770)</u>	<u>2,260,160</u>

The purpose of the Emergency Reserve Fund is to provide resources to respond to urgent and unanticipated needs of the Jewish community.

During the year, transfers to the Internally Restricted Funds exceeded expenditures by \$1,009,215 (2012: \$160,745). Of the \$1,009,215, \$708,023 represents net funds held for the Bring Back Hope event held in April 2012 which have not yet been fully distributed. Internally Restricted Funds are held by the Federation for use in specific program areas administered by the Federation.

The purpose of the Overseas Emergency Reserve Fund is to provide resources to respond to urgent and unanticipated needs in Israel and overseas communities. During the year, the Federation disbursed \$7,200 (2012: \$7,500) from this fund to support the Hurricane Sandy relief effort.

The purpose of the Special Purpose Fund is to provide resources for extraordinary operating or capital needs of the Federation.

The purpose of the Local Allocation Reserve Fund is to provide a resource to address potential reduced campaigns in the future. During the year, \$75,000 (2012: \$75,000) was added to this fund from unused contingency funds budgeted by the Federation. During the year, \$91,728 was withdrawn to fund current year allocations.

All of the Board designated net assets have been restricted for specific purposes by the Federation Board and require Federation Board approval prior to disbursement.

JEWISH FEDERATION OF GREATER VANCOUVER

NOTES

For the year ended March 31, 2013

Note 12 Jewish Community Foundation of Greater Vancouver Fund - Net Assets

	Unrestricted \$	Designated \$	Institutional \$	Philanthropic \$	Total \$
Net assets, beginning (unaudited)	2,884,282	15,878,049	8,003,094	4,943,388	31,708,813
Contributions	274,644	1,296,229	45,202	128,357	1,744,432
Investment income	312,823	1,678,848	718,152	540,084	3,249,907
Expenditures	(28,075)	(143,075)	(57,003)	(46,448)	(274,601)
Foundation grants	(114,944)	(508,926)	(1,105,244)	(111,860)	(1,840,974)
Net assets, ending	<u>3,328,730</u>	<u>18,201,125</u>	<u>7,604,201</u>	<u>5,453,521</u>	<u>34,587,577</u>

The Federation maintains the Foundation, the goal of which is to provide resources to meet the long-term needs of the Jewish community locally, nationally and internationally. The Foundation has received commitments in the form of long-term pledges, assignments of life insurance policies and bequest provisions.

Unrestricted funds

Income from these funds is distributed through the grant program of the Foundation in response to the emerging and changing needs of the community. Grants are awarded in the spring and fall of each year through a rigorous adjudication process administered by a standing committee of the Board of Trustees.

Designated funds

These funds direct income to the specific charitable organization named by the donor who established the fund.

Institutional funds

These funds are established by various charitable organizations which make contributions to their own funds. The income which is earned on the capital provides the organizations with stable funding on a long term basis. In some cases, agreements with the charitable organizations allow for the return of a portion of the capital contributed.

Philanthropic funds

These funds provide donors with the opportunity to structure their charitable giving to suit their funding priorities. Fund holders or their chosen advisors may suggest charities which will benefit from distributions from their funds.

JEWISH FEDERATION OF GREATER VANCOUVER

NOTES

For the year ended March 31, 2013

Note 13 Grant and Other Income

	2013	2012
	\$	\$
		(Unaudited)
Event and other income	140,093	64,058
Grant income	68,000	46,310
Israel affairs grant	339,188	311,186
	<hr/> 547,281 <hr/>	<hr/> 421,554 <hr/>

Note 14 Allocation to United Israel Appeal of Canada Inc. ("UIAC")

The UIAC is allocated amounts during each year as determined by the Board of the Federation. During the year, \$339,188 (2012: \$311,186) of the amount allocated to Israel and overseas programs was used to fund the 2012-2013 Israel Affairs Department expenditures.

Note 15 Comparative Figures

Certain 2012 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2013.

JEWISH FEDERATION OF GREATER VANCOUVER

NOTES

For the year ended March 31, 2013

Note 16 Prior Period Adjustment

In 2011, the Federation changed its year end to March 31 in order to ensure that its financial statements were more attuned with the annual operating cycle of the Federation's key functions. As a result of that change, the March 31, 2011 statements reflected only 7 months of operations. During that short fiscal year, the Federation experienced revenue close to what it normally would have reported in past years, as the activity of its Annual Campaign was captured as of March 31. However, the expenses as of March 31, 2011 were more typical of a 7 month period, especially with respect to allocations.

To adjust for this discrepancy, during the year, the Federation changed its method of accounting for approved allocations. Allocations for the period May 1, 2013 to August 31, 2013 have been recorded as a payable at March 31, 2013 as these allocations represent approved allocations relating to the 2012 campaign year. This change has been applied retroactively and, accordingly, has had the following effect on the March 31, 2012 and April 1, 2011 comparative figures:

	Previously reported		(Restated)
	2012	Increase (decrease)	2012
	\$	\$	\$
Regular allocations - local agencies	5,187,822	22,399	5,210,221
Regular allocations - Israel and overseas agencies	2,395,005	361,916	2,756,921
Excess of revenues over expenditures and allocations	2,075,527	(384,315)	1,691,212
General fund net assets, ending	3,823,702	(2,877,821)	945,881
Total net assets, ending	36,807,388	(2,877,821)	33,929,567
Total unrestricted net assets	6,662,004	(2,877,821)	3,784,183
Grants and allocations payable	194,550	2,877,821	3,072,371
	2011	Increase (decrease)	2011
	\$	\$	\$
Total net assets, ending	34,731,861	(2,493,506)	32,238,355
Total unrestricted net assets	6,641,504	(2,493,506)	4,147,998
Grants and allocations payable	297,000	2,493,506	2,790,506

JEWISH FEDERATION OF GREATER VANCOUVER

ADMINISTRATION

Schedule 1

For the year ended March 31, 2013

	General Fund \$	Foundation Fund \$	2013 Total \$	2012 Total \$ (Unaudited)
Accounting and audit	11,568	4,152	15,720	17,500
Amortization	36,667	-	36,667	37,815
Bank fees	2,205	5,836	8,041	7,380
Marketing and advertising	99	18,016	18,115	3,067
Office and miscellaneous	6,063	7,458	13,521	32,170
Programs and events	523	1,380	1,903	4,347
Rent	9,973	6,065	16,038	15,177
Salaries and personnel related expenses	200,588	87,246	287,834	216,120
	267,686	130,153	397,839	333,576

FUNDRAISING

Schedule 2

For the year ended March 31, 2013

	General Fund \$	Foundation Fund \$	2013 Total \$	2012 Total \$ (Unaudited)
Accounting and audit	11,473	6,228	17,701	20,000
Bank and credit card fees	90,091	2,895	92,986	81,560
Commission fees	182,271	5,859	188,130	315,439
Marketing and advertising	77,444	27,025	104,469	75,817
Office and miscellaneous	58,585	11,187	69,772	85,961
Programs and events	348,406	2,070	350,476	208,833
Rent	56,735	9,097	65,832	61,886
Salaries and personnel related expenses	713,242	130,869	844,111	859,475
	1,538,247	195,230	1,733,477	1,708,971