

**UNIVERSITY OF VICTORIA FOUNDATION
FINANCIAL STATEMENTS**

UNIVERSITY OF VICTORIA FOUNDATION

STATEMENT OF ADMINISTRATIVE RESPONSIBILITY FOR FINANCIAL STATEMENTS

The University of Victoria is responsible for the preparation of the financial statements of the University of Victoria Foundation. The statements have been prepared in accordance with Canadian Public Sector Accounting Standards for government not-for-profit organizations and present fairly the financial position of the Foundation as at March 31, 2018 and the results of its operations for the year then ended.

In fulfilling its responsibility and recognizing the limits inherent in all systems, the University's Administration has developed and maintains a system of internal control designed to provide reasonable assurance that the Foundation's assets are safeguarded from loss and that the accounting records are a reliable basis for preparation of the financial statements.

The financial statements have been examined by KPMG LLP, Chartered Professional Accountants, the independent auditors appointed by the Foundation's Board of Directors. The Independent Auditors' Report outlines the nature of their examination and provides their opinion on the fair presentation of the financial statements of the Foundation for the year ended March 31, 2018.

Fiona Hunter
Chair

Andrew Coward
Treasurer

June 19, 2018



KPMG LLP
800-730 View Street
Victoria BC V8W 3Y7
Telephone (250) 480-3500

UNIVERSITY OF VICTORIA FOUNDATION
STATEMENT OF FINANCIAL POSITION
as at March 31, 2018

| | 2018 | 2017 |
|--|--------------|--------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 5,405,295 | \$ 8,551,761 |
| Accrued interest and other receivables | 4,250,002 | 3,525,383 |
| Investments (note 3) | 447,691,926 | 421,803,791 |
| | 457,347,223 | 433,880,935 |
| LIABILITIES | | |
| Accounts payable | 2,749,438 | 847,456 |

| | Endowment Principal | | Expendable Funds | |
|---|---------------------|--------------|------------------|------------|
| | 2018 | 2017 | 2018 | 2017 |
| REVENUE | | | | |
| Donations | \$ 7,745,990 | \$ 5,346,636 | \$ 216,482 | \$ 404,991 |
| Interest and dividend income | - | - | 15,732,970 | 13,739,878 |
| Realized gains, less losses | - | - | 14,202,561 | 11,228,761 |
| | 7,745,990 | 5,346,636 | 30,152,013 | 25,373,630 |
| EXPENSE | | | | |
| Scholarships, bursaries and other distributions | - | - | - | - |

| | 2018 | 2017 |
|--|--------------------|---------------|
| Cash provided by (used in) | | |
| Operating activities | | |
| Excess of revenue over expense | \$ 20,321,082 | \$ 14,209,787 |
| Items not involving cash: | | |
| Realized gains on investments | (14,202,561) | (11,228,761) |
| Changes in non-cash working capital balances (net): | | |
| Net increase in accrued interest and other receivables | (724,619) | (2,340,937) |
| Net increase in accounts payable | 1,901,982 | 399,396 |
| Decrease in due to the University of Victoria | (121,698) | (309,526) |
| | 7,174,186 | 729,959 |
| Investing activities | | |
| (Increase) decrease in investments | (10,320,652) | 6,244,256 |
| Increase (decrease) in cash during the year | (3,146,466) | |

Note 2. Significant Accounting Policies (continued)

f) Financial Instruments

Financial instruments are classified into two categories: fair value or cost.

(i) aluo:6st.

Note 3. Investments

Note 7. Financial Risk Management (continued)

(a) Credit risk

