

**BULKLEY VALLEY  
COMMUNITY FOUNDATION**

**Financial Statements  
(Unaudited)  
December 31, 2023**

Independent Practitioner's Review Engagement Report

Exhibit "A" Statement of Financial Position

Exhibit "B" Statement of Operations and Changes in Net Assets

Exhibit "C" Statement of Cash Flows

Notes to Financial Statements

# VANDERGAAG & BAKKER

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the directors of BULKLEY VALLEY COMMUNITY FOUNDATION

We have reviewed the accompanying financial statements of BULKLEY VALLEY COMMUNITY FOUNDATION that comprise the statement of financial position as at December 31, 2023, and the statements of changes in net assets, operations and 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 it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of BULKLEY VALLEY COMMUNITY FOUNDATION as at December 31, 2023, 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.

**Report on Other Legal and Regulatory Requirements**

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting principles in Canadian Accounting Standards for Not-for-Profit Organizations have been applied on a basis consistent with that of the preceding year.



Smithers, B.C.  
June 26, 2024

Chartered Professional Accountants

**BULKLEY VALLEY COMMUNITY FOUNDATION****STATEMENT OF FINANCIAL POSITION****(Unaudited)****December 31, 2023**

	<b>ASSETS</b>	<b><u>2023</u></b>	<b><u>2022</u></b>
<b>CURRENT</b>			
Cash		\$ 323,659	\$ 644,442
Accounts receivable		<u>54,687</u>	<u>54,990</u>
		<b>378,346</b>	699,432
<b>INVESTMENTS</b> (Note 2)		<u><b>4,255,018</b></u>	<u>3,442,547</u>
	<b>LIABILITIES</b>	<b>\$</b>	<b>\$</b>
		<u><b>4,633,364</b></u>	<u>4,141,979</u>
<b>CURRENT</b>			
Accounts payable and accrued liabilities		\$ 5,347	\$ 4,996
Grants and learning awards payable (Note 3)		<u>44,000</u>	<u>60,370</u>
		<u><b>49,347</b></u>	<u>65,366</u>
<b>COMMITMENT</b> (Note 9)			
	<b>NET ASSETS</b>		
<b>UNRESTRICTED FUNDS</b> , per Exhibit "B"		<b>468,485</b>	468,485
<b>RESTRICTED FUNDS</b> , per Exhibit "B"		<b>4,113,875</b>	3,608,128
<b>ENDOWMENT FUNDS</b> , per Exhibit "B"		<u><b>1,657</b></u>	<u>-</u>
		<u><b>4,584,017</b></u>	<u>4,076,613</u>
		<u><b>\$ 4,633,364</b></u>	<u>\$ 4,141,979</u>

Approved by the board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**BULKLEY VALLEY COMMUNITY FOUNDATION**

The attached notes are an integral part of these financial statements.

**BULKLEY VALLEY COMMUNITY FOUNDATION**  
**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**  
**(Unaudited)**  
**For the Year Ended December 31, 2023**

				<u>2023</u>	<u>2022</u>
	Unrestricted	Restricted	Endowment		
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Total</u>	<u>Total</u>
<b>REVENUE</b>					
Donations	\$ 15,514	\$ 741,525	\$ -	\$ 757,039	\$ 473,446
Investment income (Note 5)	-	230,917	21,601	252,518	229,273
Grants forfeited	-	-	-	-	7,500
	<u>15,514</u>	<u>972,442</u>	<u>21,601</u>	<u>1,009,557</u>	<u>710,219</u>
<b>EXPENSES</b>					
Administration	21,556	-	-	21,556	20,670
Advertising and promotion	19,258	-	-	19,258	15,994
Donations	-	50,357	750	51,107	12,300
Grants	-	461,041	19,194	480,235	45,576
Insurance	823	-	-	823	823
Interest and bank charges	260	-	-	260	10
Licenses, fees and dues	1,240	-	-	1,240	968
Management fees	34,030	-	-	34,030	37,738
Office supplies	2,934	-	-	2,934	1,696
Professional fees	5,620	-	-	5,620	5,233
Learning awards	-	65,000	-	65,000	48,750
Travel and entertainment	8,073	-	-	8,073	4,331
	<u>93,794</u>	<u>576,398</u>	<u>19,944</u>	<u>690,136</u>	<u>194,089</u>
<b>EXCESS OF REVENUE</b>					
<b>OVER EXPENSES, before other item (78,280)</b>		396,044	1,657	319,421	516,130
<b>OTHER ITEM</b>					
Net change in fair market value of investments	-	187,983	-	187,983	(441,204)
<b>EXCESS OF REVENUE</b>					
<b>OVER EXPENSES</b>	(78,280)	584,027	1,657	507,404	74,926
<b>NET ASSETS, beginning of</b>					
year	468,485	3,608,128	-	4,076,613	4,379,382
<b>RESTATEMENT (Note 6)</b>	-	-	-	-	(377,695)

	<b>BULKLEY VALLEY COMMUNITY FOUNDATION</b>				<b>Exhibit "B"</b>
NET ASSETS, as restated	<u>468,485</u>	<u>3,608,128</u>	<u>4,076,613</u>	<u>4,076,613</u>	4,076,613
<b>Transfer from Restricted Fund</b>	<b>78,280</b>	-	-	-	-
<b>Transfer to Unrestricted Fund</b>	<u>-</u>	<u>(78,280)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS, end of year, to Exhibit "A"	\$ <u>468,485</u>	\$ <u>4,113,875</u>	\$ <u>1,657</u>	\$ <u>4,584,017</u>	\$ <u>4,076,613</u>

The attached notes are an integral part of these financial statements.



**BULKLEY VALLEY COMMUNITY FOUNDATION****STATEMENT OF CASH FLOWS****(Unaudited)****For the Year Ended December 31, 2023**

	<u>2023</u>	<u>2022</u>
<b>CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses, per Exhibit "B" (Deduct), component of net income, not requiring current cash flow:	\$ 507,404	\$ 74,926
Net change in fair market value of investments	<u>(187,983)</u>	<u>441,204</u>
	319,421	516,130
Net (increase) in total non-cash working capital balances (Note 4)	<u>(15,716)</u>	<u>(244,104)</u>
	<u>303,705</u>	<u>272,026</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of investments	<u>(624,488)</u>	<u>(147,919)</u>
<b>NET CASH (DECREASE) INCREASE</b>	<b>(320,783)</b>	124,107
<b>CASH POSITION, beginning of year</b>	<u>644,442</u>	<u>520,335</u>
<b>CASH POSITION, end of year</b>	<u>\$ 323,659</u>	<u>\$ 644,442</u>
<b>CASH POSITION REPRESENTED BY</b>		
Cash	<u>\$ 323,659</u>	<u>\$ 644,442</u>

**BULKLEY VALLEY COMMUNITY FOUNDATION**

The attached notes are an integral part of these financial statements.

**BULKLEY VALLEY COMMUNITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**(Unaudited)**  
**December 31, 2023**

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BULKLEY VALLEY COMMUNITY FOUNDATION (the "Foundation") was incorporated under the laws of British Columbia as non-profit society on December 14, 1990 and transitioned to the new Societies Act (British Columbia) on April 28, 2018.

Its purpose is to promote education and cultural advancement and scientific or medical research for the increase of human knowledge and alleviation of human suffering and other charitable purposes; as may contribute to the moral, mental, cultural and physical improvements of the inhabitants of the area generally described as Highway 16 from Topley to Kitwanga, inclusive, as well as Granisle and the Hazeltons, all of British Columbia.

The Foundation is a registered charity and is classified as a public foundation for purposes of the Income Tax Act (Canada), and as such is exempt from income taxes.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of presentation**

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

(a) **Investments**

Investments are recorded at fair market value. Investments are classified as long term as they are restricted by the donors for a specific use.

(b) **Cash**

Cash is comprised of bank account balances net of any outstanding withdrawals.

(c) **Financial instruments**

Financial instruments and liabilities are measured initially at fair value. Subsequent measurement is at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

**BULKLEY VALLEY COMMUNITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**(Unaudited)**  
**December 31, 2023**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(d) Revenue recognition and fund accounting

The Foundation follows the restricted fund method of accounting for contributions. Under this method, unrestricted contributions are recognized as revenue in the unrestricted fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions and investment income are recognized as revenue in the restricted fund. Endowment contributions are recorded as revenue in the endowment fund.

Transfers between the funds are made when it is considered appropriate and authorized by the board. To meet the objectives of financial reporting and stewardship over certain assets, certain interfund transfers are necessary to ensure the appropriate allocation of assets and liabilities to the respective funds. These interfund transfers are recorded in the statement of operations and changes in net assets. On an annual basis any loss in the unrestricted fund is covered by excess investment income through a transfer from the restricted fund to the unrestricted fund as permitted by the donor agreements.

For financial reporting purposes, the accounts have been classified into the following funds:

Unrestricted Fund

The unrestricted fund are donations that are not specifically designated by donors, as well as, investment income earned that is not restricted by the donors. All fundraising and administrative costs are charged to the unrestricted fund regardless of which fund the resulting donations were directed to by the donor.

Restricted Fund

The restricted fund comprises funds for which the purpose of has been specifically designated by the donors and restricted investment income earned on the investments held in the restricted fund.

Endowment Fund

The endowment fund is made up of donations that are permanently maintained in accordance with the donors wishes. The investment income earned on the investments are distributed to the Foundation on a quarterly basis to be used in accordance with the donors restrictions.

(e) Contributed goods and services:

Volunteers contribute a substantial number of hours each year to assist the Foundation in carrying out its activities. In addition, individuals, businesses and corporations contribute in-kind gifts and/or services. Due to the difficulty in measuring their fair value, contributed gifts and services are not recognized in these financial statements.

**BULKLEY VALLEY COMMUNITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
(Unaudited)  
December 31, 2023

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(f) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates.

**2. INVESTMENTS**

	<u>2023</u>	<u>2022</u>
Vancouver Foundation, 61,359.63 (2022 - 61,359.63) units in the 'Community Giving Fund', a balanced type mutual fund. The units produce earnings which are distributed quarterly.	<b>\$ 1,392,056</b>	\$ 1,321,556
Vancouver Foundation, 112,851.77 (2022 - 98,477.45) units in the 'Education Fund', a balanced type mutual fund. The units produce earnings which are distributed quarterly.	<b>2,560,250</b>	2,120,991
Bulkley Valley Credit Union, 1 year redeemable term deposit at 4.20% per annum., with a book value of \$299,272. Matures September 27, 2024.	<u>302,712</u>	<u>-</u>
	<u><b>\$ 4,255,018</b></u>	<u>\$ 3,442,547</u>

**3. GRANTS AND LEARNING AWARDS PAYABLE**

Grants and learning awards payable represent the undisbursed

amounts approved by the directors for which the draw down deadline has not yet been reached.	\$ <u>44,000</u>	\$ <u>60,370</u>
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**4. NET CHANGE IN NON-CASH WORKING CAPITAL BALANCES**

Net decrease (increase) in non-cash current assets		
Accounts receivable	\$ <u>303</u>	\$ <u>(2,585)</u>
Net (decrease) in non-cash current liabilities		
Accounts payable and accrued liabilities	<b>351</b>	283
Grants and learning awards payable	<u>(16,370)</u>	<u>(241,802)</u>
	<u><b>(16,019)</b></u>	<u>(241,519)</u>

**BULKLEY VALLEY COMMUNITY FOUNDATION**

Net (increase) in total non-current assets

Exhibit "C"

NOTES TO FINANCIAL STATEMENTS

(Unaudited)

\$ (15,716) \$ (244,104)

December 31, 2023

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**BULKLEY VALLEY COMMUNITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**(Unaudited)**  
**December 31, 2023**

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**5. VANCOUVER FOUNDATION CAPITAL FUND**

The Foundation receives income from Endowment Funds held at the Vancouver Foundation. The Foundation's rights to the capital have certain restrictions and, accordingly, these funds are not reflected in these financial statements. Funds held at the Vancouver Foundation for with the Foundation is the sole recipient of the income have a market value as at December 31, 2023 of \$355,963 (2022: \$335,160).

**6. RESTATEMENT OF COMPARATIVE INFORMATION**

The Foundation has certain of its investments held with the Vancouver Foundation. Two of these funds are held by the Vancouver Foundation permanently and were previously reported as an asset on the Foundations balance sheet. As they are permanently held by the Vancouver Foundation, the distribution to the Vancouver Foundation should have been recorded as an expense. As such these investments have been removed from the balance sheet of the Foundation. The adjustment to remove resulted in a reduction to the prior year opening equity for \$377,695 and the removal of the investments on balance for \$377,695.

**7. FINANCIAL RISKS**

The Foundation has investments to earn investment income and invests according to guidelines approved by the board.

**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. The Foundation has investments with the Vancouver Foundation which are subject to risks arising from changes in market conditions.

**Interest rate risk**

The Company is exposed to interest rate risk with respect to its investments in short-term deposits and investment certificates.

The Foundation believes that they are not exposed to significant credit, liquidity or foreign exchange risk.

**8. EMPLOYEE, CONTRACTOR AND DIRECTOR REMUNERATION**

In accordance with the Societies Act (British Columbia), no amount was paid to directors during the year and there were no employees or subcontractors paid in excess of \$75,000 during the year.

**9. COMMITMENT**

The Directors have committed the Foundation to make grants and distributions to a minimum of \$144,851 during 2024.