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# Financial statements of London Community Foundation

December 31, 2018

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## Independent Auditor's Report

To the Board of Directors of  
London Community Foundation

### Opinion

We have audited the financial statements of London Community Foundation (the "Organization"), which comprise the statement of financial position as at December 31, 2018, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2018, and the results of its 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 ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization 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 audit opinion.

### Responsibilities of Management 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.

### 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 auditor's 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 GAAS 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 these financial statements.

As part of an audit in accordance with Canadian GAAS, 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

We 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.

Deloitte LLP

Chartered Professional Accountants  
Licensed Public Accountants  
March 29, 2019

**London Community Foundation**  
**Statement of operations and changes in fund balances**  
Year ended December 31, 2018

	2018	Total	2018	General	2018	Restricted	2018	Endowment
	\$	2017	\$	Fund	\$	Fund	\$	Fund
Notes		\$		2017		2017		2017
				\$		\$		\$
<b>Revenue</b>								
Donations	<b>8,938,280</b>	3,964,181	<b>172,025</b>	167,215	<b>1,177,728</b>	2,331,298	<b>7,588,527</b>	1,465,668
Investment income, net	<b>(1,454,731)</b>	6,876,066	<b>(368,912)</b>	2,049,232	<b>(1,085,819)</b>	4,826,834	<b>—</b>	—
	<b>7,483,549</b>	10,840,247	<b>(196,887)</b>	2,216,447	<b>91,909</b>	7,158,132	<b>7,588,527</b>	1,465,668
<b>Expenses</b>								
Administrative and other expenses, net (Schedule A)	<b>1,215,834</b>	1,066,825	<b>541,079</b>	441,854	<b>674,755</b>	624,971	<b>—</b>	—
<b>Grants and distributions</b>								
Arts, culture and heritage	<b>528,882</b>	651,900	<b>83,255</b>	57,550	<b>445,627</b>	594,350	<b>—</b>	—
Education	<b>106,175</b>	189,252	<b>14,050</b>	37,736	<b>92,125</b>	151,516	<b>—</b>	—
Environment	<b>305,831</b>	211,623	<b>42,098</b>	7,321	<b>263,733</b>	204,302	<b>—</b>	—
Health	<b>929,278</b>	514,361	<b>542,292</b>	100,855	<b>386,986</b>	413,506	<b>—</b>	—
Recreation	<b>88,324</b>	50,831	<b>2,838</b>	8,594	<b>85,486</b>	42,237	<b>—</b>	—
Community services	<b>1,562,580</b>	3,033,548	<b>808,880</b>	435,665	<b>753,700</b>	2,597,883	<b>—</b>	—
	<b>3,521,070</b>	4,651,515	<b>1,493,413</b>	647,721	<b>2,027,657</b>	4,003,794	<b>—</b>	—
Excess of revenue over expenses, grants and distributions/(Expenses, grants and distributions over revenue)	<b>2,746,645</b>	5,121,907	<b>(2,231,379)</b>	1,126,872	<b>(2,610,503)</b>	2,529,367	<b>7,588,527</b>	1,465,668
Interfund transfers	<b>—</b>	—	<b>10,959</b>	337,585	<b>(381,102)</b>	(469,759)	<b>370,143</b>	132,174
Fund balances, beginning of year	<b>71,978,842</b>	66,856,935	<b>4,300,937</b>	2,836,480	<b>12,364,118</b>	10,304,510	<b>55,313,787</b>	53,715,945
<b>Fund balances, end of year</b>	<b>74,725,487</b>	71,978,842	<b>2,080,517</b>	4,300,937	<b>9,372,513</b>	12,364,118	<b>63,272,457</b>	55,313,787

The accompanying notes are an integral part of the financial statements.

# London Community Foundation

## Statement of financial position

As at December 31, 2018

		<b>2018</b>	2017
	Notes	<b>\$</b>	\$
<b>Assets</b>			
Cash		<b>9,906,413</b>	2,594,179
Amounts receivable		<b>44,366</b>	48,424
Loan receivable	3	<b>1,250,000</b>	2,700,000
Investments	4	<b>74,200,080</b>	76,003,798
Prepaid expenses		<b>29,059</b>	10,239
Capital assets	5	<b>271,607</b>	322,298
Cash surrender value - life insurance		<b>339,171</b>	288,679
		<b>86,040,696</b>	81,967,617
<b>Liabilities</b>			
Accounts payable and accrued liabilities		<b>114,257</b>	125,612
Grants payable		<b>—</b>	35,833
Government remittances payable		<b>7,070</b>	5,554
Deferred capital contributions	8	<b>131,322</b>	150,951
Funds held on behalf of other parties	9	<b>11,062,560</b>	9,670,825
		<b>11,315,209</b>	9,988,775
<b>Fund balances</b>			
General Fund		<b>2,080,517</b>	4,300,937
Restricted Fund		<b>9,372,513</b>	12,364,118
Endowment Fund		<b>63,272,457</b>	55,313,787
		<b>74,725,487</b>	71,978,842
		<b>86,040,696</b>	81,967,617

The accompanying notes are an integral part of the financial statements.

Approved by the Board

\_\_\_\_\_ Director

\_\_\_\_\_ Director

## London Community Foundation

### Statement of cash flows

Year ended December 31, 2018

	2018	2017
	\$	\$
<b>Operating activities</b>		
Excess of revenue over expenses, grants and distributions		
General Fund	<b>(2,231,379)</b>	1,126,872
Restricted Fund	<b>(2,610,503)</b>	2,529,367
Add items not requiring a current cash outlay		
Unrealized and realized gains on investments	<b>4,420,619</b>	(2,696,111)
Amortization of capital assets	<b>54,700</b>	55,255
Changes in non-cash working capital		
Amounts receivable	<b>4,058</b>	(15,613)
Loan receivable	<b>1,450,000</b>	(1,700,000)
Prepaid expenses	<b>(18,820)</b>	(1,941)
Accounts payable and accrued liabilities	<b>(9,840)</b>	12,199
Grants Payable	<b>(35,833)</b>	35,833
Deferred capital contributions	<b>(19,629)</b>	(19,670)
	<b>1,003,373</b>	(673,809)
<b>Investing activities</b>		
Purchase of capital assets	<b>(4,010)</b>	(8,942)
Increase in cash surrender value - life insurance	<b>(50,492)</b>	(39,910)
Funds held on behalf of other parties	<b>1,391,735</b>	4,933,877
Proceeds on sale of investments	<b>4,724,870</b>	362,012
Purchase of investments	<b>(7,341,769)</b>	(5,132,608)
	<b>(1,279,666)</b>	114,429
<b>Financing activity</b>		
Endowment contributions	<b>7,588,527</b>	1,465,668
Net change in cash and cash equivalents	<b>7,312,234</b>	906,288
Cash and cash equivalents, beginning of year	<b>2,594,179</b>	1,687,891
<b>Cash and cash equivalents, end of year</b>	<b>9,906,413</b>	2,594,179

The accompanying notes are an integral part of the financial statements.

## **1. Nature of the Foundation**

London Community Foundation (the "Foundation") and its donors strengthen our community by making grants, building and managing a permanent endowment, and serving our community as a resource and partner.

The Foundation is a registered charity and is classified as a public foundation under Section 149.1(1) of the Income Tax Act (Canada) (the "Act"). As such, it is exempt from income taxes and able to issue donation receipts for income tax purposes. In order to maintain its status as a public foundation registered under the Act, the Foundation must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

## **2. Summary of significant accounting policies**

The financial statements of the Foundation have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include certain estimates based on management's judgments. These estimates 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.

In the opinion of management, the financial statements have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

### *Fund accounting*

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are maintained in accordance with the principles of "fund accounting". Under these principles, resources are classified for accounting and reporting purposes into funds that are in accordance with specified activities or objectives. The Foundation uses three fund groups: General Fund, Restricted Fund and Endowment Fund.

The General Fund accounts for the Foundation's administrative and operational revenues and expenses. Net expenditures of the General Fund are financed primarily by donor contributions directed to general operations, from investment income earned on the endowment contributions on which the donor has placed no restriction on the use of that income and from an interfund administrative charge. The distribution of income for granting purposes is determined by the Board of Directors each year according to the most pressing needs of the community.

The Restricted Fund reports amounts, including investment income on restricted endowed funds, that are available to be used for purposes specified by donors and contributions that do not form part of the Endowment Fund. Donors may specify the charitable organization(s) to receive the grants or may identify the particular area of interest to be supported.

The Endowment Fund reports amounts that are required to be maintained by the Foundation on a permanent basis. The Board of Directors, at its discretion, may include investment income equal to the amount determined to preserve the purchasing power of the endowed capital.

### *Capital assets*

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. The related contribution is deferred and amortized to income of the General Fund on the same basis as the related capital assets are amortized.

## **2. Summary of significant accounting policies (continued)**

### *Capital assets (continued)*

Amortization is provided on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold improvements	10 year lease term
Office furniture and equipment	5 years
Computer hardware	5 years

### *Financial instruments*

Financial assets and financial liabilities are initially recognized at fair value when the Foundation becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost except for investments in pooled funds and short-term securities, which are measured at fair value.

Interest earned on short term securities, unrealized gains and losses on pooled funds, and realized gains and losses on sale of pooled funds are included in investment income in the statement of operations and changes in fund balances.

Transaction costs related to financial instruments measured subsequent to initial recognition at fair value are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the effective interest method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the effective interest method and recognized in net earnings as interest income or expense.

With respect to financial assets measured at cost or amortized cost, the Foundation recognizes in net earnings an impairment loss, if any, when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to net earnings in the period the reversal occurs.

### *Revenue recognition*

The Foundation follows the restricted fund method of accounting for contributions. All donations and bequests are recorded as revenue only as received, or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured, except where amounts are received for a specific community leadership project. In these cases, contributions are deferred and record as revenue when the related expenses are incurred. Life insurance policies that have named the Foundation as owner/beneficiary are recorded at the cash surrender value of the policy. The increase in cash surrender value from year to year is recorded as a donation to the Endowment Fund.

Investment income includes interest, dividends, and realized and unrealized gains (losses).

### *Contributed services*

Volunteers contribute many hours per year to assist the Foundation in carrying out its fundraising and granting activities. Because of the difficulty in determining fair value, contributed services are not recognized in the financial statements.

## **2. Summary of significant accounting policies (continued)**

### *Contributions*

Throughout the year, the Foundation receives in-kind contributions relating to life insurance policies for which the Foundation is the beneficiary. When donors pay insurance premiums on the policies, they are recognized as contributions to life insurance premiums and other donations. These contributions are then offset against other non-operational expenditures in the financial statements.

### *Investment management fees*

The Foundation presents investment management fees netted against investment income on the Statement of operations and changes in fund balances. Investment manager fees amounted to \$315,429 (\$302,461 in 2017).

## **3. Loan receivable**

The loan receivable relates to the London Community Foundation, Social Impact fund (previously known as Social Loan Fund) program, a social investment program that turns donations into capital loans for community and non-profit groups. With access to funding that they typically couldn't get from a bank, groups can further their mission more efficiently and effectively. Currently the Social Impact Fund's two main priorities are the development of safe and affordable housing in the London community and the investment and promotion of local social enterprises. The Social impact fund is a social investment that contributes to building a resilient community.

The Foundation has set aside approximately four million (up to a maximum 15% unrestricted assets) for the purpose of providing the micro loans that will support this program and entered into an agreement with the Libro Credit Union for the purpose of supporting and administrating the access to the loans.

As of December 31, 2018 the Foundation had outstanding \$1,250,000 (\$2,700,000 at 2017) of financing through loans to support the creation of affordable housing within the city and social enterprise initiatives.

**3. Loan receivable (continued)**

The loans have the following terms:

	<b>2018</b>	2017
	\$	\$
Loan receivable, bearing interest at 4%, interest only payments of \$1,667 per month until balance is due in April 2019, secured by a mortgage registered against the title to the property	<b>500,000</b>	500,000
Loan receivable, bearing interest at 3%, interest only payments of \$1,250 per month until balance is due in November 2019, secured by a mortgage registered against the title to the property	<b>500,000</b>	500,000
Loan receivable, bearing interest at 4.5%, interest only payments of \$9,375 per month until balance is due in September 2018, secured by a mortgage registered against the title to the property	—	1,700,000
Loan receivable, matured	—	—
Loan receivable, bearing interest at the RBC prime lending rate plus 0.5% (effective rate 4.5%), interest only payments with balance(s) due in December 2019 and December 2020, secured by a guarantee provided by the Michael Young Foundation	<b>250,000</b>	—
	<b>1,250,000</b>	2,700,000

**4. Investments**

The combined market values of the investments are summarized below:

	<b>2018</b>	2017
	\$	\$
Pooled fund		
Short-term investments	<b>646,755</b>	696,151
Bonds	<b>22,941,006</b>	18,101,035
Canadian equities	<b>17,176,313</b>	19,803,813
Foreign equities	<b>33,436,006</b>	37,402,799
	<b>74,200,080</b>	76,003,798

**4. Investments (continued)**

The investment portfolios generated a total return of -1.9% (11.5% in 2017)

On May 3rd, 2018 the Foundation sold investments from its Canadian and Foreign equities. These investments were sold for proceeds of \$4,474,728 with a realized gain of \$310,039. The Foundation used the proceeds on the same date to purchase bonds. This was in accordance with the Foundation Investment policy statement rebalancing protocol for asset allocation.

On October 6, 2017 the Foundation sold off its Foyston, Gordon & Payne Inc. Small Cap Equity investments. These investments were sold for proceeds of \$1,501,757 with a realized gain of \$209,753. The Foundation used the proceeds on that same date to purchase Canadian equities funds also held with Foyston, Gordon and Payne Inc.

Also on that same date, October 6, 2017 the Foundation sold off its RBC Jantzi Canadian Equity investments held on behalf of the Oxford Community Foundation. These investments were sold for proceeds of \$133,800, with the realized gain recognized by Oxford Community Foundation. The Oxford Community Foundation used the proceeds to reinvest in the LCF Pooled Fund.

The Foundation is subject to market risk, foreign currency risk, and interest rate risk with respect to its investment portfolio. To manage these risks, the Foundation has established a target mix of investment types designed to achieve the optimal return within reasonable risk tolerances. The Foundation at its discretion may also use hedged products to manage the currency risk.

**5. Capital assets**

	<b>Cost</b>	<b>Accumulated amortization</b>	<b>2018 Net book value</b>	2017 Net book value
	\$	\$	\$	\$
Leasehold improvements	<b>459,573</b>	<b>223,922</b>	<b>235,651</b>	268,836
Office furniture and equipment	<b>148,844</b>	<b>127,221</b>	<b>21,623</b>	36,324
Computer hardware	<b>91,698</b>	<b>77,365</b>	<b>14,333</b>	17,138
	<b>700,115</b>	<b>428,508</b>	<b>271,607</b>	322,298

**6. Interfund transfers**

Interfund transfers include an amount determined by the Board of Directors to reflect the real change in value of the permanent capital of the Foundation. The Foundation's Board of Directors maintains a capital preservation policy, the aim of which is to provide as much financial support to the community as possible without jeopardizing the long-term purchasing power of the endowed funds. Every year, the Foundation determines an appropriate amount to capitalize at the end of each fiscal year with consideration given to the change in the Consumer Price Index, the amount capitalized in previous years and current and expected investment returns. For the year ended December 31, 2018, the Board of Directors capitalized \$nil funds (\$nil in 2017).

	<b>General Fund \$</b>	<b>Restricted Fund \$</b>	<b>2018 Endowment Fund \$</b>
Net capital gains (losses) allocation (a)	—	<b>75,934</b>	<b>(75,934)</b>
Donor-directed transfers (b)	<b>6,057</b>	<b>(451,019)</b>	<b>444,962</b>
Donor-directed internal grants (c)	<b>4,902</b>	<b>(6,017)</b>	<b>1,115</b>
	<b>10,959</b>	<b>(381,102)</b>	<b>370,143</b>

  

	General Fund \$	Restricted Fund \$	2017 Endowment Fund \$
Net capital gains (losses) allocation (a)	—	(56,353)	56,353
Donor-directed transfers (b)	340,295	(340,295)	—
Donor-directed internal grants (c)	(2,710)	(73,111)	75,821
	<b>337,585</b>	<b>(469,759)</b>	<b>132,174</b>

*(a) Net capital gains (losses) allocation*

During 2018, the Foundation allocated \$75,934 of unrealized capital losses (\$56,353 of unrealized capital gains in 2017) to certain Endowment Funds from the Restricted Fund as stipulated by its contracts with the respective charities. These contracts direct the Foundation to allocate unrealized gains (losses) to the Endowment Fund. However, the allocation of such losses is limited to the amount of previously allocated gains.

*(b) Donor-directed transfers*

In 2018, twenty two donors (twenty six in 2017) initiated a fund transfer. The donors requested that balances in their Restricted Fund be transferred to the Foundation's General and Endowment Funds.

*(c) Donor-directed internal grants*

In 2018, four (eighteen in 2017) donors requested that a portion of the expendable funds from the donor's restricted fund be transferred to the Endowment Fund and/or General Fund. Accordingly, a net of \$6,017 (\$73,111 in 2017) was transferred from the Restricted Fund to the General Fund and the Endowment Fund.

**7. Multi-year commitments**

Through the Community Vitality grant program, certain of the grants approved and recorded in the current year are components of multi-year grant plans. While these multi-year grants cover several years, the Foundation's Board annually approves each year's grants for payment from that year's investment earnings.

As of December 31, 2018, the Foundation had grant commitments that will be funded from earnings in future years totaling \$482,422 (\$868,068 at 2017).

**8. Deferred contributions**

Deferred contributions are externally restricted for operating purposes and are recognized as contributions as the related expenses are incurred. These represent contributions received from donors in supporting the renovations of the Foundation's office. These contributions will be recognized over the lease term. During the year ended 2018, \$19,629 (\$19,629 in 2017) was recognized.

**9. Funds held on behalf of other parties**

Funds held for other parties represent investments held on behalf of the Stratford Perth County Community Foundation and the Oxford Community Foundation and are included as investment assets of the Foundation, with an offsetting liability amount, as these funds may be withdrawn at any time.

Consequently as of the balance sheet date, the Foundation's assets were comprised of:

	<b>2018</b>	2017
	\$	\$
Stratford Perth Community Foundation	<b>4,364,048</b>	4,410,124
Oxford Community Foundation	<b>1,358,862</b>	1,370,861
London Jewish Community Foundation	<b>5,339,650</b>	3,889,840
	<b>11,062,560</b>	9,670,825
London Community Foundation	<b>63,137,520</b>	66,332,973
	<b>74,200,080</b>	76,003,798

**10. Restrictions of net assets**

a) *Restricted Fund consists of the following:*

	<b>2018</b>	2017
	\$	\$
Donor-restricted for granting purposes	<b>9,372,513</b>	12,364,118

b) *Endowment Fund consists of the following:*

	<b>2018</b>	2017
	\$	\$
Endowments, the income from which is donor-restricted for specified granting purposes	<b>40,037,595</b>	36,452,961
Endowments, the income from which is unrestricted	<b>23,234,862</b>	18,860,826
	<b>63,272,457</b>	55,313,787

**11. Pledges**

The Foundation has been named as a beneficiary of certain trusts. The residual value of these trusts will be recorded in the financial statements when the proceeds are received by the Foundation. These amounts are not reflected in the accompanying financial statements.

**12. Commitments**

The Foundation is committed to aggregate minimum annual lease payments for premises over the next five years as follows:

	<u>\$</u>
2019	32,566
2020	32,566
2021	32,566
2022	32,566
Thereafter	54,277

**13. Guarantees**

During the year the Foundation entered into an agreement with Growing Chefs! Ontario Society to provide a guarantee on a revolving TD bank line of credit. This line of credit was to be made available in the case additional funds were needed by the organization as they expand their operations in a newly acquired facility. The Foundation is providing unconditional and irrevocable guarantees on all debts and liabilities associated with the line of credit up to \$50,000. As of December 31, 2018 \$nil was being used by the Growing Chefs! Ontario Society.

**14. Capital management**

In managing daily operating needs, the Foundation focuses on cash resources available for operations. The Foundation's financial planning encompasses a plan to have sufficient liquid resources on hand to continue operating and to provide it with the flexibility to capitalize on opportunities to serve the Community. The need for sufficient liquid resources is considered in the preparation of an annual budget and in the monitoring of cash flows and actual operating results compared to the budget. As at December 31, 2018, the Foundation has met its objective of having sufficient liquid resources to meet its current obligations.

**15. Expenses as a percentage of average total assets**

	<b>2018</b>	2017
	<b>\$</b>	\$
Total assets, beginning of the year	<b>81,967,616</b>	71,883,471
Total assets, end of year	<b>86,040,696</b>	81,967,616
Average total assets	<b>84,004,156</b>	76,925,544
Total operating expenses	<b>1,215,833</b>	1,066,825
Expenses as a percentage of average total assets	<b>1.45%</b>	1.39%

The Foundation's operating expenses involve asset development and activities related to grant making, leadership and philanthropic services. These activities are not necessarily related to the donations received in any one year and the asset development methodology used by the Foundation creates normal gift delays with may result in costs preceding the receipt of the gifts by several years. The ratio of total operating expenses to average total assets has been used to evaluate operating costs.

**London Community Foundation****Schedule of administrative and other expenses - Schedule A**Year ended December 31, 2018

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	<b>2018</b>	2017
	<b>\$</b>	\$
Salaries and benefits	<b>895,090</b>	811,959
Other office expenses	<b>230,194</b>	139,739
Marketing expense	<b>51,818</b>	70,891
Premiums on donated life insurance policies	<b>106,343</b>	102,091
Occupancy costs	<b>77,955</b>	77,093
Granting program expense	<b>19,432</b>	15,841
	<b>1,380,832</b>	1,217,614
Contributions to cover specific expenses		
Premiums on donated life insurance policies	<b>(104,889)</b>	(101,136)
Recovery of expenses from funds held for others	<b>(60,110)</b>	(49,653)
	<b>1,215,833</b>	1,066,825