

Chilliwack Foundation
Financial Statements
June 30, 2022



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INDEPENDENT AUDITORS' REPORT

To the Directors of Chilliwack Foundation

Opinion

We have audited the financial statements of Chilliwack Foundation (the "Entity"), which comprise:

- the statement of financial position as at June 30, 2022
- the statement of operations for the year then ended
- the statement of changes in net assets 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 Entity as at June 30, 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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity 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 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- 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.

KPMG LLP

Chartered Professional Accountants

Chilliwack, Canada

November 8, 2022

Chilliwack Foundation
Statement of Financial Position
As at June 30, 2022

	2022	2021
Assets		
Current		
Cash	23,558	28,662
Accounts receivable	785	756
	24,343	29,418
Investments (Note 4)	10,473,270	10,609,731
	10,497,613	10,639,149
Liabilities		
Current		
Accounts payable and accruals	24,248	24,826
Net Assets		
Common Trust Fund (Schedule 1)	10,234,490	10,446,954
Distributable Income Fund (Schedule 2)	238,875	167,369
	10,473,365	10,614,323
	10,497,613	10,639,149

Approved on behalf of the Board

Chair

Treasurer

The accompanying notes are an integral part of these financial statements

Chilliwack Foundation
Statement of Financial Position
As at June 30, 2022

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Assets		
Current		
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Approved on behalf of the Board

Chair

Treasurer

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Chilliwack Foundation
Statement of Operations
For the year ended June 30, 2022

	2022	2021
Revenue		
Donations	90,819	10,049
Interest and dividends	382,388	363,057
Gain on sale of investments	54,358	-
Increase (decrease) in fair value of investments	(320,807)	1,461,143
	206,758	1,834,249
Expenses		
Administration	34,092	33,865
Awards and grants - designated funds <i>(Note 5)</i>	153,780	186,073
Awards and grants - undesignated funds <i>(Note 6)</i>	159,844	252,765
	347,716	472,703
Excess (deficiency) of revenue over expenses	(140,958)	1,361,546

The accompanying notes are an integral part of these financial statements

Chilliwack Foundation
Statement of Changes in Net Assets
For the year ended June 30, 2022

	<i>Common Trust Fund (Schedule 1)</i>	<i>Distributable Income Fund (Schedule 2)</i>	2022	<i>2021</i>
Net assets, beginning of year	10,446,954	167,369	10,614,323	9,252,777
Excess (deficiency) of revenue over expenses	(175,630)	34,672	(140,958)	1,361,546
Interfund Transfer	(36,834)	36,834	-	-
Net assets, end of year	10,234,490	238,875	10,473,365	10,614,323

The accompanying notes are an integral part of these financial statements

Chilliwack Foundation
Statement of Cash Flows
For the year ended June 30, 2022

	2022	2021
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	(140,958)	1,361,546
Change in fair value of investments	320,807	(1,461,143)
Gain on sale of investments	(54,358)	-
Reinvested interest	(4,199)	(3,125)
	121,292	(102,722)
Changes in working capital accounts		
Accounts receivable	(29)	(29)
Accounts payable and accruals	(578)	2,032
	120,685	(100,719)
Investing		
Purchase of investments	(665,670)	(610,147)
Proceeds on disposal of investments	539,881	716,064
	(125,789)	105,917
Increase (decrease) in cash resources	(5,104)	5,198
Cash resources, beginning of year	28,662	23,464
Cash resources, end of year	23,558	28,662

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

The Chilliwack Foundation (the "Foundation") was created by an Act of the British Columbia provincial legislature on June 28, 1985. This perpetual body was created to receive donations in trust so that the net annual income from such donations would be devoted perpetually to charitable purposes, principally within or near the boundaries of the former Regional District of Fraser-Cheam (as defined within the Act), in British Columbia.

2. Significant accounting policies

The accounting policies used by the Foundation are stated below to assist in understanding the financial statements.

Basis of presentation

These financial statements of the Foundation have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund accounting

The Organization follows the restricted fund method of accounting for contributions.

General Funds:

There is no activity in the General Fund and therefore it is not disclosed in the financial statements.

Restricted Funds:

The Common Trust Fund comprises of those assets contributed for perpetual management by the Foundation. The contributions within the fund are further segregated into an undesignated or specific fund category according to the terms of the donor. The Foundation exercises discretionary investment control within guidelines established by the Board of Directors.

The Distributable Income Fund accounts for all revenue, expenses and net assets of the Foundation which are available for distribution within the guidelines of the Foundation.

Investments

Investments are valued at current market prices on the last day of the fiscal year. Gains or losses arising from investment transactions, including the revaluation of investments to current market prices, are reflected in the Common Trust Fund. The Foundation has entered into a pooled investment arrangement whereby investment income is allocated between general and specifically donated funds, held within the Common Trust Fund, based on the average net asset balance during the year.

Market value for non-publicly traded investments is determined on the basis of generally accepted valuation methods which best and most objectively reflect the expected value that would be agreed upon in an open and unrestricted market between fully informed, knowledgeable and willing parties dealing at arm's length and without constraints.

The process of valuing investments from which no public market exists is inevitably based on inherent uncertainties and the resulting values that would have been used had a ready market existed for the investments. These differences could be material to the fair value of the investment portfolio.

Revenue recognition

Contributions are recognized on the earlier of when they are received or when the deeds of gift have been approved.

Bequests are recorded upon receipt of the donated assets. Bequests in a form other than cash or marketable securities are recorded at fair value as determined by the Board.

Interest on bonds, debentures and short-term notes is recorded using the accrual basis. Dividends which have been declared are recorded as income on the last date of record set for the dividend. Interest and dividends are recorded as revenue in the Distributable Income Fund.

2. Significant accounting policies (Continued from previous page)

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent 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.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Financial instruments

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

The Organization subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation 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 cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If 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.

3. Commitments

The Foundation has committed to scholarships, awards and grants totaling \$202,374 at June 30, 2022 (2021 - \$161,603). Payment of these awards and grants are conditional on the recipients meeting certain criteria and providing certain supporting information.

4. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

	2022		2021	
	Cost	Market Value	Cost	Market Value
Financial assets				
Cash and cash equivalents	\$ 23,558	\$ 23,558	\$ 28,662	\$ 28,662
Fixed income	1,355,088	1,356,622	896,521	898,056
Equities	6,506,111	9,116,648	6,600,802	9,711,675
	<u>7,861,199</u>	<u>10,473,270</u>	<u>7,497,323</u>	<u>10,609,731</u>
	<u>7,884,757</u>	<u>10,496,828</u>	<u>7,525,985</u>	<u>10,638,393</u>

Chilliwack Foundation
Notes to the Financial Statements
For the year ended June 30, 2022

5. Awards and Grants Distributed - Designated Funds

	2022	2021
F. Clifford Brown Memorial Scholarship	20,100	28,650
Donald Urquhart McGillvary Fund	-	1,600
Chilliwack Community Services	24,878	24,152
UFV Scholarships and Bursaries	24,273	23,563
Chilliwack Museum and Historical Society Fund	11,223	10,895
Chilliwack Society for Community Living	2,810	2,728
The Bowes Education Fund	600	3,250
Dr. W.G. "Tony" Newby Memorial Scholarship Fund	1,600	4,300
B.C. Summer Games Legacy Fund:		
Educational Awards	4,800	5,000
Culture/Arts Awards	5,423	5,497
Sports/Recreation Awards	9,343	12,617
Luscombe/Von Bylburg Memorial Scholarship Fund	2,100	2,475
Chilliwack Restorative Justice and Youth Advocacy Association Fund	2,837	2,754
Jack Williams Memorial Fund:		
Educational Awards	1,950	7,750
Culture/Arts Awards	2,382	4,099
Sports/Recreation Awards	2,354	4,043
Chris and Ken Jessiman Endowment Fund	6,903	6,706
Dr. Anne Sussel Science Scholarship Fund	800	1,875
Chilliwack Hospice Society	1,119	1,088
Chilliwack General Hospital Memorial Fund	18,030	17,503
Frank George Memorial Scholarship Fund	2,620	2,400
John & Joy Helder's Performing Arts Scholarship Fund	800	3,900
St. Thomas Anglican Youth Ministry Fund	3,251	3,156
Frances G. Thomas Memorial Fund	-	2,543
Great Blue Heron Reserve Fund	1,584	1,529
Dr. Carmen Kirkness Memorial Scholarship	2,000	2,000
	153,780	186,073

Chilliwack Foundation
Notes to the Financial Statements
For the year ended June 30, 2022

6. Awards and Grants Distributed - Undesignated Funds

	2022	2021
Ann Davis Transition Society	18,716	4,050
BC Amateur Sport Fund	6,646	-
Special Olympics BC	3,157	-
BC Women's Institute	-	10,000
Chilliwack Bowls for Hope	-	45,940
Chilliwack Arts and Cultural Centre Society	20,653	-
Chilliwack Community Arts Council	6,539	-
Chilliwack Community Services	-	5,000
Chilliwack Hospice Society	-	3,118
Chilliwack Museum & Historical Society	-	12,000
Chilliwack Resource Centre	-	3,000
Chilliwack Restorative Justice and Youth Advocacy Association	7,403	-
Chilliwack & District Seniors' Resource Centre	-	23,248
Fraser Valley Child Development Centre	-	5,000
Heritage Chilliwack Society	4,120	-
Pacific Autism Centre	5,000	-
Ruth and Naomi's Mission	7,610	-
Salvation Army	-	104,069
Sardis Doorway	-	2,500
School District #33 - Promontory Heights Elementary School	20,000	-
School District #33 - Sardis Elementary	15,000	-
University of British Columbia	20,000	-
Victoria Quilts Canada - Chilliwack	-	1,700
YMCA of Greater Vancouver - Chilliwack	25,000	33,140
	159,844	252,765

Chilliwack Foundation
Schedule 1 - Common Trust Fund Continuity
For the year ended June 30, 2022

	Contributed Principal as at June 30, 2022	Net Assets as at June 30, 2021	Donations Bequests and Contributions	Gain on Sale of Investments	Unrealized Loss on Investments	Deficiency of Revenue over Expenses	Interfund Transfer	Net Assets As at June 30, 2022
General Funds	\$ 3,183,522	\$ 5,128,125	\$ 1,726	\$ 26,408	\$ (154,162)	\$ (126,028)	\$ (18,081)	\$ 4,984,017
Specific Funds								
F. Clifford Brown Memorial Scholarship Fund	289,771	728,489	-	3,843	(21,891)	(18,048)	(2,569)	707,872
Chilliwack Community Services	414,937	790,352	-	4,143	(23,750)	(19,607)	(2,787)	767,958
UFV Scholarships and Bursaries	400,069	771,116	-	4,042	(23,172)	(19,130)	(2,719)	749,267
Chilliwack Society for Community Living	40,000	89,278	-	468	(2,683)	(2,215)	(315)	86,748
The Bowes Education Fund	25,000	75,690	-	406	(2,275)	(1,869)	(267)	73,555
Dr. W.G. "Tony" Newby Memorial Scholarship Fund	30,500	80,642	-	425	(2,423)	(1,999)	(284)	78,359
B.C. Summer Games Legacy Fund:								
Education Awards	50,000	151,609	-	799	(4,556)	(3,757)	(535)	147,317
Culture/Arts Awards	50,000	146,708	-	762	(4,409)	(3,647)	(517)	142,543
Sports/Recreation Awards	86,693	254,424	-	1,288	(7,646)	(6,357)	(897)	247,170
Luscombe/Von Bylburg Memorial Scholarship Fund	23,776	67,932	-	364	(2,041)	(1,677)	(240)	66,016
Jack Williams Memorial Fund:								
Education Awards	45,000	126,530	-	673	(3,802)	(3,129)	(446)	122,955
Culture/Arts Awards	22,500	62,072	-	323	(1,865)	(1,543)	(219)	60,311
Sports/Recreation Awards	22,500	61,367	-	311	(1,844)	(1,533)	(216)	59,617
Chris and Ken Jessiman Endowment Fund	110,000	219,922	-	1,153	(6,609)	(5,456)	(775)	213,691
Chilliwack Restorative Justice and Youth Advocacy Assoc.	50,571	90,121	-	472	(2,708)	(2,236)	(318)	87,567
Dr. Anne Sussel Science Scholarship Fund	26,865	46,942	-	246	(1,411)	(1,164)	(166)	45,612
Hospice Society	21,583	35,558	-	186	(1,069)	(882)	(125)	34,550
Helders Scholarship Fund	85,000	138,082	-	754	(4,149)	(3,395)	(487)	134,199
Frank George Memorial	25,000	43,186	-	235	(1,298)	(1,063)	(152)	41,971
Chilliwack General Hospital Memorial Fund	374,162	572,795	-	3,003	(17,213)	(14,210)	(2,020)	556,565
St. Thomas Anglican Youth Ministry Fund	60,000	103,282	-	541	(3,104)	(2,562)	(364)	100,355
Chilliwack Museum and Historical Soc. Fund	240,000	356,542	-	1,869	(10,714)	(8,845)	(1,257)	346,439
Don Urquhart McGillvary fund	20,000	27,271	-	147	(820)	(672)	(96)	26,503
Frances and Charles Thomas Scholarship Fund	50,000	59,650	-	342	(1,793)	(1,450)	(210)	57,989
Frances G. Thomas Memorial Fund	70,000	83,231	-	436	(2,501)	(2,065)	(293)	80,873
Great Blue Heron Reserve Fund	45,168	50,327	-	264	(1,512)	(1,249)	(177)	48,901
Dr. Carmen Kirkness Memorial Scholarship Fund	80,000	85,713	-	455	(2,576)	(2,121)	(302)	83,289
Atchelitz Farmers Institute Scholarship Fund	89,093	-	89,093	-	(6,812)	82,281	-	82,281
	\$ 6,031,712	\$ 10,446,954	\$ 90,819	\$ 54,358	\$ (320,808)	\$ (175,630)	\$ (36,834)	\$ 10,234,490

Chilliwack Foundation
Schedule 2 - Distributable Income Fund Continuity
For the year ended June 30, 2022

	Net Assets As at <u>June 30, 2021</u>	Interest and Dividend <u>Income</u>	Awards and Grants <u>Distributed</u>	Administrative and Program <u>Expenses</u>	Excess (Deficiency) of Revenue <u>over Expenses</u>	Interfund <u>Transfer</u>	Net Assets As at <u>June 30, 2022</u>
General Funds	\$ 379	\$ 186,869	\$ (159,844)	\$ (16,320)	\$ 10,705	\$ 18,081	\$ 29,165
Specific Funds							
F. Clifford Brown Memorial Scholarship Fund	26,396	26,604	(20,100)	(2,409)	4,094	2,569	33,059
Chilliwack Community Services	24,873	28,853	(24,878)	(2,592)	1,383	2,787	29,042
UFV Scholarships and Bursaries	24,267	28,151	(24,273)	(2,529)	1,350	2,719	28,336
Chilliwack Society for Community Living	2,810	3,259	(2,810)	(293)	156	315	3,281
The Bowes Education Fund	2,491	2,764	(600)	(254)	1,909	267	4,667
Dr. W.G. "Tony" Newby Memorial Scholarship Fund	2,512	2,944	(1,600)	(267)	1,077	284	3,873
B.C. Summer Games Legacy Fund:							
Education Awards	7,080	5,541	(4,800)	(504)	236	535	7,851
Culture/Arts Awards	29	5,344	(5,423)	(464)	(543)	517	3
Sports/Recreation Awards	42	9,268	(9,343)	(805)	(880)	897	60
Luscombe/Von Bylburg Memorial Scholarship Fund	3,670	2,484	(2,100)	(228)	156	240	4,065
Jack Williams Memorial Fund:							
Education Awards	4,183	4,620	(1,950)	(422)	2,248	446	6,876
Culture/Arts Awards	89	2,261	(2,382)	(196)	(317)	219	(9)
Sports/Recreation Awards	88	2,236	(2,354)	(194)	(313)	216	(8)
Chris and Ken Jessiman Endowment Fund	6,902	8,029	(6,903)	(721)	404	775	8,081
Chilliwack Restorative Justice and Youth Advocacy Assoc.	2,836	3,290	(2,837)	(296)	158	318	3,312
Dr. Anne Sussel Science Scholarship Fund	1,338	1,713	(800)	(156)	758	166	2,261
Hospice Society	1,119	1,298	(1,119)	(117)	62	125	1,307
Helders Scholarship Fund	8,092	5,050	(800)	(476)	3,774	487	12,354
Frank George Memorial	2,075	1,578	-	(148)	1,430	152	3,657
Chilliwack General Hospital Memorial Fund	18,026	20,911	(18,030)	(1,879)	1,002	2,020	21,048
St. Thomas Anglican Youth Ministry Fund	3,250	3,771	(3,251)	(339)	181	364	3,795
Chilliwack Museum and Historical Soc. Fund	11,220	13,016	(11,223)	(1,169)	624	1,257	13,102
Don Urquhart McGillvary fund	1,115	996	-	(93)	903	96	2,114
Frances and Charles Thomas Scholarship Fund	6,368	2,189	-	(216)	1,973	210	8,551
Frances G. Thomas Memorial Fund	2,619	3,039	(2,620)	(273)	146	293	3,058
Great Blue Heron Reserve Fund	1,584	1,837	(1,584)	(165)	88	177	1,849
Dr. Carmen Kirkness Memorial Scholarship Fund	1,917	3,127	(2,000)	(281)	846	302	3,066
Atchelitz Farmers Institute Scholarship Fund	-	1,344	-	(285)	1,060	-	1,060
	\$ 167,369	\$ 382,388	\$ (313,624)	\$ (34,092)	\$ 34,672	\$ 36,834	\$ 238,875