YMCA BC Foundation
Financial Statements
For the year ended December 31, 2024

Contents

For the year ended December 31, 2024

Independent Auditor's Report

To the Members of YMCA BC Foundation:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of YMCA BC Foundation (the "Foundation"), which comprise the statement of financial position as at December 31, 2024, 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2024, 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. 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 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.

Other Matter

The financial statement for the year ended December 31, 2023 were audited by another auditor who expressed an unmodified opinion on those statements on June 20, 2024.

Other Information

Management is responsible for the other information. The other information comprises the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MNP LLP
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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.

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 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.

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 Society 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.

Surrey, British Columbia

MNP LLP

June 13, 2025

Chartered Professional Accountants

YMCA BC Foundation
Statement of Financial Position
As at December 31, 2024

	2024	*2023*
Assets		
Current		
Cash	**186,487**	1,026,007
Due from YMCA BC *(Note 3)*	**500,462**	246,466
Investments *(Note 4)*	**64,322,464**	61,101,851
Other receivables	**491,118**	567,316
Prepaid expenses	**16,223**	3,458
	65,516,754	62,945,098
Restricted cash	**438,657**	385,501
Investments *(Note 4)*	**29,877,109**	27,122,756
Tenant incentives, net	**916,277**	1,182,517
Real properties, net *(Note 5)*	**17,326,328**	17,710,263
	114,075,125	109,346,135
Liabilities		
Current		
Accounts payable and accruals *(Note 6)*	**109,284**	176,138
Due to YMCA BC *(Note 3)*	**870,445**	1,321,461
Current portion of long-term debt *(Note 7)*	**7,731,202**	272,513
	8,710,931	1,770,112
Long-term debt *(Note 7)*	**-**	7,732,049
	8,710,931	9,502,161
Subsequent events *(Note 11)*		
Net Assets		
Invested in real property	**9,595,126**	9,705,701
Endowment Fund	**14,635,675**	13,012,758
Strategic reserve	**16,180,553**	14,741,964
Unrestricted	**64,952,840**	62,383,551
	105,364,194	99,843,974
	114,075,125	109,346,135

Approved on behalf of the Board

e-Signed by Melinda McKie
2025-06-12 14:35:09:09 PDT
Director

e-Signed by Farzin Remtulla
2025-06-12 13:20:25:25 PDT
Director

The accompanying notes are an integral part of these financial statements

YMCA BC Foundation
Statement of Operations
For the year ended December 31, 2024

	2024	2023
Revenue		
Rent *(Note 3)*	**736,735**	704,900
Operating cost recoveries *(Note 3)*	**641,555**	616,111
Investment income	**7,538,116**	3,855,271
Unrealized investment gain	**2,232,393**	3,850,901
Income from funds administered by the Vancouver Foundation	**192,464**	151,253
Donations and other income	**40,942**	28,931
	11,382,205	9,207,367
Expenses		
Grants to YMCA BC *(Note 3)*	**2,934,691**	2,466,698
Grants to YMCA BC's What Really Matters Capital Campaign *(Note 3)*	**600,000**	600,000
Other grants	**13,306**	14,172
Property operating costs	**717,541**	756,918
Bank and investment charges	**708,467**	654,104
Administration fee charged by YMCA of BC *(Note 3)*	**409,224**	404,472
Interest on long-term debt *(Note 7)*	**243,409**	251,022
Office, legal, professional and contract services	**146,395**	99,439
Bad debts	**19,067**	-
Meeting, conferences and contract services	**10,277**	8,275
Promotion	**9,037**	8,336
Insurance premiums	**5,559**	5,923
Commodity tax rebate	**(31,773)**	(30,576)
Total expenses	**5,785,200**	5,238,783
Excess of revenue over expenses before other items	**5,597,005**	3,968,584
Other items		
Amortization of real properties	**(383,936)**	(383,936)
Excess of revenue over expenses	**5,213,069**	3,584,648

The accompanying notes are an integral part of these financial statements

YMCA BC Foundation
Statement of Changes in Net Assets
For the year ended December 31, 2024

	Unrestricted	*Endowment funds*	*Strategic reserve*	*Invested in real property*	***2024***	*2023*
Net assets, beginning of year	62,383,551	13,012,758	14,741,964	9,705,701	99,843,974	95,926,372
Excess of revenue over expenses	2,687,384	1,445,485	1,707,545	(627,345)	5,213,069	3,584,648
Endowment contributions and bequests	-	307,151	-	-	307,151	332,954
Interfund transfers	(118,095)	(129,719)	(268,956)	516,770	-	-
Net assets, end of year	64,952,840	14,635,675	16,180,553	9,595,126	105,364,194	99,843,974

The accompanying notes are an integral part of these financial statements

YMCA BC Foundation
Statement of Cash Flows
For the year ended December 31, 2024

	2024	*2023*
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	**5,213,069**	3,584,648
Amortization of real properties	**383,936**	383,936
Bad debts	**19,067**	-
Amortization of tenant incentives	**266,240**	266,240
Unrealized investment gain	**(2,232,393)**	(3,850,901)
	3,649,919	383,923
Changes in working capital accounts		
Other receivables	**57,131**	(83,146)
Prepaid expenses and deposits	**(12,765)**	(747)
Accounts payable and accruals	**(66,854)**	(99,032)
Due to/from YMCA BC	**(705,012)**	(172,825)
	2,922,419	28,173
Financing		
Repayment of long-term debt	**(273,360)**	(265,746)
Endowment contributions and bequests received	**307,151**	332,954
	33,791	67,208
Investing		
Net proceeds on sale (purchases) of investments	**(3,742,574)**	1,198,499
Increase (decrease) in cash resources	**(786,364)**	1,293,880
Cash resources, beginning of year	**1,411,508**	117,628
Cash resources, end of year	**625,144**	1,411,508

The accompanying notes are an integral part of these financial statements

1. Purpose of organization

YMCA BC Foundation (the “Foundation”) was incorporated in 2009 under the Society Act of British Columbia, is a registered public foundation under the Income Tax Act (Canada) and, accordingly, is not subject to income taxes. The Foundation transitioned to the new Societies Act of British Columbia in June 2017. In order to maintain its status as a registered public foundation under the Act, the Foundation must meet certain requirements in the Act. In the opinion of management, the requirements have been met.

The Foundation’s purpose is to:

I. fund, support and promote YMCA BC (the “YMCA”); any organization that is a member of the National Council of Young Men’s Christian Associations of Canada (the "NC-YMCA“); and, any foundation or endowment fund whose purposes include the support of organizations that are members of NC-YMCA, and,

II. to receive gifts, bequests, funds and property, and to hold, invest, administer and distribute funds and property for the purposes of the Foundation.

On January 31, 2023, the Foundation changed its name to YMCA BC Foundation to align with YMCA BC which was formed as a result of the merger of The YMCA of Greater Vancouver, the Kamloops Community Young Men’s and Young Women’s Christian Association, and the Young Men’s Christian Association of Northern BC. The YMCA and the Foundation share common management. These financial statements do not include the results of the YMCA.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Revenue recognition

The Foundation follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when they are received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions for which the related restriction is unfulfilled at the statement of financial position date, as well as contributions for expenses of one or more future periods, are deferred and recognized as revenue in the same period or periods in which the restriction is fulfilled or the related expenses are recognized. Restricted contributions for the purchase of real properties and equipment that will be amortized are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired real property and equipment. Restricted contributions for the purchase of real property that will not be amortized are recognized as direct increases in net assets. Endowment contributions are recognized as direct increases in net assets in the period they are received or receivable.

Rent revenue is recognized using the straight-line method, whereby the total amount of rent revenue to be received from a lease is accounted for on a straight-line basis over the term of the lease and collection is reasonably assured.

Operating cost recoveries are recognized as revenue when the amounts become due under the terms of the lease agreements, which is generally in the period in which the corresponding costs are incurred, and collection is reasonably assured.

Investment income includes interest and dividend income, pooled fund income, realized investment gains and losses on sales of investments, and unrealized gains and losses on investments measured at fair value. Interest income is recognized with the passage of time, dividend income is recognized based on the ex-dividend date, pooled fund income is recognized on the date of distribution by the fund, income from limited partnerships is recognized on an accrual basis as earned, realized gains and losses are recognized based on the trade date, and unrealized gains and losses are recognized based on the statement of financial position date.

Income from funds administered by the Vancouver Foundation is recognized when received or receivable.

Cash and cash equivalents

Cash includes balances held at banks and highly liquid short-term investments, with an original maturity of three months or less at the date of purchase, unless they are held for investments purposes rather than liquidity purposes, in which they are classified as investments.

2. Significant accounting policies *(Continued from previous page)*

Real properties

Real properties are recorded at cost for property purchased by the Foundation and at fair value at the time of donation for property donated.

The Foundation provides for amortization on a straight-line basis using the cost less residual value over the useful life of the asset as follows:

Buildings	32 years
Equipment and fixtures	5-20 years

Long-lived assets and discontinued operations

Long-lived assets consist of real properties. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Foundation writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Foundation's ability to provide goods and services. The asset are also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Foundation determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

Tenant incentives

Tenant incentives, which include costs incurred to make leasehold improvements to tenant's space and cash allowances provided to tenants, are initially recognized as an asset and amortized on a straight-line basis over the initial term of the lease as a reduction in rent revenue.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates in effect at the statement of financial position date. Non-monetary assets and liabilities are translated at the rate of exchange in effect when the assets are acquired or obligations incurred. Revenues and expenses are translated at the exchange rate prevailing at the time the transaction occurs. All exchange gains and losses are recognized in the statement of operations in the period in which they arise.

Financial instruments

The Foundation recognizes financial instruments when the Foundation becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Foundation may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Foundation has not made such an election during the year.

The Foundation subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, 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 excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

2. Significant accounting policies *(Continued from previous page)*

Financial instruments *(Continued from previous page)*

Related party financial instruments

The Foundation measures related party financial instruments at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

At initial recognition, the Foundation may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value.

The Foundation has not made such an election during the year, thus all such related party debt instruments are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess of revenues over expenses.

Financial asset impairment

The Foundation assesses impairment of all its financial assets measured at cost or amortized cost. The Foundation groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant, etc. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments; etc. in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Foundation determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Foundation reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party debt instruments initially measured at cost, the Foundation reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party equity instruments initially measured at cost, the Foundation reduces the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Foundation reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenses in the year the reversal occurs.

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.

Amortization is based on the estimated useful lives of real properties.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

3. YMCA BC

The YMCA is an independent charitable organization separately registered as a charity under the *Income Tax Act* (Canada) and incorporated under the *Societies Act* of British Columbia. The YMCA is dedicated to the development of people in spirit, mind and body as well as the improvement of local, national and international communities.

In April 2016, the directors of the Foundation committed to provide the YMCA $3,000,000 over 10 years for the purpose of creating four new centres of community in Surrey, Vancouver, Coquitlam and Chilliwack (What Really Matters Capital Campaign). In April 2018, the directors made further pledges of $7,000,000 to bring their gift to $10,000,000. During the year ended December 31, 2024, $600,000 (2023 - $600,000) was contributed and at December 31, 2024, an aggregate of $8,600,000 (2023 - $8,000,000) of this commitment had been contributed by the Foundation with respect to the What Really Matters Capital Campaign.

In addition, the Foundation makes donations to the YMCA in accordance with donors' restrictions at the direction of the Foundation directors. During 2024, the Foundation provided grants of $2,934,691 (2023 – $2,466,698) to the YMCA.

For the year ended December 31, 2024, the Foundation reimbursed the YMCA for administration support services totaling $409,224 (2023 – $404,472).

In July 2015, the YMCA entered into a 10-year lease for Camp Deka, which is owned by the Foundation (note 5). For the year ended December 31, 2024, included in rent revenue is $67,915 (2023 – $67,915) charged to the YMCA.

The Foundation has entered into a 10-year lease with the YMCA that expires in 2031, with two renewal options of five years each, for space in the Foundation's Royal Avenue property with an annual base rent of approximately $182,940 (note 5). For the year ended December 31, 2024, included in rent revenue is $182,940 (2023 – $181,440) of rent and included in operating cost recoveries is $167,685 (2023 – $165,610) charged to the YMCA.

As at December 31, 2024, a net $369,983 (2023 – $1,074,995) is payable to the YMCA.

The transactions are recorded at exchange amounts agreed and established between the YMCA and the Foundation.

4. Investments

	2024	*2023*
Current - unrestricted funds		
North Growth Management Ltd.	**599,268**	464,280
Mawer - Langdale New Westminster	**17,430,307**	17,641,881
Canada Life Canadian Real Estate Fund	**3,580,093**	6,689,895
ACM Commercial Mortgage Fund	**6,428,792**	6,351,313
Northleaf Senior Private Credit	**14,540,398**	9,813,702
IFM Global Infrastructure	**21,743,606**	20,140,780
Total current investments	**64,322,464**	61,101,851
Non-current - Internally restricted funds		
Mawer - Strategic Reserve	**16,180,553**	14,741,964
Non-current - Endowment funds		
Mawer - Endowment	**13,462,337**	12,171,550
Mawer - Literacy	**234,219**	209,242
	13,696,556	12,380,792
Total non-current investments	**29,877,109**	27,122,756
Total Investments	**94,199,573**	88,224,607

The investment mix, excluding endowment donor designated funds, comprises the following:

	2024 **%**	*2023* %
Cash and short-term deposits	5.0	1.9
Fixed income	3.3	12.7
Mortgages	8.0	8.4
Infrastructure	27.0	26.6
Real estate	4.4	8.8
Direct lending	13.2	12.9
Equities and equity funds	39.1	28.7
	100.0	100.0

5. Real Properties

	Cost	Accumulated amortization	2024 Net book value
620 Royal Ave. - New Westminster			
Land	**6,379,367**	**-**	**6,379,367**
Buildings	**12,110,135**	**1,759,326**	**10,350,809**
Equipment and fixtures	**82,413**	**16,261**	**66,152**
	18,571,915	**1,775,587**	**16,796,328**
Camp Deka			
Land	**530,000**	**-**	**530,000**
	19,101,915	**1,775,587**	**17,326,328**

	Cost	Accumulated amortization	2023 Net book value
620 Royal Ave. - New Westminster			
Land	**6,379,367**	**-**	**6,379,367**
Buildings	**12,110,135**	**1,380,885**	**10,729,250**
Equipment and fixtures	**82,413**	**10,767**	**71,646**
	18,571,915	**1,391,652**	**17,180,263**
Camp Deka			
Land	**530,000**	**-**	**530,000**
	19,101,915	**1,391,652**	**17,710,263**

6. Government remittances

Included in accounts payable and accrued liabilities at December 31, 2024 are government remittances aggregating $28,432 (2023 – $20,305), such as sales taxes, which are required to be paid to government authorities.

7. Long-term debt

	2024	*2023*
Term loan bearing interest at 3.10% per annum, repayable in blended monthly instalments of principal and interest of $43,149 and maturing in January 2025. The term loan is collateralized by a first charge on the 620 Royal Avenue, New Westminster property with a net book value at December 31, 2024 of $16,796,328 (2023 – $17,180,263).	**7,731,202**	8,004,562
Less: Current portion	**7,731,202**	272,513
	-	7,732,049

For the year ended December 31, 2024, interest expense recorded on the term loan was $243,409 (2023 – $251,022). On December 10, 2024, the term loan was renewed, resulting in an extension of the maturity date to July 1, 2025. Interest will be charged on the loan at a rate of primate plus 0.5%, compounded monthly, effective January 1, 2025 with interest only payments being due on a monthly basis.

The Foundation's long-term debt contains a debt service coverage ratio covenant. Measurement of the covenant is defined in the agreement and is as interpreted by the lender. At December 31, 2024, the Foundation was in compliance with this covenant.

8. Remuneration to trustees, employees and contractors

The directors of the Foundation are not remunerated and the Foundation does not have any employees or independent contractors.

9. Funds held by the Vancouver Foundation

The undernoted funds are held by the Vancouver Foundation and, accordingly, are not included as assets of the Foundation. The capital of these funds are held permanently by the Vancouver Foundation and invested in accordance with previsions of the Vancouver Foundation Act. Income from these funds is recognized when distributed by the Vancouver Foundation.

	Share of investment income %	***2024 $***	*2023 $*
YMCA BC Designated Fund	**100**	**1,392,670**	1,392,670
Chilliwack Family YMCA Endowment	**100**	**160,000**	160,000
		1,552,670	1,552,670

The Foundation receives income distributions from additional funds held by the Vancouver Foundation as directed by third party donors. The Foundation does not have input into distributions from these funds nor is the Foundation able to access financial information related to these other funds. As such, no additional funds have been included in the table above.

In the current year, the Foundation received a total of $192,464 (2023 – $151,253) in income distributions from funds held by the Vancouver Foundation.

10. Financial instruments

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

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's cash earns interest at deposit rates and the Foundation has investments in certain fixed income securities. The long-term debt bears interest at a fixed interest rate. The Foundation does not use derivative financial instruments to manage the effects of this risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation is exposed to credit risk in the event of non-performance by counterparties primarily in connection with its cash and other receivables. Certain of the Foundation's investments are also subject to credit risk. The Foundation mitigates its credit risk with respect to cash and investments by dealing with Canadian financial institutions and investment funds with no publicly known liquidity problems and with other receivables by dealing with what management believes to be financially sound counter-parties.

Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to liquidity risk arising from its accounts payable and accrued liabilities, due to YMCA BC, and its long-term debt. The Foundation's ability to meet its obligations depends on the amount and composition of its investments and its ability to obtain financing from existing or other potential lenders.

Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation has investments denominated in US dollars in the amount of US $7,404,076 (2023 – US $7,420,007) and thus the Foundation is exposed to the risk of fluctuations in earnings and cash flows arising from changes in the exchange rate between the Canadian dollar and the US dollar and the degree of volatility in that rate.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market. The Foundation is exposed to other price risk from investments held by the Foundation for which future prices are uncertain. The Foundation manages price risk by allocating its investments across different investment managers and different types of investments and underlying industries.

11. Subsequent event

On September 11, 2024, the Foundation entered into a sale agreement for the disposition of its Camp Deka property with a third party for $1,450,000 with a sale completion date of January 30, 2025. The sale closed on April 17, 2025.