

**COMOX VALLEY
COMMUNITY FOUNDATION
Financial Statements
March 31, 2025**

Independent Auditors' Report
Statement of Financial Position
Statement of Changes in Net Assets
Statement of Operations
Statement of Cash Flows
Notes to Financial Statements



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Comox Valley Community Foundation,

Opinion

We have audited the financial statements of Comox Valley Community Foundation (the "Foundation"), which comprise the statement of financial position as at March 31, 2025, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations (ASNPO).

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation 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.

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

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

Auditors' 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 these financial statements.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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 Foundation'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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Foundation 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.
- 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.

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 ASNPO have been applied on a basis consistent with the prior year.

Chan Nawrood Boatis Inc

Chartered Professional Accountants
Courtenay, BC

June 23, 2025

COMOX VALLEY COMMUNITY FOUNDATION

Statement of Financial Position

Year Ended March 31, 2025

	Operating Fund	Flow Through Fund	Endowment Fund	Internally Directed Fund	2025	2024
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ 249,847	\$ 605,042	\$ 738,678	\$ 206,567	\$ 1,800,134	\$ 1,206,537
Accounts Receivable	2,533	-	-	1,500	4,033	62,461
Goods and Services Tax Receivable	2,624	-	-	14,214	16,838	1,864
Interest Receivable	-	-	2,496	-	2,496	-
Investments (Note 3)	-	-	750,000	-	750,000	-
Loans Receivable (Note 4)	-	-	6,140	-	6,140	315,650
Prepaid Expenses	4,736	-	-	30,441	35,177	1,450
	<u>259,740</u>	<u>605,042</u>	<u>1,497,314</u>	<u>252,722</u>	<u>2,614,818</u>	<u>1,587,962</u>
Investments (Note 3)	-	-	15,416,642	861,979	16,278,621	16,519,886
Loan Receivable (Note 4)	-	-	19,934	-	19,934	25,460
Life Insurance Policy (Note 5)	-	-	9,617	-	9,617	9,107
Tangible Capital Assets (Note 6)	5,357	-	-	562,681	568,038	3,450
	<u>\$ 265,097</u>	<u>\$ 605,042</u>	<u>\$ 16,943,507</u>	<u>\$ 1,677,382</u>	<u>\$ 19,491,028</u>	<u>\$ 18,145,865</u>
LIABILITIES						
Current Liabilities						
Accounts Payable (Note 7)	\$ 33,439	\$ 11,981	\$ 21,111	\$ 42,211	\$ 108,742	\$ 58,475
NET ASSETS (Note 8)	<u>231,658</u>	<u>593,061</u>	<u>16,922,396</u>	<u>1,635,171</u>	<u>19,382,286</u>	<u>18,087,390</u>
	<u>\$ 265,097</u>	<u>\$ 605,042</u>	<u>\$ 16,943,507</u>	<u>\$ 1,677,382</u>	<u>\$ 19,491,028</u>	<u>\$ 18,145,865</u>

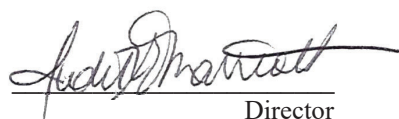
Robert and Florence Filberg Fund (Note 9)

Vancouver Foundation Endowment Funds (Note 10)

Approved by the Directors:

Craig Rennison

Director



Director

COMOX VALLEY COMMUNITY FOUNDATION

Statement of Changes in Net Assets

Year Ended March 31, 2025

	Operating Fund	Flow Through Fund	Endowment Fund	Internally Directed Fund	2025	2024
Net Assets - Beginning of Year	\$ 170,462	\$ 423,370	\$ 15,958,332	\$ 1,535,227	\$ 18,087,391	\$ 16,441,404
Excess (Deficiency) of Revenues over Expenditures	(245,178)	194,996	1,220,385	124,692	1,294,895	1,645,987
Interfund Administration Fee	306,374	(25,305)	(256,321)	(24,748)	-	-
Net Assets - End of Year	<u>\$ 231,658</u>	<u>\$ 593,061</u>	<u>\$ 16,922,396</u>	<u>\$ 1,635,171</u>	<u>\$ 19,382,286</u>	<u>\$ 18,087,391</u>

COMOX VALLEY COMMUNITY FOUNDATION

Statement of Operations

Year Ended March 31, 2025

	Operating Fund	Flow Through Fund	Endowment Fund	Internally Directed Fund	2025	2024
Revenue						
Donations	\$ -	\$ 109,111	\$ 577,078	\$ 36,497	\$ 722,686	\$ 1,482,781
Robert and Florence Filberg Fund (Note 9)	114,980	-	-	-	114,980	109,156
Honorariums	-	-	-	-	-	1,000
Vancouver Foundation (Note 10)	54,387	-	-	75,381	129,768	124,474
Sponsorships	-	-	-	1,500	1,500	5,500
External Grants	<u>52,800</u>	<u>790,655</u>	<u>6,175</u>	<u>258</u>	<u>849,888</u>	<u>-</u>
	<u>222,167</u>	<u>899,766</u>	<u>583,253</u>	<u>113,636</u>	<u>1,818,822</u>	<u>1,722,911</u>
Investment Revenue						
Investment Income (Note 11)	-	-	851,063	63,519	914,582	775,795
Adjustment to Fair Value	<u>-</u>	<u>-</u>	<u>321,834</u>	<u>30,104</u>	<u>351,938</u>	<u>893,044</u>
	<u>-</u>	<u>-</u>	<u>1,172,897</u>	<u>93,623</u>	<u>1,266,520</u>	<u>1,668,839</u>
Total Revenue	<u>\$ 222,167</u>	<u>\$ 899,766</u>	<u>\$ 1,756,150</u>	<u>\$ 207,259</u>	<u>\$ 3,085,342</u>	<u>\$ 3,391,750</u>

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COMOX VALLEY COMMUNITY FOUNDATION

Statement of Operations

Year Ended March 31, 2025

	Operating Fund	Flow Through Fund	Endowment Fund	Internally Directed Fund	2025	2024
<i>Continued from previous page...</i>						
Total Revenue	\$ <u>222,167</u>	\$ <u>899,766</u>	\$ <u>1,756,150</u>	\$ <u>207,259</u>	\$ <u>3,085,342</u>	\$ <u>3,391,750</u>
Expenditures						
Amortization	1,967	-	-	6,951	8,918	1,671
Bank Charges	440	-	1,030	299	1,769	1,902
Insurance	2,078	-	-	-	2,078	2,388
Marketing	29,231	-	-	-	29,231	17,759
Memberships and Licenses	17,940	-	-	-	17,940	17,017
Office Rent	11,837	-	-	-	11,837	7,922
Office Supplies	21,642	-	-	15,503	37,145	25,934
Professional Development	9,540	-	-	-	9,540	16,891
Professional Fees	12,231	-	-	-	12,231	20,087
Salaries, Benefits and Contracts	343,780	-	-	-	343,780	283,225
Strata Fees and Property Tax	2,400	-	-	1,314	3,714	-
Telephone and Internet	5,209	-	-	-	5,209	4,444
Vital Signs	-	-	-	-	-	3,150
	<u>458,295</u>	<u>-</u>	<u>1,030</u>	<u>24,067</u>	<u>483,392</u>	<u>402,390</u>
Excess (Deficiency) of Revenues over Expenditures before Grants Paid	(236,128)	899,766	1,755,120	183,192	2,601,950	2,989,360
Grants Paid	<u>(9,050)</u>	<u>(704,770)</u>	<u>(534,735)</u>	<u>(58,500)</u>	<u>(1,307,055)</u>	<u>(1,343,373)</u>
Excess (Deficiency) of Revenues over Expenditures	\$ <u>(245,178)</u>	\$ <u>194,996</u>	\$ <u>1,220,385</u>	\$ <u>124,692</u>	\$ <u>1,294,895</u>	\$ <u>1,645,987</u>

COMOX VALLEY COMMUNITY FOUNDATION

Statement of Cash Flows

Year Ended March 31, 2025

	2025	2024
Cash Flows From Operating Activities:		
Excess of Revenue over Expenditures	\$ 1,294,895	\$ 1,645,987
Items not Affecting Cash:		
Amortization	8,918	1,671
Adjustment to Fair Value	<u>(351,938)</u>	<u>(893,044)</u>
	<u>951,875</u>	<u>754,614</u>
Changes in Non-Cash Working Capital:		
Accounts Receivable	58,428	(2,141)
Goods and Services Tax Receivable	(14,974)	367
Interest Receivable	(2,496)	-
Prepaid Expenses	(33,727)	5,611
Accounts Payable	<u>50,266</u>	<u>4,414</u>
	<u>57,497</u>	<u>8,251</u>
	<u>1,009,372</u>	<u>762,865</u>
Cash Flows From Investing Activities:		
Purchase of Investment	(156,795)	(410,979)
Repayment from (Advancement of) Loan	315,036	(302,887)
Increase in Life Insurance Policies	<u>(510)</u>	<u>(510)</u>
	<u>157,731</u>	<u>(714,376)</u>
Cash Flows From Capital Activities:		
Purchase of Capital Assets	<u>(573,506)</u>	<u>(2,244)</u>
Net Increase in Cash	593,597	46,245
Cash - Beginning of Year	<u>1,206,537</u>	<u>1,160,292</u>
Cash - End of Year	<u>\$ 1,800,134</u>	<u>\$ 1,206,537</u>

COMOX VALLEY COMMUNITY FOUNDATION

Notes to Financial Statements

March 31, 2025

1. Purpose of the Foundation:

The principal purpose of Comox Valley Community Foundation (the “Foundation”) is to encourage and promote the establishment of endowment funds on behalf of the community for the purpose of creating a permanent source of income to be distributed annually for charitable activities primarily within the Comox Valley.

In addition, the Foundation works with individuals and organizations who wish to have an immediate charitable impact in the Comox Valley through flow-through or spend-down funds. The Foundation also supports other Comox Valley charitable and not-for-profit organizations to effectively carry out their work in support of the Comox Valley community through impact investments, coordination, and professional development activities.

The Foundation is a not-for-profit organization and is exempt from income tax. The Foundation is a registered charity under the Income Tax Act.

2. Significant Accounting Policies:

The financial statements of the Foundation have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

The Foundation follows the restricted fund method of accounting. Accordingly, revenues received for each of the specific funds and the expenditures incurred by each fund are segregated for accounting and reporting purposes into the following specific funds:

Operating Fund

Accounts for general operations and administrative activities of the Foundation. This fund reports the assets, liabilities, revenues and expenses related to unrestricted contributions received.

Flow-Through Fund

Donations received with a restricted purpose that are considered by the Foundation to be flow through funds, in that they are to be disbursed within the Community as opposed to invested for growth, are reported in the Flow-Through Fund as revenue when received. This fund reports the assets, liabilities, revenues and expenses related to restricted contributions received.

Endowment Fund

Donations received for named endowments are reported in the Endowment Fund as revenue when received. Investment gains and losses, including unrealized gains and losses due to changes in market values, are reported in the Endowment Fund. Investment income generated and realized by the net assets in the Endowment Fund and from permanent contributions to the Vancouver Foundation are presented under Net Assets in the Endowment Fund. These funds are internally restricted for distribution as grants at the discretion of the Foundation.

Internally Directed Fund

Accounts for internally restricted activities of the Foundation. This fund reports the assets, liabilities, revenues and expenses allocated to specific purposes as approved by the Board of Directors of the Foundation.

COMOX VALLEY COMMUNITY FOUNDATION

Notes to Financial Statements

March 31, 2025

2. Significant Accounting Policies (continued):

Revenue Recognition

Donor contributions that are pledged to the Foundation are not included in revenue until received. Unless otherwise designated, investment and interest income earned on unrestricted investments, loans and on restricted investments that relate to endowments is recorded as earned. Sponsorship, administrative service revenue and other service revenue is recognized when earned and the service has been performed or activity the sponsorship relates to has occurred.

Life insurance policies in which the Foundation is the named beneficiary are recorded at tax receipted amounts which is the accumulated premiums paid. Gifts-in-kind to the Foundation are recorded at fair value when the fair value can be reasonably determined. The Foundation also benefits from the contribution of donated services. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Financial Instruments

Measurement of financial instruments

The Foundation initially measures its financial assets and liabilities at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value with any unrealized gains or losses reported in the statement of operations. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale or issuance of financial instruments are expensed when incurred.

The Foundation's cash and long term investments are classified as held for trading and presented at fair value. Accounts receivable and the loan receivable are classified as loans and receivables and are recorded at amortized cost.

The Foundation is exposed to interest-rate risk, market risk, and credit risk arising from its financial instruments as further described in Note 12.

Use of Estimates

The preparation of financial statements in accordance with ASNPO 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 management's best estimates, as additional information becomes available in the future. Estimates include the useful life of tangible capital assets.

Tangible Capital Assets

Purchased tangible capital assets acquired are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is recognized using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives:

Building	4%
Computer Equipment	50%
Furniture and Fixtures	20%

COMOX VALLEY COMMUNITY FOUNDATION

Notes to Financial Statements

March 31, 2025

3. Investments:

	<u>2025</u>	<u>2024</u>
Portfolio Investment Measured at Fair Value	\$ 16,278,621	\$ 16,519,886
Guaranteed Investment Certificates	<u>750,000</u>	<u>-</u>
	17,028,621	16,519,886
Less - Current Portion	<u>(750,000)</u>	<u>-</u>
	<u>\$ 16,278,621</u>	<u>\$ 16,519,886</u>

4. Loans Receivable:

	<u>2025</u>	<u>2024</u>
Loans Receivable	\$ 26,074	\$ 341,110
Less - Current Portion	<u>(6,140)</u>	<u>(315,650)</u>
	<u>\$ 19,934</u>	<u>\$ 25,460</u>

During the year ended March 31, 2022, the Foundation entered into an arrangement with a local not-for-profit society (the "Society") whereby the Foundation agreed to lend the Society \$75,000 at an interest rate of 4% per annum compounded annually. The amount is repayable by the Society on or before September 23, 2028 and is secured by a general security agreement provided by the Society.

During the year ended March 31, 2024, the Foundation entered into an arrangement with a another local not-for profit society (the "other Society") whereby the Foundation agreed to lend the other Society \$300,000 at an interest rate of 6.52% per annum compounded annually. The loan was repaid in full during the year.

5. Life Insurance Policy:

The Foundation has been given a life insurance policy under which it is the owner and beneficiary. The whole life policy is presented at its cash surrender value. The Foundation is committed to retain the insurance in force for the lifetime of the donor. The total coverage provided under the policy owned by the Foundation is \$20,000. The Foundation has also been donated three term life policies which have no cash surrender value. The life insurance policies are guaranteed at \$30,000, \$20,812 and \$16,000.

6. Tangible Capital Assets:

	<u>2025</u>		<u>2024</u>	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Building	\$ 347,554	\$ 6,951	\$ -	\$ -
Computer Equipment	11,747	8,126	7,874	6,442
Furniture and Fixtures	3,268	508	2,243	225
Land	<u>221,054</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 583,623</u>	<u>\$ 15,585</u>	<u>\$ 10,117</u>	<u>\$ 6,667</u>
	<u>\$ 568,038</u>		<u>\$ 3,450</u>	

During the year ended March 31, 2025, the Foundation purchased a property at 917C Fitzgerald Road in Courtenay.

COMOX VALLEY COMMUNITY FOUNDATION

Notes to Financial Statements

March 31, 2025

7. Accounts Payable:

	<u>2025</u>	<u>2024</u>
Government Remittance	\$ -	\$ 2,864
Grants Payable	31,305	18,225
Trade Payables	<u>77,437</u>	<u>37,386</u>
	<u>\$ 108,742</u>	<u>\$ 58,475</u>

8. Net Assets:

	Operating Fund	Restricted Fund	Endowment Fund	Internally Restricted Fund	<u>2025</u>	<u>2024</u>
Agency Funds	\$ -	\$ -	\$ 1,862,478	\$ -	\$ 1,862,478	\$ 1,715,064
Community Funds	-	-	4,803,939	-	4,803,939	6,128,934
Designated Funds	-	-	3,709,014	1,635,171	5,344,185	3,384,725
Emerging Funds	-	-	44,784	-	44,784	32,755
Field of Interest Funds	-	-	2,300,953	-	2,300,953	2,217,349
Operating Funds	231,658	-	-	-	231,658	170,462
Restricted Funds	-	593,061	-	-	593,061	423,370
Scholarship and Bursary	-	-	4,201,228	-	4,201,228	4,014,731
	<u>\$ 231,658</u>	<u>\$ 593,061</u>	<u>\$ 16,922,396</u>	<u>\$ 1,635,171</u>	<u>\$ 19,382,286</u>	<u>\$ 18,087,390</u>

9. Robert and Florence Filberg Fund:

The Foundation receives income annually from the Robert and Florence Filberg Fund. This Fund is maintained by the Vancouver Foundation based on an agreement between the municipalities of Courtenay, Comox and Cumberland and the Vancouver Foundation.

10. Vancouver Foundation Funds:

Investments of the Foundation reported in the Endowment Fund and the Internally Directed Fund are held with and managed by the Vancouver Foundation. The Vancouver Foundation charges administrative fees for the investment management services. A portion of these fees are returned to the Foundation in the form of a rebate each year. These rebate amounts are recorded as income from the Vancouver Foundation in the Operating Fund.

In 1996, the Foundation established an endowment with the Vancouver Foundation, separate from the above referenced investments. The original capital and any additions are held permanently by the Vancouver Foundation and are not recorded as an asset of the Foundation. Income from the fund is distributed at least annually to the Foundation for its charitable operations and purpose.

Current market value of funds held in endowment by the Vancouver Foundation, for the Foundation, that are not reported as assets of the Foundation are \$1,622,436 (2024 - \$1,576,965).

COMOX VALLEY COMMUNITY FOUNDATION

Notes to Financial Statements

March 31, 2025

11. Investment Income:

	<u>2025</u>	<u>2024</u>
Interest on Loans Receivable	\$ 2,329	\$ 9,887
Interest on Savings Accounts	4,911	9,400
Vancouver Foundation Transferable Fund Income	787,012	756,508
Gain on Sale of Investments	<u>120,330</u>	<u>-</u>
	<u>\$ 914,582</u>	<u>\$ 775,795</u>

12. Financial Risks:

The Foundation is exposed to risk through its financial instruments. The following analysis presents the Foundation's exposure to significant risk at the reporting date, March 31, 2025.

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. The Foundation is exposed to interest rate risk on its investments and its loans receivable. Management uses professional investment management services by way of the Vancouver Foundation to mitigate risk and does consider the risk surrounding the loans receivable to be significant.

Market Risk

Market risk is the risk that future cash flows or a financial instrument will fluctuate because of changes in market prices. The Foundation's investments are subject to market risk. The Foundation mitigates this risk by using professional investment management services by way of the Vancouver Foundation.

Credit Risk

Credit risk is the risk that the Foundation will incur losses based on credit that it has granted or loans that it has extended to other parties. The loans receivable are subject to credit risk. Management believes the risk is mitigated due to the fact that the investments are covered by a general security agreement.

13. Comparative Figures:

Certain prior year numbers have been reclassified where necessary, to conform with current year presentation.