

Financial Statements of

**JEWISH FEDERATION OF
GREATER VANCOUVER**

And Independent Auditors' Report thereon

Year ended March 31, 2022



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Jewish Federation of Greater Vancouver:

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Jewish Federation of Greater Vancouver (the "Federation"), which comprise:

- the statement of financial position as of March 31, 2022
- the statement of operations for the year then ended
- the statement of changes in net assts (deficiency) for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Federation as at March 31, 2022, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Federation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other Matter – Comparative Information

The financial statements for the year ended March 31, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 18, 2021.

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 Federation'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 Federation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Federation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Federation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Federation to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied in preparing and presenting financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding period.



Chartered Professional Accountants

Vancouver, Canada
June 13, 2022

JEWISH FEDERATION OF GREATER VANCOUVER

Statement of Financial Position

March 31, 2022, with comparative information for 2021

	2022			2021		
	General Fund	Foundation Fund	Total	General Fund	Foundation Fund	Total
Assets						
Current assets:						
Cash	\$ 14,529,954	\$ 1,360,274	\$ 15,890,228	\$ 11,094,411	\$ 1,590,541	\$ 12,684,952
Pledges receivables (note 3)	1,908,472	-	1,908,472	3,678,771	-	3,678,771
Other receivable (note 4)	116,636	613,929	730,565	763,528	615,008	1,378,536
Interfund advances (note 5)	(1,576,350)	1,576,350	-	(1,014,381)	1,014,381	-
Prepaid expenses	51,071	-	51,071	51,599	-	51,599
	15,029,783	3,550,553	18,580,336	14,573,928	3,219,930	17,793,858
Non-current assets:						
State of Israeli bonds, at amortized cost	-	435,138	435,138	-	435,138	435,138
Investments, at fair value (note 2)	-	73,784,660	73,784,660	-	69,212,459	69,212,459
Tangible capital assets (note 6)	310,407	-	310,407	362,903	-	362,903
	310,407	74,219,798	74,530,205	362,903	69,647,597	70,010,500
	\$ 15,340,190	\$ 77,770,351	\$ 93,110,541	\$ 14,936,831	\$ 72,867,527	\$ 87,804,358
Liabilities and Net Assets						
Current liabilities:						
Payables and accruals (note 7)	\$ 5,607,096	\$ 369,451	\$ 5,976,547	\$ 4,572,596	\$ 432,801	\$ 5,005,397
Grants and allocations payable (note 8)	2,209,660	-	2,209,660	2,209,660	-	2,209,660
Due to other charitable entities (note 9)	1,014,273	1,507,209	2,521,482	538,944	1,993,106	2,532,050
Deferred revenue (note 10)	3,325,216	-	3,325,216	3,182,924	-	3,182,924
	12,156,245	1,876,660	14,032,905	10,504,124	2,425,907	12,930,031
Net assets (deficiency):						
Externally restricted	-	70,681,362	70,681,362	-	65,168,156	65,168,156
Board designated	3,638,368	-	3,638,368	2,921,498	-	2,921,498
Unrestricted	(454,423)	5,212,329	4,757,906	1,511,209	5,273,464	6,784,673
	3,183,945	75,893,691	79,077,636	4,432,707	70,441,620	74,874,327
	\$ 15,340,190	\$ 77,770,351	\$ 93,110,541	\$ 14,936,831	\$ 72,867,527	\$ 87,804,358

See accompanying notes to financial statements.

Approved on behalf of the Board:



Candace Kwinter, Board Chair Director



Rick Kohn, Treasurer Director

JEWISH FEDERATION OF GREATER VANCOUVER

Statement of Operations

Year ended March 31, 2022, with comparative information for 2021

	2022			2021		
	General Fund	Foundation Fund	Total	General Fund	Foundation Fund	Total
Revenues (note 12):						
Pledges:						
Annual Campaign	\$ 7,833,054	\$ -	\$ 7,833,054	\$ 7,770,669	\$ -	\$ 7,770,669
Annual Campaign Plus	907,066	-	907,066	799,979	-	799,979
	8,740,120	-	8,740,120	8,570,648	-	8,570,648
Miscellaneous donations, grants and other income (note 11)	4,985,996	395,454	5,381,450	3,690,739	1,599,686	5,290,425
Contributions	-	5,763,464	5,763,464	-	2,861,296	2,861,296
	13,726,116	6,158,918	19,885,034	12,261,387	4,460,982	16,722,369
Investment income, net (note 13)	64,630	3,549,726	3,614,356	47,620	13,515,804	13,563,424
Expenditures:						
Operating	1,099,889	254,319	1,354,208	684,566	292,563	977,129
Fundraising	1,982,036	381,478	2,363,514	1,605,092	438,848	2,043,940
	3,081,925	635,797	3,717,722	2,289,658	731,411	3,021,069
Excess of revenues over expenditures before grants and allocations	10,708,821	9,072,847	19,781,668	10,019,349	17,245,375	27,264,724
Grants and allocations	12,530,264	2,816,399	15,346,663	7,911,099	4,189,500	12,100,599
Jewish Community Hub costs (note 14)	231,696	-	231,696	-	-	-
Excess (deficiency) of revenues over expenses	\$ (2,053,139)	\$ 6,256,448	\$ 4,203,309	\$ 2,108,250	\$ 13,055,875	\$ 15,164,125

See accompanying notes to financial statements.

JEWISH FEDERATION OF GREATER VANCOUVER

Statement of Changes in Net Assets (Deficiency)

Year ended March 31, 2022, with comparative information for 2021

	General Fund				
	Unrestricted	Board Designated Fund	General Fund Total	Foundation Fund	Total
Net assets (deficiency), March 31, 2020	\$ (1,179,087)	\$ 2,920,294	\$ 1,741,207	\$ 57,968,995	\$ 59,710,202
Excess of revenues over expenses	2,108,250	-	2,108,250	13,055,875	15,164,125
Interfund transfers (note 5)	582,046	1,204	583,250	(583,250)	-
Net assets (deficiency), March 31, 2021	1,511,209	2,921,498	4,432,707	70,441,620	74,874,327
Excess (deficiency) of revenues over expenses	(2,515,009)	461,870	(2,053,139)	6,256,448	4,203,309
Interfund transfers (note 5)	549,377	255,000	804,377	(804,377)	-
Net assets (deficiency), March 31, 2022	\$ (454,423)	\$ 3,638,368	\$ 3,183,945	\$ 75,893,691	\$ 79,077,636

See accompanying notes to financial statements.

JEWISH FEDERATION OF GREATER VANCOUVER

Statement of Cash Flows

Year ended March 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used) in:		
Operating activities:		
Excess of revenues over expenses	\$ 4,203,309	\$ 15,164,125
Adjustments for items not affecting cash:		
Amortization	65,847	52,062
Realized loss (gain) on investments	(347,927)	204,972
Change in unrealized gains and losses on investments	654,936	(10,893,604)
	4,576,165	4,527,555
Changes in non-cash operating working capital:		
Pledges receivable	1,770,299	(1,474,038)
Other receivables	647,971	(137,561)
Prepaid expenses	528	111,179
Payables and accruals	971,150	204,356
Grants and allocations payable	-	(544,063)
Due to other charitable entities	(10,568)	647,904
Deferred revenue	142,292	1,968,246
Net cash provided by operating activities	8,097,837	5,303,578
Investing activities:		
Purchase of investments	(10,109,593)	(9,412,260)
Proceeds on sale of investments	5,230,383	9,893,418
Purchase of State of Israel bonds	-	(165,000)
Proceeds on redemption of State of Israel bonds	-	224,931
Purchase of tangible capital assets	(13,351)	(62,232)
Net cash provided by (used in) investing activities	(4,892,561)	478,857
Increase in cash	3,205,276	5,782,435
Cash, beginning of year	12,684,952	6,902,517
Cash, end of year	\$ 15,890,228	\$ 12,684,952

See accompanying notes to financial statements.

JEWISH FEDERATION OF GREATER VANCOUVER

Notes to Financial Statements

Year ended March 31, 2022

The Jewish Federation of Greater Vancouver (the “Federation”) was incorporated under the laws of British Columbia and is a registered charity under the *Income Tax Act*, and as such, is exempt from income taxes. The Federation’s purpose is to serve as a primary source of funding for organizations, programs and services that have objectives specifically relevant to the Jewish community.

1. Significant accounting policies:

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

(a) Fund accounting:

To ensure observance of the limitations and restrictions placed on the use of resources available, these financial statements are prepared in accordance with fund accounting principles. These financial statements include the undernoted funds, which are segregated for purposes of carrying on specific activities:

- (i) The General Fund accounts for the Federation's general fundraising, program delivery, granting and administrative activities. This fund reports unrestricted net assets and restricted assets in the Board Designated Fund. The Board Designated Fund relates to the part of the General Fund that the Board has restricted for the use of its programs and also for the future and long-term stability of the Federation in meeting emergencies and supporting Jewish agencies in times of crisis. Board Designated Funds include both unrestricted funds that have been transferred by the Board and externally restricted contributions.
- (ii) The Jewish Community Foundation of Greater Vancouver Fund (the “Foundation Fund”) reports externally restricted net assets and unrestricted investment income, which are used to meet the long-term needs of the Jewish community. In general, investment income earned on resources of the Foundation Fund is available for distribution, depending on the nature of any restrictions imposed by contributors of these funds. Income from these funds is distributed through the grant program of the Foundation Fund in response to the emerging and changing needs of the community. Grants are awarded each year through a rigorous adjudication process administered by a standing committee of the Governors.

(b) Revenue recognition:

The Federation follows the restricted fund method of accounting for contributions. Contributions include annual campaign revenue, donations, grants and contributions.

Contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and ultimate collection is reasonably assured. Amounts receivable are recorded as pledges receivable.

JEWISH FEDERATION OF GREATER VANCOUVER

Notes to Financial Statements

Year ended March 31, 2022

1. Significant accounting policies (continued):

(b) Revenue recognition (continued):

Unrestricted contributions are recognized in the General Fund. If an appropriate restricted fund exists, externally restricted contributions are recognized as revenue in that restricted fund (Board Designated Fund or Foundation Fund) in the period the amounts are received or receivable, provided collection is reasonably assured. If an appropriate restricted fund does not exist, the externally restricted contributions for future expenses and specific purposes are recorded as deferred revenue in the unrestricted fund and recognized as revenue in the period the related expense is incurred or the restrictions are met.

Campaign revenue is recognized on a campaign year basis. Revenue recognized for the year ended March 31, 2022 refer to the 2021 campaign year. Pledges received for future campaign years are deferred and recognized as revenue in the campaign years to which the pledges relate.

Annual Campaign contributions can be unrestricted or externally restricted. Annual Campaign Plus and Supplemental contributions typically include an externally restricted portion.

The Federation also receives contributions that are not related to the Annual Campaign. These are classified as Miscellaneous donations and grants. As ultimate collectability on pledges outside of the Annual Campaign is typically not reasonably assured, these contributions are recognized as revenue when cash is received.

The Foundation Fund receives contributions in the form of cash contributions, assignments of life insurance policies and legacy bequests. The Foundation Fund records and recognizes contributions on a cash basis; the Foundation Fund does not record pledges receivable as ultimate collection of pledges to the Foundation Fund is not reasonably assured.

Gifts of stock contributions are sold immediately for cash upon receipt and are recorded as revenue based on the net cash proceeds received from the Federation's designated stockbroker.

Investment income consists of realized gains (losses) and change in unrealized gains and losses, interest income and dividends. Realized gains and losses on the sale of investments are recognized in the period in which the related investments are sold. Unrealized gains and losses in the value of investments represent the change in the fair value of the investments. Interest income is recognized on an effective interest rate basis determined by the amount invested and the applicable interest rate. Dividends are recognized when the right to receive payment is established.

(c) Cash:

Cash includes balances held at Canadian financial institutions for the purpose of meeting short-term cash commitments.

JEWISH FEDERATION OF GREATER VANCOUVER

Notes to Financial Statements

Year ended March 31, 2022

1. Significant accounting policies (continued):

(d) Grants and allocations:

Grants and allocations are recorded as an expense when the Federation Board approves the grants and allocations for disbursement or when we have been invoiced for such grants and allocations as part of our commitment to support the Jewish community.

(e) Other receivable:

(i) The Federation records under other receivables the realizable amount of the life insurance policy in excess of the cash surrender value but not exceeding the face value of the policy when the receipt of the proceeds can be estimated and collection is reasonably assured. Otherwise, the policy is measured at its cash surrender value.

(ii) As a registered charity, the Federation is allowed to claim 50% goods and service tax ("GST") rebate instead of the regular GST input tax credit. The Federation classifies and records 50% of all GST paid as a rebate receivable from the government under other receivables.

(f) Deferred revenue:

Donations received by the Federation where donors have not provided guidance of the intent of the donation are considered externally restricted and are recorded as deferred revenue until guidance is received from the donor. Donations meant for future campaign years as instructed by the donor are also recorded as deferred revenue.

(g) Tangible capital assets:

Tangible capital assets are carried at cost less accumulated amortization. When an asset no longer contributes to the Federation's ability to provide services, or the value of future economic benefits or service potential associated with the asset is less than its net carrying amount, the excess of its carrying amount over its fair value or replacement cost will be recognized as an expense in the statement of operations. Amortization is provided for annually on a straight-line basis and rates, as follows:

Asset	Rate
Database software	15 years
Computer equipment	3 years
Office equipment	5 years
Computer software	3 years
Leasehold improvements	5 years

(h) Contributed services and materials:

A substantial number of volunteers contribute a significant amount of their time to the Federation each year. Because of the difficulty in determining their fair value, these contributed services are not recognized in the financial statements.

JEWISH FEDERATION OF GREATER VANCOUVER

Notes to Financial Statements

Year ended March 31, 2022

1. Significant accounting policies (continued):

(h) Contributed services and materials (continued):

Contributed materials which are used in the normal course of the Federation's operations and would otherwise have been purchased are recorded at their fair value, at the date of contribution, if fair value can be reasonably estimated.

(i) Financial instruments:

(i) Measurement of financial instruments:

The Federation measures its financial assets and financial liabilities at fair value at the acquisition date. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Federation carries its pooled investments at fair value with changes in fair values recognized in excess (deficiency) of revenues over expenses.

Transaction costs related to the acquisition of financial instruments subsequently measured at fair value are recognized in excess (deficiency) of revenues over expenses 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.

(ii) Impairment:

Financial assets measured at cost or amortized cost are assessed for indications of impairment at the end of each reporting period if there are indicators of impairment. If there is an indicator of impairment, the Federation 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 future cash flows, the amount that could be realized from selling the financial asset or the amount that could be realized by exercising its right to any collateral. If the 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.

(j) Use of estimates:

The preparation of the financial statements 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, expenditures, grants and allocations during the year. Items subject to such estimates and assumptions include the carrying amount of tangible capital assets, pledges receivable and other receivables. Actual results could differ from those estimates.

JEWISH FEDERATION OF GREATER VANCOUVER

Notes to Financial Statements

Year ended March 31, 2022

2. Investments, at fair value:

The Foundation invests in pooled funds in accordance with the Statement of Investment Policy which is approved by the Governors of the Foundation Fund and the Board of Directors of the Federation. As at March 31, 2022, the invested portfolio had a fair value of \$73,784,660 (2021 - \$69,212,459), cost of \$74,424,381 (2021 - \$69,433,781), and unrealized loss of \$639,721 (2021 - \$221,322).

Investments as at year-end are comprised of the following:

	2022		2021	
Canadian equity pool	\$ 8,094,637	10.97%	\$ 8,321,518	12.02%
Canadian fixed income	26,059,981	35.32%	24,298,075	35.11%
Money market pool	-	0.00%	1,388,755	2.01%
Investments denominated in Canadian dollars	\$ 34,154,618	46.29%	\$ 34,008,348	49.14%
Global equity pool	\$ 25,609,138	34.71%	\$ 23,455,474	33.89%
Global real estate pool	5,500,542	7.45%	4,105,571	5.93%
Global infrastructure pool	5,545,704	7.52%	4,166,266	6.02%
Global credit pool	2,974,658	4.03%	3,476,800	5.02%
Investments denominated in US dollars	\$ 39,630,042	53.71%	\$ 35,204,111	50.86%
Total investments	\$ 73,784,660	100.00%	\$ 69,212,459	100.00%

JEWISH FEDERATION OF GREATER VANCOUVER

Notes to Financial Statements

Year ended March 31, 2022

3. Pledges receivable:

Pledges receivable includes pledges for unrestricted and restricted purposes. Restricted pledges are for the Annual Campaign Plus, through which donors may direct 75% of their first-time gift or of the increase over the prior year's gift to a specific agency or program. The unrestricted and restricted pledges receivable as at year-end are as follows:

	2022	2021
Unrestricted pledges receivable by campaign year:		
Current and future years	\$ 1,287,966	\$ 2,857,995
Prior years	749,616	669,160
	2,037,582	3,527,155
Restricted pledges receivable by campaign year:		
Annual Campaign Plus - current and future years	231,218	565,127
Annual Campaign Plus - prior years	69,916	79,197
	301,134	644,324
	2,338,716	4,171,479
Less: allowance for uncollectible pledges	(430,244)	(492,708)
Total pledges receivable	\$ 1,908,472	\$ 3,678,771

4. Other receivables:

	2022	2021
General Fund:		
GST rebate	\$ 15,917	\$ -
Donations	-	602,010
Other	100,719	161,518
Total General Fund	\$ 116,636	\$ 763,528
Foundation Fund:		
GST rebate	\$ 8,036	\$ 8,486
Assigned life insurance policies	586,954	586,954
Promissory note	256,138	256,138
Other	18,939	19,568
	870,067	871,146
Less: allowance	(256,138)	(256,138)
Total Foundation Fund	\$ 613,929	\$ 615,008
Total other receivables	\$ 730,565	\$ 1,378,536

JEWISH FEDERATION OF GREATER VANCOUVER

Notes to Financial Statements

Year ended March 31, 2022

5. Interfund advances and transfers:

Interfund advances include \$804,377 (2021 - \$583,250) transferred from the Foundation Fund to the General Fund for Federation pledges. Interfund advances are non-interest bearing and without specific terms of repayment.

6. Tangible capital assets:

	Cost	Accumulated amortization	2022 total	2021 total
Database software	\$ 395,633	\$ 143,506	\$ 252,127	\$ 278,503
Computer equipment	209,843	166,600	43,243	66,398
Office equipment	100,318	85,648	14,670	17,269
Computer software	11,686	11,319	367	733
Leasehold improvements	101,701	101,701	-	-
	\$ 819,181	\$ 508,774	\$ 310,407	\$ 362,903

7. Payables and accruals:

	General Fund	Foundation Fund	2022	2021
Accounts payable (a)	\$ 4,795,459	\$ -	\$ 4,795,459	\$ 3,357,293
Accrued liabilities (b)	669,142	369,451	1,038,593	1,484,282
Vacation payable and others	142,495	-	142,495	163,822
	\$ 5,607,096	\$ 369,451	\$ 5,976,547	\$ 5,005,397

(a) Accounts payable include \$4,508,599 (2021 - \$3,184,505) of outstanding invoices due to the Jewish Federations of Canada - UIA ("UIA"). This amount relates to restricted donor funded charitable projects performed on behalf of the Federation by UIA.

(b) Accrued liabilities include government remittances payable of \$8,573 (2021 - nil) relating to amounts payable for payroll related taxes.

8. Grants and allocations payable:

	2022	2021
Payable to Jewish Federation of Canada - UIA (a)	\$ 989,580	\$ 989,580
Payable to local Jewish agencies (b)	1,220,080	1,220,080
	\$ 2,209,660	\$ 2,209,660

JEWISH FEDERATION OF GREATER VANCOUVER

Notes to Financial Statements

Year ended March 31, 2022

8. Grants and allocations payable (continued):

- (a) Relates to annual fair share commitments payable Jewish Federations of Canada - UIA and her sister agencies, including American Jewish Joint Distribution Committee (JDC), Centre for Israel and Jewish Affairs (CIJA), and Jewish Agency for Israel (JAFI).
- (b) Relates to grants payable to local Jewish agencies from the proceeds of unrestricted Annual Campaign donations.

9. Due to other charitable entities:

Due to other charitable entities represents funds that are specifically designated by donors to be forwarded to third-party tax-exempt organizations.

10. Deferred revenue:

	2022	2021
Deferred revenue, beginning of year	\$ 3,182,924	\$ 1,214,678
Amounts received during the year	3,955,806	4,698,766
Amounts recognized as revenue in the year	(3,813,514)	(2,730,520)
Deferred revenue, end of year	\$ 3,325,216	\$ 3,182,924

11. Miscellaneous donations, grants and other income:

	2022	2021
Miscellaneous donations (a)	\$ 4,534,998	\$ 3,158,709
Flow-through donations	395,454	1,599,686
Event and other income	443,396	494,125
Grant income	7,602	37,905
	\$ 5,381,450	\$ 5,290,425

- (a) Miscellaneous donations consist primarily of supplemental, incremental and donor advised type of donations designated for specific purposes.

JEWISH FEDERATION OF GREATER VANCOUVER

Notes to Financial Statements

Year ended March 31, 2022

12. Contributions by major source:

Revenue includes contributions and donations by major source as follows.

	Annual Campaign	Annual Campaign Plus	Miscellaneous donations	Foundation contributions	2022 Total	2021 Total
Corporations	\$ 239,205	\$ 1,685	\$ 651,251	\$ 1,413,000	\$ 2,305,141	\$ 1,864,554
Foundations	101,445	110,957	2,901,503	1,195,712	4,309,617	3,543,514
Individuals	7,492,404	794,424	953,331	3,304,150	12,544,309	10,560,386
Other not-for-profit organizations	-	-	28,914	246,056	274,970	221,885
	\$ 7,833,054	\$ 907,066	\$ 4,534,999	\$ 6,158,918	\$19,434,037	\$16,190,339

13. Investment income:

	General Fund	Foundation Fund	2022	2021
Interest income	\$ 64,630	\$ 22,499	\$ 87,129	\$ 69,764
Distribution income	-	4,217,099	4,217,099	3,177,640
Realized gain (loss) on sale of investments	-	347,927	347,927	(204,972)
Change in unrealized loss in value of investments	-	(654,936)	(654,936)	10,893,604
	64,630	3,932,589	3,997,219	13,936,036
Less portfolio management fees	-	(382,863)	(382,863)	(372,612)
	\$ 64,630	\$ 3,549,726	\$ 3,614,356	\$ 13,563,424

14. Jewish Community Hub costs:

The Federation entered into a partnership with the Jewish Community Centre ("JCC") and King David High School ("KDHS") under a memorandum of understanding ("MOU") in 2021 for the construction and development of a Jewish Community Hub by redeveloping the existing JCC property to accommodate a new JCC building, a new KDHS building, accommodate other Jewish agencies and construct a residential hub. The existing MOU requires each partner to assume its own development cost at the initial stage regarding the project. The project will be funded through individual and corporate contributions as well as government subsidies.

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15. Financial risks:

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

It is management's opinion that the Federation is not exposed to significant liquidity risk arising from these financial instruments and there were no changes to this risk evaluation from fiscal 2021.

The Federation has available a revolving demand facility of up to \$250,000 which bears interest at bank prime per annum. The facility is secured by a general security agreement. No amounts were outstanding under this facility as at March 31, 2022.

The following is a summary of the significant financial instrument risks:

(a) 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 Federation is exposed to credit risk in respect of its pooled investments, pledges receivable and other receivables. The Federation has a concentration of credit risk as all pooled investments are held by one investment firm and custodian. The Federation assesses, on a continuous basis, pledges receivable and other receivables and provides for any amounts that are assessed as not collectible.

(b) 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.

(i) 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 Federation receives donations in foreign currency and also pays for services rendered to the Federation in foreign currency; consequently, certain of its financial instruments are exposed to foreign currency fluctuations. As at March 31, 2022, investments are comprised of 53.71% (2021 - 50.86%) of investments denominated in US dollars.

(ii) Interest 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. The fair values of fixed rate financial instruments are subject to change, since fair values fluctuate inversely with changes in market interest rates. The cash flows related to floating rate financial instruments change as market interest rates change. The Federation is exposed to interest rate risk in respect of its pooled investments which bear interest at fixed and variable rates, and the State of Israel bonds, which bear interest at fixed rates.

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15. Financial risks (continued):

(b) Market risk (continued):

(iii) 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 Federation is exposed to other price risk in respect of its pooled investments.

There have been no changes to these risks from the prior year.

16. Remuneration of directors, employees and contractors:

In accordance with the Societies Act (British Columbia), the Federation is required to disclose the remuneration paid to directors during the year and the remuneration paid to the top 10 employees and contractors for service whose remuneration during the year was at least \$75,000. Included in expenditures is a total of \$1,415,597 paid to 10 employees (2021 - \$1,447,359 paid to 10 employees). No remuneration was paid to directors in the years ended March 31, 2022 and 2021.

17. Comparative information:

Certain comparative information has been reclassified to conform to this year's financial statement presentation. These reclassifications do not impact the excess of revenue over expenses reported in the prior year.