

Environmental or Greenspace Summary

Organization	Folio	PID	Address	Foregone Revenue
Cowichan Agricultural Society & Farmers Institute	01791.020	003-445-208	5855 Clements St	\$ 3,665
Cowichan Community Land Trust	07443.000	009-744-541	Rainbow Island	\$ 111
Cowichan Green Community	00206.100	029-237-424	2431 Beverly Street	\$ 1,841
Ducks Unlimited	17849.001	009-739-777	District Lot 2A	\$ 1,649
Ducks Unlimited	17849.002	009-739-785	District Lot 2A	\$ 123
Ducks Unlimited	13951.003	009-739-718	Swallowfield Road	\$ 1,613
Ducks Unlimited	13951.015	029-153-425	Swallowfield Road	\$ 47
Ducks Unlimited	13951.025	029-153-433	Swallowfield Road	\$ 1,136
Ducks Unlimited	13951.035	029-153-441	Crofton Road	\$ 1,420
Freshwater Fisheries Society of B.C.	02246.005	001-097-547	2731 Boys Rd	\$ 1,169
Island Corridor Foundation	00172.001	013-684-761	Rail Corridor	\$ 964
Island Corridor Foundation	00180.001	013-688-219	Rail Corridor	\$ 551
Island Corridor Foundation	00180.002	013-684-795	Rail Corridor	\$ 982
Island Corridor Foundation	00184.001	013-688-162	Rail Corridor	\$ 736
Island Corridor Foundation	00184.002	013-688-171	Rail Corridor	\$ 631
Island Corridor Foundation	00186.001	013-685-171	Rail Corridor	\$ 212
Island Corridor Foundation	00899.001	013-684-973	Rail Corridor	\$ 682
Island Corridor Foundation	00900.001	013-685-279	Rail Corridor	\$ 474
Island Corridor Foundation	01180.025	009-750-649	Rail Corridor	\$ 382
Island Corridor Foundation	01180.050	003-387-232	Rail Corridor	\$ 487
Island Corridor Foundation	01232.003	013-685-538	Rail Corridor	\$ 533
Island Corridor Foundation	01232.004	013-685-562	Rail Corridor	\$ 459
Island Corridor Foundation	01232.005	013-685-597	Rail Corridor	\$ 76
Island Corridor Foundation	01232.006	013-878-727	Rail Corridor	\$ 146
Island Corridor Foundation	01232.007	023-119-624	Rail Corridor	\$ 3,340
Island Corridor Foundation	01232.008	023-119-632	Rail Corridor	\$ 168
Island Corridor Foundation	01232.009	023-119-641	Rail Corridor	\$ 16
Island Corridor Foundation	01232.010	023-119-659	Rail Corridor	\$ 3,172
Island Corridor Foundation	01232.011	023-119-667	Rail Corridor	\$ 4,320
Island Corridor Foundation	02222.001	013-685-414	Rail Corridor	\$ 436
Island Corridor Foundation	03995.000	010-144-633	Rail Corridor	\$ 15,200
Island Corridor Foundation	03995.000	010-380-302	Rail Corridor	\$ -
Island Corridor Foundation	03995.000	005-029-899	Rail Corridor	\$ -
Island Corridor Foundation	03995.000	009-919-031	Rail Corridor	\$ -
Island Corridor Foundation	03995.000	009-919-821	Rail Corridor	\$ -
Island Corridor Foundation	03995.000	010-111-743	Rail Corridor	\$ -
Island Corridor Foundation	03995.001	No PID	Rail Corridor	\$ 618
Island Corridor Foundation	03995.002	023-501-89	Rail Corridor	\$ 7,000
Island Corridor Foundation	03995.003	023-640-171	Rail Corridor	\$ 9,000
Island Corridor Foundation	03995.004	023-635-738	Rail Corridor	\$ 4,320

Island Corridor Foundation	03995.007	023-636-092	Rail Corridor	\$	8,480
Island Corridor Foundation	03995.008	023-892-226	Rail Corridor	\$	8,720
Island Corridor Foundation	03995.009	023-887-532	Rail Corridor	\$	6,480
Island Corridor Foundation	03995.010	023-884-142	Rail Corridor	\$	4,320
Island Corridor Foundation	03995.011	023-884-355	Rail Corridor	\$	6,520
Island Corridor Foundation	03995.012	023-894-555	Rail Corridor	\$	8,000
Island Corridor Foundation	03995.013	023-899-531	Rail Corridor	\$	10,000
Island Corridor Foundation	03995.014	023-911-590	Rail Corridor	\$	1,536
Island Corridor Foundation	03995.015	024-070-297	Rail Corridor	\$	7,200
Island Corridor Foundation	03995.016	024-120-880	Rail Corridor	\$	7,040
Island Corridor Foundation	03995.017	024-025-895	Rail Corridor	\$	5,400
Island Corridor Foundation	03995.018	024-025-569	Rail Corridor	\$	3,792
Island Corridor Foundation	03995.019	024-040-240	Rail Corridor	\$	9,600
Island Corridor Foundation	03995.020	024-157-180	Rail Corridor	\$	24
Island Corridor Foundation	03995.021	024-209-619	Rail Corridor	\$	3,240
Island Corridor Foundation	03995.022	024-786-055	Rail Corridor	\$	1,548
Island Corridor Foundation	03995.100	024-040-240	Rail Corridor	\$	238
Island Corridor Foundation	03996.000	No PID	Rail Corridor	\$	12,600
Island Corridor Foundation	18008.002	023-636-092	Rail Corridor	\$	71
Island Corridor Foundation	No Folio	009-709-126	Rail Corridor	\$	-
Nature Conservancy of Canada	00022.200	004-106-890	1501 Khenipsen Rd	\$	6,765
Nature Conservancy of Canada	08595.000	006-321-879	Maple Bay Rd	\$	11,490
Nature Conservancy of Canada	08595.001	000-977-543	1241 Maple Bay Rd	\$	2,036
Nature Conservancy of Canada	08597.000	006-321-917	Aitken Rd	\$	4,673
Nature Trust of BC	00173.000	009-648-402	3776 Gibbins Rd	\$	2,926
Nature Trust of BC	00197.100	001-267-400	Trans Canada Hwy	\$	3,490
Nature Trust of BC	00197.101	001-267-469	Trans Canada Hwy	\$	2,718
Nature Trust of BC	00200.000	000-627-275	6045 Trans Canada Hwy	\$	1,567
Nature Trust of BC	00206-200	029-902-797	York Rd	\$	-
Nature Trust of BC	03931.010	003-103-684	Cowichan Bay	\$	66
Nature Trust of BC	05084.000	000-558-591	Trans Canada Hwy	\$	1,064
Nature Trust of BC	01049-001	018-678-793	Beverly St	\$	703
Nature Trust of BC	01242-020	030-320-798	Beverly St	\$	2,872
Vancouver Island Providence Community Association	00016.002	029-400-503	Donnay Drive	\$	3,978
Vancouver Island Providence Community Association	00016.000	023-166-886	1843 Tzouhalem Rd	\$	4,613
				\$	221,449

**Permissive Tax Exemption Application
(2024-2027)**

NOTE: Applicants may be requested to attend a Committee of the Whole meeting in September as part of the application process

Please submit application to the Finance Department

Director of Finance
Municipality of North Cowichan
Duncan, BC V9L 6A1
Fax. 250.746.3133
Email: finance@northcowichan.ca

APPLICATION DEADLINE: AUGUST 1

The following information must be provided to Municipal Hall, either in person or by email, by the application deadline for Council's consideration. **Late applications will not be considered.**

SECTION 1: GENERAL INFORMATION

APPLICATION DATE: Aug 1, 2024

FULL NAME OF ORGANIZATION: Cowichan Agricultural Society and Farmers' Institute

MAILING ADDRESS OF PROPERTY: 5855A Clements St. Duncan, BC V9L 3W2

LEGAL DESCRIPTION:

Lot: _____ Block: _____ Plan: _____

TAX ROLL NUMBER: 01791.020 PID: 003-445-208

CIVIC ADDRESS OF PROPERTY (if different than mailing address): _____

In what ways is your organization registered? (*Applications will not be considered from societies who are not in good standing and may be asked to provide proof of good standing and compliance.*)

- Not for profit (registered under Societies Act of BC)
- Not for profit (CRA registered)
- Registered Charity
- Other, please specify.

Farmers Institute Act (and Regulation)

SOCIETY NUMBER: _____ BUSINESS NUMBER: _____

REGISTERED CHARITY OR NON-PROFIT ORGANIZATION NUMBER: _____

Organization Executive:

Title	Name	Phone No.
President	Nick Neisingh	
Secretary	Foster Richardson	
Treasurer	Paul Tataryn	 FIPPA s. 22(1)

CONTACT DETAILS:

Contact Person & Title: Paul Tataryn
Mailing Address:  **FIPPA s. 22(1)**
Phone Number:  **FIPPA s. 22(1)** Email:  **FIPPA s. 22(1)**

Did this property receive a Permissive Tax Exemption in previous years?

YES YEAR(S) 20+
NO

SECTION 2: ORGANIZATIONAL INFORMATION

1. What is the nature of your organization?

- Non-profit organization
- Charitable/philanthropic organization
- Athletic or Service Club/Associations (including golf course)
- Care facility/registered assisted living residence
- Partner of the municipality by agreement under s. 225 of the Community Charter
- Other local authority
- Place of public worship (and land surrounding exempt building)
- Senior's home

2. To the best of your knowledge, is your organization in compliance with all municipal policies, bylaws and other applicable regulations (i.e., business licencing, zoning)?

YES
NO

If no, please explain:

3. Describe the goals and objectives of your organization:

The Cowichan Agricultural Society and Farmers Institute is incorporated under the Farmers and Womens Institute Regulation of the Farmers and Womens Institute Act of British Columbia.

The goals and objectives under our Act are:

(a) to improve conditions of rural life so that settlement may be permanent and prosperous;

(b) to promote the theory and practice of agriculture;

4. Do the objectives/goals of your organization align with any or all of North Cowichan's Strategic priorities?

YES

NO

If yes, please explain:

Describe the activities your organization carries out that contribute to the well-being of the community?

Community Agricultural Awareness and support

5. Does your organization provide life essentials (food and shelter) and/or skills to a vulnerable population – caregivers, youth, indigenous, low income, immigrants and refugees, people experiencing homelessness, people experiencing domestic violence, people living with mental illness, persons with disabilities, pets, etc.?

YES

NO

If yes, please explain:

Youth

We provide a venue and support to the local Agricultural Youth 4H Organization

6. How does your organization foster diversity, promote inclusivity, and/or champion conservation?

Conservation

As part of our agricultural awareness and education/extension mandate, conservation is an integral part

7. Identify the number of persons served by the organization within the Municipality of North Cowichan annually.

The agricultural community

8. Is membership or enrolment restricted in any way? YES NO

If yes, please explain:

Provide examples of programs or services aimed at reducing disparities and/or barriers to access, if applicable?

n/a

SECTION 3: PROPERTY INFORMATION

1. Is the organization the registered owner of the property for which the exemption is being requested?

YES

NO

2. If no, is the organization a lessee under a lease which requires direct payment of the property taxes to the Municipality of North Cowichan?

YES

NO

If yes, please attach a copy of the lease.

3. Does anyone live in the building, or do you have any 3rd party agreements including rental or use of the building, parking lot or services rendered?

YES NO

If yes, please attach agreement(s) and indicate the following:

Leased to	Sq. Footage leased	Rate Charged
Clements Society	Outside Parking spaces	\$10/car/month

4. How is your organization accessible to the public?
 Any member of the public who has an interest in Agriculture is welcome.

SECTION 4: FINANCIAL INFORMATION

1. Does your organization have revenue generating activities on your property (i.e., hall rentals, catering, daycares, preschools, parking lots, etc.)?

YES NO

If yes, please attach a Fee Schedule and indicate the following:

Activity	Organization/Operator	Annual Income
parking	Clements Centre	\$10/stall/mth or less
various	Cowichan spirit Drummers, Shriners, CV Naturalists, etc	\$4,000+

2. Is your organization run by volunteers, paid staff, or a combination of both?

Number of employees: Full-time: 0 Part-time: 1 Number of Volunteers: 20+

3. Have you received grants from the Municipality of North Cowichan, Federal or Provincial government, regional government, Crown Agencies or other funding agencies in the last 3 years?

YES NO

If yes, please indicate the following:

Date Received Grant	Amount Received	From	Purpose
2024	5,000	MNC	Agricultural Outreach/Awareness

4. Please list other sources of revenue not covered, such as membership fees charged or fundraising, etc.
 Membership fees are \$20/yr

- 5. Prior year actual operating expenses \$7,886.56 (2023)
\$ _____
- 6. Prior year actual operating revenues \$6,957.45 (2023)
\$ _____
- 7. Current year annual operating budget of organization (attach a copy) \$10,400 (2024)
\$ _____
- 8. Projected annual operating budget of the organization for the year of requested exemption \$10,400
\$ _____

A copy of the organizations most recent financial statements must be included with the application, along with a copy of the projected income and expenses.

Projected Budget for 2025

Income

\$5,000	Grant
\$5,000	Rent
<u>\$400</u>	Membership dues
\$10,400	Total

Expenses

\$1,600	Hydro
\$300	Water to City of Duncan
\$1,000	Building Mtnce including security patrols
\$300	Property taxes to MNC
\$3,200	Property and Directors' Insurance
\$400	Janitor
\$3,350	Agricultural Extension services
\$150	Agric. Ext, events, honorarium
<u>\$100</u>	Dues to other Agric Organizations
\$10,400	Total

**Permissive Tax Exemption Application
(2024-2027)**

NOTE: Applicants may be requested to attend a Committee of the Whole meeting in September as part of the application process

Please submit application to the Finance Department

Director of Finance
Municipality of North Cowichan
Duncan, BC V9L 6A1
Fax. 250.746.3133
Email: finance@northcowichan.ca

APPLICATION DEADLINE: AUGUST 1

The following information must be provided to Municipal Hall, either in person or by email, by the application deadline for Council's consideration. **Late applications will not be considered.**

SECTION 1: GENERAL INFORMATION

APPLICATION DATE: July 16, 2024
FULL NAME OF ORGANIZATION: Cowichan Community Land Trust Society
MAILING ADDRESS OF PROPERTY: # 5 55 Station Street Duncan BC V9L 1M2
LEGAL DESCRIPTION:
Lot: 12 Block: _____ Plan: LOT 12, SOMENOS DISTRICT BEING A SMALL ISLAND IN QUAMICHAN LAKE, KNOWN AS "RAINBOW ISLAND" SHOWN REID ON PLAN DEPOSITED UNDER DD1933201
TAX ROLL NUMBER: 07443-000 PID: 009-744-541
CIVIC ADDRESS OF PROPERTY (if different than mailing address): no civic address

In what ways is your organization registered? (*Applications will not be considered from societies who are not in good standing and may be asked to provide proof of good standing and compliance.*)

Not for profit (registered under Societies Act of BC)
Not for profit (CRA registered)
Registered Charity
Other, please specify.

Registered Charity

SOCIETY NUMBER: S-0033252 BUSINESS NUMBER: 89596 4856 RR0001
REGISTERED CHARITY OR NON-PROFIT ORGANIZATION NUMBER: 89596 4856 BC0001

Organization Executive:

Title	Name	Phone No.
President	Pete Keber	
Secretary	Bruce Coates	
Treasurer	Roger Wiles	

CONTACT DETAILS:

Contact Person & Title: Stephanie Cottell Executive Director

Mailing Address: #5 55 Station Street Duncan, BC V9L 1M2

Phone Number: [REDACTED] FIPPA s. 22(1) Email: stephanie@cowichanlandtrust.ca

Did this property receive a Permissive Tax Exemption in previous years?

YES YEAR(S) 10+
NO

SECTION 2: ORGANIZATIONAL INFORMATION

1. What is the nature of your organization?

- Non-profit organization
- Charitable/philanthropic organization
- Athletic or Service Club/Associations (including golf course)
- Care facility/registered assisted living residence
- Partner of the municipality by agreement under s. 225 of the Community Charter
- Other local authority
- Place of public worship (and land surrounding exempt building)
- Senior's home

2. To the best of your knowledge, is your organization in compliance with all municipal policies, bylaws and other applicable regulations (i.e., business licencing, zoning)?

YES
NO

If no, please explain:

3. Describe the goals and objectives of your organization:

To promote and help achieve voluntary ecological conservation in the region, as well as offer educational programming and volunteer activities around ecological conservation, stewardship, and restoration.

4. Do the objectives/goals of your organization align with any or all of North Cowichan's Strategic priorities?

YES

NO

If yes, please explain:

Our work aligns with the following MNC strategic priority: Environment
We manage 19 conservation covenants within the MNC, including 17 on the shore of Quamichan Lake. Managing these covenants directly supports the MNC objectives for Environmental health. Additionally our education programs help build community awareness of ecological concerns, which in turn helps support the MNC's Environmental priorities.

Describe the activities your organization carries out that contribute to the well-being of the community?

We contribute to the well-being of the community by promoting active ecological conservation, stewardship, and restoration; as well as offering education around these themes, which includes building the awareness of ancient and ongoing cultural relationships with the natural world in the region.

5. Does your organization provide life essentials (food and shelter) and/or skills to a vulnerable population – caregivers, youth, indigenous, low income, immigrants and refugees, people experiencing homelessness, people experiencing domestic violence, people living with mental illness, persons with disabilities, pets, etc.?

YES

NO

If yes, please explain:

6. How does your organization foster diversity, promote inclusivity, and/or champion conservation?

We foster these aims through our inclusive educational programs with schools, community events such as Quw'utsun Sta'lo Skweyul (Cowichan River Day), and community learning events such as the recent event in Maple Bay about the importance of Garry Oak and associated ecosystems. We warmly welcome everyone to be involved with our activities, and information about the organization is freely available on our website, by email, by subscribing to our e-newsletter The Steward, and/or following our social media pages. Anyone is welcome to become a member for a small fee to support the organization, although membership is not required to participate in any of our activities aside from voting on organizational business.

7. Identify the number of persons served by the organization within the Municipality of North Cowichan annually.

5000+

8. Is membership or enrolment restricted in any way? YES NO

If yes, please explain:

Provide examples of programs or services aimed at reducing disparities and/or barriers to access, if applicable?

We aim to offer our educational programs to schools that are under served first, and offer additional supports like covering bus costs when we have the funding available. Also, as much as possible our conservation efforts include highlighting the need for access to eco-culturally important areas for local Indigenous communities to continue and/or restore their relationships to these places.

SECTION 3: PROPERTY INFORMATION

1. Is the organization the registered owner of the property for which the exemption is being requested?

YES
NO

2. If no, is the organization a lessee under a lease which requires direct payment of the property taxes to the Municipality of North Cowichan?

YES
NO

If yes, please attach a copy of the lease.

3. Does anyone live in the building, or do you have any 3rd party agreements including rental or use of the building, parking lot or services rendered?

YES NO

If yes, please attach agreement(s) and indicate the following:

Leased to	Sq. Footage leased	Rate Charged

4. How is your organization accessible to the public?

Physically, we have an office in Duncan although this is not primarily how community accesses our services. Community generally access our services through our school and community events as well as accessing our online resources.

SECTION 4: FINANCIAL INFORMATION

1. Does your organization have revenue generating activities on your property (i.e., hall rentals, catering, daycares, preschools, parking lots, etc.)?

YES NO

If yes, please attach a Fee Schedule and indicate the following:

Activity	Organization/Operator	Annual Income

2. Is your organization run by volunteers, paid staff, or a combination of both?

Number of employees: Full-time: _____ Part-time: 1 Number of Volunteers: 50

3. Have you received grants from the Municipality of North Cowichan, Federal or Provincial government, regional government, Crown Agencies or other funding agencies in the last 3 years?

YES NO

If yes, please indicate the following:

Date Received Grant	Amount Received	From	Purpose
see	attached		

4. Please list other sources of revenue not covered, such as membership fees charged or fundraising, etc.

We typically receive between 1000-6000 in donations and membership fees per year. This year is an anomaly because we were the beneficiaries of an unexpected bequest, and subsequently received \$205,916.30 at the very end of our fiscal year. The majority of these funds have been invested to generate interest while we develop a conservation strategy to make the best use of these funds in the community. \$36,000 have been retained to help support operating and program costs over the current and subsequent year. Additionally we received \$30,000 in bonds for conservation covenants we hold with the MNC. These funds are automatically invested into our conservation endowment fund with the Vancouver Foundation, which generates interest that helps us manage our covenants.

5. Prior year actual operating expenses	\$ 86,895.53
6. Prior year actual operating revenues	\$ 118,972.58
7. Current year annual operating budget of organization (attach a copy)	\$ 120,733.00
8. Projected annual operating budget of the organization for the year of requested exemption	\$ 120,733.00

A copy of the organizations most recent financial statements must be included with the application, along with a copy of the projected income and expenses.

COWICHAN COMMUNITY LAND TRUST SOCIETY
Compiled Financial Information
Year Ended March 31, 2023

COWICHAN COMMUNITY LAND TRUST SOCIETY
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Year Ended March 31, 2023

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Alex E. Palmer, C.P.A., C.A.*
Tammy Leslie, C.P.A., C.G.A., C.A.*
Tavish Annis, C.P.A., C.G.A.*

*A Professional Corporation

COMPILATION ENGAGEMENT REPORT

To the Management of Cowichan Community Land Trust Society

On the basis of information provided by management, we have compiled the statement of financial position of Cowichan Community Land Trust Society as at March 31, 2023, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Duncan, British Columbia
August 30, 2023

CHARTERED PROFESSIONAL ACCOUNTANTS

301-394 Duncan Street
Duncan, BC V9L 3W4

T | 250 748 1426
F | 250 748 2805

Toll Free | 1 800 818 5703
Email | info@plcpa.ca
Web | www.palmerleslie.ca

101-626 First Avenue, PO Box 1396
Ladysmith, BC V9G 1A9

T | 250 245 1429
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COWICHAN COMMUNITY LAND TRUST SOCIETY

Statement of Financial Position

March 31, 2023

	<u>2023</u>	<u>2022</u>
ASSETS		
CURRENT		
Cash	\$ 64,084	\$ 75,812
Accounts receivable	4,984	6,543
Goods and services tax recoverable	378	418
Prepaid expenses	<u>1,106</u>	<u>1,068</u>
	70,552	83,841
CAPITAL ASSETS (Note 5)	22,323	22,539
LONG TERM INVESTMENTS (Note 4)	<u>110,100</u>	<u>110,000</u>
	<u>\$ 202,975</u>	<u>\$ 216,380</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 473	\$ 28,092
Unexpended grants	<u>37,713</u>	<u>23,247</u>
	<u>38,186</u>	<u>51,339</u>
NET ASSETS		
Invested in capital assets	22,323	22,539
Restricted reserves	141,846	141,720
Society operations	<u>620</u>	<u>782</u>
	<u>164,789</u>	<u>165,041</u>
	<u>\$ 202,975</u>	<u>\$ 216,380</u>

APPROVED BY THE DIRECTOR

_____ Director

The accompanying notes form an integral part of the financial information

COWICHAN COMMUNITY LAND TRUST SOCIETY
Statement of Revenues and Expenditures
Year Ended March 31, 2023

	2023	2022
REVENUES		
Donations	\$ 2,499	\$ 15,095
Membership dues	304	496
Grants	38,535	94,697
Other revenue	7,986	24,472
	<u>49,324</u>	<u>134,760</u>
EXPENSES		
Personnel Costs		
Salaries and wages	35,983	56,542
Travel	23	604
Project and Program Costs		
Communications and printing	538	675
Consulting and contracting	3,142	45,457
Supplies and small equipment	870	985
Facility Costs		
Insurance	708	1,578
Office rental	2,717	4,873
Project expenses	-	12,550
Security	393	393
Telephone and internet	2,308	2,167
Utilities	122	67
Administration and Other		
Office expense	1,070	1,511
Professional fees	1,486	4,484
Capital Asset Activity		
Amortization	216	435
	<u>49,576</u>	<u>132,321</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (252)	\$ 2,439

The accompanying notes form an integral part of the financial information

COWICHAN COMMUNITY LAND TRUST SOCIETY
Statement of Changes in Net Assets
Year Ended March 31, 2023

	Invested in Capital Assets	Restricted Reserves	Society Operations	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 22,539	\$ 141,720	\$ 782	\$ 165,041	\$ 162,602
Amortization	(216)	-	216	-	-
Transfer	-	26	(26)	-	-
	-	-	-	-	-
DEFICIENCY OF REVENUES OVER EXPENSES	-	100	(352)	(252)	2,439
NET ASSETS - END OF YEAR	\$ 22,323	\$ 141,846	\$ 620	\$ 164,789	\$ 165,041

The accompanying notes form an integral part of the financial information

COWICHAN COMMUNITY LAND TRUST SOCIETY**Statement of Cash Flows****Year Ended March 31, 2023**

	2023	2022
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (252)	\$ 2,439
Item not affecting cash:		
Amortization of capital assets	216	435
	<u>(36)</u>	<u>2,874</u>
Changes in non-cash working capital:		
Accounts receivable	1,559	12,499
Accounts payable	(27,619)	22,063
Prepaid expenses	(38)	(171)
Goods and services tax payable	40	241
Unexpended grants	14,466	(2,906)
	<u>(11,592)</u>	<u>31,726</u>
Cash flow from (used by) operating activities	<u>(11,628)</u>	<u>34,600</u>
FINANCING ACTIVITY		
Long term Investments	(100)	-
INCREASE (DECREASE) IN CASH FLOW	(11,728)	34,600
Cash - beginning of year	<u>75,812</u>	<u>41,212</u>
CASH - END OF YEAR	\$ 64,084	\$ 75,812
CASH CONSISTS OF:		
Cash	<u>\$ 64,084</u>	<u>\$ 75,812</u>

The accompanying notes form an integral part of the financial information

COWICHAN COMMUNITY LAND TRUST SOCIETY
Notes to Compiled Financial Information
Year Ended March 31, 2023

1. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the statement of financial position of Cowichan Community Land Trust Society as at March 31, 2023, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended is the historical cost basis and reflects cash transactions with the addition of:

- inventory valued at at cost;
 - property, plant and equipment are amortized on the same basis as for income tax;
 - Accounts payable and accrued liabilities
-

2. PURPOSE OF ORGANIZATION

The Cowichan Community Land Trust Society (the Society) is a local organization operating programs aimed at preserving, protecting and enhancing the environmental integrity of the lands of the Cowichan Valley Regional District and surrounding area. The Society is incorporated under the Society Act of British Columbia and is a registered charity under the Income Tax Act.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements were compiled based on information supplied by management. They may not be in accordance with Canadian Generally Accepted Accounting Principles.

Capital assets

Capital assets are stated at cost less accumulated amortization. Property, plant and equipment are amortized over their estimated useful lives on the diminishing balance basis at the following rates:

Computer equipment	55%	declining balance method
Furniture and office equipment	20%	declining balance method

Revenue Recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions and grants related to the general operations of the Society are recognized as revenue in the combined statement of operations in the year in which the related expenses are incurred.

4. LONG TERM INVESTMENTS

INVESTMENT IN VANCOUVER FOUNDATION ENDOWMENT (COVENANTS) - This is an externally restricted amount from which interest income is used for the purpose of conservation covenant monitoring.

COWICHAN COMMUNITY LAND TRUST SOCIETY
Notes to Compiled Financial Information
Year Ended March 31, 2023

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Land	\$ 22,000	\$ -	\$ 22,000	\$ 22,000
Computer equipment	4,476	4,337	139	309
Furniture and office equipment	3,605	3,421	184	230
	\$ 30,081	\$ 7,758	\$ 22,323	\$ 22,539

6. UNEXPENDED GRANTS

	2023	2022
Projects - internally restricted	\$ 37,713	\$ 23,247

7. STATEMENT OF RESTRICTED RESERVES

	Reserve balance, beginning of year	Allocation from net income	2023	2022
Land Acquisition Reserve	\$ 14,640	\$ 523	\$ 15,163	\$ 14,640
Covenant Monitoring Reserve	11,158	(497)	10,661	11,158
Environment Protection Fund (Covenants)	110,000	100	110,100	110,000
Eelgrass Buoys	5,922	-	5,922	5,922
	\$ 141,720	\$ 126	\$ 141,846	\$ 141,720

8. COMPARATIVE FIGURES

The comparative figures have been reclassified where necessary to conform to the current year presentation standards.

	<u>Mar 31, 24</u>
ASSETS	
Current Assets	
Chequing/Savings	
11000 · CASH AND INVESTMENTS	
11005 · ISCU SAVINGS - 30916	34,655.47
11006 · ISCU CHECKING	123.00
11007 · FWCU SHARES	5.00
11101 · BMO CHEQUING - SOCIETY 770	11,105.33
11102 · BMO CHEQUING - PROJECTS 701	10,616.04
11104 · BMO CHEQ - RESTRICT&INTRUST 789	4,853.18
11201 · BMO CHEQUING - GAMING 760	11,791.53
11301 · FWCU 2 - GIC 1 YR LOCKED	34,600.00
11302 · FWCU 3 GIC 2 YR LOCKED	34,600.00
11303 · FWCU 4 - GIC 3 YR LOCKED	34,600.00
11304 · FWCU 1 - GIC 12 MO CASHABLE	34,600.00
Total 11000 · CASH AND INVESTMENTS	<u>211,549.55</u>
Total Chequing/Savings	211,549.55
Other Current Assets	
14000 · RECEIVABLES	
14101 · RECEIVABLE - SOCIETY	32,793.30
14121 · RECEIVABLE -GST NET 50% SOCIETY	470.36
14252 · RECEIVABLE - ACCURED INTEREST	641.50
14292 · RECEIVABLE - PROJECTS OTHER	9,721.81
Total 14000 · RECEIVABLES	<u>43,626.97</u>
15000 · OTHER ASSETS	
15101 · PREPAID EXPENSE - SOCIETY	346.69
15202 · PREPAID EXPENSE - PROJECTS	807.30
17404 · VAN FDN ENDOW INVEST RESTRICTED	140,100.00
Total 15000 · OTHER ASSETS	<u>141,253.99</u>
Total Other Current Assets	<u>184,880.96</u>
Total Current Assets	396,430.51
Fixed Assets	
19000 · FIXED ASSETS	
19101 · COMPUTER EQUIPMENT, NET	
19111 · COMPUTER EQUIPMENT	4,476.02
19121 · ACCUM AMORTIZATION, COMPUTER	(4,413.52)
Total 19101 · COMPUTER EQUIPMENT, NET	62.50
19131 · OFFICE FURN & EQUIP, NET	
19141 · OFFICE FURNITURE & EQUIPMENT	3,605.43
19151 · ACCUM AMORT, FURN & EQUIP	(3,458.20)
Total 19131 · OFFICE FURN & EQUIP, NET	<u>147.23</u>
Total 19000 · FIXED ASSETS	<u>209.73</u>
Total Fixed Assets	209.73
Other Assets	
1800 · RAINBOW ISLAND	<u>22,000.00</u>
Total Other Assets	<u>22,000.00</u>
TOTAL ASSETS	<u><u>418,640.24</u></u>

	<u>Mar 31, 24</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
22100 · PAYABLES	
22110 · ACCOUNTS PAYABLE - SOCIETY	630.00
22210 · ACCOUNTS PAYABLE - PROJECTS	357.74
Total 22100 · PAYABLES	<u>987.74</u>
Total Accounts Payable	987.74
Other Current Liabilities	
23100 · PERSONNEL PAYABLES	
23120 · RECEIVER GENERAL PAYABLE	74.69
Total 23100 · PERSONNEL PAYABLES	74.69
24000 · INTERNALLY RESTRICTED FUNDS	
24103 · UNEXPENDED GRANTS GAMING	11,791.53
24202 · UNEXPENDED GRANTS - PROJECTS	16,570.89
Total 24000 · INTERNALLY RESTRICTED FUNDS	<u>28,362.42</u>
Total Other Current Liabilities	<u>28,437.11</u>
Total Current Liabilities	<u>29,424.85</u>
Total Liabilities	29,424.85
Equity	
31000 · INTERNALLY RESTRICTED	
31114 · LAND ACQUISITION RESERVE	15,163.03
31224 · VAN FND ENDOW (COVENANT)	140,100.00
31314 · EELGRASS BUOYS	5,922.07
31624 · COWICHAN CONSERVATION ACCELECTO	173,123.00
Total 31000 · INTERNALLY RESTRICTED	334,308.10
33000 · INVESTED IN FIX ASSETS SOCIETY	
33101 · INVESTED IN FIX ASSETS SOCIETY	209.73
33000 · INVESTED IN FIX ASSETS SOCIETY - Other	22,000.00
Total 33000 · INVESTED IN FIX ASSETS SOCIETY	22,209.73
35000 · OPERATING SURPLUS (DEFICIT)	
35101 · OPERATING SURPLUS - SOCIETY	356.75
35404 · OPERATING SURPLUS - RES&INTRUST	263.76
Total 35000 · OPERATING SURPLUS (DEFICIT)	620.51
37101 · TRANSFER TO (FROM) SOCIETY OPS	113.20
37404 · TRANS TO(FROM) RES &INTRUST OPS	(203,123.00)
Net Income	<u>235,086.85</u>
Total Equity	<u>389,215.39</u>
TOTAL LIABILITIES & EQUITY	<u><u>418,640.24</u></u>

COWICHAN COMMUNITY LAND TRUST April 2023 through March 2024

	Total 1 SOCIETY (CCLT)	11 WATER (2 PROJECTS)	16 COVENANT MONITORING (2 PROJECTS)	Total 2 PROJECTS (CCLT)	23 - VAN FOUND ENDOW (COV) (3 RESERVES & INTRUST)	30 COWICHAN CONSERVATION ACCELERTOR FUND (3 RESERVES & INTRUST)	Total 3 RESERVES & INTRUST (CCLT)	Total CCLT	TOTAL
Ordinary Income/Expense									
Income									
41000 · DONATIONS, FUNDRAISING, DUES									
41100 · DONATIONS	34,920.86	0.00	0.00	0.00	0.00	173,123.00	173,123.00	208,043.86	208,043.86
41400 · MEMBERSHIP DUES	518.95	0.00	0.00	0.00	0.00	0.00	0.00	518.95	518.95
Total 41000 · DONATIONS, FUNDRAISING, DUES	35,439.81	0.00	0.00	0.00	0.00	173,123.00	173,123.00	208,562.81	208,562.81
44000 · PROJECT GRANTS									
44120 · GAMING	0.00	30,500.00	0.00	30,500.00	0.00	0.00	0.00	30,500.00	30,500.00
44150 · VANCOUVER FOUNDATION	0.00	0.00	0.00	0.00	30,000.00	0.00	30,000.00	30,000.00	30,000.00
44310 · PROJECT GRANTS MISC	0.00	26,441.82	0.00	26,441.82	0.00	0.00	0.00	26,441.82	26,441.82
44810 · FORWARDED FROM LAST YEAR	0.00	37,468.54	10,660.87	48,129.41	0.00	0.00	0.00	48,129.41	48,129.41
44820 · UNEXPENDED FUNDS	0.00	(20,965.07)	(7,397.35)	(28,362.42)	0.00	0.00	0.00	(28,362.42)	(28,362.42)
Total 44000 · PROJECT GRANTS	0.00	73,445.29	3,263.52	76,708.81	30,000.00	0.00	30,000.00	106,708.81	106,708.81
48000 · OTHER REVENUE									
48100 · MISCELLANEOUS REVENUE	701.97	0.00	6,121.99	6,121.99	0.00	0.00	0.00	6,823.96	6,823.96
Total 48000 · OTHER REVENUE	701.97	0.00	6,121.99	6,121.99	0.00	0.00	0.00	6,823.96	6,823.96
Total Income	36,141.78	73,445.29	9,385.51	82,830.80	30,000.00	173,123.00	203,123.00	322,095.58	322,095.58
Gross Income	36,141.78	73,445.29	9,385.51	82,830.80	30,000.00	173,123.00	203,123.00	322,095.58	322,095.58
Expense									
51000 · PERSONNEL COSTS									
51100 · WAGES & STAT BENEFITS	0.00	39,701.56	8,165.77	47,867.33	0.00	0.00	0.00	47,867.33	47,867.33
51400 · EMPLOYEE BENEFITS PLAN	0.00	4,473.55	857.44	5,330.99	0.00	0.00	0.00	5,330.99	5,330.99
51500 · TRAINING	23.63	195.54	0.00	195.54	0.00	0.00	0.00	219.17	219.17
51600 · TRAVEL	7.95	10.00	118.98	128.98	0.00	0.00	0.00	136.93	136.93
Total 51000 · PERSONNEL COSTS	31.58	44,380.65	9,142.19	53,522.84	0.00	0.00	0.00	53,554.42	53,554.42
52000 · PROJECT & PROGRAMS COSTS									
52100 · CONSULTING & CONTRACTING	750.00	17,041.25	0.00	17,041.25	0.00	0.00	0.00	17,791.25	17,791.25
52300 · SUPPLIES & SMALL EQUIPMENT	0.00	22.25	0.00	22.25	0.00	0.00	0.00	22.25	22.25
52400 · COMMUNICATIONS & PRINTING	438.63	319.16	0.00	319.16	0.00	0.00	0.00	757.79	757.79
52900 · PROJECT EXPENSES	0.00	1,314.96	0.00	1,314.96	0.00	0.00	0.00	1,314.96	1,314.96
Total 52000 · PROJECT & PROGRAMS COSTS	1,188.63	18,697.62	0.00	18,697.62	0.00	0.00	0.00	19,886.25	19,886.25
53000 · FACILITY COSTS									
53100 · OFFICE RENTAL	0.00	2,705.49	0.00	2,705.49	0.00	0.00	0.00	2,705.49	2,705.49
53200 · UTILITIES	0.00	224.98	0.00	224.98	0.00	0.00	0.00	224.98	224.98
53300 · TELEPHONE & INTERNET	195.76	2,348.24	0.00	2,348.24	0.00	0.00	0.00	2,544.00	2,544.00
53600 · SECURITY	0.00	685.18	0.00	685.18	0.00	0.00	0.00	685.18	685.18
53700 · INSURANCE	1,239.31	495.28	0.00	495.28	0.00	0.00	0.00	1,734.59	1,734.59
Total 53000 · FACILITY COSTS	1,435.07	6,459.17	0.00	6,459.17	0.00	0.00	0.00	7,894.24	7,894.24
54000 · ADMINISTRATION & OTHER									
54100 · OFFICE SUPPLIES	140.92	0.00	28.07	28.07	0.00	0.00	0.00	168.99	168.99
54300 · OTHER OVERHEAD	46.00	0.00	0.00	0.00	0.00	0.00	0.00	46.00	46.00

COWICHAN COMMUNITY LAND TRUST April 2023 through March 2024

	Total 1 SOCIETY (CCLT)	11 WATER (2 PROJECTS)	16 COVENANT MONITORING (2 PROJECTS)	Total 2 PROJECTS (CCLT)	23 - VAN FOUND ENDOW (COV) (3 RESERVES & INTRUST)	30 COWICHAN CONSERVATION ACCELERTOR FUND (3 RESERVES & INTRUST)	Total 3 RESERVES & INTRUST (CCLT)	Total CCLT	TOTAL
54500 - INTEREST & BANK CHARGES	30.00	7.50	0.00	7.50	0.00	0.00	0.00	37.50	37.50
54600 - DUES & LICENCES	977.28	164.24	0.00	164.24	0.00	0.00	0.00	1,141.52	1,141.52
54700 - ACCOUNTING & LEGAL	215.25	3,736.11	215.25	3,951.36	0.00	0.00	0.00	4,166.61	4,166.61
Total 54000 - ADMINISTRATION & OTHER	1,409.45	3,907.85	243.32	4,151.17	0.00	0.00	0.00	5,560.62	5,560.62
66000 - Payroll Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expense	4,064.73	73,445.29	9,385.51	82,830.80	0.00	0.00	0.00	86,895.53	86,895.53
Net Ordinary Income	32,077.05	0.00	0.00	0.00	30,000.00	173,123.00	203,123.00	235,200.05	235,200.05
Other Income/Expense									
Other Expense									
58300 - AMORTIZATION	113.20	0.00	0.00	0.00	0.00	0.00	0.00	113.20	113.20
Total Other Expense	113.20	0.00	0.00	0.00	0.00	0.00	0.00	113.20	113.20
Net Other Income	(113.20)	0.00	0.00	0.00	0.00	0.00	0.00	(113.20)	(113.20)
Net Income	31,963.85	0.00	0.00	0.00	30,000.00	173,123.00	203,123.00	235,086.85	235,086.85



COWICHAN COMMUNITY LAND TRUST
 WORKING BUDGET APRIL 1/24-MAR 31/25

Ordinary Income/Expense

Income

· DONATIONS

Membrships	500.00
donations general	700.00
donations earmarked	32,792.30
<hr/>	
PROGRAM AND PROJECT GRANTS	
Community Gaming Grant Watershed program	48,000.00
BCCF Garry Oak ecosystem project/Watershed pr	9,628.84
Pacific Salmon Foundation Watershed program	1,000.00
FORWARDED FROM LAST YEAR unexpended/internally restricted	28,112.42
	<hr/>
	120,733.56

pending

For ongoing Watershed Program

Land Acquisition Reserve	14,640.00
Covenant monitoring reserve	11,158.00
Eelgrass buoys	5,922.07
Cowichan Conservation Accelerator fund	173,123.00
	<hr/>
	140,100.00
	344,943.07
	465,676.63
Restricted Funds	(344,943.07)
	<hr/>
	120,733.56



COWICHAN COMMUNITY LAND TRUST
WORKING BUDGET APRIL 1/24-MAR 31/25

Expense

WAGES & STAT BENEFITS	78,000.00
EMPLOYEE BENEFITS PLAN	5,000.00
	<hr/>
	83,000.00
COMMUNICATIONS & PRINTING	600.00
CONSULTING/CONTRACTING/HONORARIUMS	25,000.00
	25,600.00
OFFICE RENTAL	5,313.96
UTILITIES	197.37
TELEPHONE & INTERNET	2,182.43
SECURITY	393.48
INSURANCE	1,502.05
	9,589.29
ACCOUNTING & LEGAL	2,500.00
Interest and bank charges	10.0
Dues and licences	27.4
	<hr/>
	2,537.37
Total Operating Expenses	120,726.66

**Permissive Tax Exemption Application
(2024-2027)**

NOTE: Applicants may be requested to attend a Committee of the Whole meeting in September as part of the application process

Please submit application to the Finance Department

Director of Finance
Municipality of North Cowichan
Duncan, BC V9L 6A1
Fax. 250.746.3133
Email: finance@northcowichan.ca

APPLICATION DEADLINE: AUGUST 1

The following information must be provided to Municipal Hall, either in person or by email, by the application deadline for Council's consideration. **Late applications will not be considered.**

SECTION 1: GENERAL INFORMATION

APPLICATION DATE: July 25 2024
FULL NAME OF ORGANIZATION: Cowichan Green Community
MAILING ADDRESS OF PROPERTY: 360 Duncan Street, Duncan BC, V9L 3W4
LEGAL DESCRIPTION:
Lot: _____ Block: _____ Plan: _____
TAX ROLL NUMBER: 00206-100 PID: 029-237-424
CIVIC ADDRESS OF PROPERTY (if different than mailing address): 2431 Beverly Street, Duncan, BC V9L

In what ways is your organization registered? (*Applications will not be considered from societies who are not in good standing and may be asked to provide proof of good standing and compliance.*)

Not for profit (registered under Societies Act of BC)
Not for profit (CRA registered)
Registered Charity
Other, please specify.

Not for Profit / Registered Charity

SOCIETY NUMBER: S47306 BUSINESS NUMBER: 85753 2501 RR0001
REGISTERED CHARITY OR NON-PROFIT ORGANIZATION NUMBER: 820121176

Organization Executive:

Title	Name	Phone No.
President	Mike Smith	██████████ FIPPA s. 22(1)
Secretary	Penny Lehan	██████████ FIPPA s. 22(1)
Treasurer	Joy Ervmanuel	██████████ FIPPA s. 22(1)

CONTACT DETAILS:

Contact Person & Title: Judy Stafford, Executive Director

Mailing Address: 360 Duncan Street, Duncan, BC V9L 3W4

Phone Number: 250-748-8506

Email: judy@cowichangreencommunity.org

Did this property receive a Permissive Tax Exemption in previous years?

YES YEAR(S) 2015- 2023
NO

SECTION 2: ORGANIZATIONAL INFORMATION

1. What is the nature of your organization?

- Non-profit organization
- Charitable/philanthropic organization
- Athletic or Service Club/Associations (including golf course)
- Care facility/registered assisted living residence
- Partner of the municipality by agreement under s. 225 of the Community Charter
- Other local authority
- Place of public worship (and land surrounding exempt building)
- Senior's home

2. To the best of your knowledge, is your organization in compliance with all municipal policies, bylaws and other applicable regulations (i.e., business licencing, zoning)?

YES
NO

If no, please explain:

3. Describe the goals and objectives of your organization:

Cowichan Green Community (CGC) is a non-profit organization that has been focusing on environmental sustainability in the Cowichan Region officially since March 2004. Since 2007, CGC's mandate is to improve food security by developing strong relationships with local food producers and increasing urban and rural food production. The mission is to cultivate food, community and resilience.

CGC is a community leader, creating and supporting a future where the foundation is built on health and well-being; the environment, economy and social fabric are resilient, inclusive and vibrant; CGC celebrates the connection to the earth and to each other; and all persons are valued equally.

CGC is also a hub for social innovation, community engagement and community building; nurturing the relationships between ourselves and the environment. CGC creates positive change through education, regenerative projects, and celebration. CGC's Guiding Principles are evident in all of the work that is done: valuing inclusion, intention, responsibility, commitment, positive solutions, diversity, collaboration, and environmental reverence.

4. Do the objectives/goals of your organization align with any or all of North Cowichan's Strategic priorities?

YES

NO

If yes, please explain:

Action: Support community groups and organizations

Action: Remodel and implement the Climate Action and Energy Plan

GOAL 19: Increase adoption of regenerative agricultural practices.

Action: Support small scale innovative agriculture

Action: Update the Agricultural Implementation Plan and encourage the use of arable land

Describe the activities your organization carries out that contribute to the well-being of the community?

CGC provides a wide range of services to the Cowichan residents focused on increasing food security. This is done through a variety of activities and programs, including food recovery, summer camp, workshops and trainings, community meals, educational publications and operating two teaching farms. See our 2023 year in review video <https://www.youtube.com/watch?v=0I38aouC6Z0>

5. Does your organization provide life essentials (food and shelter) and/or skills to a vulnerable population – caregivers, youth, indigenous, low income, immigrants and refugees, people experiencing homelessness, people experiencing domestic violence, people living with mental illness, persons with disabilities, pets, etc.?

YES

NO

If yes, please explain:

CGC provides many life essential services to vulnerable populations including food programs such as Meals on Wheels, Homeless Youth Meals, meals for the Temporary Housing Shelter on Trunk Road, weekly Free Youth Pizza and food at the Cob Oven in Centennial Park for street entrenched youth, Meal Coupon programs for low income families and seniors, free lunches, frozen meals, and groceries for seniors and vets, a free weekly Elder CSA program run from the Farm, a free Community Food Pantry at KinPark Youth Urban Farm, free community dinners 3x week, free meat and eggs to pregnant women, among others.

6. How does your organization foster diversity, promote inclusivity, and/or champion conservation?

CGC has a policy on Diversity and Inclusion adopted in 2021 which states we:

- Prohibit discrimination and harassment on its premises and work sites, and by its employees, volunteers, Board Members and clients.
- Respond to all reported incidents of harassment or discrimination under its jurisdiction. Responses will begin with education but may include disciplinary action or denial of access to facilities, services or programs.
- Ensure that diverse communities have equitable access to its services, resources and decision making.
- Be non discriminatory and promote the goals of anti racism, anti-discrimination, inclusion, access and equity in its hiring, volunteer recruitment, Board recruitment, site designs and so on.
- Take steps to ensure its services, programs and decision making reflect the community it serves.
- Regularly review this policy every three years to ensure it remains current with the evolving understandings of discrimination and diversity.

In addition, CGC strives to gain representation from equity-deserving communities on our Board, staff, and volunteers. CGC utilizes diverse hiring practices, ensuring we recruit individuals from marginalized backgrounds and use fair recruitment processes. We invest in training and professional development to support career advancement for staff. CGC engages with equity-deserving communities through targeted outreach efforts, collaborating with community leaders and hosting inclusive events.

CGC has been certified as an Inclusive Employer through WorkBC and cultural competency training including Cultural Connections, is provided to enhance awareness and understanding of issues facing diverse populations. CGC demonstrates a commitment to diversity, equity, and inclusion by actively promoting representation from equity-deserving communities.

7. Identify the number of persons served by the organization within the Municipality of North Cowichan annually.

5000+

8. Is membership or enrolment restricted in any way? YES NO

If yes, please explain:

Provide examples of programs or services aimed at reducing disparities and/or barriers to access, if applicable?

The majority of CGC programs (some listed above) inherent outcomes are to promote inclusivity, reduce barriers to access, and reduce disparities including increasing food access as much as possible. Providing educational activities and opportunities empowers community members to increase their own household food security. We provide access in a dignified and welcoming manner.

SECTION 3: PROPERTY INFORMATION

1. Is the organization the registered owner of the property for which the exemption is being requested?

- YES
NO

2. If no, is the organization a lessee under a lease which requires direct payment of the property taxes to the Municipality of North Cowichan?

- YES
NO

If yes, please attach a copy of the lease.

3. Does anyone live in the building, or do you have any 3rd party agreements including rental or use of the building, parking lot or services rendered?

YES NO

If yes, please attach agreement(s) and indicate the following:

Leased to	Sq. Footage leased	Rate Charged

4. How is your organization accessible to the public?

The gardening space and growing spaces are accessible to the public to come and learn more about gardening and farming. One greenhouse is the space where customers can access to look at and purchase plants, however some of the greenhouses/growing spaces are not meant to be accessible just for ensuring proper growing conditions. We generally do not have members of the public in the office building other than accessing the Seed Vault. We encourage drop-in visitors and farm tours are providing on an ongoing basis. The Thursday Farm Market has been become very popular with many ongoing, and regular customers. We also provide many free and/or low cost workshops for the public to attend. Noone is turned away due to lack of funds.

SECTION 4: FINANCIAL INFORMATION

1. Does your organization have revenue generating activities on your property (i.e., hall rentals, catering, daycares, preschools, parking lots, etc.)?

YES NO

If yes, please attach a Fee Schedule and indicate the following:

Activity	Organization/Operator	Annual Income
Selling farm produce	CGC	73,497.81

2. Is your organization run by volunteers, paid staff, or a combination of both?

Number of employees: Full-time: 16 Part-time: 5 Number of Volunteers: 65

3. Have you received grants from the Municipality of North Cowichan, Federal or Provincial government, regional government, Crown Agencies or other funding agencies in the last 3 years?

YES NO

If yes, please indicate the following:

Date Received Grant	Amount Received	From	Purpose
2023	82,000	CAEP	Support Food Hub
2018	15,000	CAEP	Equipment Library

4. Please list other sources of revenue not covered, such as membership fees charged or fundraising, etc.

We receive grant funding from various sources including : Federal Government, Provincial Government, Local Government, Private Foundations, Island Health, United Way, as well as private donations, sale of items such as meals, food, seeds, and membership fees.

5.	Prior year actual operating expenses	1,224,132
		\$ _____
6.	Prior year actual operating revenues	1,110,092
		\$ _____
7.	Current year annual operating budget of organization (attach a copy)	1,005,375
		\$ _____
8.	Projected annual operating budget of the organization for the year of requested exemption	1,150,844
		\$ _____

A copy of the organizations most recent financial statements must be included with the application, along with a copy of the projected income and expenses.

CGC Society Organizational Budget

	Budget 2024	Budget 2025
Income		
Grants		
Federal		
Wage Subsidy	\$ 45,000.00	\$ 45,000.00
New Horizons	\$ 25,000.00	\$ 25,000.00
Agriculture and Agri-Food	\$ 496,105.34	\$ -
Project Learning Tree	\$ 13,801.91	\$ -
Public Health	\$ -	\$ 140,000.00
Enabling Accessibility		\$ 125,000.00
Help Age Canada	\$ -	\$ 10,000.00
	\$ 250,000.00	\$ 345,000.00
Provincial		
Gaming	\$ 74,000.00	\$ 100,000.00
Global / Ethos	\$ 6,000.00	\$ 7,000.00
VIHA / Island Heath	\$ 46,000.00	\$ 30,000.00
Min of Agriculture	\$ 68,918.32	\$ 50,000.00
	\$ -	\$ -
	\$ -	\$ -
	\$ 194,918.32	\$ 187,000.00
Other		
City of Duncan	\$ 31,000.00	\$ -
Bingo Dabber	\$ 5,500.00	\$ 5,500.00
Red Cross	\$ 29,351.95	\$ -
Mazon Foundation	\$ 1,171.19	\$ 10,000.00
Prosperity Fund	\$ -	\$ 25,000.00
Peavey Mart	\$ -	\$ 20,000.00
	\$ -	\$ -
	\$ -	\$ -
	\$ 67,023.14	\$ 60,500.00
Total Grants	\$ 511,941.46	\$ 592,500.00
Operating Revenue		
Mapping Revenue	\$ 10,000.00	\$ 12,000.00

CGC Society Organizational Budget

Events & Workshops	\$	10,000.00	\$	10,000.00
KinPark Plots	\$	1,440.00	\$	1,500.00
KinPark Store Sales	\$	1,500.00	\$	2,000.00
Camp	\$	35,000.00	\$	40,000.00
Store Shelves	\$	650.00	\$	800.00
Store Sales	\$	250,000.00	\$	260,000.00
Magazine Advertising	\$	30,000.00	\$	32,000.00
Ceres Revenue (Gardens	\$	2,500.00	\$	2,500.00
GEC Sales	\$	70,000.00	\$	90,000.00
Cow-Op Sales	\$	10,000.00	\$	15,000.00
Rent Board Room & Kitchen	\$	4,500.00	\$	40,000.00
PST Commision	\$	44.00	\$	44.00
Honorariums	\$	1,800.00	\$	1,000.00
Membership	\$	1,000.00	\$	1,500.00
Admin & Financial Service	\$	65,000.00	\$	50,000.00
	\$	493,434.00	\$	558,344.00

Gross Income	\$	1,005,375.46	\$	1,150,844.00
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Cost of Goods Sold	\$	90,000.00	\$	100,000.00
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Gross Profit	\$	915,375.46	\$	1,050,844.00
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Expenses

Operating Expenses

Contractors	\$	27,000.00	\$	15,000.00
Food, Gifts & Refreshmen	\$	3,600.00	\$	4,000.00
Administration	\$	6,000.00	\$	3,500.00
Staff training	\$	3,500.00	\$	3,000.00
Accounting & Professional	\$	7,000.00	\$	9,000.00
Bad Debts	\$	500.00	\$	500.00
Cash Over/Short	\$	400.00	\$	400.00
Event/Workshop Exp	\$	9,000.00	\$	10,000.00
Insurance	\$	10,000.00	\$	12,000.00
Office Supplies	\$	8,000.00	\$	9,000.00
Computers & Technology	\$	12,000.00	\$	12,000.00

CGC Society Organizational Budget

Phone & Internet	\$ 6,000.00	\$ 6,500.00
Postage / Shipping	\$ 2,000.00	\$ 2,500.00
Garbage & Recycling	\$ 1,500.00	\$ 2,000.00
Advertising & Promotional	\$ 10,000.00	\$ 15,000.00
Plant Materials & Supplies	\$ 20,000.00	\$ 25,000.00
Honoraria	\$ 1,500.00	\$ 2,000.00
Vehicle & Mileage	\$ 7,000.00	\$ 7,000.00
Program Supplies	\$ 20,000.00	\$ 25,000.00
Small Tools & Maintenance	\$ 2,000.00	\$ 1,500.00
Rent	\$ 25,200.00	\$ 10,000.00
Processing Fees	\$ 5,000.00	\$ 7,000.00
Bank Charges & Interest	\$ 1,000.00	\$ 1,500.00
Business Fee & License	\$ 600.00	\$ 600.00
Repair & Maint.	\$ 3,000.00	\$ 3,000.00
Utilities	\$ 2,000.00	\$ 2,500.00
Construction	\$ 100,000.00	\$ 100,000.00
Signage	\$ 3,000.00	\$ 4,000.00
Vehicle Repair & Maintenance	\$ 5,000.00	\$ 2,500.00
Waste Management	\$ 3,000.00	\$ 3,500.00
Consulting	\$ 64,000.00	\$ 30,000.00
		\$ -
		\$ -
	\$ 368,800.00	\$ 329,500.00
Wages & Benefits	\$ 700,000.00	\$ 750,000.00
Total Expenses	\$ 1,068,800.00	\$ 1,079,500.00
Net Income	-\$ 153,424.54	-\$ 28,656.00

Cowichan Green Community Society
Compiled Financial Information
December 31, 2023

To the board of directors of Cowichan Green Community Society:

On the basis of information provided by management, we have compiled the statement of financial position as at December 31, 2023, and the statement of revenues and expenses, changes in net assets for the year, and Note 2, which describes the basis of accounting applied in the preparation of the compiled financial information.

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Duncan, British Columbia

June 19, 2024

Chartered Professional Accountants

Cowichan Green Community Society

Statement of Financial Position

As at December 31, 2023

	2023	2022
Assets		
Current		
Cash	86,469	136,079
Accounts receivable	4,388	21,758
Grants Receivable	33,532	70,794
Due from related parties <i>(Note 3)</i>	779,755	11,754
	904,144	240,385
Capital assets <i>(Note 4)</i>	823,133	864,209
Investment in Cowichan Green Community Holdings Ltd.	110	110
	1,727,387	1,104,704
Liabilities		
Current		
Accounts payable and accrued liabilities	49,587	44,506
Deferred contributions <i>(Note 5)</i>	122,183	54,602
Advances from Cowichan Green Holdings Ltd.	-	65,058
Canada Emergency Business Account	-	40,000
	171,770	204,166
Long-term debt	-	50,000
Deferred contributions related to capital assets <i>(Note 6)</i>	904,694	945,924
	1,076,464	1,200,090
Net Assets (deficit)		
Unrestricted <i>(Note 7)</i>	636,855	(110,335)
Invested in capital assets	14,068	14,949
	650,923	(95,386)
	1,727,387	1,104,704

Cowichan Green Community Society

Statement of Operations

For the year ended December 31, 2023

	2023	2022
Revenue		
Program Revenues	470,250	553,057
Grant Funding	418,206	696,924
Administrative services	142,270	185,948
Amortization of deferred contributions (Note 6)	46,796	48,192
Other income	25,437	24,858
Donations	3,641	6,657
Rental income	2,250	14,086
Memberships	1,242	2,729
	1,110,092	1,532,451
Cost of Goods Sold	128,051	145,770
Gross profit	982,041	1,386,681
Expenses		
Advertising	267	2,219
Amortization	48,077	55,542
Bad debts	51,377	2,116
Bank charges and interest	3,119	4,499
Insurance	13,144	12,218
Janitorial	445	-
Office Expenses	39,658	37,758
Professional fees	61,318	21,659
Program expenses	289,040	498,216
Rent	30,813	34,500
Repairs and maintenance	1,032	10,344
Wages and Benefits	685,842	832,037
Total expenses	1,224,132	1,511,108
Deficiency of revenue over expenses before other items	(242,091)	(124,427)
Other items		
Gain on disposal of capital assets	400	-
Dividend Income	988,000	12,935
	988,400	12,935
Excess (deficiency) of revenue over expenses	746,309	(111,492)

Cowichan Green Community Society
Statement of Changes in Net Assets

For the year ended December 31, 2023

	<i>Unrestricted</i>	<i>Invested in capital assets</i>	2023	<i>2022</i>
Net assets (deficit), beginning of year	(110,335)	14,949	(95,386)	16,106
Excess (deficiency) of revenue over expenses	747,190	(881)	746,309	(111,492)
Net assets (deficit), end of year	636,855	14,068	650,923	(95,386)

Cowichan Green Community Society

Notes to the Compiled Financial Information

For the year ended December 31, 2023

1. Nature of the organization

Cowichan Green Community Society (the "Organization") is a non-profit organization that is incorporated under the Society Act of British Columbia and is a registered charity under the Income Tax Act. It was established in 2004 and focuses on developing strong relationships with local food producers, increasing capacity for local food production (both urban and rural), and empowering people with the knowledge, skills and resources they need to feed their community.

2. Basis of accounting

The basis of accounting applied in the preparation of the financial information of Cowichan Green Community Society as at December 31, 2023 is on the historical cost basis, reflecting cash transactions with the addition of:

- Term deposits are recorded at cost plus accrued interest
- Accounts receivable
- Grants received are recorded upon confirmation that the funds will be awarded
- Capital assets are amortized over their useful life
- Accounts payable and accrued liabilities
- Deferred contributions are recorded as a liability until the funds are spent

3. Due from related parties

	2023	2022
Cowichan Green Community Foundation	16,716	11,754
Cowichan Green Community Holdings Ltd.	763,039	-
	779,755	11,754

4. Capital assets

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Buildings	851,896	66,516	785,380	811,004
Automotive	101,900	68,781	33,119	47,313
Office equipment	25,610	20,976	4,634	5,892
	979,406	156,273	823,133	864,209

Cowichan Green Community Society

Notes to the Compiled Financial Information

For the year ended December 31, 2023

5. Deferred Contributions

Deferred contributions consist of unspent contributions externally restricted for specific programs and projects of subsequent fiscal years. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made. Funds included in Deferred Contributions are as follows:

	2023	2022
Gaming	74,000	-
Canadian Red Cross	26,559	-
VIHA	16,129	6,000
Other	5,282	29,749
Refresh Coupon	215	275
City of Duncan - Grant - Resiliency Project	-	7,947
PHAC Grant	-	10,631
Total	122,185	54,602

6. Deferred contributions related to capital assets

Deferred capital contributions consist of the unamortized amount of contributions received for the purchase of capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized.

Balance, beginning of year	945,924	800,000
Amount received during the year - HUB	5,566	146,116
Amounts received during the year - vehicle	-	48,000
Less: Amounts recognized as revenue during the year	(46,796)	(48,192)
Balance, end of year	904,694	945,924

7. Subsequent event

Subsequent to year end, the board internally restricted \$630,000 of unrestricted funds for future operations.

**Permissive Tax Exemption Application
(2024-2027)**

NOTE: Applicants may be requested to attend a Committee of the Whole meeting in September as part of the application process

Please submit application to the Finance Department

Director of Finance
Municipality of North Cowichan
Duncan, BC V9L 6A1
Fax. 250.746.3133
Email: finance@northcowichan.ca

APPLICATION DEADLINE: AUGUST 1

The following information must be provided to Municipal Hall, either in person or by email, by the application deadline for Council's consideration. **Late applications will not be considered.**

SECTION 1: GENERAL INFORMATION

APPLICATION DATE: July 29 2024
FULL NAME OF ORGANIZATION: Ducks Unlimited Canada
MAILING ADDRESS OF PROPERTY: 954A Laval Crescent, Kamloops, BC, V2C 5P5 (BC Ducks Unlimited Head Office)
LEGAL DESCRIPTION:
Lot: _____ Block: _____ Plan: _____
TAX ROLL NUMBER: See attached PID: See attached
CIVIC ADDRESS OF PROPERTY (if different than mailing address): N / A

In what ways is your organization registered? (*Applications will not be considered from societies who are not in good standing and may be asked to provide proof of good standing and compliance.*)

Not for profit (registered under Societies Act of BC)
Not for profit (CRA registered)
Registered Charity
Other, please specify.

Not for profit (registered under Societies Act of BC), Not for profit (CRA registered), Registered Charity

SOCIETY NUMBER: XS0008003 BUSINESS NUMBER: 040735-6
REGISTERED CHARITY OR NON-PROFIT ORGANIZATION NUMBER: 118888957 RR 0001

Organization Executive:

Title	Name	Phone No.
President	Patrick O'Connor	1-800-665-3825
Secretary	Andre Tremblay	1-800-665-3825
Treasurer	Sara Penner	1-800-665-3825

CONTACT DETAILS:

Contact Person & Title: Richard Topp, Conservation Program Specialist

Mailing Address: 954A Laval Crescent, Kamloops, BC, V2C 5P5

Phone Number: 604-360-8677 Email: r_topp@ducks.ca

Did this property receive a Permissive Tax Exemption in previous years?

YES YEAR(S) 2022/2023
NO

SECTION 2: ORGANIZATIONAL INFORMATION

1. What is the nature of your organization?

- Non-profit organization
- Charitable/philanthropic organization
- Athletic or Service Club/Associations (including golf course)
- Care facility/registered assisted living residence
- Partner of the municipality by agreement under s. 225 of the Community Charter
- Other local authority
- Place of public worship (and land surrounding exempt building)
- Senior's home

2. To the best of your knowledge, is your organization in compliance with all municipal policies, bylaws and other applicable regulations (i.e., business licencing, zoning)?

YES
NO

If no, please explain:

N/A

3. Describe the goals and objectives of your organization:

Our mission

To conserve, restore and manage wetlands and associated habitats for the benefit of North America's waterfowl. These habitats also benefit other wildlife and people.

Our vision: Clean water and healthy wetlands for all waterfowl, wildlife and people.

Ducks Unlimited Canada is a passionate community of people who believe that nature is the foundation of strong communities, a prosperous economy and a sustainable future that supports the hopes and dreams of the next generation. Together, we conserve and restore some of the most valuable and threatened landscapes on the planet.

4. Do the objectives/goals of your organization align with any or all of North Cowichan's Strategic priorities?

YES

NO

If yes, please explain:

The goals and objectives of Ducks Unlimited Canada align with the council's strategic plan for North Cowichan in many ways. Our focus on protecting and preserving valuable ecosystems for waterfowl, wildlife, fish, and people complement the list of strategic priorities in the council's strategic plan.

Engagement: Ducks Unlimited is proud of its engagement with private and public entities as well as First Nation governments. The property in question is co-operatively managed by Ducks Unlimited and local farmers to provide a balance in valuable estuary habitat for fish and wildlife while providing caloric capacity for migratory waterfowl.

Housing: Wetlands are a key piece of infrastructure in mitigating flooding in our communities. By engaging in these types of projects we are committed to ensuring people have a place to live by preserving the natural processes that limit disasters.

Environment: Ducks Unlimited is a conservation-first organization. We pride ourselves in protecting and enhancing the environment around our local communities for the benefit of wildlife and human populations.

Economy: We understand the value of having a prosperous community, one where everyone can thrive. Through protecting valuable habitat for fish species, we are ensuring healthy populations of fish and wildlife can thrive for the benefit of the community. The effects this can have on local economies where aquaculture is a core value can be invaluable.

Community: We believe the environment should be shared. Our conservation lands provide access to walking trails for all sorts of outdoor activities. Providing greenspace is extremely important to ensuring people in a community feel safe and inspired.

Describe the activities your organization carries out that contribute to the well-being of the community?

Ducks Unlimited provides a service by securing pieces of land with sensitive ecosystem values. Conserving these ecosystems provides value to the communities which they are present by providing flood mitigation, access to clean water, access to fish and wildlife, and access to recreational activities such as trail walking, birding, and hunting.

5. Does your organization provide life essentials (food and shelter) and/or skills to a vulnerable population – caregivers, youth, indigenous, low income, immigrants and refugees, people experiencing homelessness, people experiencing domestic violence, people living with mental illness, persons with disabilities, pets, etc.?

YES

NO

If yes, please explain:

N/A

6. How does your organization foster diversity, promote inclusivity, and/or champion conservation?

Ducks Unlimited is a champion in conservation being Canada's leader in wetland conservation, but we also care about diversity. When nature is diverse, the Earth thrives. When our organization is diverse, people thrive. That's why Ducks Unlimited Canada is building a culture where everyone is welcome.

We believe a variety of cultures, identities and beliefs enriches our environment. We believe innovation is enhanced through diversity and inclusion, and this in turn allows all of us to grow and prosper.

We commit to making Ducks Unlimited Canada a place of belonging for all people, united in conservation.

7. Identify the number of persons served by the organization within the Municipality of North Cowichan annually.

~5000

8. Is membership or enrolment restricted in any way? YES NO

If yes, please explain:

N/A

Provide examples of programs or services aimed at reducing disparities and/or barriers to access, if applicable?

N/A

SECTION 3: PROPERTY INFORMATION

1. Is the organization the registered owner of the property for which the exemption is being requested?

YES
NO

2. If no, is the organization a lessee under a lease which requires direct payment of the property taxes to the Municipality of North Cowichan?

YES
NO

If yes, please attach a copy of the lease.

3. Does anyone live in the building, or do you have any 3rd party agreements including rental or use of the building, parking lot or services rendered?

YES NO

If yes, please attach agreement(s) and indicate the following:

Leased to	Sq. Footage leased	Rate Charged

4. How is your organization accessible to the public?

Walking trails are accessible within the conservation area along the shoreline of the estuary. Locked gates prevent vehicle access, but dog walkers, birders, or anyone from the public can access the trails. Ducks Unlimited has a contact email and phone number for the public to call with inquiries, concerns, or questions relating to one of our projects or wetlands in general.

SECTION 4: FINANCIAL INFORMATION

1. Does your organization have revenue generating activities on your property (i.e., hall rentals, catering, daycares, preschools, parking lots, etc.)?

YES NO

If yes, please attach a Fee Schedule and indicate the following:

Activity	Organization/Operator	Annual Income

2. Is your organization run by volunteers, paid staff, or a combination of both?

Number of employees: Full-time: 412 Part-time: 153 Number of Volunteers: 3500

3. Have you received grants from the Municipality of North Cowichan, Federal or Provincial government, regional government, Crown Agencies or other funding agencies in the last 3 years?

YES NO

If yes, please indicate the following:

Date Received Grant	Amount Received	From	Purpose

4. Please list other sources of revenue not covered, such as membership fees charged or fundraising, etc.

Ducks Unlimited Canada has 5 sources of revenue within our budget, Government Grants, Fundraising, Funding through Non-Government Partners, Programs, and Investments. No government grants have gone towards the operation of the properties which we are requesting exemption for. A copy of our annual report is attached to this submission which includes the current operating budget and sources of revenue for the entire organization.

5.	Prior year actual operating expenses	\$ 130,219,064.00
6.	Prior year actual operating revenues	\$ 140,764,066.00
7.	Current year annual operating budget of organization (attach a copy)	\$ 135,300,000
8.	Projected annual operating budget of the organization for the year of requested exemption	\$ 135,300,000

A copy of the organizations most recent financial statements must be included with the application, along with a copy of the projected income and expenses.

Ducks Unlimited Ltd. Properties

Folio	PID	Prior Tax Exemption
19351-003	009-739-718	YES
17849-001	009-739-777	YES
17849-002	009-739-785	YES
13951-015	029-153-425	NO
13951-025	029-153-433	NO
13951-035	029-153-441	NO

Financial Statements of
[expressed in Canadian dollars]

DUCKS UNLIMITED CANADA

March 31, 2023



Independent auditor's report

To the Directors of Ducks Unlimited Canada

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Ducks Unlimited Canada (DUC) as at March 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.

What we have audited

DUC's financial statements comprise:

- the statement of financial position as at March 31, 2023;
- the statement of revenue, expenses and changes in unrestricted net assets 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
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of DUC in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

PricewaterhouseCoopers LLP
Richardson Building, One Lombard Place, Suite 2300, Winnipeg, Manitoba, Canada R3B 0X6
T: +1 204 926 2400, F: +1 204 944 1020, ca_winnipeg_main_fax@pwc.com

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



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

Those charged with governance are responsible for overseeing DUC'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 DUC'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 DUC'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 DUC 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Winnipeg, Manitoba
June 12, 2023

DUCKS UNLIMITED CANADA

Statement of Financial Position
(Expressed in thousands of Canadian dollars)

As at March 31

	2023	2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 20,582	\$ 19,019
Accounts receivable (note 15)	29,387	27,620
Derivative asset (note 19)	-	576
Project materials, prepaid expenses, and deposits	2,083	2,418
Short-term investments (note 4)	9,493	15,701
	<u>61,545</u>	<u>65,334</u>
Investments (note 4)	171,271	174,053
Property, plant and equipment, net of accumulated amortization (note 5)	7,515	7,361
Land held for resale (note 6)	15,960	12,613
Conservation lands (note 7)	206,947	195,539
	<u>\$ 463,238</u>	<u>\$ 454,900</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (notes 14 and 15)	12,991	14,031
Revolving loans (note 8)	14,965	10,923
Derivative liability (note 19)	297	-
Deferred contributions from Ducks Unlimited, Inc. (note 3)	3,817	1,145
Current portion of unearned revenue	7,692	7,152
Current portion of deferred contributions (note 9)	12,103	15,258
	<u>51,865</u>	<u>48,509</u>
Unearned revenue	3,544	8,972
Deferred contributions (note 9)	1,973	2,135
Accrued pension and post-employment benefits obligations (notes 10 and 22)	19,103	11,792
	<u>76,485</u>	<u>71,408</u>
Commitments (note 15)		
Net assets to support conservation activities:		
Internally restricted (note 11)	161,785	169,765
Invested in land held for resale, property, plant and equipment and conservation lands (note 12)	212,718	201,487
Unrestricted	12,250	12,240
	<u>386,753</u>	<u>383,492</u>
	<u>\$ 463,238</u>	<u>\$ 454,900</u>

See accompanying notes to financial statements.

On behalf of the Board:

Roger d'Eschambault
President

FIPPA s. 22(1)

Sara Penner
Treasurer

FIPPA s. 22(1)

DUCKS UNLIMITED CANADA

Statement of Revenue and Expenses and Changes in Unrestricted Net Assets
(Expressed in thousands of Canadian dollars)

Year ended March 31

	2023	2022
Revenue:		
Grant revenue (notes 6 and 16)	\$ 94,994	\$ 70,386
Program and other (note 15)	19,416	18,185
Fundraising revenue (note 17)	24,982	8,012
Investment income	1,775	9,759
	<u>141,167</u>	<u>106,342</u>
Expenses (note 20):		
Conservation program (notes 8 and 15)	117,904	82,473
Fundraising	5,320	4,535
Administration (note 15)	7,398	6,986
	<u>130,622</u>	<u>93,994</u>
Surplus of revenue over expenses for the year	10,545	12,348
Transfers from unrestricted net assets (note 13)	<u>(10,535)</u>	<u>(13,103)</u>
Change in unrestricted net assets	10	(755)
Opening balance, unrestricted net assets	12,240	12,995
Closing balance, unrestricted net assets	<u>\$ 12,250</u>	<u>\$ 12,240</u>

See accompanying notes to financial statements.

DUCKS UNLIMITED CANADA

Statement of Changes in Net Assets
(Expressed in thousands of Canadian dollars)

	Internally restricted (note 11)	Invested in land held for resale, property, plant and equipment and conservation lands (note 12)	Unrestricted (note 13)	Total
Balance, March 31, 2021	\$ 164,469	\$ 195,205	\$ 12,995	\$ 372,669
Surplus of revenue over expenses for the year	\$ -	\$ -	\$ 12,348	\$ 12,348
Pension remeasurement, valuation allowance and other items (note 10)	(2,978)	-	-	(2,978)
Internally imposed restrictions (note 11(b))	8,274	-	(8,274)	-
Invested in land held for resale, property, plant and equipment and conservation lands (note 12)	-	4,829	(4,829)	-
Donated land and equipment (notes 7 and 12)	-	1,453	-	1,453
Balance, March 31, 2022	\$ 169,765	\$ 201,487	\$ 12,240	\$ 383,492
Surplus of revenue over expenses for the year	\$ -	\$ -	\$ 10,545	\$ 10,545
Pension remeasurement and change in accounting policy (notes 10 and 22)	(7,578)	-	-	(7,578)
Internally imposed restrictions (note 11(b))	(402)	-	402	-
Invested in land held for resale, property, plant and equipment and conservation lands (note 12)	-	10,937	(10,937)	-
Donated land and equipment (notes 7 and 12)	-	294	-	294
Balance, March 31, 2023	\$ 161,785	\$ 212,718	\$ 12,250	\$ 386,753

See accompanying notes to financial statements.

DUCKS UNLIMITED CANADA

Statement of Cash Flows

(Expressed in thousands of Canadian dollars)

Year ended March 31

	2023	2022
Cash provided by (used in):		
Operating activities:		
Surplus of revenue over expenses for the year	\$ 10,545	\$ 12,348
Adjustments for items not affecting cash:		
Depreciation and amortization	1,006	870
Amortization of deferred contributions related to property, plant and equipment	(174)	(172)
Loss on disposal of property, plant and equipment	1	6
Loss on disposal of land held for resale	403	1,781
Loss on disposal of conservation lands	-	97
Non-cash pension and post-employment benefit expense	2,086	1,809
Net change in realized and unrealized loss (gain) on Investments	1,618	(7,205)
Unrealized gain (loss) on derivative financial instruments	873	(491)
Employer contributions to pension	(2,353)	(4,383)
Net change in non-cash working capital (note 18)	(7,843)	2,308
	6,162	6,968
Investing activities:		
Contributions to investments	(8,522)	(11,333)
Proceeds from disposal of investments	15,894	13,737
Purchase of conservation lands	(11,166)	(5,192)
Proceeds from disposal of conservation lands	44	100
Purchase of land held for resale	(6,983)	(4,288)
Proceeds from disposal of land held for resale	3,233	5,392
Purchase of property, plant and equipment	(1,159)	(1,107)
Proceeds from sale of property, plant and equipment	6	23
	(8,653)	(2,668)
Financing activities:		
Contributions restricted for purchase of property, plant and equipment	12	188
Proceeds from revolving loans	7,294	5,390
Repayment of revolving loans	(3,252)	(7,741)
	4,054	(2,163)
Net increase in cash and cash equivalents during the year	1,563	2,137
Cash and cash equivalents, beginning of year	19,019	16,882
Cash and cash equivalents, end of year	\$ 20,582	\$ 19,019

See accompanying notes to financial statements.

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

1. General:

Ducks Unlimited Canada (“DUC”) is a registered charity under the Canadian *Income Tax Act*. DUC is an internationally supported, private, conservation company incorporated under the *Canada Not-for-profit Corporations Act*.

DUC’s mission is to conserve, restore and manage wetlands and associated habitats for North America’s waterfowl. These habitats also benefit other wildlife and people.

2. Significant accounting policies:

These financial statements have been prepared in accordance with Part III of the *CPA Canada Handbook – Accounting*, which sets out generally accepted accounting principles for not-for-profit organizations in Canada and includes the significant accounting policies described below.

(a) Revenue recognition:

DUC follows the deferral method of accounting for contributions.

Contributions received with external restrictions are deferred until the related obligations are met. Unrestricted contributions are recorded as revenue when received.

Externally restricted contributions for non-capital items are initially deferred when recorded in the accounts and recognized as revenue in the year in which the related expenses are incurred. Project funding by way of grant or cost sharing arrangement, for the purposes of developing or enhancing particular projects, is recognized as revenue when all conditions related thereto have been satisfied.

Contributions that are externally restricted for the purpose of depreciable capital asset acquisitions or construction are deferred when initially recorded in the accounts and are amortized to revenue over the estimated useful life of the respective capital assets on a straight-line basis.

Contributions that are externally restricted solely for the purpose of non-depreciable capital asset acquisitions including conservation lands are recorded directly to net assets.

In-kind contributions are recorded at fair market value on the date of contribution.

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

2. Significant accounting policies (cont'd):

Revenue from fundraising events is recognized when received from the volunteer committee. Revenue from the sale of merchandise is recognized when merchandise is picked up or shipped to the customer, collection is reasonably assured and the value of the sale is known.

Program revenue includes amounts earned through land and water leases and haying and grazing agreements as well as conservation restoration and related services contracts. DUC recognizes revenue from land and water leases and haying and grazing agreements over the period to which the agreement relates when collection is reasonably assured and the amount of revenue is measurable. Conservation restoration and related services revenue is recognized based on the percentage of work completed towards fulfilling the contractual obligations under the agreement, when the value of the revenue is measurable and collection is reasonably assured.

Investment income includes dividend and interest income, income distributions from pooled funds and equity, and realized and unrealized gains and losses, and is recorded net of transaction costs, which are expensed as incurred. Investment income earned is recognized as revenue on the statement of revenue and expenses and changes in unrestricted net assets.

(b) Conservation program expenses:

The ongoing conservation activities of DUC focus on the continual preservation and maintenance of wetlands and associated waterfowl habitats in Canada, through restoration and maintenance of such areas, and through public education and research. Waterfowl habitat enhancement and restoration costs are treated as an expense in the year the costs are incurred, and consist of project development, construction and maintenance of the habitat areas through conservation easements, leases and rights of way.

Conservation easements are legal agreements entered into by DUC under which a landowner agrees to restrict or limit the type and amount of development that may take place on his or her land to conserve its natural habitat. Once registered on title, that agreement runs with the title and binds all future owners. Conservation easements are not capitalized.

(c) Cash and cash equivalents:

Cash and cash equivalents include funds on deposit and short-term investments with maturities less than 90 days at date of purchase. Cash and investments meeting the definition of cash held for investing rather than liquidity purposes are classified as investments.

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

2. Significant accounting policies (cont'd):

(d) Project materials:

Project materials are valued at the lower of cost and replacement cost, with cost determined at average cost.

(e) Land held for resale:

Land held for resale is recorded at the lower of cost and estimated amount recoverable from its sale. The land is sold once the conservation easement is in place, and the funds are used to reinvest in other lands within DUC priority areas.

(f) Property, plant and equipment:

Purchased property, plant and equipment are recorded at cost. Contributed property, plant and equipment are recorded at appraised values, which approximates fair value, at the date of contribution.

Property, plant and equipment are amortized on a straight-line basis over their estimated useful lives. Any gain or loss on disposal of these assets is recorded in the statement of revenue and expenses and changes in unrestricted net assets in the year of disposal.

The estimated useful lives of property, plant and equipment are as follows:

Assets	Years
Buildings	20-40
Exhibits	4-10
Vehicles	4
Equipment	3-10

(g) Conservation lands:

Conservation lands secured through land purchases are recorded at cost when title is transferred. Contributed conservation lands are recorded at fair market value when title is transferred with an equal amount recorded directly to net assets.

(h) Leases:

Leases are classified as either capital or operating leases. At the time DUC enters into a capital lease, an asset is recorded together with its related long-term obligation to reflect the acquisition and financing. Rental payments under operating leases are expensed as incurred.

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

2. Significant accounting policies (cont'd):

(i) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments, equity instruments and pooled funds that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. DUC has elected to carry all investments at fair value.

DUC purchases foreign currency forward contracts in United States ("U.S.") dollars ("USD") to hedge against foreign currency exchange exposure relating to revenue from the U.S. and expenditures denominated in USD, which arise in the normal course of business, and to hedge against foreign currency exchange exposure relating to USD funds held. DUC's current policy is to hedge up to 80% of the USD currency exchange exposure of the subsequent year. DUC does not engage in the trading of these derivative financial instruments for speculative purposes. DUC does not formally designate these contracts as part of a hedging relationship, and as a result, these contracts are recorded at fair value. Unrealized gains and losses on foreign exchange contracts are recognized at each reporting period along with a corresponding amount recognized on the statement of financial position.

Investing activities on the statement of cash flows relating to the DUC investment portfolio (note 4) are presented on a net basis where realized gains (losses), interest and dividends and any other distributions are automatically reinvested within the portfolio.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs. These costs are amortized using the straight-line method

(k) Employee future benefits:

DUC sponsors a defined benefit pension plan covering qualifying part-time and full-time employees. The benefits are based on years of service and final average salary. DUC also provides four other post-employment benefit plans, which primarily include health care benefits.

DUC uses the immediate recognition approach to account for its defined benefit plans. Under this approach, DUC recognizes the amount of the accrued benefit obligation, net of the fair market value of plan assets (for funded plans) measured as at the date of the statement of financial position, adjusted for any valuation allowance or provision for adverse deviation required by legislation, in the statement of financial position. The excess of funding payments over pension expense is recorded as an asset to the extent there is a future economic benefit to DUC in the form of refunds from the plans or reductions in future contributions. A valuation allowance is recorded to the extent refunds from the plan or reductions in future contributions are not permissible.

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

2. Significant accounting policies (cont'd):

Current service and finance costs are included in the cost of the plans for the year and recorded in the statement of revenue and expenses and changes in unrestricted net assets in the year they are incurred. Remeasurement gains and losses and other items, which include actuarial gains and losses, past service costs and gains and losses arising from settlements and curtailments, are recognized directly in net assets in the statement of changes in net assets.

DUC accrues its obligations under the defined benefit plans as the employees render the services necessary to earn the pension and other retirement benefits. The accrued liability for the pension plans is determined based on an actuarial valuation report prepared for funding purposes. The accrued liability for the other post-employment benefit plans is prepared using an actuarial valuation for accounting purposes. The measurement date of the plan assets and accrued benefit obligation for the pension plan coincides with DUC's fiscal year. The pension plan's assets are measured at fair value as at the date of the statement of financial position.

DUC's unfunded post-employment benefit plans consist of a post-retirement non-pension benefit plan ("PBOP"), a supplemental executive retirement plan ("SERP"), a lump-sum benefit plan ("LSBP") and a retirement income agreement ("RIA"). The PBOP, SERP, LSBP and RIA represent unfunded obligations.

Actuarial valuations are performed at least every three years for the defined benefit plans. In years where an actuarial valuation is not prepared, DUC uses a roll-forward technique to estimate the accrued liability using assumptions for the most recent actuarial valuation report.

(l) Foreign currency translation:

Monetary items denominated in a foreign currency and non-monetary items, carried at market, are adjusted as at the statement of financial position date to reflect the exchange rate in effect at that date. Non-monetary assets and liabilities and revenue and expenses are translated at the exchange rate prevailing on the transaction date. Exchange gains and losses are included in the determination of excess of revenue over expenses for the period.

(m) Allocation of expenses:

Information technology expenses are allocated between conservation program, fundraising and administration expenses based on the number of people employed within those functions.

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

2. Significant accounting policies (cont'd):

(n) Donated goods and services:

Donated project materials and supplies are recorded at their fair value, as revenue and expenses, at the date of contribution when fair value can be reasonably estimated and when the materials and supplies are used in the normal course of operations and would otherwise have been purchased.

A large number of volunteers donate significant amounts of their time for various DUC activities. No amount has been reflected in these financial statements for donated services as an objective basis is not available to measure the fair value of such services.

(o) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of property, plant and equipment, percentage of completion amounts related to conservation restoration services and obligations related to employee future benefits. Actual results could differ from those estimates.

3. Related party transactions:

DUC, Ducks Unlimited, Inc. and Ducks Unlimited de Mexico share a common continental conservation vision.

In addition, certain Board of Directors members from Ducks Unlimited, Inc. and Ducks Unlimited de Mexico are Board of Directors members for DUC. For financial reporting purposes, Ducks Unlimited, Inc., and DUC are considered related parties. Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Related party balances are non-interest bearing and change frequently based on daily operating activities. Details of the related party transactions and balances are disclosed throughout the financial statements.

Ducks Unlimited, Inc. has an economic interest in DUC based on the financial support by way of various grants provided to assist DUC's implementation of their common vision.

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

4. Investments:

DUC's investments consist of the following:

As at March 31 (in thousands)

	2023	2022
Cash	\$ 4,739	\$ 5,757
Fixed income – Canadian	45,421	55,194
Fixed income – U.S.	8,336	9,021
Equity investments - Canadian	31,368	30,769
Equity investments - U.S.	46,140	53,659
Equity investments – Other	41,713	34,346
Alternative investments – Canadian	2,526	1,008
Alternative investments – U.S.	521	-
Total Investments	180,764	\$ 189,754
Less: Short term investments	(9,493)	(15,701)
Investments	\$ 171,271	\$ 174,053

Short term investments represent guaranteed investment certificates with a maturity date within the next twelve months from the respective balance sheet date. A portion of DUC's fixed income investments are pledged as collateral for the CIBC credit facility (note 8).

5. Property, plant and equipment:

As at March 31, 2023 (in thousands)

	Cost	Accumulated amortization	Net book value
Buildings	\$ 16,179	\$ (10,289)	\$ 5,890
Exhibits	829	(825)	4
Vehicles	1,726	(1,543)	183
Equipment	7,593	(6,155)	1,438
	\$ 26,327	\$ (18,812)	\$ 7,515

As at March 31, 2022 (in thousands)

	Cost	Accumulated amortization	Net book value
Buildings	\$ 15,644	\$ (9,797)	\$ 5,847
Exhibits	829	(824)	5
Vehicles	1,652	(1,564)	88
Equipment	7,322	(5,901)	1,421
	\$ 25,447	\$ (18,086)	\$ 7,361

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

6. Land held for resale:

Land held for resale is inventory, and represents designated land held in order to obtain a conservation easement to preserve wetlands. Revenue from grants includes specific funding of \$1,362,000 (2022 - \$2,574,000) to cover losses incurred on disposals of land held for resale.

The continuity of land held for resale is as follows:

As at March 31 (in thousands)

	2023	2022
Balance, beginning of year	\$ 12,613	\$ 15,498
Purchases	6,983	4,288
Proceeds from land sold	(3,233)	(5,392)
Loss on disposal of land sold	(403)	(1,781)
Balance, end of year (note 12)	\$ 15,960	\$ 12,613

7. Conservation lands:

DUC retains fee simple title or joint title to conservation lands acquired, either purchased or donated, as part of DUC's investment in conservation habitat. In addition to conservation lands to which it holds title, DUC also holds conservation agreements such as conservation easements which are not recorded as an asset. Conservation agreement costs are expensed as incurred.

The continuity of conservation lands is as follows:

As at March 31 (in thousands)

	2023	2022
Balance, beginning of year	\$ 195,539	\$ 189,241
Purchases	11,166	5,192
Donated land (note 12)	286	1,303
Proceeds from land sold	(44)	(100)
Loss on disposal of land sold	-	(97)
Balance, end of year (note 12)	\$ 206,947	\$ 195,539

DUC has agreements with several partners that have provided funding to purchase conservation land. Under the terms of certain agreements, DUC is responsible for monitoring the use of the land acquired in accordance with the agreements and, in certain cases, objectives of the North American Waterfowl Management Plan ("NAWMP"). Should the land be sold or cease to be used for the purposes specified, DUC may be required to reimburse certain partners for their proportionate share of the proceeds from the sale of such land at that time. As at March 31, 2023, management believes that all such lands were being used for the purposes specified.

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

8. Revolving loans:

Revolving loans are used to fund land acquired to obtain conservation easements to preserve wetlands. The land is sold once the conservation easement is in place. Interest on revolving loans is classified as a conservation program expense.

Outstanding balances on revolving loans were as follows:

As at March 31 (in thousands)

	2023	2022
ATB	\$ 4,951	\$ 3,400
CIBC	10,014	7,523
	\$ 14,965	\$ 10,923

Amounts drawn on the Alberta Treasury Branch Financial ("ATB") loan are secured by specific land and bear interest at 5.34% (2022 – 1.34%). The loan is drawn upon via individual loans up to a maximum of \$5,000,000, which are due on demand and require monthly interest-only payments with a bullet payment due no later than four years from the initial advance. Current due dates range from March 2025 to March 2027.

In conjunction with the ATB loan, DUC signed a donation agreement with ATB for up to a maximum \$100,000 gift each year, until December 2023, to offset interest costs on the loans. Based on the interest rates in effect on March 31, 2023, the annual interest costs would be \$267,000 had the full \$5,000,000 available under the facility been drawn on that date.

Amounts drawn on the Canadian Imperial Bank of Commerce ("CIBC") credit facility are secured by a pledge of investments with a fair value of \$22,627,000 (note 4). The credit facility bears interest at CIBC's prime rate minus 0.50% (March 31, 2023 – 6.20%; March 31, 2022– 2.20%) and is due on demand. During the year, the maximum amount available under the credit facility was \$30,000,000.

9. Deferred contributions:

(a) Deferred contributions consist of the following:

As at March 31 (in thousands)

	2023	2022
Deferred contributions related to operations	\$ 10,967	\$ 14,122
Deferred contributions related to land held for resale	1,136	1,136
Current portion of deferred contributions	\$ 12,103	\$ 15,258
Deferred contributions related to property, plant and equipment	1,973	2,135
	\$ 14,076	\$ 17,393

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

9. Deferred contributions (cont'd):

(b) The changes in the deferred contributions balances for the year are as follows:

(i) Deferred contributions related to operations:

For the year ended March 31 (in thousands)		
	2023	2022
Balance, beginning of year	\$ 14,122	\$ 10,128
Add: contributions received		
recorded as deferred contributions	43,363	32,187
Less: contributions recognized as revenue		
during the year	(46,518)	(28,193)
Balance, end of year	\$ 10,967	\$ 14,122

(ii) Deferred contributions related to property, plant and equipment:

Deferred contributions related to property, plant and equipment represent contributed assets and externally restricted contributions for the purchase or construction of property, plant and equipment, and are presented as long-term on the statement of financial position.

For the year ended March 31 (in thousands)		
	2023	2022
Balance, beginning of year	\$ 2,135	\$ 2,119
Add: contributions received restricted		
for acquiring property, plant and equipment	12	188
Less: amounts amortized to revenue in the year	(174)	(172)
Balance, end of year	\$ 1,973	\$ 2,135

10. Pension and other post-employment benefits:

DUC sponsors defined benefit plans providing pension and other post-employment benefits to its employees.

Actuarial valuations are required to be performed at least every three years for the defined benefit pension plan due to the funded status of the plan. The last actuarial valuation was performed as at December 31, 2021. The next required actuarial valuation for the pension benefit plan will be as at December 31, 2024. The measurement date used for the benefit obligation and plan assets is March 31 of each year.

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

10. Pension and other post-employment benefits (cont'd):

Information about DUC's defined benefit plan, in aggregate, is as follows:

As at March 31 (in thousands)

	Pension benefit plans		Other benefit plan	
	2023	2022	2023	2022
Benefit obligation, end of year	\$ (97,070)	\$ (84,344)	\$ (12,156)	\$ (11,792)
Plan assets fair value, end of year	90,123	91,520	-	-
Funded Status	\$ (6,947)	\$ 7,176	\$ (12,156)	\$ (11,792)
Valuation Allowance	-	(7,176)	-	-
Funded status - plan deficit	\$ (6,947)	\$ -	\$ (12,156)	\$ (11,792)

The changes in accrued pension and post-employment benefits obligations are as follows:

For the year ended March 31 (in thousands)

	2023	2022
Balance, beginning of year	\$ 11,792	\$ 11,388
Remeasurement – cumulative effect of accounting policy changes (note 22)	11,960	-
Current service cost	1,414	1,569
Interest cost on accrued benefit	672	240
Remeasurement and other items	(4,382)	1,274
Valuation allowance	-	1,704
Employer contributions	(2,353)	(4,383)
Balance, end of year	\$ 19,103	\$ 11,792

11. Internally restricted net assets:

(a) Internally restricted net assets consist of the following:

As at March 31 (in thousands)

	2023	2022
Future habitat management	\$ 142,853	\$ 147,151
Future development	11,313	10,498
Provincial operating reserve	18,451	15,454
Land lease commitments	8,271	8,454
Unfunded pension and other post-employment benefits obligations (note 10)	(19,103)	(11,792)
	\$ 161,785	\$ 169,765

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

11. Internally restricted net assets (cont'd):

Net assets invested in future habitat management are used to fund habitat management costs on conservation lands owned by DUC; net assets invested in future development are used at the Board of Directors' discretion to fund future conservation activities; net assets invested in provincial operating reserve are used for future provincial conservation activities; and net assets invested in land lease commitments represent amounts internally restricted to fund lease payments on long-term land conservation agreements. The unfunded pension and other post-employment benefits obligation represents the accrued pension and post-employment benefits obligations.

The Board of Directors determines the amount, if any, to be transferred between unrestricted and internally restricted net assets for future conservation activities.

- (b) Transfers of internally restricted net assets (from) to unrestricted net assets available for conservation activity are as follows:

For the year ended March 31 (in thousands)

	2023	2022
Future habitat management	\$ 4,298	\$ (4,434)
Future development	(815)	333
Provincial operating reserve	(2,997)	(1,129)
Land lease commitments	183	(470)
Unfunded pension and other post-employment benefits obligations	(267)	(2,574)
	\$ 402	\$ (8,274)

12. Invested in land held for resale, property, plant and equipment and conservation lands:

Invested in land held for resale, property, plant and equipment and conservation lands represents the net book value of acquisitions that have been internally funded as follows:

As at March 31 (in thousands)

	2023	2022
Invested in conservation lands (note 7)	\$ 206,947	\$ 195,539
Invested in property, plant and equipment (notes 5 and 9(b)(ii))	5,542	5,226
Invested in land held for resale (notes 6, 8 and 12)	229	722
	\$ 212,718	\$ 201,487

The increase in net assets invested in land held for resale, property, plant and equipment and conservation lands was \$11,231,000 (2022 - \$6,282,000), of which \$10,937,000 (2022 - \$4,829,000) was funded by unrestricted net assets, 286,000 (2022 - \$1,303,000) was contributed as donated land (note 7) and \$8,000 was contributed as equipment (2022 - \$150,000).

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

13. Unrestricted net assets:

Unrestricted net assets are used to fund DUC's activities and make investments in land held for resale, conservation lands and property, plant and equipment. Unrestricted net assets may also be internally restricted by the Board of Directors.

Amounts transferred from unrestricted net assets were as follows:

For the year ended March 31 (in thousands)

	2023	2022
Internally imposed restrictions (note 11(b))	\$ (402)	\$ 8,274
Invested in land held for resale, property, plant and equipment and conservation lands (note 12)	10,937	4,829
	\$ 10,535	\$ 13,103

14. Commitments:

Lease agreement commitments:

DUC has entered into operating lease agreements with varying terms to 2028 covering certain office premises, equipment and vehicles. DUC has also entered into land lease agreements with varying terms to 2052.

The future minimum lease payments in each of the next five years and in aggregate to expiry are approximately as follows:

For the year ending March 31 (in thousands)

	Office, equipment and vehicle leases	Land lease agreements	Total
2024	\$ 1,700	\$ 976	\$ 2,676
2025	1,049	947	1,996
2026	705	899	1,604
2027	491	831	1,322
2028	276	654	930
2029 to expiry	-	1,916	1,916
	\$ 4,221	\$ 6,223	\$ 10,444

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

15. Other information:

Other information not otherwise disclosed in these financial statements is as follows:

For the year ended March 31 (in thousands)

	2023	2022
Government remittances included within accounts payable and accrued liabilities	\$ 6	\$ 46
Government remittances included within accounts receivable	225	186
Interest expense on current liabilities included within conservation program expenses	500	192
Interest expense on current liabilities included within administration expenses	43	-
Foreign exchange (loss) gain included within program and other revenue	(1,740)	861

16. Grant revenue:

For the year ended March 31 (in thousands)

	2023	2022
USFWS	\$ 37,862	\$ 25,713
Ducks Unlimited, Inc.	11,597	6,560
U.S. state	5,540	4,494
Canadian federal	20,965	15,788
Canadian provincial	5,766	9,207
Canadian municipal	459	264
Other non-government organizations	12,805	8,360
	\$ 94,994	\$ 70,386

The United States Fish and Wildlife Service ("USFWS"), the National Fish and Wildlife Foundation and various American federal agencies have provided funds to DUC to be expended on certain NAWMP projects.

USFWS reserves the right to review the books and records of DUC to ensure expenditures have been made for the purposes intended and within the specified time period from the date of funding. DUC is able, within on year, to either reallocate or return funds related to any expenditure that does not meet USFWS approval.

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

17. Fundraising revenue:

For the year ended March 31 (in thousands)

	2023	2022
Restricted donations	\$ 4,414	\$ 3,217
Unrestricted donations	3,881	3,974
Conservation easement and other in-kind donations	14,888	34
Other fundraising revenue	1,799	787
	\$ 24,982	\$ 8,012

During the year, DUC acquired a conservation easement with a fair value of \$24,901,000. Of this amount, \$10,120,000 was satisfied by way of cash and \$14,781,000 is included in conservation easement and other in-kind donations.

18. Net change in non-cash working capital:

The change in non-cash current assets and current liabilities related to operations consists of the following:

For the year ended March 31 (in thousands)

	2023	2022
Change in non-cash assets and liabilities:		
Decrease (increase) in:		
Accounts receivable	\$ (1,767)	\$ (7,767)
Project materials, prepaid expenses, inventory and deposits	335	(702)
(Decrease) increase in:		
Accounts payable and accrued liabilities	(1,040)	3,884
Deferred contributions from Ducks Unlimited, Inc.	2,672	3,577
Unearned revenue	(4,888)	(1,328)
Current portion of deferred contributions	(3,155)	4,644
	\$ (7,843)	\$ 2,308

19. Risk management:

(a) Currency risk:

DUC is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. In the normal course of business, DUC receives funding, holds investments, issues invoices and purchases inventories denominated in USD. There has been no change to the risk exposure from 2022. DUC uses foreign exchange contracts to help manage its exposure to unfavourable movements in USD. DUC's current policy is to hedge up to 80% of the USD currency exchange exposure of the subsequent year.

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

19. Risk management (cont'd):

DUC had the following foreign exchange contracts for USD outstanding as at March 31, 2023 with expiries ranging from May 9, 2023 to January 24, 2024:

In thousands of Canadian dollars (CAD)			
	Notional amount	Contract amount	Unrealized gain
At Maturity Variable Rate contracts to sell USD at 1.2500 to 1.2600 CAD/USD	USD 26,000	\$ 34,005	\$ (297)

DUC had the following foreign exchange contracts for USD outstanding as at March 31, 2022 with expiries ranging from April 20, 2022 to February 15, 2023:

In thousands of Canadian dollars (CAD)			
	Notional amount	Contract amount	Unrealized gain
At Maturity Variable Rate contracts to sell USD at 1.2500 to 1.2600 CAD/USD	USD 26,000	\$ 33,080	\$ 408
Forward contracts to sell USD at 1.2400 to 1.2800 CAD/USD	USD 8,000	\$ 10,170	\$ 168

(b) Liquidity risk:

Liquidity risk is the risk that DUC will be unable to fulfill its obligations on a timely basis or at a reasonable cost. DUC manages its liquidity risk by monitoring its operating requirements. DUC prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

In addition to credit facilities disclosed elsewhere in these financial statements, DUC has a \$3,000,000 revolving credit facility with variable interest at 6.70% (2022 – 2.70%), repayable on demand and secured by a general security agreement. In addition, DUC has a \$14,000,000 line of credit with a variable interest at 6.20% (2022 – 2.20%), repayable on demand and secured by fixed income investments with a fair value of \$14,000,000 (note 5). As at March 31, 2023 and 2022, no amounts were drawn under these facilities.

(c) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations, resulting in a financial loss. DUC deals with creditworthy counterparties to mitigate the risk of financial loss from defaults.

Credit risk on bonds is minimized as DUC invests primarily in government bonds, government-guaranteed bonds, investment grade corporate bonds and bond funds. The credit risk related to DUC's accounts receivable is mitigated as the majority is owed by government agencies, corporations and individuals who have historically supported the activities of DUC. There is no significant concentration of accounts receivable.

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

19. Risk management (cont'd):

(d) Interest rate risk:

DUC is exposed to interest rate risk through its revolving loan facilities with ATB and CIBC as described in note 8. The interest rate exposure with the ATB facility is mitigated by a donation made by ATB to DUC to offset the interest costs incurred on the loan up to \$100,000 annually until 2023.

DUC's fixed income investments are exposed to the risk that the value of interest-bearing investments will fluctuate due to changes in the level of market interest rates. To properly manage DUC's interest rate risk, appropriate guidelines on the weighting and duration for bonds and other fixed income investments are set and monitored.

(e) Price risk:

DUC's investments in equities are sensitive to market fluctuations. To properly manage DUC's other price risk, appropriate guidelines on asset diversification to address specific security, geographic, sector and investment manager risks are set and monitored.

20. Allocated expenses:

Information technology expenses have been allocated as follows:

For the year ended March 31 (in thousands)

	2023	2022
Conservation program	\$ 2,890	\$ 3,241
Fundraising	325	291
Administration	397	422
	\$ 3,612	\$ 3,954

21. Comparative financial information:

Certain comparative financial information has been reclassified to conform to the presentation adopted in the current year.

DUCKS UNLIMITED CANADA

Notes to Financial Statements

March 31, 2023

(Expressed in Canadian dollars, unless otherwise noted)

22. Change in accounting policy:

Effective April 1, 2022, DUC adopted amendments to ASPE 3462 – Employee future benefits.

(a) Defined benefit pension plan:

The amendments to ASPE 3462 require DUC to include a provision for adverse deviation in the measurement of its benefit obligation for its defined benefit pension plan. The cumulative effect of applying this change on April 1, 2022 was an increase to the pension benefit obligation of \$9,700,000 and a corresponding reduction to internally restricted net assets.

(b) Other post-employment benefit plans:

The amendments to ASPE 3462 require DUC to measure the defined benefit obligation of its other post-employment benefit plans using an actuarial valuation for accounting purposes. Previously, DUC measured the benefit obligations of the other post-employment benefit plans using an actuarial valuation for funding purposes which was consistent with the valuation method used for its defined benefit pension plan. This accounting policy choice is no longer available. The cumulative effect of applying this change on April 1, 2022 was an increase to the other benefit plans obligation of \$2,260,000 and a corresponding reduction to internally restricted net assets.

These changes were applied in accordance with the transitional provisions of ASPE 3462 with the cumulative effect of the amendments being recorded to opening net assets (note 10). The prior periods presented for comparative purposes are not restated.

**Permissive Tax Exemption Application
(2024-2027)**

NOTE: Applicants may be requested to attend a Committee of the Whole meeting in September as part of the application process

Please submit application to the Finance Department

Director of Finance
Municipality of North Cowichan
Duncan, BC V9L 6A1
Fax. 250.746.3133
Email: finance@northcowichan.ca

APPLICATION DEADLINE: AUGUST 1

The following information must be provided to Municipal Hall, either in person or by email, by the application deadline for Council's consideration. **Late applications will not be considered.**

SECTION 1: GENERAL INFORMATION

APPLICATION DATE: July 29, 2024
FULL NAME OF ORGANIZATION: Freshwater Fisheries Society of BC
MAILING ADDRESS OF PROPERTY: 1080 Whamcliffe Road, Duncan, BC, V9L 2K7
LEGAL DESCRIPTION:
Lot: 1 Block: _____ Plan: VIP32141
TAX ROLL NUMBER: 02246.005 PID: 001-097-547
CIVIC ADDRESS OF PROPERTY (if different than mailing address): 2731 Boys Road, Duncan, BC, V9L 6T6

In what ways is your organization registered? (*Applications will not be considered from societies who are not in good standing and may be asked to provide proof of good standing and compliance.*)

Not for profit (registered under Societies Act of BC)
Not for profit (CRA registered)
Registered Charity
Other, please specify.

SOCIETY NUMBER: S-45883 BUSINESS NUMBER: 89450 3309 BC0001
REGISTERED CHARITY OR NON-PROFIT ORGANIZATION NUMBER: S-45883

Organization Executive:

Title	Name	Phone No.
President	Andrew Wilson	250-414-4201
Secretary		
Treasurer		

CONTACT DETAILS:

Contact Person & Title: Tristan Robbins - Hatchery Manager

Mailing Address: 1080 Wharnccliffe Road, Duncan, BC, V9L 2K7

Phone Number: 250-746-5180 Email: tristan.robbs@gofishbc.com

Did this property receive a Permissive Tax Exemption in previous years?

YES YEAR(S) 2023
NO

SECTION 2: ORGANIZATIONAL INFORMATION

1. What is the nature of your organization?

- Non-profit organization
- Charitable/philanthropic organization
- Athletic or Service Club/Associations (including golf course)
- Care facility/registered assisted living residence
- Partner of the municipality by agreement under s. 225 of the Community Charter
- Other local authority
- Place of public worship (and land surrounding exempt building)
- Senior's home

2. To the best of your knowledge, is your organization in compliance with all municipal policies, bylaws and other applicable regulations (i.e., business licencing, zoning)?

YES
NO

If no, please explain:

3. Describe the goals and objectives of your organization:

We own and operate six major fish hatcheries, located in Duncan, Abbotsford, Summerland, Clearwater, Fort Steele, and Vanderhoof. Our hatcheries raise and release trout, char, and kokanee into 800 lakes around the province for the recreational stocking program. We also provide recovery and conservation programs for endangered species such as white sturgeon.

4. Do the objectives/goals of your organization align with any or all of North Cowichan's Strategic priorities?

YES

NO

If yes, please explain:

Our organization actively works to protect and enhance the environment. Our lake stocking program also helps North Cowichan have a prosperous municipality, as it attracts anglers from within and outside of the municipality to fish local lakes and they spend money to do so.

Describe the activities your organization carries out that contribute to the well-being of the community?

We stock local lakes with trout to enhance recreational fishing in the community. We also offer Learn To Fish programs, which are introductory programs for youth and their families, as well as adults. In 2023, we hosted an Open House (free of charge) which was attended by over 300 members of our community. Other programs we offer include a Rod Loan Program which allows families and other groups to try fishing without having to purchase gear. At no cost, the public can borrow spinning rods with reels and a basic box of tackle. Many times per year we meet with school groups at local lakes to educate children on the importance of environmental stewardship.

5. Does your organization provide life essentials (food and shelter) and/or skills to a vulnerable population – caregivers, youth, indigenous, low income, immigrants and refugees, people experiencing homelessness, people experiencing domestic violence, people living with mental illness, persons with disabilities, pets, etc.?

YES

NO

If yes, please explain:

Our Learn To Fish programs teach anyone, including members of vulnerable populations, how to catch fish which can provide food. We work also closely with indigenous groups.

6. How does your organization foster diversity, promote inclusivity, and/or champion conservation?

Our organization fosters diversity and promotes inclusivity by offering our services to all members of the public. We also produce multilingual educational material.

The Freshwater Fisheries Society of BC also champions conversation providing recovery and conservation programs for endangered species, such as white sturgeon.

7. Identify the number of persons served by the organization within the Municipality of North Cowichan annually.

1,000-10,000

8. Is membership or enrolment restricted in any way? YES NO

If yes, please explain:

Provide examples of programs or services aimed at reducing disparities and/or barriers to access, if applicable?

The Learn To Fish program for youth and their families, as well as adults. Learn the basics of freshwater fishing, including angling ethics, tackle selection, and fishing and casting techniques. All equipment is provided and every session includes hands on fishing time.

Rod Loan Program - this unique program reduces barriers by allowing families and other groups to try fishing without having to purchase gear. At no cost, the public can borrow spinning rods with reels and a basic box of tackle.

SECTION 3: PROPERTY INFORMATION

1. Is the organization the registered owner of the property for which the exemption is being requested?

YES
NO

2. If no, is the organization a lessee under a lease which requires direct payment of the property taxes to the Municipality of North Cowichan?

YES
NO

If yes, please attach a copy of the lease.

3. Does anyone live in the building, or do you have any 3rd party agreements including rental or use of the building, parking lot or services rendered?

YES NO

If yes, please attach agreement(s) and indicate the following:

Leased to	Sq. Footage leased	Rate Charged

4. How is your organization accessible to the public?

All residents of BC under the age of 16, and all Indigenous peoples can fish free-of-charge in BC's non-tidal waters. We also offer many programs (Learn To Fish, Rod Loan, school field trips) to the public.

SECTION 4: FINANCIAL INFORMATION

1. Does your organization have revenue generating activities on your property (i.e., hall rentals, catering, daycares, preschools, parking lots, etc.)?

YES NO

If yes, please attach a Fee Schedule and indicate the following:

Activity	Organization/Operator	Annual Income

2. Is your organization run by volunteers, paid staff, or a combination of both?

Number of employees: Full-time: 60 Part-time: 50 Number of Volunteers: 47

3. Have you received grants from the Municipality of North Cowichan, Federal or Provincial government, regional government, Crown Agencies or other funding agencies in the last 3 years?

YES NO

If yes, please indicate the following:

Date Received Grant	Amount Received	From	Purpose
Fiscal 2021/22	\$1,560,000	Province of BC	Conservation & Infrastructure
Fiscal 2022/23	\$1,706,000	Province of BC	Conservation & Infrastructure
Fiscal 2023/24	\$2,352,000	Province of BC	Conservation & Infrastructure
Fiscal 2021/22-Fiscal 2023/24	\$667,058	Federal	Canada Summer Jobs & Conservation

4. Please list other sources of revenue not covered, such as membership fees charged or fundraising, etc.
Freshwater fishing licence fees, partners & sponsorship donations

5. Prior year actual operating expenses	15,837,774
	\$ _____
6. Prior year actual operating revenues	16,498,324
	\$ _____
7. Current year annual operating budget of organization (attach a copy)	16,310,024
	\$ _____
8. Projected annual operating budget of the organization for the year of requested exemption	16,310,024
	\$ _____

A copy of the organizations most recent financial statements must be included with the application, along with a copy of the projected income and expenses.

FRESHWATER FISHERIES SOCIETY OF BC
For the Twelve Months Ending March 31, 2025

	<u>Annual</u>
	<u>2025BUDGET</u>
EXPENSES	
Salaries and benefits	8,629,955
Facilities	1,891,565
Contract and professional services	1,044,670
Operational supplies and services	1,262,695
Travel and meals	310,972
Vehicle	444,873
Office	834,084
Grants Paid	185,000
Marketing, promotion and other	218,465
Communications	82,228
Interest and bad debts	5,922
Amortization	1,399,595
	<u>16,310,024</u>

**FRESHWATER FISHERIES SOCIETY OF BC
FINANCIAL STATEMENTS
MARCH 31, 2024**

FRESHWATER FISHERIES SOCIETY OF BC

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Grant Thornton LLP

Suite 650
1675 Douglas Street
Victoria, BC
V8W 2G5

T +1 250 383 4191
F +1 250 381 4623

Independent auditor's report

To the members of the Freshwater Fisheries Society of B.C.

Opinion

We have audited the financial statements of Freshwater Fisheries Society of B.C., ("the Society"), which comprise the statement of financial position as at March 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 Freshwater Fisheries Society of B.C., as at March 31, 2024, 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society 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 these 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 Society'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 Society'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 Society 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.

Auditor's Responsibilities for the Audit of the Financial Statements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis with that of the preceding year.

FIPPA s. 22(1)



Victoria, Canada
June 13, 2024

Chartered Professional Accountants

FRESHWATER FISHERIES SOCIETY OF BC

Statement of Financial Position
As at March 31, 2024

	2024	2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 6,421,099	\$ 6,857,512
Investments (note 4)	13,558,845	11,483,208
Accounts receivable	1,229,953	947,257
Government remittances	4,597	-
Prepaid expenses	383,718	329,896
	<u>21,598,212</u>	<u>19,617,873</u>
Capital assets (note 5)	20,322,565	20,765,219
	<u>\$ 41,920,777</u>	<u>\$ 40,383,092</u>
Liabilities, Deferred Contributions and Fund Balances		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,998,382	\$ 1,732,695
Government remittances	-	36,045
Deferred revenue (note 6)	4,034,243	4,114,184
	<u>6,032,625</u>	<u>5,882,924</u>
Supplemental retirement benefit (note 7)	738,565	731,594
Deferred capital contributions (note 8)	11,108,483	11,555,590
	<u>17,879,673</u>	<u>18,170,108</u>
Fund balances:		
Internally restricted (note 9)	14,826,897	13,003,230
Invested in capital assets	9,214,207	9,209,754
	<u>24,041,104</u>	<u>22,212,984</u>
Commitments (note 11)		
	<u>\$ 41,920,777</u>	<u>\$ 40,383,092</u>

See accompanying notes to financial statements

Approved on behalf of the Board:



FIPPA s. 22(1) Director



FIPPA s. 22(1) Director

FRESHWATER FISHERIES SOCIETY OF BC

Statement of Operations and Changes in Fund Balances For the Year Ended March 31, 2024

	Unrestricted Fund	Internally Restricted Funds	Capital Fund	2024	2023
Revenue:					
Freshwater fishing licence fees	\$ 11,237,319	\$ -	\$ -	\$ 11,237,319	\$ 10,157,176
Fish culture services	1,118,761	-	-	1,118,761	802,012
Conservation services	825,000	-	-	825,000	825,000
Other revenue (note 10)	2,472,266	-	-	2,472,266	1,912,097
Amortization of deferred capital contributions	-	-	844,978	844,978	874,397
	15,653,346	-	844,978	16,498,324	14,570,682
Expenses:					
Salaries and benefits	8,178,058	104,715	-	8,282,773	7,602,963
Facilities	1,614,781	-	-	1,614,781	1,508,943
Contract and professional services	642,486	563,158	-	1,205,644	1,603,320
Operational supplies and services	1,164,928	11,461	-	1,176,389	1,069,956
Office	637,373	-	-	637,373	443,112
Other grants	369,908	69,960	-	439,868	507,729
Vehicle	425,924	-	-	425,924	476,465
Marketing	342,282	-	-	342,282	352,645
Travel and meals	242,477	19,418	-	261,895	228,180
Communications	81,150	1,143	-	82,293	80,905
Interest and bad debts	9,841	-	-	9,841	6,143
Amortization	-	-	1,358,711	1,358,711	1,362,304
	13,709,208	769,855	1,358,711	15,837,774	15,242,665
Surplus (deficiency) of operating revenue over expenses before the undernoted					
	1,944,138	(769,855)	(513,733)	660,550	(671,983)
Gain (loss) on disposition of capital assets	13,061	-	-	13,061	(7,379)
Gain (loss) on foreign exchange translation	(940)	-	-	(940)	125
Income on investments, net	1,155,449	-	-	1,155,449	(141,992)
Excess (deficiency) of revenues over expenses					
	3,111,708	(769,855)	(513,733)	1,828,120	(821,229)
Fund balances, beginning of year	-	13,003,230	9,209,754	22,212,984	23,034,213
Transfer to Capital Fund for net additions to capital assets	(404,901)	(113,285)	518,186	-	-
Transfer to Internally Restricted Fund (note 9) of current Unrestricted Fund surplus	(2,706,807)	2,706,807	-	-	-
Fund balances, end of year	\$ -	\$ 14,826,897	\$ 9,214,207	\$ 24,041,104	\$ 22,212,984

See accompanying notes to financial statements

FRESHWATER FISHERIES SOCIETY OF BC

Statement of Cash Flows
For the Year Ended March 31, 2024

	2024	2023
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenues over expenses	\$ 1,828,120	\$ (821,229)
Adjustments for non-cash items:		
Amortization of deferred capital contributions	(844,978)	(874,397)
Amortization of capital assets	1,358,711	1,362,304
(Gain) loss on sale of capital assets	(13,061)	7,379
(Gain) loss on investments	(1,155,449)	141,992
	1,173,343	(183,951)
Increase in non-cash working capital:		
Accounts receivable	(287,293)	(35,621)
Prepaid expenses	(53,822)	(33,606)
Accounts payable and accrued liabilities	232,692	125,052
Deferred revenue	(79,941)	961,192
Supplemental retirement benefit	6,971	12,624
	991,950	845,690
Investing activities:		
Interest on term deposits	76,762	-
Investments	(1,000,000)	-
Purchases of capital assets	(933,128)	(1,051,883)
Cash received for purchase of capital assets	397,871	152,532
Proceeds on disposition of capital assets	30,132	100
	(1,428,363)	(899,251)
Decrease in cash and cash equivalents	(436,413)	(53,561)
Cash and cash equivalents, beginning of year	6,857,512	6,911,073
Cash and cash equivalents, end of year	\$ 6,421,099	\$ 6,857,512

See accompanying notes to financial statements

FRESHWATER FISHERIES SOCIETY OF BC

Notes to Financial Statements
March 31, 2024

1. Purpose of the Society

The Freshwater Fisheries Society of B.C. (the "Society") was incorporated on March 26, 2003 under the Society Act of British Columbia to provide fish culture and other technical services, to support recreational fisheries and fish conservation and to market and develop sport fisheries in British Columbia. The Society is a not-for-profit organization and is not subject to income taxes.

2. Summary of significant accounting policies

a. Presentation:

These financial statements are prepared in accordance with Canadian Accounting Standards for not-for-profit organizations (ASNFP). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

b. Cash and cash equivalents:

Cash consists of cash on hand and balances with banks. Cash equivalents are investments in short-term GIC's. They are redeemable after 90-days or up to one year after the date of purchase. The accrued interest receivable from GIC's is recorded under accounts receivable.

c. Fund accounting:

All operating assets, liabilities, revenues, and expenses, including investment income, are recorded in the Unrestricted Fund. The annual surplus/loss will be transferred to the Internally Restricted Fund at year-end.

Assets, liabilities, revenues, and expenses related to the Society's capital assets are recorded in the Capital Fund.

The Internally Restricted fund represents the accumulated surpluses from the Unrestricted Fund that have been internally restricted to guard against possible future losses, capital needs, or approved special projects. Expenditures and transfers to designated reserves require the approval of the Board of Directors.

d. Revenue recognition:

The Society follows the deferral method of accounting for contributions.

Restricted contributions are recognized in the period in which the related expenditures are incurred. Restricted contributions for the purchase of capital assets are deferred and recognized as revenue on the same basis as the amortization expense related to the capital assets. Unrestricted contributions are recognized as revenue on the accrual basis when the amount to be received can be reasonably estimated and collection is reasonably assured.

FRESHWATER FISHERIES SOCIETY OF BC

Notes to Financial Statements
March 31, 2024

2. Summary of significant accounting policies (continued)

Government fish culture services and Conservation services revenues are annual contract payments from the Province of British Columbia. Government fish culture services revenue is based on the actual angling license sales made by the Province for the year. Conservation services revenue is based on a fixed contractual amount. These payments are recognized as revenue in the year received as they are to fund core operations of the Society.

Other fish culture services revenue is recognized when earned under the terms of the contracts.

e. Contributed services:

Contributed materials and services are recognized in the Society's financial statements when, their fair value can be reasonably determined, they are used in the normal course of operations, and would otherwise have been purchased. Services provided by volunteers are not recognized in the financial statements because the value of the services cannot be reliably measured.

f. Investments:

Investments consist of a managed portfolio of investments that includes Canadian, U.S. and international equities and fixed income securities. The portfolio is classified as current due to the liquid nature of the investments. Also included are GIC's with maturity beyond 12 months that are redeemable at face value at any time.

Unrealized gains and losses are included in the statement of operations. Investment income includes interest and dividends earned and realized gains and losses net of investment expenses incurred during the year. Investment transaction costs are expensed as incurred.

g. Capital assets:

Capital asset purchases are recorded at cost at the time of receipt. Amortization of work in progress commences when construction of the related asset is completed, and the asset is used in the operations of the Society. Amortization will be provided for using the following rates and methods:

Buildings and improvements	5% - 20%	declining balance
Computers and equipment	15%-100%	declining balance
Vehicles	15%-30%	declining balance

h. Measurement uncertainty:

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 period. This includes and is not limited to the collection of accounts receivable, accrual of accounts payable and accrued liabilities, supplemental retirement benefit, and useful lives of capital assets.

FRESHWATER FISHERIES SOCIETY OF BC

Notes to Financial Statements
March 31, 2024

2. Summary of significant accounting policies (continued)

i. Financial instruments:

Financial instruments consist of cash and cash equivalents, marketable securities, accounts receivable, accounts payable and accrued liabilities. The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at amortized cost, except for its portfolio investments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

It is management's opinion that the Society is not exposed to significant foreign exchange, credit, interest rate risk or liquidity risk. The Society does not believe there is significant credit risk as 80% of accounts receivables are due from government or government organizations and are in Canadian funds.

The Society is exposed to market risk, as investments in equity instruments in the Society's portfolio of marketable securities are subject to changes in fair value due to market conditions beyond the control of the Society.

j. Employee future benefits:

i. Pension plan

The Society and its employees contribute to the BC Public Service Pension Plan, a jointly trusted pension plan. The plan is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the plan.

As the plan is administered by a third party, there is not sufficient information available to the Society to use defined benefit plan accounting; therefore, defined contribution plan accounting is applied to this benefit plan and the costs of these employee future benefits is recognized as an expense in the year that contributions are made. The risk and rewards associated with the plan's unfunded liability or surplus are shared between employers and participants and may be reflected in their future contributions.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The latest valuation done as at March 31, 2020, showed the plan's basic account 110 per cent funded with a surplus of \$2.7 million. The Plan has a total membership of 150,210 members of which 70,780 are active members and includes 55,267 pensioners.

ii. Supplemental retirement benefit

The Society's supplemental retirement benefit plan payable at retirement is based on the employee's service and earnings projected to retirement. The value of the benefit is calculated based on the likelihood that the member will retire from the Society and discounted with interest to the current age. For employees eligible to receive the retirement benefit at the year-end date, the expected retiring benefit payment has been included in accounts payable and accrued liabilities.

FRESHWATER FISHERIES SOCIETY OF BC

Notes to Financial Statements
March 31, 2024

2. Summary of significant accounting policies (continued)

iii. Long term disability

The Society contributes to the Public Service Agency Long-term Disability Plan. The Society is a member of an employer group.

As the plan is administered by a third party, there is not sufficient information available to the Society to use defined benefit plan accounting; therefore, defined contribution plan accounting is applied to this benefit plan and the costs of these employee future benefits is recognized as an expense in the year that contributions are made. The risk and reward associated with the plan's unfunded liability or surplus is shared between the Society and other participants and will be reflected in their future contributions.

3. Credit Facility

The Society has a maximum line of credit of \$500,000 of which \$0 (2023: \$0) was drawn at year end. The line of credit is secured by a general security agreement representing a first charge on all the borrowers' present and after acquired personal property. The line of credit bears interest at bank prime.

4. Investments

	2024	2023
Bonds and equities:		
Fair value, beginning of year	\$ 11,483,208	\$ 11,628,181
Interest and dividends, net of management fees	280,333	219,055
Realized gains, net	279,759	470,970
Unrealized (losses) gains, net	515,545	(834,998)
Fair value, end of year	12,558,845	11,483,208
Government investment certificates:		
March 2025 maturity, interest bearing at 5.6%	1,000,000	-
Fair value, end of year	\$ 13,558,845	\$ 11,483,208

All bonds and equities are publicly traded and accounted for at the fair market values based on quoted prices at year end.

FRESHWATER FISHERIES SOCIETY OF BC

Notes to Financial Statements
March 31, 2024

5. Capital assets

			2024	2023
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 5,117,194	\$ -	\$ 5,117,194	\$ 5,117,194
Buildings and improvements	24,663,642	(12,951,882)	11,711,760	12,078,139
Production equipment	7,223,716	(5,004,257)	2,219,459	2,506,079
Vehicles	3,591,802	(2,317,650)	1,274,152	1,050,319
Work in progress	-	-	-	13,488
	\$ 40,596,354	\$ (20,273,789)	\$ 20,322,565	\$ 20,765,219

6. Deferred revenue

Deferred revenue consists of externally restricted funds that have been received and not spent during the fiscal year.

	2024	2023
Balance, beginning of year	\$ 4,114,184	\$ 3,152,992
Grants received	2,481,491	2,569,626
Amounts allocated to revenue	(2,233,448)	(1,455,902)
Amounts allocated to Deferred Capital Contributions	(327,984)	(152,532)
Balance, end of year	\$ 4,034,243	\$ 4,114,184

7. Employee future benefits

a. Public Service Pension Plan:

The Society has a defined benefit plan providing pension and other retirement benefits to its employees. The plan is administered by the Pension Corporation of British Columbia. Eligible employees make contributions to the plan via payroll deductions.

The employer contribution rate to the Public Service Pension Plan at March 31, 2024 is a flat rate of 9.85% of pensionable earnings (2023: 9.85%). The Society expenses contributions to the plan in the year in which payments are made. Contributions to the plan by the Society during the year totaled \$560,127 (2023: \$520,344).

FRESHWATER FISHERIES SOCIETY OF BC

Notes to Financial Statements
March 31, 2024

7. Employee future benefits (continued)

b. Supplemental retirement benefit:

In addition to the Public Service Pension Plan, eligible employees are entitled to a supplemental retirement benefit as provided for under the collective agreement and terms of employment. The retirement benefit is based on years of service and salary projected to retirement. It is paid through an unfunded supplemental retirement benefit plan, which is administered by the Society. The Province of British Columbia reimburses the Society for any benefit related to service years prior to April 1, 2003 and the liability has been adjusted for these amounts.

An independent actuarial valuation of the supplemental retirement benefit plan has not been performed, therefore the amount accrued as a liability at March 31, 2024 is management's best estimate based on the following assumptions:

Discount rate	2.38%
General staff attrition rate	15.00%
Rate of compensation increase	2.0%

	2024	2023
Accrued benefit obligation	\$ 795,075	\$ 785,076
Less: current portion	(56,510)	(53,481)
	\$ 738,565	\$ 731,594

The current portion is included in accounts payable and accrued liabilities. Total increase in expense recognized during the year was \$18,291 (2023: \$24,790 decrease). Cash payments during the year were \$8,292 (2023: \$0). Recoveries from the Province of British Columbia were \$0 (2023: \$0).

c. Long term disability plan

A funded long term disability multi-employer plan provides disability income benefits during employment, but before retirement.

The contribution rate effective April 1, 2023 was 0.93% (2023: 1.24%) of the employees' salary. The contributions recognized as an expense in the year totaled \$48,664 (2023: \$60,068).

FRESHWATER FISHERIES SOCIETY OF BC

Notes to Financial Statements
March 31, 2024

8. Deferred capital contributions

Deferred capital contributions represent unamortized contributions which have been used to purchase capital assets. These contributions will be recognized as revenue in future periods as the related capital assets are amortized.

	2024	2023
Balance, beginning of year	\$ 11,555,590	\$ 12,277,455
Current year additions	397,871	152,532
Current year amortization	(844,978)	(874,397)
Balance, end of year	\$ 11,108,483	\$ 11,555,590

9. Internally Restricted Fund

The Society has internally restricted reserves. The contingency reserve is designated to guard against possible unforeseen non-recurring future expenses. The fisheries projects and fishery legacy projects are to be used for specific investments in BC's Fisheries.

The restricted balance consists of the following amounts received and paid during the fiscal year.

	2024			2023	
	Contingency	Fisheries Projects	Fishery Legacy Projects		
Balance, beginning of year	\$ 11,367,245	\$ 575,737	\$ 1,060,248	\$ 13,003,230	\$ 14,228,423
Transfer for:					
Unrestricted surplus (deficit)	2,706,807	-	-	2,706,807	111,898
Fisheries projects	-	-	-	-	900,000
Use of restricted funds for:					
Fisheries projects	-	(556,550)	-	(556,550)	(1,145,592)
Infrastructure and Outreach	-	-	(326,590)	(326,590)	(1,091,499)
Balance, end of year	\$ 14,074,052	\$ 19,187	\$ 733,658	\$ 14,826,897	\$ 13,003,230

FRESHWATER FISHERIES SOCIETY OF BC

Notes to Financial Statements
March 31, 2024

10. Other revenue

	2024	2023
Provincial grants	\$ 1,218,931	\$ 880,769
Donations and outreach revenue	442,911	442,327
Operating interest revenue	340,145	227,369
Federal grants	132,752	141,487
Egg sales	121,264	12,374
Sundry	92,136	74,025
Other grants	83,358	97,110
Professional services	40,769	36,636
	\$ 2,472,266	\$ 1,912,097

11. Commitments

The Society has entered into various lease commitments related to premises and equipment with third parties. The estimated annual minimum lease payments are as follows:

	Lease commitments	Capital commitments	Total
2025	\$ 77,845	\$ -	\$ 77,845
2026	76,516	-	76,516
2027	16,124	-	16,124
2028	12,494	-	12,494
2029	-	-	-
	\$ 182,979	\$ -	\$ 182,979

12. Economic dependence

The Society receives a significant portion of its funding from the provincial government or government agencies. The ongoing operation of the Society in its present form is dependent on continuing to receive adequate levels of funding from these sources.

FRESHWATER FISHERIES SOCIETY OF BC

Notes to Financial Statements
March 31, 2024

13. Executive compensation

Included in the British Columbia Societies Act is a requirement to disclose the remuneration paid to all directors, the ten highest paid employees and all contractors who are paid at least \$75,000 annually.

During the year, the Society paid \$24,760 (2023: \$24,200) to directors.

During the year, the Society paid \$1,353,069 (2023: \$1,264,946) in remuneration to the 10 most highly remunerated persons who are employees or contractors, whose remuneration, during the applicable period, was at least \$75,000.

14. Comparative figures

Certain of the comparative figures for the prior year have been changed to conform to the presentation adopted for the current year.

**Permissive Tax Exemption Application
(2024-2027)**

NOTE: Applicants may be requested to attend a Committee of the Whole meeting in September as part of the application process

Please submit application to the Finance Department

Director of Finance
Municipality of North Cowichan
Duncan, BC V9L 6A1
Fax. 250.746.3133
Email: finance@northcowichan.ca

APPLICATION DEADLINE: AUGUST 1

The following information must be provided to Municipal Hall, either in person or by email, by the application deadline for Council's consideration. **Late applications will not be considered.**

SECTION 1: GENERAL INFORMATION

APPLICATION DATE: July 25 2024
FULL NAME OF ORGANIZATION: Island Corridor Foundation
MAILING ADDRESS OF PROPERTY: Box 375 Stn A Nanaimo BC V9R 5L3
LEGAL DESCRIPTION:
Lot: _____ Block: _____ Plan: _____
TAX ROLL NUMBER: _____ PID: Please see attached
CIVIC ADDRESS OF PROPERTY (if different than mailing address): _____

In what ways is your organization registered? (*Applications will not be considered from societies who are not in good standing and may be asked to provide proof of good standing and compliance.*)

Not for profit (registered under Societies Act of BC)
Not for profit (CRA registered)
Registered Charity
Other, please specify.

SOCIETY NUMBER: _____ BUSINESS NUMBER: _____
REGISTERED CHARITY OR NON-PROFIT ORGANIZATION NUMBER: 869405209 RR 0001

Organization Executive:

Title	Name	Phone No.
Chief Executive Officer	Thomas Bevan	250-754-7254
Corridor Manager	Debbie Mann	250-754-7254
Treasurer	N/A	

CONTACT DETAILS:

Contact Person & Title: Debbie Mann, Corridor Manager

Mailing Address: Box 375 5th A Nanaimo BC V9R 5L3

Phone Number: 250 754 7254 Email: debbiemann@islandrail.ca

Did this property receive a Permissive Tax Exemption in previous years?

YES _____ YEAR(S) ___ YES _____
NO _____

SECTION 2: ORGANIZATIONAL INFORMATION

1. What is the nature of your organization?

- Non-profit organization
- x - Charitable/philanthropic organization
- Athletic or Service Club/Associations (including golf course)
- Care facility/registered assisted living residence
- Partner of the municipality by agreement under s. 225 of the Community Charter
- Other local authority
- Place of public worship (and land surrounding exempt building)
- Senior's home

2. To the best of your knowledge, is your organization in compliance with all municipal policies, bylaws and other applicable regulations (i.e., business licencing, zoning)?

YES
NO

If no, please explain:

3. Describe the goals and objectives of your organization:

See attached

4. Do the objectives/goals of your organization align with any or all of North Cowichan's Strategic priorities?

YES

NO

If yes, please explain:

The Island Corridor Foundation is eager to work in close partnership with North Cowichan to see that this corridor benefits and is well used by both residents and visitors. We aim to facilitate and support the continued development of trails, public spaces, utilities, and other infrastructure projects throughout the corridor.

Describe the activities your organization carries out that contribute to the well-being of the community?

See attached

5. Does your organization provide life essentials (food and shelter) and/or skills to a vulnerable population – caregivers, youth, indigenous, low income, immigrants and refugees, people experiencing homelessness, people experiencing domestic violence, people living with mental illness, persons with disabilities, pets, etc.?

YES

NO

If yes, please explain:

6. How does your organization foster diversity, promote inclusivity, and/or champion conservation?

If it weren't for the vision and commitment of the Island's First Nations peoples there would be no future for our Corridor. The Island Corridor Foundation is a partnership between local Governments and First Nations along the island rail corridor.

It came about through the vision of the Cowichan Tribes, Mayors and Councilors from Vancouver Island communities and railway enthusiasts who did not want to see the corridor divided and sold off in parcels to private interests, to be lost forever to the people of the Island.

The ICF was formed as a full partnership with First Nations. Governance and direction for the foundation is shared with First Nations holding 50% of seats on the Board of the Foundation. The Foundation commits to always work with First Nations as full partners and that all efforts of the Foundation shall be to bring economic, social, cultural, environmental benefits to all. That partnership commitment was formally recognized in the Declaration on Aboriginal Title signed in May of 2010.

7. Identify the number of persons served by the organization within the Municipality of North Cowichan annually.

All residents and visitors

8. Is membership or enrolment restricted in any way? YES NO

If yes, please explain:

The Island Corridor Foundation membership includes the Regional Districts and First Nations communities adjacent to the Island Rail Corridor on southern Vancouver Island. This membership is represented on the foundation's board.

The ICF, as an organization, is made up of 5 Regional Districts and 14 First Nations Groups that border the Island Rail Corridor.

Provide examples of programs or services aimed at reducing disparities and/or barriers to access, if applicable?

SECTION 3: PROPERTY INFORMATION

1. Is the organization the registered owner of the property for which the exemption is being requested?

YES
NO

2. If no, is the organization a lessee under a lease which requires direct payment of the property taxes to the Municipality of North Cowichan?

YES
NO

If yes, please attach a copy of the lease.

3. Does anyone live in the building, or do you have any 3rd party agreements including rental or use of the building, parking lot or services rendered?

YES NO

If yes, please attach agreement(s) and indicate the following:

Leased to	Sq. Footage leased	Rate Charged

4. How is your organization accessible to the public?

The ICF updates our website regularly with news items, announcements, minutes from board meetings and the annual general meeting, as well as approved financial statements.

SECTION 4: FINANCIAL INFORMATION

1. Does your organization have revenue generating activities on your property (i.e., hall rentals, catering, daycares, preschools, parking lots, etc.)?

YES NO

If yes, please attach a Fee Schedule and indicate the following:

Activity	Organization/Operator	Annual Income

2. Is your organization run by volunteers, paid staff, or a combination of both?

Number of employees: Full-time: 3 Part-time: _____ Number of Volunteers: _____

3. Have you received grants from the Municipality of North Cowichan, Federal or Provincial government, regional government, Crown Agencies or other funding agencies in the last 3 years?

YES NO

If yes, please indicate the following:

Date Received Grant	Amount Received	From	Purpose
September 2023	\$600,000	Ministry of Transportation and Infrastructure	Corridor Maintenance

4. Please list other sources of revenue not covered, such as membership fees charged or fundraising, etc.
 ICF is self supporting and earns revenue via donations, licenses of occupation, and crossing agreements.

- 5. Prior year actual operating expenses \$ Please see attached financial s
- 6. Prior year actual operating revenues \$ Please see attached financial s
- 7. Current year annual operating budget of organization (attach a copy) \$ Please see attached 2024 Ope
- 8. Projected annual operating budget of the organization for the year of requested exemption \$ Please see attached 2024 Ope

A copy of the organizations most recent financial statements must be included with the application, along with a copy of the projected income and expenses.

3. Describe the goals and objectives of your organization:

The Island Corridor Foundation (ICF) is a federally registered charity established for the purposes of owning and managing the former E&N Corridor on Vancouver Island. The foundation recognizes the importance of this corridor as a link that connects communities economically, socially and spiritually, today, and for all time. The foundation represents First Nations and Local Governments adjacent to the corridor.

ICF has been working diligently to secure a stable and prosperous future for the corridor for the benefit of all Vancouver Island Residents. In 2006 ICF achieved a significant milestone, concluding Asset Donation Agreements with the Canadian Pacific Railway (CPR) and Rail America (RA) to acquire full ownership of the former E&N Corridor.

General Statement of Activities:

Through the sustained efforts of elected leaders of both First Nations and Local Governments who have accepted a mandate to work towards the preservation of the corridor, the charitable objectives of ICF are to:

- Acquire, preserve and develop for purposes of the Foundation and its objects, but for no other purposes, the Island Corridor which lies north-south from Victoria to Courtenay, east-west from Duncan to Lake Cowichan, and east-west from Nanaimo to Port Alberni on Vancouver Island together with ancillary lands, structures and all other property rights attached thereto (the "Island Corridor") and the infrastructure and other assets that constitute the E&N Railroad and are located on the Island Corridor (the "Railroad")
- Maintain the Island Corridor as a continuous special use connection for all communities, while respecting and supporting First Nations interests and traditional lands and uses
- Contribute to safe and environmentally sound freight rail service within active sections of the corridor
- Encourage a flexible infrastructure along the Island Corridor which will encourage a wide range of economic and trade activity for the benefit of all communities lying adjacent to the Island Corridor
- Preserve archaeological resources, historic landmarks, structures, artifacts and historic routes along the Island Corridor for historical purposes and for ongoing and future use by the community

- Create trails, parks, gardens, greenways and other public areas for use of members of the public along the length of the Island Corridor
- Conserve the environmental and spiritual features and functions of the Island Corridor in respect of the land, water and natural resources for the general benefit of the public, and
- Do all such charitable activities which are incidental to and beneficial to the attainment of the purposes stated above.

Describe the activities your organization carries out that contribute to the well-being of the community?

- Continuing Freight Service: Rail is the safest, most cost-efficient and most environmentally friendly form of surface transportation available. The ICF presently has an Interim Operating Agreement with Southern Rail of Vancouver Island (SVI). One of their many functions is to unload barged rail freight which is then distributed to residents and businesses throughout Vancouver Island.
- Potential Future Commuter Rail or other Active Transportation Opportunities: The east coast of Vancouver Island is among the fastest growing areas in Canada. A continuous corridor will play a critical role in any transportation strategy aimed at meeting the needs of future generations.
- Tourism Benefits: The ICF sees a great potential for greater and more efficient integration with transportation services. Bus shuttles connecting from the train station to ferry terminals and airports when coupled with increased types of excursion rail opportunities, including those linked to cruise ships, would greatly enhance Vancouver Island's tourism opportunities.
- Rails-with-trails: It is the intention of the ICF in cooperation with the Regional Districts and local governments to eventually construct a trail running the length of the corridor. The ICF has signed access agreements with almost every Regional District and Municipality along the corridor. Trails have been constructed from Victoria to Langford, Shawnigan Lake, Cowichan Valley Regional District, Duncan, North Cowichan, Lake Cowichan, Ladysmith, Nanaimo, Lantzville, Parksville Qualicum Beach, Courtenay, and most recently Port Alberni.
- Long-term jobs for First Nations: This has been identified as a priority by the ICF Board of Directors.



ISLAND CORRIDOR FOUNDATION

Box 375 Strn A Nanaimo, BC V9R 5L3
office 250 754 7254
islandrail.ca

The ICF formally requests a permissive tax exemption for the following properties:

Owner	Roll #	PID	Location	Extent
Island Corridor Foundation	01232.005	013-685-597	Rail Corridor	All land & improvements
Island Corridor Foundation	01232.006	013-878-727	Rail Corridor	All land & improvements
Island Corridor Foundation	00186.001	013-685-171	Rail Corridor	All land & improvements
Island Corridor Foundation	02222.001	013-685-414	Rail Corridor	All land & improvements
Island Corridor Foundation	01232.004	013-685-562	Rail Corridor	All land & improvements
Island Corridor Foundation	00900.001	013-685-279	Rail Corridor	All land & improvements
Island Corridor Foundation	01180.050	003-387-232	Rail Corridor	All land & improvements
Island Corridor Foundation	01232.003	013-685-538	Rail Corridor	All land & improvements
Island Corridor Foundation	00180.001	013-688-219	Rail Corridor	All land & improvements
Island Corridor Foundation	00184.002	013-688-171	Rail Corridor	All land & improvements
Island Corridor Foundation	00899.001	013-684-973	Rail Corridor	All land & improvements
Island Corridor Foundation	00184.001	013-688-162	Rail Corridor	All land & improvements
Island Corridor Foundation	00172.001	013-684-761	Rail Corridor	All land & improvements
Island Corridor Foundation	00180.002	013-684-795	Rail Corridor	All land & improvements
Island Corridor Foundation	18008.002	023-636-092	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.001	No PID	Rail Corridor	All land & improvements
Island Corridor Foundation	10232.009	023-119-641	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.020	024-157-180	Rail Corridor	All land & improvements
Island Corridor Foundation	01232.008	023-119-632	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.014	023-911-590	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.022	024-786-055	Rail Corridor.	All land & improvements
Island Corridor Foundation	01232.010	023-119-659	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.021	024-209-619	Rail Corridor	All land & improvements
Island Corridor Foundation	01232.007	023-119-624	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.018	024-025-569	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.010	023-884-142	Rail Corridor	All land & improvements
Island Corridor Foundation	01232.011	023-119-667	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.004	023-635-738	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.017	024-025-895	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.009	023-887-532	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.011	023-884-355	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.002	023-501-189	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.016	024-120-880	Rail Corridor	All land & improvements

ICF serves the communities of Vancouver Island and gratefully acknowledges that we work on the traditional and unceded territories of many diverse First Nations, including the Esquimalt, Songhees, Malahat, Cowichan Tribes, Ts'uubaa-asatx, Halalt, Stz'uminus, Penelakut Tribe, Snuneymuxw, Snaw-Naw-As, Qualicum, K'ómoks, Hupacasath, and Tseshaht. We acknowledge that Indigenous peoples have stewarded these lands since time immemorial and are committed to strong Indigenous partnerships and relationships based on principles of Reconciliation



ISLAND CORRIDOR FOUNDATION

Box 375 Stn A Nanaimo, BC V9R 5L3
office 250 754 7254
islandrail.ca

Owner	Roll #	PID	Location	Extent
Island Corridor Foundation	03995.015	024-070-297	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.012	023-894-555	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.007	023-636-092	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.008	023-892-226	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.003	023-640-171	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.019	024-040-240	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.013	023-899-531	Rail Corridor	All land & improvements
Island Corridor Foundation	03996.000	No PID	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.000	010-144-633	Rail Corridor	All land & improvements
Island Corridor Foundation	No Folio	009-709-126	Rail Corridor	All land & improvements
Island Corridor Foundation	No Folio	010-111-743	Rail Corridor	All land & improvements
Island Corridor Foundation	01180.025	009-750-649	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.000	005-029-899	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.000	009-919-031	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.000	009-919-821	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.000	010-111-743	Rail Corridor	All land & improvements
Island Corridor Foundation	03995.000	010-380-302	Rail Corridor	All land & improvements

ICF serves the communities of Vancouver Island and gratefully acknowledges that we work on the traditional and unceded territories of many diverse First Nations, including the Esquimalt, Songhees, Malahat, Cowichan Tribes, Ts'uubaa-asatx, Halalt, Stz'uminus, Penelakut Tribe, Snuneymuxw, Snaw-Naw-As, Qualicum, K'ómoks, Hupacasath, and Tseshaht. We acknowledge that Indigenous peoples have stewarded these lands since time immemorial and are committed to strong Indigenous partnerships and relationships based on principles of Reconciliation

Island Corridor Foundation				
Budget 2024				
	2024	2023		2024 vs 2023
	Budgeted	Estimate		Increase(Decrease)
Operating Income				
Fees, Leases & Donations	671,500	752,000	-80,500	-22%
Other income	103,000	-	103,000	
SVI Payments	24,000	24,000	-	0%
Professional Fees Recovery	50,000	70,000	-20,000	-29%
Property Rental Income	125,000	125,000	-	0%
Property Recoverable Expense	32,000	37,000	-5,000	-14%
Corridor Project Manager	125,000	-	125,000	
One-time Grant - Corridor Clearing	473,000	130,000	343,000	264%
Total Income	1,603,500	1,138,000	465,500	41%
Expenditures				
Engineering	30,000	36,220	-6,220	-17%
Legal	45,000	39,000	6,000	15%
Bank charges	3,000	1,800	1,200	67%
Insurance	48,000	46,000	2,000	4%
Human Resources	365,000	301,441	63,559	21%
Board Expenses	34,000	22,000	12,000	55%
Travel & Meals Expense	15,000	7,800	7,200	92%
Marketing & Communications	15,000	5,000	10,000	200%
Audits & Bookkeeping	22,000	20,000	2,000	10%
User rates	17,000	15,000	2,000	13%
Communication Expense	4,500	4,000	500	13%
Office Expenses	2,500	1,600	900	56%
Insurance	50,000	46,000	4,000	9%
Donations not including Tour De Rock	12,500	11,000	1,500	14%
Tour de Rock	12,500	8,500	4,000	47%
Maintenance of Way	538,000	96,000	442,000	460%
Homeless - Clean up	9,000	7,000	2,000	29%
Property Rental	110,000	104,557	5,443	5%
Extraordinary expense	85,000	134,846	-49,846	-37%
Total Expenses	1,418,000	908,000	510,000	56%
Net Excess of Revenues				
	185,500	230,000	-44,500	-19%

ISLAND CORRIDOR FOUNDATION

FINANCIAL STATEMENTS

Partners

Grant McDonald, CPA, CA*

Lee-Anne Harrison, CPA, CA*

Anna Jones, CPA, CA*

Joanne Novak, CPA, CA*

*incorporated



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the members of the Island Corridor Foundation

We have reviewed the financial statements of **Island Corridor Foundation** that comprise the statement of financial position as at December 31, 2023, and the statement of operations, changes in net assets, 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 is 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.

Basis for qualified conclusion

The Foundation's tangible capital assets include \$14,346,946 of track for which conditions indicate that the track assets may be impaired, requiring that the net carrying amount of the tangible capital asset be written down to the assets' fair value. In addition, included in amortization expense is \$ 2,016,355 of amortization for tracks that are not in use. We were unable to evaluate the impact of this possible impairment and related amortization adjustment as management did not prepare an analysis and estimate the assets' fair value as at December 31, 2023 and possible related impairment for the year ended December 31, 2023. Consequently, we were unable to perform the procedures we considered necessary.

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Independent Practitioner's Review Engagement Report

(Continued)

Qualified conclusion

Based on our review, except for the effects of the matter described in the above paragraph, 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 Island Corridor 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.

Other matter

Without modifying our conclusion, we draw attention to Note 1 of the financial statements which indicates that as at December 31, 2023 uncertainty exists with respect to the Foundation's ability to obtain future funding to meet one of its' mandates of continuing to develop railway assets. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Foundation's ability to continue as a going concern.

FIPPA s. 22(1)



CHURCH PICKARD
Chartered Accountants

Nanaimo, BC
May 28, 2024

ISLAND CORRIDOR FOUNDATION

STATEMENT OF FINANCIAL POSITION as at **December 31, 2023**

	Operating Fund	Capital Funds	Total 2023	Total 2022
Assets				
Current				
Cash and equivalents - Note 4	\$ 165,988	\$ -	\$ 165,988	\$ 104,637
Term deposit - Note 5	475,321	-	475,321	-
Accounts receivable	146,973	-	146,973	118,258
Current portion of loan receivable - Note 6	14,950	-	14,950	-
Prepaid expenses	7,664	-	7,664	15,123
Interfund receivable (payable) - Note 4	<u>(21,101)</u>	<u>21,101</u>	<u>-</u>	<u>-</u>
	789,795	21,101	810,896	238,018
Loan receivable - Note 6	67,285	-	67,285	-
Tangible capital assets - Note 7	-	308,503,094	308,503,094	311,981,999
Deferred leasing costs - Note 8	<u>6,983</u>	<u>-</u>	<u>6,983</u>	<u>9,213</u>
	<u>\$ 864,063</u>	<u>\$ 308,524,195</u>	<u>\$ 309,388,258</u>	<u>\$ 312,229,230</u>

Liabilities

Current				
Accounts payable	\$ 221,805	\$ -	\$ 221,805	\$ 68,091
Callable debt due in one year - Note 9	-	55,290	55,290	71,694
Current portion of long term debt - Note 10	24,000	-	24,000	24,000
Deferred revenue	1,087	-	1,087	1,087
GST payable	3,284	-	3,284	3,468
Accrued interest payable - Note 10	<u>62,710</u>	<u>4,072</u>	<u>66,782</u>	<u>66,616</u>
	312,886	59,362	372,248	234,956
Callable debt, due thereafter - Note 9	-	572,188	572,188	610,706
Long term debt - Note 10	21,000	-	21,000	49,000
Deferred revenue	<u>636,923</u>	<u>-</u>	<u>636,923</u>	<u>173,578</u>
	<u>970,809</u>	<u>631,550</u>	<u>1,602,359</u>	<u>1,068,240</u>
Net assets	<u>(106,746)</u>	<u>307,892,645</u>	<u>307,785,899</u>	<u>311,160,990</u>
	<u>\$ 864,063</u>	<u>\$ 308,524,195</u>	<u>\$ 309,388,258</u>	<u>\$ 312,229,230</u>

Approved on Behalf of the Board:

FIPPA s. 22(1)

FIPPA s. 22(1)

ISLAND CORRIDOR FOUNDATION

STATEMENT OF OPERATIONS

For the year ended **December 31, 2023**

	Operating Fund	Capital Fund	Total 2023	Total 2022
Revenue				
Donations and grants - Note 13	\$ 483,508	\$ -	\$ 483,508	\$ 352,718
Crossings, leases and fees	369,652	-	369,652	258,550
Rental income - Note 11	104,643	-	104,643	88,775
Interest	5,321	-	5,321	-
	963,124	-	963,124	700,043
Expenditures				
Wages and benefits	280,100	-	280,100	255,786
Repairs and maintenance	220,787	-	220,787	77,037
Legal fees	92,998	-	92,998	73,710
Insurance	48,356	-	48,356	33,414
Consulting fees and engineering	36,220	-	36,220	12,600
Board expenses	21,976	-	21,976	45,064
Advertising and promotion	19,772	-	19,772	17,652
Professional fees	19,005	-	19,005	28,193
Utilities	18,954	-	18,954	24,401
Management and administration services	18,000	-	18,000	24,000
Communications	8,986	-	8,986	18,801
Interest and bank charges	7,655	-	7,655	5,735
Travel	3,833	-	3,833	3,767
Office	3,083	-	3,083	3,436
Property taxes	1,254	-	1,254	-
Public relations	1,214	-	1,214	695
Interest on short-term debt	-	47,920	47,920	33,261
	802,193	47,920	850,113	657,552
Excess of revenues over expenses				
(expenses over revenues) before				
undernoted items	160,931	(47,920)	113,011	42,491
Amortization	-	3,488,102	\$ 3,488,102	\$ 3,488,950
Excess of revenues over expenses				
(expenses over revenues)	\$ 160,931	\$ (3,536,022)	\$ (3,375,091)	\$ (3,446,459)

ISLAND CORRIDOR FOUNDATION

STATEMENT OF CHANGES IN NET ASSETS

For the year ended **December 31, 2023**

	Operating Fund	Capital Fund	Total 2023	Total 2022
Balance, beginning of the year	\$ (155,802)	\$ 311,316,792	\$ 311,160,990	\$ 314,607,449
Excess (deficiency) of revenue over expenses	160,931	(3,536,022)	(3,375,091)	(3,446,459)
Interfund loans and repayment of debt	<u>(111,875)</u>	<u>111,875</u>	<u>-</u>	<u>-</u>
Balance, end of the year	<u>\$ (106,746)</u>	<u>\$ 307,892,645</u>	<u>\$ 307,785,899</u>	<u>\$ 311,160,990</u>

ISLAND CORRIDOR FOUNDATION

STATEMENT OF CASH FLOWS

For the year ended **December 31, 2023**

	2023	2022
Cash provided (used):		
Operating activities		
Excess of (expenses over revenues)	\$ (3,375,091)	\$ (3,446,459)
Items not involving cash		
Amortization	<u>3,488,102</u>	<u>3,488,950</u>
	113,011	42,491
Changes in non-cash operating accounts		
Increase in accounts receivable	(28,715)	(108,043)
Increase in loan receivable	(82,235)	-
Decrease (increase) in prepaid expenses	9,689	(2,655)
Increase (decrease) in accounts payable and accrued liabilities	153,699	(26,352)
Increase in deferred revenue	<u>463,345</u>	<u>161,623</u>
	628,794	67,064
Investing activities		
Purchase of tangible capital assets	(9,199)	(1,848)
Increase in term deposit	<u>(475,321)</u>	<u>-</u>
	<u>(484,520)</u>	<u>(1,848)</u>
Financing activities		
Repayment of long term debt	(28,000)	(24,000)
Repayment of callable debt	<u>(54,923)</u>	<u>(71,694)</u>
	<u>(82,923)</u>	<u>(95,694)</u>
Increase (decrease) in cash	61,351	(30,478)
Cash, beginning of the year	<u>104,637</u>	<u>135,115</u>
Cash, end of the year	<u>\$ 165,988</u>	<u>\$ 104,637</u>

ISLAND CORRIDOR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2023**

Nature of operations

Island Corridor Foundation ("the Foundation") was incorporated under the laws of the Government of Canada on January 01, 2004 and was continued under the Canada Not-for-Profit Corporations Act. As a registered charity, the Foundation is exempt from the payment of income tax under Section 149(1) of the Income Tax Act and able to issue donation receipts for income tax purposes. In order to maintain the status of a charitable organization under the Act, the Foundation must meet certain requirements within the Act, which, in the opinion of the management, have been met.

The Foundation's primary purposes are to preserve the use of the corridor in perpetuity for the connection and the benefit for all Island communities and First Nations along the corridor; to preserve historical landmarks; to create trails, parks and other public areas; to preserve and develop the assets on the Island Corridor and to contribute to rail services along the rail corridor. The members of the Foundation are eleven First Nations and five Regional Districts. They assumed ownership of the 319-kilometre rail corridor in 2006 on behalf of communities of Vancouver Island. In 2023 they returned approximate 1.5-kilometre of the corridor to the Snaw-Naw-As First Nation.

1. Going concern

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations which contemplate the continuation of the Foundation as a going concern including the realization of assets and the settlement of liabilities in the ordinary course of operations. However, certain conditions may cast significant doubt on the validity of this assumption.

The ability of the Foundation to meet one of its mandates of continuing to develop the railway assets located on the Island Corridor including certain tracks and bridges is dependent on the Foundation's ability to retain the commitment of a railway provider and to obtain grant funding to repair the bridges and tracks.

The Foundation has a Strategic Priorities & Operation Plan which outlines the Foundation's Key Focus Areas including multi-infrastructure plan for Rail. The Foundation remains optimistic regarding long-term upgrades and, in conjunction with Southern Railway of Vancouver Island (SVI), have identified and costed a series of Phase 1 rail infrastructure options that may be pursued.

The Foundation continues to maintain its infrastructure and pursue new property lease agreements and park developments as it awaits funding from the BC Government. The Province of BC released the Island Rail Corridor Condition Assessment Summary Report completed by WSP Canada Group Ltd. in April 2020. The summary identifies the railway corridor overall as being in poor to fair condition. The summary provides a conceptual cost estimate in support of three Improvement Phases evaluated: Initial, Intermediate and Ultimate. These phased cost estimates are separated between Victoria Subdivision and Port Alberni Subdivision and further divided into six geographical segments. In addition, the BC Government has completed the South Vancouver Island Transportation Strategy report of which rail featured prominently as a long-term investment.

ISLAND CORRIDOR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2023**

1. **Going concern** - cont.

Vital to the rail operations of the Foundation is the involvement with SVI. The Foundation entered into an agreement with Southern Railway of Vancouver Island (SVI) in which SVI will pay a license fee to the Foundation of \$2,000 per month and the Foundation will pay monthly loan payments of \$2,000 to SVI. As long as the Foundation pays the monthly payments, SVI has agreed to grant a waiver of interest on the remaining unpaid principal amount of the loan.

The Foundation has incurred a net loss of \$3,375,091 (2022 - \$3,446,459) which includes amortization of \$3,488,102 (2022 - \$3,488,950) for the year and as of December 31, 2023. The Foundation's current liabilities exceed its current assets by \$133,540 (2022 - \$607,644). Of this amount \$584,166 (2022 - \$626,410) is the mortgage on the Nanaimo Station building. The Nanaimo station is not included in current assets but the mortgage on the building is included in current liabilities which is the reason current liabilities exceed current assets.

On March 14, 2023 the federal and provincial governments announced that 10-plus acres of the land used by the corridor be returned the Snaw-Naw-As First Nation. Without making any promises about that concept, the federal and provincial government announced support for future planning on the corridor. The province did grant the Foundation \$600,000 in 2023 for corridor maintenance and repair that does not involve specific infrastructure.

These financial statements do not reflect the adjustments to the carrying amounts of reported assets and liabilities, revenues and expenses and balance sheet classifications which might be necessary should the going concern assumption not be appropriate. Such adjustments could be material.

2. **Significant accounting policies**

These financial statements have been prepared in accordance with the Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles.

- Fund accounting

Island Corridor Foundation uses the restricted fund method of accounting for contributions and maintains two funds - Operating Fund and Capital Fund.

The Operating Fund accounts for assets, liabilities, revenues and expenses related to the Foundation's program delivery in the preservation of the railway corridor and its administrative activities.

The Capital Fund reports the assets, liabilities, revenues and expenses related to Island Corridor Foundation's capital assets, including acquisitions and disposals and debt commitments.

ISLAND CORRIDOR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2023**

2. Significant accounting policies - cont

- Revenue recognition

The Foundation recognizes donations when received. Grant revenue is recognized over the period that the service is performed, as specified by the grantor. Interest revenue is recognized when earned. Revenue from crossing departments and lease agreements is recognized over the term of the agreement. Rental income is recognized as earned over the term of the lease. Fundraising revenue is recognized when received. File opening fees for crossing agreements are recorded when an agreement is in place and their collectibility is reasonably assured.

- Contributed materials and services

Contributions of services and materials are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the services and materials are used in the normal course of the Foundation's operations and would otherwise have been purchased.

- Financial instruments

The Foundation considers any contract creating a financial asset or liability as a financial instrument, except in certain limited circumstances. The Foundation accounts for the following as financial instruments:

- Cash
- Accounts receivable
- Accounts payable
- Callable debt
- Long term debt

A financial asset or liability is recognized when the Foundation becomes party to contractual provisions of the instrument.

The Foundation initially measures its financial assets and liabilities at fair value. The Foundation subsequently measures all of its financial assets and financial liabilities from arm's length transactions at cost or amortized cost less any reduction for impairment.

Financial assets measured at cost or amortized cost less any reduction for impairment include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable, callable debt, and long term debt.

ISLAND CORRIDOR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2023**

2. Significant accounting policies - cont.

Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

The Foundation removes financial liabilities, or a portion thereof, when the obligation is discharged, cancelled or expires.

A financial asset (or group of similar financial assets) measured at cost or amortized cost are tested for impairment when there are indicators of impairment. Impairment losses are recognized in the statement of operations. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount paid that would have been the carrying amount had no impairment loss been recognized properly. The amount of any write-downs or reversals are recognized in net income.

- Tangible capital assets

Tangible capital assets are recorded at cost. The Foundation provides for amortization using the straight-line method at rates designed to amortize the cost of the tangible capital assets over their estimated useful lives. The annual amortization rates are as follows

Railway stations	Straight line	20 years
Equipment	Straight line	5 years
Fences	Straight line	10 years
Track	Straight-line	21.5-27 years
Railway signals	Straight line	8.8 years
Culverts	Straight-line	20 years
Bridges and tunnels	Straight-line	40 years

- Callable debt

The Foundation's demand loans are classified as current liabilities because the lender has the right to demand repayment within one year.

- Measurement uncertainty

The preparation of the financial statements in conformity with the Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they they become known. Actual results could differ from these estimates.

Significant areas requiring the use of management estimates include accounts receivable, amortization and contingencies.

ISLAND CORRIDOR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2023**

2. **Significant accounting policies - cont.**

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets, as outlined above.

These estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. **Financial instruments**

The Foundation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Foundation's risk exposure and concentration as of December 31, 2023.

a) Credit risk

Credit risk from the potential that a counter party will fail to perform its obligations. The Foundation is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

The credit risk regarding cash is considered to be negligible because it is held by a reputable financial institution with an investment grade external credit rating.

b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, callable debt, long-term debt and accounts payable.

c) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. In seeking to minimize the risks from interest rate fluctuations, the Foundation manages exposure through its normal operating and financial activities. The Foundation is exposed to interest rate risk primarily through its variable rate callable debt and variable rate long term debt.

Unless otherwise noted, it is management's opinion that the Foundation is not exposed to significant other price risks arising from these financial instruments.

ISLAND CORRIDOR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2023**

4. Externally restricted cash and net assets

Included in cash is \$21,101 (2022 - \$21,101) of grants and donations from the Courtenay Rotary Club and other donors. The use of the funds is restricted for the future construction of the Courtenay train station and trailways along the corridor in the Nanaimo region.

5. Term deposit

The Foundation has a flexible GIC with CIBC for \$470,000 that earns interest at 4.5% and due October 07, 2024.

6. Loan receivable

	2023	2022
Loan receivable from 1338415 B.C. Ltd bearing interest at 6% per annum with monthly installments of \$1,613. The loan matures on December 1, 2028 and is unsecured.	\$ 82,235	\$ -
Less principal due in one year	<u>(14,950)</u>	<u>-</u>
	<u>\$ 67,285</u>	<u>\$ -</u>

ISLAND CORRIDOR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2023**

7. Tangible capital assets

	Cost	Accumulated Amortization	Net 2023	Net 2022
Land	\$ 274,470,628	\$ -	\$ 274,470,628	\$ 274,470,628
Track	4,782,419	3,396,987	1,385,432	1,562,381
Bridges and tunnels	29,630,124	13,240,940	16,389,184	17,129,937
Culverts	7,872,370	7,033,923	838,447	\$ 1,232,065
Fences	34,556	8,640	25,916	29,372
Equipment	44,467	26,442	18,025	22,534
Computer equipment	4,529	3,931	598	1,330
Railway stations	3,039,251	2,011,334	1,027,917	1,170,451
Railway signals	5,723,000	5,723,000	\$ -	-
Track - not in use	<u>50,901,904</u>	<u>36,554,957</u>	<u>14,346,947</u>	<u>16,363,301</u>
	<u>\$ 376,503,248</u>	<u>\$ 68,000,154</u>	<u>\$ 308,503,094</u>	<u>\$ 311,981,999</u>

The Foundation's tangible capital assets include track assets for which conditions indicate that the assets may be impaired because they no longer have long term service potential. Management has estimated that approximately 91.41% of the track requires upgrades to the railway ties. The railway ties represent a approximately 30% of the track net book value.

8. Deferred leasing costs

Deferred leasing costs include commissions paid to Pemberton Homes Ltd for acquiring a tenant for the Nanaimo Train Station. The amount is amortized over the life of the related lease.

ISLAND CORRIDOR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2023**

9. **Callable debt**

	2023	2022
CIBC non-revolving installment loan bearing interest at prime rate plus 1% per annum, repayable in monthly blended payments of \$7,500. The loan matures on December 31, 2031 and is secured by an agreement granting first security interest over chattel owned by the Foundation, registered assignment of rents and a \$1.1 million registered first charge over the Nanaimo Train Station property. The net book value of Nanaimo Train Station Building is \$918,939	\$ 584,166	\$ 626,410
CIBC non-revolving installment loan, bearing interest at prime plus 2% per annum, repayable in monthly blended payments of \$1,425. The loan matures on July 22, 2026 and is secured by an agreement granting first security in all property owned by the Foundation	43,312	55,990
Less principal due in one year	<u>(55,290)</u>	<u>(71,694)</u>
	<u>\$ 572,188</u>	<u>\$ 610,706</u>

Principal repayments terms are approximate, assuming the loan continues under the same terms, are as follows :

2024	\$ 55,290
2025	59,955
2026	63,489
2027	53,262
2028	<u>57,627</u>
	<u>\$ 289,623</u>

ISLAND CORRIDOR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2023**

10. Long-term debt

	2023	2022
Southern Railway of Vancouver Island (SVI) loan bearing interest at prime plus 1% per annum, repayable annually by \$24,000 plus interest. The loan is secured by promissory note and a second charge over all of the Foundation's assets	\$ 45,000	\$ 73,000
Less: Principal due in one year	<u>(24,000)</u>	<u>(24,000)</u>
	<u>\$ 21,000</u>	<u>\$ 49,000</u>

Principal re-payments terms are approximate, assuming the loan continues under the same terms, are as follows :

2024	\$ 24,000
2025	<u>21,000</u>
	<u>\$ 45,000</u>

On October 1, 2018 the Foundation signed an Operations Agreement with the first extension term commencing on October 13, 2023 and expiring on September 30, 2024, and up to 4 additional one year terms. Under the terms of the agreement, SVI will pay a license fee to the Foundation of \$2,000 per month and the Foundation will pay monthly loan payments of \$2,000 to SVI. As long as the Foundation pays the monthly payments. SVI has agreed to grant a waiver of interest on the remaining principal amount of the loan. Included in the interest payable is \$62,710 (2022 - \$62,710) related to this loan.

11. Rental income

Rental revenue and expenses related to the Nanaimo and Courtenay Train Stations are as follows:

	2023	2022
Commercial rent	\$ 124,376	\$ 111,510
Recoveries from tenant	\$ 37,535	\$ 33,175
Rental expense	<u>(57,268)</u>	<u>(55,910)</u>
	<u>\$ 104,643</u>	<u>\$ 88,775</u>

ISLAND CORRIDOR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2023**

12. Contingencies

On February 01, 2023, Halalt nation filed a class action suit against the Federal and Provincial Government, Municipality of North Cowichan, Timberwest, Mosaic and Island Corridor Foundation relating flooding done on their land. As of the date of the Financial Statement, there is no court ruling on this case.

13. Economic dependence

One of the Foundation's primary source of revenue is from an annual donation received from the Canadian Pacific Railway of \$386,607 (2022 - \$352,255) per year. The amount is based on an agreement regarding payments from Telus to the Canadian Pacific Railway and then donated to the Foundation regarding land use for Fibre Optic Cable. The Foundation's ability to continue viable operations is dependant upon the continued support of the entity.

14. Related party transactions

Property taxes and utility rates of \$16,863 (2022 - \$16,140) were paid to members of the Foundation. Crossings, leases and fees include \$36,079 (2022 - \$9,100) received from members of Foundation for land use and sundry fees. These transactions are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Municipal members have provided the Foundation with an exemption from paying property taxes in which case no expense is recorded. Included in accounts receivable is \$31,129 (2022 - \$11,100) owing from the members of the Foundation. Included in accounts payable is \$49,472(2022 - \$14,797) owed to the members of the Foundation.

Included in salaries and wages are the current CEO's salary and benefits for services of \$168,865 (2022 - \$145,012) .

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount which is the amount of consideration established and agreed to by the related parties.

ISLAND CORRIDOR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended **December 31, 2023**

15. Subsequent events

Island corridor had an ongoing litigation against Bell Group to recoup expenses related to Shawnigan slide. The case has been resolved in March 2024 and they have received settlement from the insurance company representing the engineer and another settlement for the repairs to the corridor that requires the developer to restore the land and the right of way. They have recovered all the fees related to the lawsuit.

On February 01, 2023, Halalt nation filed a class action suit against the Federal and Provincial Government, Municipality of North Cowichan, Timberwest, Mosaic and Island Corridor Foundation relating flooding done on their land. The case was amended on January 01, 2024. The estimate of the amount of the lawsuit cannot be made.

Partners

Grant McDonald, CPA, CA*

Lee-Anne Harrison, CPA, CA*

Anna Jones, CPA, CA*

Joanne Novak, CPA, CA*

*incorporated



May 28, 2024

Larry Stevenson
Island Corridor Foundation
PO Box 375 Station A
Nanaimo, BC V9R 5L3

Dear Mr. Stevenson:

Re: Year ended December 31, 2023

During the course of our review of the Island Corridor Foundation for the year ended December 31, 2023, we have identified the following items for your consideration:

General

- We recommend to establish a capitalization policy in writing and documenting in finance policies. A written capitalization policy will help you in preventing immaterial expenses appearing on the balance sheet. Most NPO's use \$1,000 to \$2,000 as the base depending on the nature of operations
- Ensure that the filing of the Foundation's annual report is current. This can be filed on-line at www.bconline.gov.bc.ca/main.html.

Please note that we do not keep a copy of all your records on file; therefore, it is the Foundation's responsibility to keep its daily business records for a minimum of six years from the end of the latest year to which they relate, or six years from the filing date of the tax return. Certain documents must be kept in perpetuity. All records, including electronic records, must be maintained in Canada and made available to CRA officials upon request.

It is important to note that for any records that we do keep our retention policy is ten years, after which they will be destroyed.

At this time, we are returning your books and records used in preparing your financial statements. Please contact us if you have any questions.

Yours truly,

CHURCH PICKARD

FIPPA s. 22(1)

Anna Jones, CPA, CA

AJ/hp

Enclosure



25 Cavan Street, Nanaimo, BC V9R 2T9
Tel (250) 754-6396 Toll Free 1-866-754-6396
Fax (250) 754-8177 mail@churchpickard.com
www.churchpickard.com

Island Corridor Foundation
PO Box 375 Station A
Nanaimo, BC
V9R 5L3

May 28, 2024

Church Pickard
25 Cavan Street
Nanaimo, British Columbia
V9R 2T9

Dear Sir/Madame:

This representation letter is provided in connection with your review of the financial statements of Island Corridor Foundation for the period ended December 31, 2023 for the purposes of you expressing a conclusion that, based on your review, nothing has come to your attention that causes you to believe that the financial statements of Island Corridor Foundation do not present fairly, in all material respects, the financial position of Island Corridor Foundation as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Accounting Standards for Not-for-Profit Organizations (ASNPO).

Certain representations in this letter are described as being limited to matters that are material. Misstatements (including omissions) are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

In making the representations outlined below, we took the time necessary to appropriately inform ourselves on the subject matter through inquiries of entity personnel with relevant knowledge and experience, and, where appropriate, by inspecting supporting documentation.

We confirm, to the best of our knowledge and belief, the following representations made to you during your review:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated April 15, 2024, for the preparation and fair presentation of the financial statements in accordance with ASNPO.

2 of 4
Church Pickard
May 28, 2024

- We reviewed, approved and recorded all of your proposed adjustments (except for uncorrected misstatements, which are addressed in the next bullet point) to our accounting records. This includes journal entries, changes to account coding, classification of certain transactions and preparation of, or changes to, certain accounting records.
- The effects of uncorrected misstatement are immaterial, individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements, including the reasons why they were not corrected, is attached to this representation letter.
- Management or other appropriate persons (such as those charged with governance) have accepted responsibility for the financial statements, including the related notes.

Information Provided

- We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the review; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you:
 - The identity of the entity's related parties and all the related-party relationships and transactions of which we are aware;
 - Significant facts relating to any fraud or suspected fraud known to us that may have affected the entity;
 - Known actual or possible non-compliance with laws and regulations for which the effects of non-compliance impact the financial statements of Island Corridor Foundation;
 - All information relevant to use of the going concern assumption in the financial statements;
 - All events occurring subsequent to the date of the financial statements that may require adjustment or disclosure;
 - Material commitments, contractual obligations or contingencies that have affected or may affect the entity's financial statements, including disclosures; and
 - Material non-monetary transactions or transactions for no consideration undertaken by the entity in the financial reporting period under consideration.

3 of 4
Church Pickard
May 28, 2024

Other Representations

- ***Fair values of financial instruments***

The significant assumptions used in arriving at the fair values of financial instruments, as measured and disclosed in the financial statements, are reasonable and appropriate in the circumstances.

- ***Material transactions***

There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

- ***Future plans***

We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.

- ***Related-party transactions***

All related-party transactions have been appropriately measured and disclosed in the financial statements.

- ***Estimates***

The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.

- ***Claims***

We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.

- ***Liabilities and contingencies***

All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.

- ***Ownership***

The company has satisfactory title to all assets, and there are no liens or encumbrances on the company's assets.

4 of 4
Church Pickard
May 28, 2024

- **Compliance**

We have disclosed to you, and the company has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

Acknowledged and agreed on behalf Shoreside Management Corporation by

FIPPA s. 22(1)

[Redacted Signature]

Title: Chief Executive Officer

Larry Stevenson

Island Corridor Foundation

Year End: December 31, 2023

Trial Balance

Prepared by	Reviewed by	Manager	Partner
NK 4/5/2024			AMJ 5/6/2024

1B

Account	Prelim	Adj's	Reclass	Rep	Rep 12/22	%Chg
0200 Telpay Clearing	26,263.06	0.00	0.00	26,263.06	(15,389.18)	(271)
1005 CCCU - Operating Account	108,913.36	0.00	0.00	108,913.36	120,020.71	(9)
1008 CCCU - Share Account	5.00	0.00	0.00	5.00	5.00	0
1010 CIBC - 14-10105	30,806.63	0.00	0.00	30,806.63	0.00	0
1017 Corridor Maintenance Fund	96,456.86	(96,456.86)	0.00	0.00	0.00	0
1061 GIC	470,000.00	5,321.30	0.00	475,321.30	0.00	0
A. 1 Cash	732,444.91	(91,135.56)	0.00	641,309.35	104,636.53	513
1050 Accounts Receivable	150,272.63	0.00	(3,299.58)	146,973.05	118,258.34	24
1055 Current portion of Loan receivable	0.00	0.00	14,950.00	14,950.00	0.00	0
B Accts Receivable trade & other	150,272.63	0.00	11,650.42	161,923.05	118,258.34	37
1100 Prepaid Expenses	7.50	0.00	0.00	7.50	1,500.00	(100)
1101 Prepaid - Insurance	7,656.98	0.00	0.00	7,656.98	13,622.86	(44)
1102 Prepaid Lease Agent Fees - Selby	6,983.36	0.00	0.00	6,983.36	9,213.32	(24)
D Prepaid expenses	14,647.84	0.00	0.00	14,647.84	24,336.18	(40)
001 1308 - Fencing	34,555.50	0.00	0.00	34,555.50	34,555.50	0
1305 Land	274,470,627.77	0.00	0.00	274,470,627.77	274,470,627.77	0
1306 Brush Cutter	36,611.24	0.00	0.00	36,611.24	36,611.24	0
1307 Accum Amort - Brush Cutter	(18,630.34)	(3,596.18)	0.00	(22,226.52)	(18,630.34)	19
1308 Trackmobile	2,800.00	0.00	0.00	2,800.00	2,800.00	0
1309 Accumulated Amort - Trackmobile	(784.00)	(403.20)	0.00	(1,187.20)	(784.00)	51
1310 Track	4,782,418.57	0.00	0.00	4,782,418.57	4,782,418.57	0
1311 Acc Amort - Track	(3,220,037.76)	(176,949.00)	0.00	(3,396,986.76)	(3,220,037.76)	5
1318 Accum Amort - Fencing	(5,183.78)	(3,456.00)	0.00	(8,639.78)	(5,183.78)	67
1320 Signals	5,723,000.00	0.00	0.00	5,723,000.00	5,723,000.00	0
1321 Acc Amort - Signals	(5,723,000.00)	0.00	0.00	(5,723,000.00)	(5,723,000.00)	0
1330 Culverts	7,872,369.64	0.00	0.00	7,872,369.64	7,872,369.64	0
1331 Acc Amort - Culverts	(6,640,304.61)	(393,618.00)	0.00	(7,033,922.61)	(6,640,304.61)	6
1340 Bridges and Tunnels	29,630,123.97	0.00	0.00	29,630,123.97	29,630,123.97	0
1341 Acc Amort - Bridges and Tunnels	(12,500,187.44)	(740,753.00)	0.00	(13,240,940.44)	(12,500,187.44)	6
1350 Railway Stations	2,913,364.99	0.00	0.00	2,913,364.99	2,913,364.99	0
1351 Acc Amort - Railway Stations	(1,855,031.14)	(151,732.96)	0.00	(2,006,764.10)	(1,855,031.14)	8
1360 Computers	4,529.01	0.00	0.00	4,529.01	4,529.01	0
1361 Acc Amort - Computers	(3,199.12)	(731.44)	0.00	(3,930.56)	(3,199.12)	23
1364 Tracks Not In Use	50,901,903.51	0.00	0.00	50,901,903.51	50,901,903.51	0
1366 Acc Amort - Tracks Not In Use	(34,538,602.36)	(2,016,355.00)	0.00	(36,554,957.36)	(34,538,602.36)	6
1370 Leaseholds - Selby St. Renovations	49,255.17	0.00	0.00	49,255.17	49,255.17	0
1371 Accumulated Amortization	(4,569.72)	0.00	0.00	(4,569.72)	(4,569.72)	0
1372 VRV units (2)	76,630.53	0.00	0.00	76,630.53	67,432.00	14
1380 Specialty Train Assets	4,007.29	0.00	0.00	4,007.29	4,007.29	0
1381 Accum Amort - Specialty Train Assets	(2,074.20)	(507.35)	0.00	(2,581.55)	(2,074.20)	24
1390 Equipment	1,047.99	0.00	0.00	1,047.99	1,047.99	0
1391 Equipment:Accumulated Amortization	(444.35)	0.00	0.00	(444.35)	(444.35)	0

Island Corridor Foundation

Year End: December 31, 2023

Trial Balance

Prepared by	Reviewed by	Manager	Partner
NK 4/5/2024			AMJ 5/6/2024

1B-1

Account	Prelim	Adj's	Reclass	Rep	Rep 12/22	%Chg
G Capital assets	311,991,196.36	(3,488,102.13)	0.00	308,503,094.23	311,981,997.83	(1)
1054 Loan Receivable - Black Rabbit	82,235.20	0.00	(14,950.00)	67,285.20	0.00	0
H Other assets	82,235.20	0.00	(14,950.00)	67,285.20	0.00	0
239 Federal Taxes	(4,563.27)	0.00	0.00	(4,563.27)	0.00	0
2005 CF Accounts Payable - System	(193,222.64)	0.00	4,543.81	(188,678.83)	(52,634.06)	258
2006 CIBC - Credit Card	(6,063.02)	1,094.71	0.00	(4,968.31)	(2,977.45)	67
2008 Rentals - Security Deposits	(2,357.65)	0.00	0.00	(2,357.65)	(2,357.65)	0
2011 Accrued Expenses	(19,994.28)	0.00	0.00	(19,994.28)	(8,924.95)	124
2016 Accrued Interest Mortgage	0.00	(4,071.53)	0.00	(4,071.53)	(3,906.44)	4
2070 Worksafe Premiums Payable	0.00	0.00	(1,244.23)	(1,244.23)	(1,194.70)	4
2503 Cur portion of def rev	(1,086.71)	0.00	0.00	(1,086.71)	(1,086.71)	0
2550 GST/HST Payable	(3,284.33)	0.00	0.00	(3,284.33)	(3,467.82)	(5)
J. 1 Accounts payable/accrued liab	(230,571.90)	(2,976.82)	3,299.58	(230,249.14)	(76,549.78)	201
2017 Accrued Interest Payable-ST	(62,710.00)	0.00	0.00	(62,710.00)	(62,710.00)	0
J. 2 Accrued interest SVI	(62,710.00)	0.00	0.00	(62,710.00)	(62,710.00)	0
2004 CIBC - Loan	(43,312.06)	0.00	0.00	(43,312.06)	(55,990.19)	(23)
2347 CIBC Loan 00090	(584,165.64)	0.00	0.00	(584,165.64)	(626,410.54)	(7)
2355 Cur portion of callable debt	71,693.57	0.00	(16,403.73)	55,289.84	71,693.57	(23)
L Other current liabilities	(555,784.13)	0.00	(16,403.73)	(572,187.86)	(610,707.16)	(6)
2500 Westhills ROW - Deferred	(9,781.20)	0.00	0.00	(9,781.20)	(10,868.00)	(10)
2502 Deferred Revenue	(153,598.68)	0.00	0.00	(153,598.68)	(162,710.02)	(6)
2505 Externally Restricted - Province	(570,000.00)	96,456.86	0.00	(473,543.14)	0.00	0
L. 1 Deferred income	(733,379.88)	96,456.86	0.00	(636,923.02)	(173,578.02)	267
2013 Current Portion of Note Pay	(24,000.00)	0.00	0.00	(24,000.00)	(24,000.00)	0
2354 Cur portion of callable debt	(71,693.57)	0.00	16,403.73	(55,289.84)	(71,693.57)	(23)
M. 1 Current portion LTD	(95,693.57)	0.00	16,403.73	(79,289.84)	(95,693.57)	(17)
2012 Note payable to SVI	(45,000.00)	0.00	0.00	(45,000.00)	(73,000.00)	(38)
2014 Current Portion of Note Payable	24,000.00	0.00	0.00	24,000.00	24,000.00	0
M. 2 Long-term debt	(21,000.00)	0.00	0.00	(21,000.00)	(49,000.00)	(57)
3010 Retained Earnings	158,800.71	(3,427,145.66)	0.00	(3,268,344.95)	(3,290,657.96)	(1)
O. 2 Retained earnings	158,800.71	(3,427,145.66)	0.00	(3,268,344.95)	(3,290,657.96)	(1)
3100 Equity invest in Capital Assets	(311,295,690.06)	3,424,145.66	0.00	(307,871,544.40)	(311,295,690.06)	(1)
3102 Externally Restricted	(21,101.00)	0.00	0.00	(21,101.00)	(21,101.00)	0
O. 3 Capital fund	(311,316,791.06)	3,424,145.66	0.00	(307,892,645.40)	(311,316,791.06)	(1)
4006 Income - Operating:Grants & Donat	(444.00)	0.00	0.00	(444.00)	(452.46)	(2)

Island Corridor Foundation

Year End: December 31, 2023

Trial Balance

Prepared by	Reviewed by	Manager	Partner
NK 4/5/2024			AMJ 5/6/2024

1B-2

Account	Prelim	Adj's	Reclass	Rep	Rep 12/22	%Chg
4020 Income - Operating:CP Rail Donat	(386,607.00)	0.00	0.00	(386,607.00)	(352,265.64)	10
4022 Corridor maintenance Grant	0.00	(96,456.86)	0.00	(96,456.86)	0.00	0
10. 1 Donations and Grants	(387,051.00)	(96,456.86)	0.00	(483,507.86)	(352,718.10)	37
4010 Income - Property Rental:Base Ren	(124,375.78)	0.00	0.00	(124,375.78)	(111,510.47)	12
4012 Income - Property Rental:Recoverie	(37,535.02)	0.00	0.00	(37,535.02)	(33,174.84)	13
4016 Income - Property Rental:GST Reb:	(2,521.98)	0.00	0.00	(2,521.98)	(2,500.98)	1
5001 Expenses - Property Rental	2,229.96	0.00	0.00	2,229.96	3,109.07	(28)
5045 Expenses - Property Rental:Courter	3,278.12	0.00	0.00	3,278.12	2,725.42	20
5410 Expenses - Property Rental:Rental	10,585.78	0.00	0.00	10,585.78	10,388.68	2
5415 Expenses - Property Rental:Rental	10,498.49	0.00	0.00	10,498.49	8,148.64	29
5416 Expenses - Property Rental:Rental	212.50	0.00	0.00	212.50	0.00	0
5420 Expenses - Property Rental:Rental	5,665.82	0.00	0.00	5,665.82	5,050.00	12
5427 Expenses - Property Rental:Rental	11,622.51	0.00	0.00	11,622.51	11,036.65	5
5435 Expenses - Property Rental:Rental	9,696.39	0.00	0.00	9,696.39	10,066.93	(4)
5437 Expenses - Property Rental:Rental	6,000.00	0.00	0.00	6,000.00	7,886.16	(24)
10. 3 Rental	(104,643.21)	0.00	0.00	(104,643.21)	(88,774.74)	18
4070 Interest Income	0.00	(5,321.30)	0.00	(5,321.30)	0.00	0
10. 4 Interest	0.00	(5,321.30)	0.00	(5,321.30)	0.00	0
4003 Income - Operating:Fees & Lease F	(241,241.83)	3,000.00	0.00	(238,241.83)	(214,066.71)	11
4014 Income - Operating:SVI Payments	(24,000.00)	0.00	0.00	(24,000.00)	(24,000.00)	0
4017 Income - Operating:Professional Fe	(65,600.00)	0.00	0.00	(65,600.00)	(20,475.00)	220
4025 Income - Operating:Other Income	(11,810.52)	0.00	0.00	(11,810.52)	(8,111.45)	4529
4029 Management Fee	(30,000.00)	0.00	0.00	(30,000.00)	0.00	0
20 Crossings, leases and fees	(372,652.35)	3,000.00	0.00	(369,652.35)	(258,549.82)	43
5335 Public Relations	274.40	0.00	0.00	274.40	0.00	0
5353 Expenses - Operating:Public Relatic	11,000.00	0.00	0.00	11,000.00	6,420.00	71
6904 Expenses - Operating:Extraordinary	8,497.35	0.00	0.00	8,497.35	11,231.57	(24)
40. 1 Advertising and promotion	19,771.75	0.00	0.00	19,771.75	17,651.57	12
5700 Expenses - Operating:Amortization	0.00	3,488,102.13	0.00	3,488,102.13	3,488,950.45	0
40. 2 Amortization	0.00	3,488,102.13	0.00	3,488,102.13	3,488,950.45	0
5330 Expenses - Operating:Office Expen:	49,451.19	(1,094.71)	0.00	48,356.48	33,413.66	45
40.21 Insurance	49,451.19	(1,094.71)	0.00	48,356.48	33,413.66	45
5300 Bank Charges & Interest	4,421.87	0.00	0.00	4,421.87	4,040.91	9
5307 Expenses - Operating:Bank Charge	2,734.48	0.00	0.00	2,734.48	1,410.83	94
5365 Expenses - Operating:GST - 50% o	498.65	0.00	0.00	498.65	283.66	76
40.22 Interest and bank charges	7,655.00	0.00	0.00	7,655.00	5,735.40	33
5423 Expenses - Property Rental:Rental	43,848.66	4,071.53	0.00	47,920.19	33,261.47	44

Island Corridor Foundation
Year End: December 31, 2023
Trial Balance

Prepared by	Reviewed by	Manager	Partner
NK 4/5/2024			AMJ 5/6/2024

1B-3

Account	Prelim	Adj's	Reclass	Rep	Rep 12/22	%Chg
40.30 Interest on Mortgage	43,848.66	4,071.53	0.00	47,920.19	33,261.47	44
5309 Bad Debts	0.00	0.00	0.00	0.00	4.06	(100)
5318 Office Expenses	621.35	0.00	0.00	621.35	161.28	285
5323 Expenses - Operating:Office Expen:	1,519.93	0.00	0.00	1,519.93	1,967.58	(23)
5360 Expenses - Operating:Office Expen:	941.84	0.00	0.00	941.84	1,303.17	(28)
40.32 Office supplies	3,083.12	0.00	0.00	3,083.12	3,436.09	(10)
5350 Expenses - Operating:Office Expen:	21,976.29	0.00	0.00	21,976.29	45,064.00	(51)
40.34 Board Expenses	21,976.29	0.00	0.00	21,976.29	45,064.00	(51)
5005 Expenses - Operating:Professional	2,520.00	0.00	0.00	2,520.00	0.00	0
5006 Expenses - Operating:Professional	38,929.48	0.00	0.00	38,929.48	29,431.74	32
5302 Expenses - Operating:Professional	11,655.00	0.00	0.00	11,655.00	11,655.00	0
5303 Expenses - Operating:Professional	7,350.00	0.00	0.00	7,350.00	16,537.50	(56)
6901 Expenses - Operating:Extraordinary	10,001.60	0.00	0.00	10,001.60	36,777.61	(73)
6907 Expenses - Operating:Extraordinary	0.00	0.00	0.00	0.00	1,995.02	(100)
6908 CTA-Lyons Case	41,546.75	0.00	0.00	41,546.75	5,505.21	655
40.35 Professional fees	112,002.83	0.00	0.00	112,002.83	101,902.08	10
5785 Expenses - Operating:Repalrs & Mæ	0.00	0.00	0.00	0.00	5,095.32	(100)
5789 Expenses - Operating:Repairs & Mæ	41,870.21	0.00	0.00	41,870.21	18,396.49	128
5790 Expenses - Operating:Repairs & Mæ	0.00	0.00	0.00	0.00	22,696.80	(100)
6902 Expenses - Operating:Extraordinary	3,843.00	0.00	0.00	3,843.00	3,139.50	22
6903 Expenses - Operating:Extraordinary	75,360.67	0.00	0.00	75,360.67	22,629.33	233
6912 Courtenay Station	0.00	0.00	0.00	0.00	5,079.85	(100)
6914 Reversion Expenses	3,255.96	0.00	0.00	3,255.96	0.00	0
6915 Corridor Maintenance expense	0.00	96,456.86	0.00	96,456.86	0.00	0
40.39 Repairs and maintenance	124,329.84	96,456.86	0.00	220,786.70	77,037.29	187
5020 Expenses - Operating:Wages:Finan	4,500.00	0.00	0.00	4,500.00	6,000.00	(25)
5325 Expenses - Operating:Wages:First I	13,500.00	0.00	0.00	13,500.00	18,000.00	(25)
40.44 Management and Administrati	18,000.00	0.00	0.00	18,000.00	24,000.00	(25)
5355 Expenses - Operating:Public Relatic	3,833.15	0.00	0.00	3,833.15	3,766.75	2
40.45 Travel	3,833.15	0.00	0.00	3,833.15	3,766.75	2
5316 Expenses - Operating:Utilities:User	15,066.64	0.00	0.00	15,066.64	20,534.45	(27)
5361 Expenses - Operating:Utilities:Tele	3,887.62	0.00	0.00	3,887.62	3,866.53	1
40.46 Utilities	18,954.26	0.00	0.00	18,954.26	24,400.98	(22)
5331 Health Insurance	9,455.81	0.00	0.00	9,455.81	10,176.84	(7)
5502 Wages	227,756.36	0.00	0.00	227,756.36	216,938.49	5
5505 Retirement	8,444.25	0.00	0.00	8,444.25	7,250.65	16
5510 Taxes	10,444.30	0.00	0.00	10,444.30	2,701.16	287

Island Corridor Foundation

Year End: December 31, 2023

Trial Balance

Prepared by	Reviewed by	Manager	Partner
NK 4/5/2024			AMJ 5/6/2024

1B-4

Account	Prelim	Adj's	Reclass	Rep	Rep 12/22	%Chg
5520 Expenses - Operating:Wages:CPP	0.00	0.00	0.00	0.00	7,036.09	(100)
5530 Expenses - Operating:Wages:Work	1,236.73	0.00	0.00	1,236.73	1,194.70	4
5540 Expenses - Operating:Wages:Tralni	22,762.46	0.00	0.00	22,762.46	10,488.53	117
40.47 Wages and benefits	280,099.91	0.00	0.00	280,099.91	255,786.46	10
5356 Expenses - Operating:Public Relatic	4,017.65	0.00	0.00	4,017.65	5,032.84	(20)
5358 Expenses - Operating:Public Relatic	4,968.20	0.00	0.00	4,968.20	13,767.71	(64)
40.49 Communications	8,985.85	0.00	0.00	8,985.85	18,800.55	(52)
5304 Expenses - Operating:Public Relatic	1,214.25	0.00	0.00	1,214.25	694.58	75
40.53 Licenses and dues	1,214.25	0.00	0.00	1,214.25	694.58	75
5315 Expenses - Operating:Property Tax	1,253.60	0.00	0.00	1,253.60	0.00	0
40.55 Property taxes	1,253.60	0.00	0.00	1,253.60	0.00	0
5014 Expenses - Operating:Professional	36,219.75	0.00	0.00	36,219.75	12,600.00	187
40.56 Engineering	36,219.75	0.00	0.00	36,219.75	12,600.00	187
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0</u>
Net Income (Loss)	113,667.11			(3,375,090.54)	(3,446,458.67)	(2)

Island Corridor Foundation

Year End: December 31, 2023

Adjusting Journal Entries

Date: 1/1/2023 To 12/31/2023

Prepared by	Reviewed by	Manager	Partner
NK 4/1/2024			AMJ 5/6/2024

3A

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
1	12/31/2023	CIBC - Credit Card	2006		1,094.71			
1	12/31/2023	Expenses - Operating:Office Expenses:Insuranc	5330			1,094.71		
To reverse 2024 Insurance Installment posted incorrectly in 2023								
2	12/31/2023	Accum Amort - Brush Cutter	1307			3,596.18		
2	12/31/2023	Accumulated Amort - Trackmobile	1309			403.20		
2	12/31/2023	Acc Amort - Track	1311			176,949.00		
2	12/31/2023	Accum Amort - Fencing	1318			3,456.00		
2	12/31/2023	Acc Amort - Culverts	1331			393,618.00		
2	12/31/2023	Acc Amort - Bridges and Tunnels	1341			740,753.00		
2	12/31/2023	Acc Amort - Railway Stations	1351			151,732.96		
2	12/31/2023	Acc Amort - Computers	1361			731.44		
2	12/31/2023	Acc Amort - Tracks Not In Use	1366			2,016,355.00		
2	12/31/2023	Accum Amort - Specialty Train Assets	1381			386.62		
2	12/31/2023	Accum Amort - Specialty Train Assets	1381			120.73		
2	12/31/2023	Expenses - Operating:Amortization	5700		3,488,102.13			
To record current year amortization								
3	12/31/2023	Retained Earnings	3010			3,000.00		
3	12/31/2023	Income - Operating:Fees & Lease Revenue	4003		3,000.00			
To adjust for prior year retained earnings								
4	12/31/2023	GIC	1061		5,321.30			
4	12/31/2023	Interest Income	4070			5,321.30		
To record Interest accrued on GIC								
5	12/31/2023	Corridor Maintenance Fund	1017			96,456.86		
5	12/31/2023	Externally Restricted - Province	2505		96,456.86			
5	12/31/2023	Corridor maintenance Grant	4022			96,456.86		
5	12/31/2023	Corridor Maintenance expense	6915		96,456.86			
To recognize income and expense for Corridor maintenance and administration fees								
6	12/31/2023	Retained Earnings	3010			3,424,145.66		
6	12/31/2023	Equity Invest In Capital Assets	3100		3,424,145.66			
To adjust capital fund to actual								
7	12/31/2023	Accrued Interest Mortgage	2016			4,071.53		
7	12/31/2023	Expenses - Property Rental:Rental - Interest o	5423		4,071.53			
To record interest accrued on mortgage								
					7,118,649.05	7,118,649.05		
Net Income (Loss)			(3,375,090.54)					



25 Cavan Street, Nanaimo, BC V9R 2T9
Tel. (250) 754-6396 Toll Free. 1-866-754-6396
Fax. (250) 754-8177 Email. mail@churchpickard.com
www.churchpickard.com

Island Corridor Foundation
PO Box 375 Stn A
Nanaimo BC V9R 5L3

Client No: ISLA01
Invoice No: 11375
Date: May 24, 2024
Page: 1

Preparation of financial statements on a review basis, including analysis of accounts and preparation of adjustments where necessary, for the year ended 31st December 2023. 7,000.00

Meetings with management to review all of the above as well as other financial and tax matters.

	7,000.00
GST	350.00
Total	\$7,350.00

Payment is due upon receipt
We accept payment by Credit Card, Debit, Cheque, or E-transfer to mail@churchpickard.com
Interest charged at 1.5% per month after 30 days
GST 12207-5864

**Permissive Tax Exemption Application
(2024-2027)**

NOTE: Applicants may be requested to attend a Committee of the Whole meeting in September as part of the application process

Please submit application to the Finance Department

Director of Finance
Municipality of North Cowichan
Duncan, BC V9L 6A1
Fax. 250.746.3133
Email: finance@northcowichan.ca

APPLICATION DEADLINE: AUGUST 1

The following information must be provided to Municipal Hall, either in person or by email, by the application deadline for Council's consideration. **Late applications will not be considered.**

SECTION 1: GENERAL INFORMATION

APPLICATION DATE: July 18th, 2024
FULL NAME OF ORGANIZATION: The Nature Trust of British Columbia
MAILING ADDRESS OF PROPERTY: 500 - 888 Dunsmuir St, Vancouver, BC V6C 3K4
LEGAL DESCRIPTION:
Lot: _____ Block: _____ Plan: _____
TAX ROLL NUMBER: _____ PID: _____
CIVIC ADDRESS OF PROPERTY (if different than mailing address): Please see summary table attached

In what ways is your organization registered? (*Applications will not be considered from societies who are not in good standing and may be asked to provide proof of good standing and compliance.*)

Not for profit (registered under Societies Act of BC)
Not for profit (CRA registered)
Registered Charity
Other, please specify.

Not for Profit, registered under both Societies Act of BC and CRA

SOCIETY NUMBER: XS-9934 BUSINESS NUMBER: _____
REGISTERED CHARITY OR NON-PROFIT ORGANIZATION NUMBER: #108089863 RR0001

Organization Executive:

Title	Name	Phone No.
President	Dr. Jasper Lament	[REDACTED] FIPPA s. 22(1)
Secretary	n/a	
Treasurer	Mary Speer	[REDACTED] FIPPA s. 22(1)

CONTACT DETAILS:

Contact Person & Title: Carl MacNaughton

Mailing Address: 500 - 888 Dunsmuir St, Vancouver bc V6C 3K4

Phone Number: [REDACTED] FIPPA s. 22(1)

Email: cmacnaughton@naturetrust.bc.ca

Did this property receive a Permissive Tax Exemption in previous years?

YES YEAR(S) past 20yrs
NO

SECTION 2: ORGANIZATIONAL INFORMATION

1. What is the nature of your organization?

- Non-profit organization
- Charitable/philanthropic organization
- Athletic or Service Club/Associations (including golf course)
- Care facility/registered assisted living residence
- Partner of the municipality by agreement under s. 225 of the Community Charter
- Other local authority
- Place of public worship (and land surrounding exempt building)
- Senior's home

2. To the best of your knowledge, is your organization in compliance with all municipal policies, bylaws and other applicable regulations (i.e., business licencing, zoning)?

YES
NO

If no, please explain:

3. Describe the goals and objectives of your organization:

The Nature Trust of British Columbia is dedicated to conserving BC's biological diversity through securement and management of ecologically significant lands.

4. Do the objectives/goals of your organization align with any or all of North Cowichan's Strategic priorities?

YES

NO

If yes, please explain:

The objectives/goals of The Nature Trust of BC align with the strategic priority of Environment, in the North Cowichan Council Strategic Plan 2019-2022+.

Conservation work performed on these properties also supports the mandate of the Cowichan Watershed Board.

Describe the activities your organization carries out that contribute to the well-being of the community?

NTBC land securement and restoration efforts in the North Cowichan community preserve wild places for nature appreciation and improve estuary health for salmon spawning.

5. Does your organization provide life essentials (food and shelter) and/or skills to a vulnerable population – caregivers, youth, indigenous, low income, immigrants and refugees, people experiencing homelessness, people experiencing domestic violence, people living with mental illness, persons with disabilities, pets, etc.?

YES

NO

If yes, please explain:

6. How does your organization foster diversity, promote inclusivity, and/or champion conservation?

The Nature Trust of British Columbia secures and manages ecologically significant lands for wildlife habitat and public nature appreciation. Our properties throughout the province provide valuable opportunities for the public to interact with nature, which also fosters public interest in conservation.

7. Identify the number of persons served by the organization within the Municipality of North Cowichan annually.

n/a

8. Is membership or enrolment restricted in any way? YES NO

If yes, please explain:

Provide examples of programs or services aimed at reducing disparities and/or barriers to access, if applicable?

Any area accessible to the public on our conservation properties are free for anyone to explore, there's no fee nor barrier to entry barring accessibility difficulties.

SECTION 3: PROPERTY INFORMATION

1. Is the organization the registered owner of the property for which the exemption is being requested?

YES
NO

2. If no, is the organization a lessee under a lease which requires direct payment of the property taxes to the Municipality of North Cowichan?

YES
NO

If yes, please attach a copy of the lease.

3. Does anyone live in the building, or do you have any 3rd party agreements including rental or use of the building, parking lot or services rendered?

YES NO

If yes, please attach agreement(s) and indicate the following:

Leased to	Sq. Footage leased	Rate Charged

4. How is your organization accessible to the public?

Somenos Flats: any boardwalks or trails on these conservation properties are open to public access for nature appreciation.

Gibbins Rd: the conservation area is open to the public by permission for research, outdoor education and is utilized by Cowichan Tribes.

SECTION 4: FINANCIAL INFORMATION

1. Does your organization have revenue generating activities on your property (i.e., hall rentals, catering, daycares, preschools, parking lots, etc.)?

YES NO

If yes, please attach a Fee Schedule and indicate the following:

Activity	Organization/Operator	Annual Income

2. Is your organization run by volunteers, paid staff, or a combination of both?

Number of employees: Full-time: 32 Part-time: 4 Number of Volunteers: 15

3. Have you received grants from the Municipality of North Cowichan, Federal or Provincial government, regional government, Crown Agencies or other funding agencies in the last 3 years?

YES NO

If yes, please indicate the following:

Date Received Grant	Amount Received	From	Purpose
2024	~250 K	HCTF	Operations and maintenance of conservation lands
2024	~40 K	Canada Summer Jobs	Employment of seasonal crew members to complete field projects

4. Please list other sources of revenue not covered, such as membership fees charged or fundraising, etc.
Fundraising via CanadaHelps and events such as Annual Gala

5. Prior year actual operating expenses \$ 2,530,442
6. Prior year actual operating revenues \$ 3,240,561
7. Current year annual operating budget of organization (attach a copy) \$ 2,601,261
8. Projected annual operating budget of the organization for the year of requested exemption \$ n/a

A copy of the organizations most recent financial statements must be included with the application, along with a copy of the projected income and expenses.

Folio	PID	Location
00197.100	001-267-400	Trans Canada Hwy
03931.010	003-103-684	Cowichan Bay
01242-020	030-320-798	Beverly St
05084.000	000-558-591	Trans Canada Hwy
00206-200	029-902-797	York Rd
01049-001	018-678-793	Beverly St
00197.101	001-267-469	Trans Canada Hwy
00173.000	009-648-402	3776 Gibbins Rd
00200.000	000-627-275	6045 Trans Canada Hwy

The Nature Trust of British Columbia

BUDGET 2024

	Budget 2024
Operating Revenues	
Investment income	1,320,000
General/ Program Donations	750,000
Bequests	750,000
Fundraising income	229,500
Grant revenue - general/ program	1,243,008
Rental and other income	119,560
Total Operating Revenues	4,412,068
Operating Expenses	
Salaries and benefits	1,399,703
Marketing and development	564,500
Office and general	521,757
Depreciation	24,000
Insurance (10% of total)	12,500
Legal - corporate	5,000
Travel and meetings - Admin	73,800
Total Operating Expenses	2,601,261
Net Operating Surplus	1,810,807
Land Management and Securement Revenues	
Land Management donations & grants	2,989,120
Property acquisitions - securement salaries	50,000
Investment income	560,000
Total Land Management and Securement Revenues	3,599,120
Land Management and Securement Expenses	
Regional expenses:	
Province-wide	191,500
West Coast	761,500
Thompson Okanagan	832,500
Kootenay	1,345,900
Northern and Central Interior	59,720
South Coast	549,000
Subtotal - Regional expenses	3,740,120
Salaries and benefits	1,314,033
Indigenous engagement	120,000
Travel and meetings	79,000
Conservation covenants	33,500
Awards and Scholarships	2,500
Relative Ecological Assessment Tool	5,000
Other - NAWCA contractor	3,274
Insurance (90% of total)	112,500
Total Land Management and Securement Expenses	5,409,927
Net Land Management and Securement Deficit	(1,810,807)
Surplus (Deficit)	0
Transfer to Endowment Fund	
Donations to Endowment Fund	10,000
Capital assets	10,000

THE NATURE TRUST OF BRITISH COLUMBIA

CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report

To the Directors of The Nature Trust of British Columbia

Opinion

We have audited the financial statements of The Nature Trust of British Columbia (the "Trust"), which comprise the consolidated statement of financial position as at December 31, 2023, the consolidated statements of operations and net assets and cash flow for the year then ended, and notes to the financial statements including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust 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.

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

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

Vancouver

1500 - 1140 West Pender St.
Vancouver, BC V6E 4G1
604.687.4747

Surrey

200 - 1688 152 St.
Surrey, BC V4A 4N2
604.531.1154

Tri-Cities

700 - 2755 Lougheed Hwy
Port Coquitlam, BC V3B 5Y9
604.941.8266

Victoria

320 - 730 View St.
Victoria, BC V8W 3Y7
250.800.4694

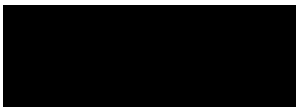
Auditor's Responsibilities for the Audit of the Financial Statements

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 Trust'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 Trust'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 Trust 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.

FIPPA s. 22(1)



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada

July 11, 2024

THE NATURE TRUST OF BRITISH COLUMBIA

Consolidated Statement of Financial Position

December 31, 2023

	General Fund \$	Internally Restricted Fund \$	Endowment Fund \$	Property Fund \$	Land Management Fund \$	Total 2023 \$	Total 2022 \$
ASSETS							
CURRENT ASSETS							
Cash	8,931,738	420,792	-	-	-	9,352,530	3,183,672
Accounts receivable	1,268,942	-	-	-	-	1,268,942	1,101,789
Prepaid expenses and deposits	320,067	-	-	-	-	320,067	199,227
	10,520,747	420,792	-	-	-	10,941,539	4,484,688
INVESTMENTS (Note 2 (b), 2 (i) and 3)	25,967,285	-	6,991,338	-	15,063,797	48,022,420	45,098,801
CAPITAL ASSETS (Note 4)	2,055,055	-	-	-	-	2,055,055	2,018,502
CONSERVATION LANDS (Note 6)	-	-	-	128,987,481	-	128,987,481	123,579,730
CONSERVATION LANDS UNDER LONG TERM LEASE (Note 5 and 6)	-	-	-	895,948	-	895,948	895,948
PACIFIC ESTUARY CONSERVATION PROGRAM PROPERTIES (Note 2(e) and 6)	-	-	-	17,168,789	-	17,168,789	17,168,789
	38,543,087	420,792	6,991,338	147,052,218	15,063,797	208,071,232	193,246,459
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable and accrued liabilities	527,047	-	-	-	-	527,047	379,620
Deferred contributions (Note 8)	14,682,956	-	-	-	-	14,682,956	10,690,642
	15,210,003	-	-	-	-	15,210,003	11,070,263
NET ASSETS	23,333,084	420,792	6,991,338	147,052,218	15,063,797	192,861,229	182,176,196
	38,543,087	420,792	6,991,338	147,052,218	15,063,797	208,071,232	193,246,459

APPROVED ON BEHALF OF THE BOARD:

Commitments (see Note 11)

 Director
 Director

FIPPA s. 22(1)

THE NATURE TRUST OF BRITISH COLUMBIA

Consolidated Statement of Operations and Net Assets

Year ended December 31, 2023

	General Fund		Internally Restricted Fund		Endowment Fund		Property Fund		Land Management Fund		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE												
Donations and grants (Note 6, 7)	4,076,911	3,899,918	-	-	7,680	27,828	5,671,794	18,934,986	962,214	2,111,028	10,718,599	24,973,759
Investment income (Note 9)	1,545,323	1,263,031	-	-	-	-	-	-	-	-	1,545,323	1,263,031
Rental and other income	1,695,238	1,317,269	-	-	-	-	-	-	-	-	1,695,238	1,317,269
	<u>7,317,472</u>	<u>6,480,218</u>	<u>-</u>	<u>-</u>	<u>7,680</u>	<u>27,828</u>	<u>5,671,794</u>	<u>18,934,986</u>	<u>962,214</u>	<u>2,111,028</u>	<u>13,959,160</u>	<u>27,554,059</u>
OPERATING EXPENSES												
Salaries and benefits	1,257,907	1,143,136	-	-	-	-	-	-	-	-	1,257,907	1,143,136
Administration expenses	1,272,535	1,184,002	-	-	-	-	-	-	-	-	1,272,535	1,184,002
	<u>2,530,442</u>	<u>2,327,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,530,442</u>	<u>2,327,138</u>
PROGRAM EXPENSES												
Land management and securement												
Salaries and benefits	1,221,587	1,068,180	-	-	-	-	-	-	-	-	1,221,587	1,068,180
General program costs	76,722	48,638	-	-	-	-	-	-	-	-	76,722	48,638
Province-wide	274,412	99,483	-	-	-	-	-	-	-	-	274,412	99,483
Okanagan	687,566	698,220	-	-	-	-	-	-	-	-	687,566	698,220
Vancouver Island	263,587	435,669	-	-	-	-	-	-	-	-	263,587	435,669
North and Central	23,835	24,393	-	-	-	-	-	-	-	-	23,835	24,393
Kootenay	701,136	791,759	-	-	-	-	-	-	-	-	701,136	791,759
Lower Mainland	189,477	252,124	-	-	-	-	-	-	-	-	189,477	252,124
	<u>3,438,322</u>	<u>3,418,466</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,438,322</u>	<u>3,418,466</u>
EXCESS FROM OPERATIONS	1,348,708	734,614	-	-	7,680	27,828	5,671,794	18,934,986	962,214	2,111,028	7,990,396	21,808,456
Changes in fair value of investments	2,694,637	(5,646,861)	-	-	-	-	-	-	-	-	2,694,637	(5,646,861)
EXCESS OF REVENUE OVER EXPENSES	4,043,345	(4,912,247)	-	-	7,680	27,828	5,671,794	18,934,986	962,214	2,111,028	10,685,033	16,161,595
NET ASSETS, beginning of year	20,719,178	26,902,384	-	-	6,240,287	5,343,741	141,644,467	123,047,020	13,572,265	10,721,457	182,176,196	166,014,602
INTERFUND TRANSFER												
Other transfers	(656,749)	(162,461)	420,792	-	500,000	500,000	(264,043)	(337,539)	-	-	-	-
Inflation protection (Note 2 (f))	(772,690)	(1,108,499)	-	-	243,371	368,718	-	-	529,318	739,781	-	-
NET ASSETS, end of year	<u>23,333,084</u>	<u>20,719,178</u>	<u>420,792</u>	<u>-</u>	<u>6,991,338</u>	<u>6,240,287</u>	<u>147,052,218</u>	<u>141,644,467</u>	<u>15,063,797</u>	<u>13,572,265</u>	<u>192,861,229</u>	<u>182,176,196</u>

THE NATURE TRUST OF BRITISH COLUMBIA

Consolidated Statement of Cash Flow

December 31, 2023

	2023	2022
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATIONS		
Excess of revenue over expenses	10,685,033	16,161,595
Items not involving cash:		
Amortization	13,311	27,937
Changes in fair value of investments	(2,694,637)	5,646,861
Contributed conservation lands (Note 6)	(200,000)	(6,585,158)
	7,803,707	15,251,235
Changes in non-cash working capital items	(140,566)	1,563,000
Increase (decrease) in deferred contributions	3,992,313	(2,601,278)
	11,655,454	14,212,956
INVESTING ACTIVITIES		
Investment withdrawals	1,250,949	-
Investment purchases	-	(3,120,000)
Reinvestment of investment income	(1,479,907)	(990,274)
Purchase of conservation lands (Note 6)	(5,207,751)	(12,012,289)
Purchase of capital assets	(49,887)	(7,680)
	(5,486,596)	(16,130,243)
INCREASE (DECREASE) IN CASH	6,168,858	(1,917,287)
CASH, beginning of year	3,183,672	5,100,959
CASH, end of year	9,352,530	3,183,672

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

1. OPERATIONS

The Government of Canada created The Nature Trust of British Columbia (the “Trust”) effective July 1, 1971. The Trust is incorporated under the Canada Not-for-profit Corporations Act.

The Trust’s objective is the conservation of British Columbia’s natural habitat and biodiversity through land securement and management activities. The Trust holds its properties, capital, and accumulated income in a trustee capacity. The majority of the properties owned by the Trust have been leased or are in the process of being leased to federal, provincial or municipal authorities, and to non-government organizations under long-term leases for conservation purposes.

Under the provisions of Section 149.1(1) (b) of the Income Tax Act the Trust is classified as a “Charitable Organization” and is accordingly exempt from income and capital taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO).

The accounting policies of the Trust are as follows:

(a) Basis of accounting

These consolidated financial statements include the accounts of the Trust and the assets, liabilities, net assets, revenues, expenses and other transactions of White Lake Basin Holdings Ltd. and 0772995 B.C. Ltd., which are wholly owned subsidiaries of the Trust.

(b) Investments

The Trust’s investment activities are governed by its Statement of Investment Policies and Procedures as approved by the Board of Directors. This policy has guidelines as to asset categories and mix in accordance with the investment and risk philosophy of the fund. Investment managers of the fund are selected by the Trust’s Audit, Finance and Investment committee and continually monitored for performance.

(c) Capital assets

Capital assets are stated at cost less accumulated amortization. Amortization is provided on a declining-balance basis using the following annual rates:

<u>Asset</u>	<u>Rate</u>
Land	non-depreciable
Building	4%
Furniture and equipment	20-30%
Vehicles	30%

Capital assets acquired but not placed into use are not amortized until they are placed into use.

(d) Trust property acquisitions

Trust property purchased is recorded at cost. Property donated is recorded at the fair market value on the acquisition date.

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES – Cont'd

(e) Pacific Estuary Conservation Program property acquisitions

The Trust holds title on behalf of all participants to properties acquired through the Pacific Estuary Conservation Program. Properties are recorded at cost.

(f) Fund accounting

For financial reporting purposes, the accounts of the Trust have been classified into funds. Under this method of accounting resources for designated purposes are reported under their appropriate fund. The accounts have been classified into the following funds:

(i) General Fund

The general fund accounts for the Trust's unrestricted resources and administrative functions. The balance at year end represents the original capital contributed by the Government of Canada on July 1, 1971 in the amount of \$4.5 million, the Trust's investment in capital assets, changes in fair value on financial instruments, and accumulated operating surpluses and deficits.

(ii) Internally Restricted Fund

Internally restricted funds are funds set aside for future land acquisition and land management purposes, and can only be spent with the approval of the Board.

(iii) Endowment Fund

The endowment fund was established in 2008 to ensure that the Trust maintains a sufficient capital base for its long term operating and property acquisition needs. The capital in this fund is to be held in perpetuity. Commencing with the 2019 fiscal year the Endowment Fund will receive an annual transfer from the General Fund equal to the Canadian Annual Inflation rate applied to the Fund's opening capital balance, provided the Trust's overall rate of return on its investment portfolio is in excess of this inflation rate.

(iv) Property Fund

The property fund accounts for the accumulated cost of land acquisitions. It includes contributions for land acquisitions, land acquired for cash, land donated, land acquired pursuant to long term leases, and certain properties acquired through the Pacific Estuary Conservation Program.

(v) Land Management Fund

The land management fund was established to support the management and maintenance of properties the Trust has acquired to ensure that the long-term ecological and habitat values for which they were acquired are achieved. Contributions to the fund are designated by donors. Also included are funds contributed from the Forest Renewal BC program, which originated under an agreement signed in 1998 with the Trust to ensure the on-going management of properties secured under the agreement. The capital in this fund is to be held in perpetuity. Commencing with the 2019 fiscal year the Land Management Fund will receive an annual transfer from the General Fund equal to the Canadian Annual Inflation rate applied to the Fund's opening capital balance, provided the Trust's overall rate of return on its investment portfolio is in excess of this inflation rate.

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES – Cont'd

(g) Revenue recognition

The Trust follows the deferral method of accounting for contributions. Externally restricted contributions for designated purposes are deferred and then recognized as revenue in the year in which the related expense or property acquisition cost is incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recorded on the accrual basis which includes dividend and interest income, reinvested distributions from pooled mutual fund investments and realized gains and losses on sale of investments.

Unrealized appreciation and depreciation in the fair value of investments is recognized as changes in fair value of investments.

Rental revenue is recognized as rents are earned and accrued at the beginning of each month based on rents expected according to rental agreements signed by tenants.

Other income which may include revenue from various sources such as grants, donations, fundraising events, and service fees are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(h) Use of estimates

The preparation of the consolidated financial statements in conformity with Canadian accounting standards for not-for-profit organizations principles 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 dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

(i) Financial instruments

The Trust initially measures its financial assets and liabilities at fair value with transaction costs expensed when incurred. The Trust subsequently measures its financial assets and liabilities at amortized cost, except for investments in quoted active markets, which are measured at fair value. Changes in fair value are recognized in the consolidated statement of operations and net assets.

Financial assets of the Trust include cash, investments and accounts receivable.

Financial liabilities of the Trust include accounts payable and accrued liabilities.

The Trust performs an annual test for impairment on its financial assets not subsequently measured at fair value. Impairment is recognized by a direct reduction to the carrying value of the asset with the loss recognized in the consolidated statement of operations and net assets. When the event that caused the impairment reverses or improves in the future, the loss will be reversed to the extent of the improvement. The amount of the reversal is recognized in the consolidated statement of operations and net assets.

(j) Contributed assets and services

The Trust receives shares and land donated from contributors. These contributions are recorded at fair market value when received.

The operations on the Trust depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

3. INVESTMENTS

All investments are measured at fair value which is readily available from published price quotations in the active market.

	2023		2022	
	\$		\$	
	Cost	Fair Value	Cost	Fair Value
Cash	2,069,785	2,069,785	1,006,891	1,006,891
Bond Fund	13,411,458	12,851,279	12,088,639	11,216,903
Canadian Equities	9,235,564	10,877,666	11,112,968	12,553,831
US Equities	4,916,474	5,252,961	4,850,344	4,104,972
Global Equities	14,293,996	14,416,361	14,031,231	13,379,725
Alternative investments	1,564,698	2,442,053	1,688,678	2,219,790
Term Deposits	110,240	112,316	610,240	616,689
	<u>45,602,215</u>	<u>48,022,420</u>	<u>45,388,992</u>	<u>45,098,801</u>

4. CAPITAL ASSETS

	2023		2022	
	\$		\$	
	Cost	Accumulated Amortization	Net	Net
Furniture and equipment	194,172	128,732	65,440	42,449
Land and building	1,954,000	-	1,954,000	1,954,000
Vehicles	131,641	96,026	35,615	22,053
	<u>2,279,813</u>	<u>224,758</u>	<u>2,055,055</u>	<u>2,018,502</u>

5. CONSERVATION LANDS UNDER LONG-TERM LEASE

The Trust has acquired lease interests in two Crown properties. Under certain conditions, the Crown leases extend into perpetuity. The acquisition cost of these properties has been recorded as Conservation Lands under long-term lease.

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

6. PROPERTY FUND

<u>2023</u>	<u>Acquisition Cost \$</u>	<u>External Funding \$</u>	<u>Net Cost (Recovery) \$</u>
Property Fund assets at December 31, 2022	141,644,467		
Additions			
Saturna Island - Money Creek	229	308,418	(308,189)
Meteor Lake Wetland - Bog	236	236	-
Columbia Lake North - Wetlands	354	354	-
Saturna Island - Mount Fisher Bluffs	3,331	3,331	-
Little Qualicum River	2,134,474	2,134,474	-
Beck Creek - Evans Road Covenant	223,852	200,000	23,852
Ferguson Lake - Wetlands - Phase I	1,535,085	1,535,085	-
Cranberry Marsh - West - Phase I	912,092	891,798	20,294
Crescent Spur	598,098	598,098	-
	<u>5,407,751</u>	<u>5,671,794</u>	<u>(264,063)</u>
Net cost (recovery)			(264,043)
Property Fund net assets at December 31, 2023	147,052,218		

<u>2022</u>	<u>Acquisition Cost \$</u>	<u>External Funding \$</u>	<u>Net Cost (Recovery) \$</u>
Property Fund assets at December 31, 2021	123,047,020		
Additions			
Kamloops Lake - Rosseau Creek	443	113,876	(113,434)
Shoal Creek Estuary - Phase I	882	893,250	(892,368)
Hoodoos - Columbia Wetlands	857	215,077	(214,220)
Skaha Lake - Eastside Lot 2 - D	2,253	54,797	(52,544)
WLBBR - Park Rill Creek DL 1995	1,773,521	1,773,521	-
Galiano Island - Qw'xwulwis - Cable Bay	2,084,251	2,084,251	-
Shoal Creek Estuary - Phase II	964,019	958,280	5,739
Keremeos Columns - MapleCross Grassland	2,140,773	2,140,773	-
WLBBR Park Rill Infill West	1,860,169	1,860,169	-
Saturna Island - Money Creek	2,498,830	1,570,188	928,642
Englishman River - Emil Anderson Legacy Forest	5,243,801	5,243,801	-
Meteor Lake Wetland – Bog	333,922	333,922	-
Columbia Lake North - Wetlands	838,503	838,503	-
Saturna Island - Mount Fisher Bluffs	854,131	854,131	-
Other	1,092	447	645
	<u>18,597,447</u>	<u>18,934,986</u>	<u>(337,539)</u>
Net cost (recovery)			(337,539)
Property Fund net assets at December 31, 2022	141,644,467		

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

7. DONATIONS AND GRANTS – GENERAL FUND

Donations and Grants	2023 \$	2022 \$
Donations received from		
Individuals	915,230	3,037,913
Bequests	2,099,507	808,881
Corporations and other organizations	3,882,014	2,959,514
Transferred to endowments	(15,650)	-
Transferred to acquisitions	(2,507,057)	-
Transferred to deferred contributions	(2,177,177)	(4,895,482)
	<u>2,196,867</u>	<u>1,910,826</u>
Program grants		
Grants received	7,188,920	6,922,269
Transferred to acquisitions	(3,493,739)	-
Transferred to deferred contributions	(3,597,178)	(6,817,088)
Transferred from deferred contributions	1,782,041	1,883,911
	<u>1,880,044</u>	<u>1,989,091</u>
Total donations and program grants – General Fund	4,076,911	3,899,918

8. DEFERRED CONTRIBUTIONS

Deferred contributions includes donations, grants and other funding received that must be used as designated by the contributor. These amounts will be recognized as revenue in the year the related expenditure is incurred.

	2023 \$	2022 \$
Conservation land acquisitions	10,747,796	7,925,003
Program expenditures	3,902,624	2,514,590
Pacific Estuary Conservation Program (PECP)	22,232	190,769
Other	10,303	60,280
	<u>14,682,955</u>	<u>10,690,642</u>

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

9. INVESTMENT AND OTHER INCOME

a) Vancouver Foundation

The Trust is the beneficiary of the income from The Nature Trust of British Columbia Fund held by the Vancouver Foundation. The capital and income funds held by the Vancouver Foundation on behalf of the Trust, which are not reflected in these financial statements, amount to \$279,241 and \$5,569 respectively at December 31, 2023 (2022 - \$279,241 and \$5,458). Included in investment income is \$22,165 (2022 - \$20,825) received from this fund. The fair market value of the fund on December 31, 2023 was \$479,032 (2022 - \$454,771).

b) British Columbia Government Endowment Fund

In April of 2008 the British Columbia government announced the creation of a \$6 million Conservation Land Operating Account on behalf of The Trust. The account is administered by the Habitat Conservation Trust Foundation and investment income generated from the account is used to fund conservation land management projects. The income received in 2023 was \$170,335 (2022 - \$254,603) and is included in donations and grants in the Statement of Operations and Net Assets.

10. FUNDS HELD IN TRUST

The Trust was appointed as administrator for the West Coast Conservation Land Management Program, the Kootenay Conservation Program and the Conservation Lands Partner Program. The Trust holds funds in trust for these programs in the amount of \$279,267, \$132,605 and \$160,748 respectively, (2022 - \$1,134,695; \$148,578; \$158,481), which are excluded from the Trust's statement of financial position.

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

11. COMMITMENTS

The Trust has outstanding long-term operating leases with respect to five vehicles it operates. The lease payments due are as follows:

2024	\$ 65,390
2025	65,390
2026	14,236
2027	5,932
	<u>\$ 150,947</u>

The Trust leases office space in Vancouver, BC for its operating premises until October 31, 2028. The annual lease payment is \$121,125 plus operating expenses. The landlord has granted two months free rent in each five year term. The minimum annual lease payments are as follows:

2024	\$ 121,125
2025	121,125
2026	121,125
2027	121,125
Thereafter	100,938
	<u>\$ 585,438</u>

The Trust leases a photocopier for office use. The term of the lease is from March 30, 2022 to September 30, 2027. The lease payments are made in quarterly instalments of \$2,067. Future lease payments due are as follows:

2024	\$ 8,269
2025	8,269
2026	8,269
2027	6,202
	<u>\$ 31,011</u>

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

12. LIFE INSURANCE POLICIES

The Trust is the owner and beneficiary of two life insurance policies with an insured value of approximately \$2,102,189 (2022 - \$2,102,099). The Trust owns one policy in respect of which it makes the annual premium payment of \$22,857 (2022 - \$22,857), which is included in administration expenses. For the second policy, the policy donor pays the annual premiums. The total cash surrender values associated with these policies is nominal and have not been included in the Trust's statement of financial position.

13. FINANCIAL INSTRUMENTS AND RISK EXPOSURE

The Trust is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. There were no significant changes in risk exposures in the current year as compared to 2022.

(a) Foreign currency risk

The Trust is exposed to foreign currency risk with respect to its investments denominated in foreign currencies, including the underlying investments of funds denominated in foreign currencies, because of fluctuations in the relative value of foreign currencies against the Canadian dollar. Cash of \$1,409,076 (2022 - \$1,311,892) are shown in US dollars and converted into Canadian dollars.

(b) Interest rate risk

The Trust is exposed to interest rate risk with respect to its investments in fixed income investments, and other funds that hold fixed income securities because the fair value will fluctuate due to changes in market interest rates.

(c) Credit risk

The Trust is exposed to credit risk in connection with its cash, accounts receivable and its short-term and fixed income investments because of the risk that one party to the financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Trust manages credit risk on their cash by placing it with major Canadian financial institutions.

(d) Liquidity risk

The Trust is exposed to liquidity risk to the extent that it will encounter difficulty in meeting obligations associated with financial liabilities. To manage liquidity risk, the Trust keeps sufficient cash resources readily available to meet its obligations. The Trust has investments in publicly traded liquid assets that are easily sold and converted to cash.

(e) Other price risk

The Trust is exposed to other price risk through changes in market prices (other than changes arising from interest rate risk or currency risk) in connection with its investment portfolio.

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements

December 31, 2023

14. ACQUISITIONS SUBSEQUENT TO YEAR END

In 2024, the Trust has completed ten property acquisitions for the purpose of conserving lands in British Columbia; the purchase price for these property totals \$15,208,672.

**Permissive Tax Exemption Application
(2024-2027)**

NOTE: Applicants may be requested to attend a Committee of the Whole meeting in September as part of the application process

Please submit application to the Finance Department

Director of Finance
Municipality of North Cowichan
Duncan, BC V9L 6A1
Fax. 250.746.3133
Email: finance@northcowichan.ca

APPLICATION DEADLINE: AUGUST 1

The following information must be provided to Municipal Hall, either in person or by email, by the application deadline for Council's consideration. **Late applications will not be considered.**

SECTION 1: GENERAL INFORMATION

APPLICATION DATE: July 18th, 2024
FULL NAME OF ORGANIZATION: The Nature Trust of British Columbia
MAILING ADDRESS OF PROPERTY: 500 - 888 Dunsmuir St, Vancouver, BC V6C 3K4
LEGAL DESCRIPTION:
Lot: _____ Block: _____ Plan: _____
TAX ROLL NUMBER: _____ PID: _____
CIVIC ADDRESS OF PROPERTY (if different than mailing address): Please see summary table attached

In what ways is your organization registered? (*Applications will not be considered from societies who are not in good standing and may be asked to provide proof of good standing and compliance.*)

Not for profit (registered under Societies Act of BC)
Not for profit (CRA registered)
Registered Charity
Other, please specify.

Not for Profit, registered under both Societies Act of BC and CRA

SOCIETY NUMBER: XS-9934 BUSINESS NUMBER: _____
REGISTERED CHARITY OR NON-PROFIT ORGANIZATION NUMBER: #108089863 RR0001

Organization Executive:

Title	Name	Phone No.
President	Dr. Jasper Lament	[REDACTED] FIPPA s. 22(1)
Secretary	n/a	
Treasurer	Mary Speer	[REDACTED] FIPPA s. 22(1)

CONTACT DETAILS:

Contact Person & Title: Carl MacNaughton

Mailing Address: 500 - 888 Dunsmuir St, Vancouver bc V6C 3K4

Phone Number: [REDACTED] FIPPA s. 22(1)

Email: cmacnaughton@naturetrust.bc.ca

Did this property receive a Permissive Tax Exemption in previous years?

YES YEAR(S) past 20yrs
NO

SECTION 2: ORGANIZATIONAL INFORMATION

1. What is the nature of your organization?

- Non-profit organization
- Charitable/philanthropic organization
- Athletic or Service Club/Associations (including golf course)
- Care facility/registered assisted living residence
- Partner of the municipality by agreement under s. 225 of the Community Charter
- Other local authority
- Place of public worship (and land surrounding exempt building)
- Senior's home

2. To the best of your knowledge, is your organization in compliance with all municipal policies, bylaws and other applicable regulations (i.e., business licencing, zoning)?

YES
NO

If no, please explain:

3. Describe the goals and objectives of your organization:

The Nature Trust of British Columbia is dedicated to conserving BC's biological diversity through securement and management of ecologically significant lands.

4. Do the objectives/goals of your organization align with any or all of North Cowichan's Strategic priorities?

YES

NO

If yes, please explain:

The objectives/goals of The Nature Trust of BC align with the strategic priority of Environment, in the North Cowichan Council Strategic Plan 2019-2022+.

Conservation work performed on these properties also supports the mandate of the Cowichan Watershed Board.

Describe the activities your organization carries out that contribute to the well-being of the community?

NTBC land securement and restoration efforts in the North Cowichan community preserve wild places for nature appreciation and improve estuary health for salmon spawning.

5. Does your organization provide life essentials (food and shelter) and/or skills to a vulnerable population – caregivers, youth, indigenous, low income, immigrants and refugees, people experiencing homelessness, people experiencing domestic violence, people living with mental illness, persons with disabilities, pets, etc.?

YES

NO

If yes, please explain:

6. How does your organization foster diversity, promote inclusivity, and/or champion conservation?

The Nature Trust of British Columbia secures and manages ecologically significant lands for wildlife habitat and public nature appreciation. Our properties throughout the province provide valuable opportunities for the public to interact with nature, which also fosters public interest in conservation.

7. Identify the number of persons served by the organization within the Municipality of North Cowichan annually.

n/a

8. Is membership or enrolment restricted in any way? YES NO

If yes, please explain:

Provide examples of programs or services aimed at reducing disparities and/or barriers to access, if applicable?

Any area accessible to the public on our conservation properties are free for anyone to explore, there's no fee nor barrier to entry barring accessibility difficulties.

SECTION 3: PROPERTY INFORMATION

1. Is the organization the registered owner of the property for which the exemption is being requested?

YES
NO

2. If no, is the organization a lessee under a lease which requires direct payment of the property taxes to the Municipality of North Cowichan?

YES
NO

If yes, please attach a copy of the lease.

3. Does anyone live in the building, or do you have any 3rd party agreements including rental or use of the building, parking lot or services rendered?

YES NO

If yes, please attach agreement(s) and indicate the following:

Leased to	Sq. Footage leased	Rate Charged

4. How is your organization accessible to the public?

Somenos Flats: any boardwalks or trails on these conservation properties are open to public access for nature appreciation.

Gibbins Rd: the conservation area is open to the public by permission for research, outdoor education and is utilized by Cowichan Tribes.

SECTION 4: FINANCIAL INFORMATION

1. Does your organization have revenue generating activities on your property (i.e., hall rentals, catering, daycares, preschools, parking lots, etc.)?

YES NO

If yes, please attach a Fee Schedule and indicate the following:

Activity	Organization/Operator	Annual Income

2. Is your organization run by volunteers, paid staff, or a combination of both?

Number of employees: Full-time: 32 Part-time: 4 Number of Volunteers: 15

3. Have you received grants from the Municipality of North Cowichan, Federal or Provincial government, regional government, Crown Agencies or other funding agencies in the last 3 years?

YES NO

If yes, please indicate the following:

Date Received Grant	Amount Received	From	Purpose
2024	~250 K	HCTF	Operations and maintenance of conservation lands
2024	~40 K	Canada Summer Jobs	Employment of seasonal crew members to complete field projects

4. Please list other sources of revenue not covered, such as membership fees charged or fundraising, etc.
Fundraising via CanadaHelps and events such as Annual Gala

- 5. Prior year actual operating expenses \$ 2,530,442
- 6. Prior year actual operating revenues \$ 3,240,561
- 7. Current year annual operating budget of organization (attach a copy) \$ 2,601,261
- 8. Projected annual operating budget of the organization for the year of requested exemption \$ n/a

A copy of the organizations most recent financial statements must be included with the application, along with a copy of the projected income and expenses.

Folio	PID	Location
00197.100	001-267-400	Trans Canada Hwy
03931.010	003-103-684	Cowichan Bay
01242-020	030-320-798	Beverly St
05084.000	000-558-591	Trans Canada Hwy
00206-200	029-902-797	York Rd
01049-001	018-678-793	Beverly St
00197.101	001-267-469	Trans Canada Hwy
00173.000	009-648-402	3776 Gibbins Rd
00200.000	000-627-275	6045 Trans Canada Hwy

The Nature Trust of British Columbia

BUDGET 2024

	Budget 2024
Operating Revenues	
Investment income	1,320,000
General/ Program Donations	750,000
Bequests	750,000
Fundraising income	229,500
Grant revenue - general/ program	1,243,008
Rental and other income	119,560
Total Operating Revenues	4,412,068
Operating Expenses	
Salaries and benefits	1,399,703
Marketing and development	564,500
Office and general	521,757
Depreciation	24,000
Insurance (10% of total)	12,500
Legal - corporate	5,000
Travel and meetings - Admin	73,800
Total Operating Expenses	2,601,261
Net Operating Surplus	1,810,807
Land Management and Securement Revenues	
Land Management donations & grants	2,989,120
Property acquisitions - securement salaries	50,000
Investment income	560,000
Total Land Management and Securement Revenues	3,599,120
Land Management and Securement Expenses	
Regional expenses:	
Province-wide	191,500
West Coast	761,500
Thompson Okanagan	832,500
Kootenay	1,345,900
Northern and Central Interior	59,720
South Coast	549,000
Subtotal - Regional expenses	3,740,120
Salaries and benefits	1,314,033
Indigenous engagement	120,000
Travel and meetings	79,000
Conservation covenants	33,500
Awards and Scholarships	2,500
Relative Ecological Assessment Tool	5,000
Other - NAWCA contractor	3,274
Insurance (90% of total)	112,500
Total Land Management and Securement Expenses	5,409,927
Net Land Management and Securement Deficit	(1,810,807)
Surplus (Deficit)	0
Transfer to Endowment Fund	
Donations to Endowment Fund	10,000
Capital assets	10,000

THE NATURE TRUST OF BRITISH COLUMBIA

CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2023



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Independent Auditor's Report

To the Directors of The Nature Trust of British Columbia

Opinion

We have audited the financial statements of The Nature Trust of British Columbia (the "Trust"), which comprise the consolidated statement of financial position as at December 31, 2023, the consolidated statements of operations and net assets and cash flow for the year then ended, and notes to the financial statements including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust 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.

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

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

Vancouver

1500 - 1140 West Pender St.
Vancouver, BC V6E 4G1
604.687.4747

Surrey

200 - 1688 152 St.
Surrey, BC V4A 4N2
604.531.1154

Tri-Cities

700 - 2755 Lougheed Hwy
Port Coquitlam, BC V3B 5Y9
604.941.8266

Victoria

320 - 730 View St.
Victoria, BC V8W 3Y7
250.800.4694

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 Trust'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 Trust'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 Trust 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.

FIPPA s. 22(1)



DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada

July 11, 2024

THE NATURE TRUST OF BRITISH COLUMBIA

Consolidated Statement of Financial Position

December 31, 2023

	General Fund \$	Internally Restricted Fund \$	Endowment Fund \$	Property Fund \$	Land Management Fund \$	Total 2023 \$	Total 2022 \$
ASSETS							
CURRENT ASSETS							
Cash	8,931,738	420,792	-	-	-	9,352,530	3,183,672
Accounts receivable	1,268,942	-	-	-	-	1,268,942	1,101,789
Prepaid expenses and deposits	320,067	-	-	-	-	320,067	199,227
	10,520,747	420,792	-	-	-	10,941,539	4,484,688
INVESTMENTS (Note 2 (b), 2 (i) and 3)	25,967,285	-	6,991,338	-	15,063,797	48,022,420	45,098,801
CAPITAL ASSETS (Note 4)	2,055,055	-	-	-	-	2,055,055	2,018,502
CONSERVATION LANDS (Note 6)	-	-	-	128,987,481	-	128,987,481	123,579,730
CONSERVATION LANDS UNDER LONG TERM LEASE (Note 5 and 6)	-	-	-	895,948	-	895,948	895,948
PACIFIC ESTUARY CONSERVATION PROGRAM PROPERTIES (Note 2(e) and 6)	-	-	-	17,168,789	-	17,168,789	17,168,789
	38,543,087	420,792	6,991,338	147,052,218	15,063,797	208,071,232	193,246,459
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable and accrued liabilities	527,047	-	-	-	-	527,047	379,620
Deferred contributions (Note 8)	14,682,956	-	-	-	-	14,682,956	10,690,642
	15,210,003	-	-	-	-	15,210,003	11,070,263
NET ASSETS	23,333,084	420,792	6,991,338	147,052,218	15,063,797	192,861,229	182,176,196
	38,543,087	420,792	6,991,338	147,052,218	15,063,797	208,071,232	193,246,459

APPROVED ON BEHALF OF THE BOARD:

Commitments (see Note 11)

 Director
 Director

FIPPA s. 22(1)

THE NATURE TRUST OF BRITISH COLUMBIA

Consolidated Statement of Operations and Net Assets

Year ended December 31, 2023

	General Fund		Internally Restricted Fund		Endowment Fund		Property Fund		Land Management Fund		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE												
Donations and grants (Note 6, 7)	4,076,911	3,899,918	-	-	7,680	27,828	5,671,794	18,934,986	962,214	2,111,028	10,718,599	24,973,759
Investment income (Note 9)	1,545,323	1,263,031	-	-	-	-	-	-	-	-	1,545,323	1,263,031
Rental and other income	1,695,238	1,317,269	-	-	-	-	-	-	-	-	1,695,238	1,317,269
	<u>7,317,472</u>	<u>6,480,218</u>	<u>-</u>	<u>-</u>	<u>7,680</u>	<u>27,828</u>	<u>5,671,794</u>	<u>18,934,986</u>	<u>962,214</u>	<u>2,111,028</u>	<u>13,959,160</u>	<u>27,554,059</u>
OPERATING EXPENSES												
Salaries and benefits	1,257,907	1,143,136	-	-	-	-	-	-	-	-	1,257,907	1,143,136
Administration expenses	1,272,535	1,184,002	-	-	-	-	-	-	-	-	1,272,535	1,184,002
	<u>2,530,442</u>	<u>2,327,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,530,442</u>	<u>2,327,138</u>
PROGRAM EXPENSES												
Land management and securement												
Salaries and benefits	1,221,587	1,068,180	-	-	-	-	-	-	-	-	1,221,587	1,068,180
General program costs	76,722	48,638	-	-	-	-	-	-	-	-	76,722	48,638
Province-wide	274,412	99,483	-	-	-	-	-	-	-	-	274,412	99,483
Okanagan	687,566	698,220	-	-	-	-	-	-	-	-	687,566	698,220
Vancouver Island	263,587	435,669	-	-	-	-	-	-	-	-	263,587	435,669
North and Central	23,835	24,393	-	-	-	-	-	-	-	-	23,835	24,393
Kootenay	701,136	791,759	-	-	-	-	-	-	-	-	701,136	791,759
Lower Mainland	189,477	252,124	-	-	-	-	-	-	-	-	189,477	252,124
	<u>3,438,322</u>	<u>3,418,466</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,438,322</u>	<u>3,418,466</u>
EXCESS FROM OPERATIONS	1,348,708	734,614	-	-	7,680	27,828	5,671,794	18,934,986	962,214	2,111,028	7,990,396	21,808,456
Changes in fair value of investments	2,694,637	(5,646,861)	-	-	-	-	-	-	-	-	2,694,637	(5,646,861)
EXCESS OF REVENUE OVER EXPENSES	4,043,345	(4,912,247)	-	-	7,680	27,828	5,671,794	18,934,986	962,214	2,111,028	10,685,033	16,161,595
NET ASSETS, beginning of year	20,719,178	26,902,384	-	-	6,240,287	5,343,741	141,644,467	123,047,020	13,572,265	10,721,457	182,176,196	166,014,602
INTERFUND TRANSFER												
Other transfers	(656,749)	(162,461)	420,792	-	500,000	500,000	(264,043)	(337,539)	-	-	-	-
Inflation protection (Note 2 (f))	(772,690)	(1,108,499)	-	-	243,371	368,718	-	-	529,318	739,781	-	-
NET ASSETS, end of year	23,333,084	20,719,178	420,792	-	6,991,338	6,240,287	147,052,218	141,644,467	15,063,797	13,572,265	192,861,229	182,176,196

THE NATURE TRUST OF BRITISH COLUMBIA

Consolidated Statement of Cash Flow

December 31, 2023

	2023	2022
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATIONS		
Excess of revenue over expenses	10,685,033	16,161,595
Items not involving cash:		
Amortization	13,311	27,937
Changes in fair value of investments	(2,694,637)	5,646,861
Contributed conservation lands (Note 6)	(200,000)	(6,585,158)
	7,803,707	15,251,235
Changes in non-cash working capital items	(140,566)	1,563,000
Increase (decrease) in deferred contributions	3,992,313	(2,601,278)
	11,655,454	14,212,956
INVESTING ACTIVITIES		
Investment withdrawals	1,250,949	-
Investment purchases	-	(3,120,000)
Reinvestment of investment income	(1,479,907)	(990,274)
Purchase of conservation lands (Note 6)	(5,207,751)	(12,012,289)
Purchase of capital assets	(49,887)	(7,680)
	(5,486,596)	(16,130,243)
INCREASE (DECREASE) IN CASH	6,168,858	(1,917,287)
CASH, beginning of year	3,183,672	5,100,959
CASH, end of year	9,352,530	3,183,672

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

1. OPERATIONS

The Government of Canada created The Nature Trust of British Columbia (the “Trust”) effective July 1, 1971. The Trust is incorporated under the Canada Not-for-profit Corporations Act.

The Trust’s objective is the conservation of British Columbia’s natural habitat and biodiversity through land securement and management activities. The Trust holds its properties, capital, and accumulated income in a trustee capacity. The majority of the properties owned by the Trust have been leased or are in the process of being leased to federal, provincial or municipal authorities, and to non-government organizations under long-term leases for conservation purposes.

Under the provisions of Section 149.1(1) (b) of the Income Tax Act the Trust is classified as a “Charitable Organization” and is accordingly exempt from income and capital taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

The accounting policies of the Trust are as follows:

(a) Basis of accounting

These consolidated financial statements include the accounts of the Trust and the assets, liabilities, net assets, revenues, expenses and other transactions of White Lake Basin Holdings Ltd. and 0772995 B.C. Ltd., which are wholly owned subsidiaries of the Trust.

(b) Investments

The Trust’s investment activities are governed by its Statement of Investment Policies and Procedures as approved by the Board of Directors. This policy has guidelines as to asset categories and mix in accordance with the investment and risk philosophy of the fund. Investment managers of the fund are selected by the Trust’s Audit, Finance and Investment committee and continually monitored for performance.

(c) Capital assets

Capital assets are stated at cost less accumulated amortization. Amortization is provided on a declining-balance basis using the following annual rates:

<u>Asset</u>	<u>Rate</u>
Land	non-depreciable
Building	4%
Furniture and equipment	20-30%
Vehicles	30%

Capital assets acquired but not placed into use are not amortized until they are placed into use.

(d) Trust property acquisitions

Trust property purchased is recorded at cost. Property donated is recorded at the fair market value on the acquisition date.

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES – Cont'd

(e) Pacific Estuary Conservation Program property acquisitions

The Trust holds title on behalf of all participants to properties acquired through the Pacific Estuary Conservation Program. Properties are recorded at cost.

(f) Fund accounting

For financial reporting purposes, the accounts of the Trust have been classified into funds. Under this method of accounting resources for designated purposes are reported under their appropriate fund. The accounts have been classified into the following funds:

(i) General Fund

The general fund accounts for the Trust's unrestricted resources and administrative functions. The balance at year end represents the original capital contributed by the Government of Canada on July 1, 1971 in the amount of \$4.5 million, the Trust's investment in capital assets, changes in fair value on financial instruments, and accumulated operating surpluses and deficits.

(ii) Internally Restricted Fund

Internally restricted funds are funds set aside for future land acquisition and land management purposes, and can only be spent with the approval of the Board.

(iii) Endowment Fund

The endowment fund was established in 2008 to ensure that the Trust maintains a sufficient capital base for its long term operating and property acquisition needs. The capital in this fund is to be held in perpetuity. Commencing with the 2019 fiscal year the Endowment Fund will receive an annual transfer from the General Fund equal to the Canadian Annual Inflation rate applied to the Fund's opening capital balance, provided the Trust's overall rate of return on its investment portfolio is in excess of this inflation rate.

(iv) Property Fund

The property fund accounts for the accumulated cost of land acquisitions. It includes contributions for land acquisitions, land acquired for cash, land donated, land acquired pursuant to long term leases, and certain properties acquired through the Pacific Estuary Conservation Program.

(v) Land Management Fund

The land management fund was established to support the management and maintenance of properties the Trust has acquired to ensure that the long-term ecological and habitat values for which they were acquired are achieved. Contributions to the fund are designated by donors. Also included are funds contributed from the Forest Renewal BC program, which originated under an agreement signed in 1998 with the Trust to ensure the on-going management of properties secured under the agreement. The capital in this fund is to be held in perpetuity. Commencing with the 2019 fiscal year the Land Management Fund will receive an annual transfer from the General Fund equal to the Canadian Annual Inflation rate applied to the Fund's opening capital balance, provided the Trust's overall rate of return on its investment portfolio is in excess of this inflation rate.

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES – Cont'd

(g) Revenue recognition

The Trust follows the deferral method of accounting for contributions. Externally restricted contributions for designated purposes are deferred and then recognized as revenue in the year in which the related expense or property acquisition cost is incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recorded on the accrual basis which includes dividend and interest income, reinvested distributions from pooled mutual fund investments and realized gains and losses on sale of investments.

Unrealized appreciation and depreciation in the fair value of investments is recognized as changes in fair value of investments.

Rental revenue is recognized as rents are earned and accrued at the beginning of each month based on rents expected according to rental agreements signed by tenants.

Other income which may include revenue from various sources such as grants, donations, fundraising events, and service fees are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(h) Use of estimates

The preparation of the consolidated financial statements in conformity with Canadian accounting standards for not-for-profit organizations principles 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 dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

(i) Financial instruments

The Trust initially measures its financial assets and liabilities at fair value with transaction costs expensed when incurred. The Trust subsequently measures its financial assets and liabilities at amortized cost, except for investments in quoted active markets, which are measured at fair value. Changes in fair value are recognized in the consolidated statement of operations and net assets.

Financial assets of the Trust include cash, investments and accounts receivable.

Financial liabilities of the Trust include accounts payable and accrued liabilities.

The Trust performs an annual test for impairment on its financial assets not subsequently measured at fair value. Impairment is recognized by a direct reduction to the carrying value of the asset with the loss recognized in the consolidated statement of operations and net assets. When the event that caused the impairment reverses or improves in the future, the loss will be reversed to the extent of the improvement. The amount of the reversal is recognized in the consolidated statement of operations and net assets.

(j) Contributed assets and services

The Trust receives shares and land donated from contributors. These contributions are recorded at fair market value when received.

The operations on the Trust depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

3. INVESTMENTS

All investments are measured at fair value which is readily available from published price quotations in the active market.

	2023		2022	
	\$		\$	
	Cost	Fair Value	Cost	Fair Value
Cash	2,069,785	2,069,785	1,006,891	1,006,891
Bond Fund	13,411,458	12,851,279	12,088,639	11,216,903
Canadian Equities	9,235,564	10,877,666	11,112,968	12,553,831
US Equities	4,916,474	5,252,961	4,850,344	4,104,972
Global Equities	14,293,996	14,416,361	14,031,231	13,379,725
Alternative investments	1,564,698	2,442,053	1,688,678	2,219,790
Term Deposits	110,240	112,316	610,240	616,689
	<u>45,602,215</u>	<u>48,022,420</u>	<u>45,388,992</u>	<u>45,098,801</u>

4. CAPITAL ASSETS

	2023		2022	
	\$		\$	
	Cost	Accumulated Amortization	Net	Net
Furniture and equipment	194,172	128,732	65,440	42,449
Land and building	1,954,000	-	1,954,000	1,954,000
Vehicles	131,641	96,026	35,615	22,053
	<u>2,279,813</u>	<u>224,758</u>	<u>2,055,055</u>	<u>2,018,502</u>

5. CONSERVATION LANDS UNDER LONG-TERM LEASE

The Trust has acquired lease interests in two Crown properties. Under certain conditions, the Crown leases extend into perpetuity. The acquisition cost of these properties has been recorded as Conservation Lands under long-term lease.

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

6. PROPERTY FUND

<u>2023</u>	Acquisition Cost \$	External Funding \$	Net Cost (Recovery) \$
Property Fund assets at December 31, 2022	141,644,467		
Additions			
Saturna Island - Money Creek	229	308,418	(308,189)
Meteor Lake Wetland - Bog	236	236	-
Columbia Lake North - Wetlands	354	354	-
Saturna Island - Mount Fisher Bluffs	3,331	3,331	-
Little Qualicum River	2,134,474	2,134,474	-
Beck Creek - Evans Road Covenant	223,852	200,000	23,852
Ferguson Lake - Wetlands - Phase I	1,535,085	1,535,085	-
Cranberry Marsh - West - Phase I	912,092	891,798	20,294
Crescent Spur	598,098	598,098	-
	5,407,751	5,671,794	(264,063)
Net cost (recovery)			(264,043)
Property Fund net assets at December 31, 2023	147,052,218		

<u>2022</u>	Acquisition Cost \$	External Funding \$	Net Cost (Recovery) \$
Property Fund assets at December 31, 2021	123,047,020		
Additions			
Kamloops Lake - Rosseau Creek	443	113,876	(113,434)
Shoal Creek Estuary - Phase I	882	893,250	(892,368)
Hoodoos - Columbia Wetlands	857	215,077	(214,220)
Skaha Lake - Eastside Lot 2 - D	2,253	54,797	(52,544)
WLBBR - Park Rill Creek DL 1995	1,773,521	1,773,521	-
Galiano Island - Qw'xwulwis - Cable Bay	2,084,251	2,084,251	-
Shoal Creek Estuary - Phase II	964,019	958,280	5,739
Keremeos Columns - MapleCross Grassland	2,140,773	2,140,773	-
WLBBR Park Rill Infill West	1,860,169	1,860,169	-
Saturna Island - Money Creek	2,498,830	1,570,188	928,642
Englishman River - Emil Anderson Legacy Forest	5,243,801	5,243,801	-
Meteor Lake Wetland - Bog	333,922	333,922	-
Columbia Lake North - Wetlands	838,503	838,503	-
Saturna Island - Mount Fisher Bluffs	854,131	854,131	-
Other	1,092	447	645
	18,597,447	18,934,986	(337,539)
Net cost (recovery)			(337,539)
Property Fund net assets at December 31, 2022	141,644,467		

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

7. DONATIONS AND GRANTS – GENERAL FUND

Donations and Grants	2023 \$	2022 \$
	<u> </u>	<u> </u>
Donations received from		
Individuals	915,230	3,037,913
Bequests	2,099,507	808,881
Corporations and other organizations	3,882,014	2,959,514
Transferred to endowments	(15,650)	-
Transferred to acquisitions	(2,507,057)	-
Transferred to deferred contributions	(2,177,177)	(4,895,482)
	<u>2,196,867</u>	<u>1,910,826</u>
Program grants		
Grants received	7,188,920	6,922,269
Transferred to acquisitions	(3,493,739)	-
Transferred to deferred contributions	(3,597,178)	(6,817,088)
Transferred from deferred contributions	1,782,041	1,883,911
	<u>1,880,044</u>	<u>1,989,091</u>
<hr/>		
Total donations and program grants – General Fund	4,076,911	3,899,918

8. DEFERRED CONTRIBUTIONS

Deferred contributions includes donations, grants and other funding received that must be used as designated by the contributor. These amounts will be recognized as revenue in the year the related expenditure is incurred.

	2023 \$	2022 \$
	<u> </u>	<u> </u>
Conservation land acquisitions	10,747,796	7,925,003
Program expenditures	3,902,624	2,514,590
Pacific Estuary Conservation Program (PECP)	22,232	190,769
Other	10,303	60,280
	<u>14,682,955</u>	<u>10,690,642</u>

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

9. INVESTMENT AND OTHER INCOME

a) Vancouver Foundation

The Trust is the beneficiary of the income from The Nature Trust of British Columbia Fund held by the Vancouver Foundation. The capital and income funds held by the Vancouver Foundation on behalf of the Trust, which are not reflected in these financial statements, amount to \$279,241 and \$5,569 respectively at December 31, 2023 (2022 - \$279,241 and \$5,458). Included in investment income is \$22,165 (2022 - \$20,825) received from this fund. The fair market value of the fund on December 31, 2023 was \$479,032 (2022 - \$454,771).

b) British Columbia Government Endowment Fund

In April of 2008 the British Columbia government announced the creation of a \$6 million Conservation Land Operating Account on behalf of The Trust. The account is administered by the Habitat Conservation Trust Foundation and investment income generated from the account is used to fund conservation land management projects. The income received in 2023 was \$170,335 (2022 - \$254,603) and is included in donations and grants in the Statement of Operations and Net Assets.

10. FUNDS HELD IN TRUST

The Trust was appointed as administrator for the West Coast Conservation Land Management Program, the Kootenay Conservation Program and the Conservation Lands Partner Program. The Trust holds funds in trust for these programs in the amount of \$279,267, \$132,605 and \$160,748 respectively, (2022 - \$1,134,695; \$148,578; \$158,481), which are excluded from the Trust's statement of financial position.

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

11. COMMITMENTS

The Trust has outstanding long-term operating leases with respect to five vehicles it operates. The lease payments due are as follows:

2024	\$	65,390
2025		65,390
2026		14,236
2027		5,932
	\$	<u>150,947</u>

The Trust leases office space in Vancouver, BC for its operating premises until October 31, 2028. The annual lease payment is \$121,125 plus operating expenses. The landlord has granted two months free rent in each five year term. The minimum annual lease payments are as follows:

2024	\$	121,125
2025		121,125
2026		121,125
2027		121,125
Thereafter		100,938
	\$	<u>585,438</u>

The Trust leases a photocopier for office use. The term of the lease is from March 30, 2022 to September 30, 2027. The lease payments are made in quarterly instalments of \$2,067. Future lease payments due are as follows:

2024	\$	8,269
2025		8,269
2026		8,269
2027		6,202
	\$	<u>31,011</u>

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements
December 31, 2023

12. LIFE INSURANCE POLICIES

The Trust is the owner and beneficiary of two life insurance policies with an insured value of approximately \$2,102,189 (2022 - \$2,102,099). The Trust owns one policy in respect of which it makes the annual premium payment of \$22,857 (2022 - \$22,857), which is included in administration expenses. For the second policy, the policy donor pays the annual premiums. The total cash surrender values associated with these policies is nominal and have not been included in the Trust's statement of financial position.

13. FINANCIAL INSTRUMENTS AND RISK EXPOSURE

The Trust is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. There were no significant changes in risk exposures in the current year as compared to 2022.

(a) Foreign currency risk

The Trust is exposed to foreign currency risk with respect to its investments denominated in foreign currencies, including the underlying investments of funds denominated in foreign currencies, because of fluctuations in the relative value of foreign currencies against the Canadian dollar. Cash of \$1,409,076 (2022 - \$1,311,892) are shown in US dollars and converted into Canadian dollars.

(b) Interest rate risk

The Trust is exposed to interest rate risk with respect to its investments in fixed income investments, and other funds that hold fixed income securities because the fair value will fluctuate due to changes in market interest rates.

(c) Credit risk

The Trust is exposed to credit risk in connection with its cash, accounts receivable and its short-term and fixed income investments because of the risk that one party to the financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Trust manages credit risk on their cash by placing it with major Canadian financial institutions.

(d) Liquidity risk

The Trust is exposed to liquidity risk to the extent that it will encounter difficulty in meeting obligations associated with financial liabilities. To manage liquidity risk, the Trust keeps sufficient cash resources readily available to meet its obligations. The Trust has investments in publicly traded liquid assets that are easily sold and converted to cash.

(e) Other price risk

The Trust is exposed to other price risk through changes in market prices (other than changes arising from interest rate risk or currency risk) in connection with its investment portfolio.

THE NATURE TRUST OF BRITISH COLUMBIA

Notes to Consolidated Financial Statements

December 31, 2023

14. ACQUISITIONS SUBSEQUENT TO YEAR END

In 2024, the Trust has completed ten property acquisitions for the purpose of conserving lands in British Columbia; the purchase price for these property totals \$15,208,672.



7030 Trans-Canada Highway
Duncan, BC V9L 6A1 Canada
www.northcowichan.ca
T 250.746.3101
F 250.746.3313

**Permissive Tax Exemption Application
(2024-2027)**

NOTE: Applicants may be requested to attend a Committee of the Whole meeting in September as part of the application process

Please submit application to the Finance Department

Director of Finance
Municipality of North Cowichan
Duncan, BC V9L 6A1
Fax. 250.746.3133
Email: finance@northcowichan.ca

APPLICATION DEADLINE: AUGUST 1

The following information must be provided to Municipal Hall, either in person or by email, by the application deadline for Council's consideration. **Late applications will not be considered.**

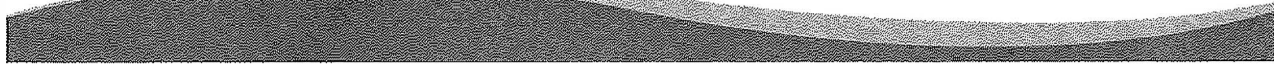
SECTION 1: GENERAL INFORMATION

APPLICATION DATE: July 25, 2024
FULL NAME OF ORGANIZATION: Vancouver Island Providence Community Association
MAILING ADDRESS OF PROPERTY: 1843 Tzouhalem Rd
LEGAL DESCRIPTION:
Lot: _____ Block: _____ Plan: _____
TAX ROLL NUMBER: 00016-000 PID: 023-166-886
CIVIC ADDRESS OF PROPERTY (if different than mailing address): _____

In what ways is your organization registered? (*Applications will not be considered from societies who are not in good standing and may be asked to provide proof of good standing and compliance.*)

- Not for profit (registered under Societies Act of BC)
- Not for profit (CRA registered)
- Registered Charity
- Other, please specify.

SOCIETY NUMBER: S0014862 BUSINESS NUMBER: 11928 1780 BC0001
REGISTERED CHARITY OR NON-PROFIT ORGANIZATION NUMBER: 119 281 780 RR0001



Organization Executive:

Title	Name	Phone No.
President	Beverly Suderman	[REDACTED] FIPPA s. 22(1)
Secretary	vacant	
Treasurer	Thomas Todd	[REDACTED] FIPPA s. 22(1)

CONTACT DETAILS:

Contact Person & Title: Leah Bosivert, Director of Operations
Mailing Address: 1843 Tzouhalem Rd, Duncan BC, V9L 5L6
Phone Number: 250-746-4204 Email: finance@providence.bc.ca

Did this property receive a Permissive Tax Exemption in previous years?

YES
NO

YEAR(S) 2013 to 2024

SECTION 2: ORGANIZATIONAL INFORMATION

1. What is the nature of your organization?

- Non-profit organization
- Charitable/philanthropic organization
- Athletic or Service Club/Associations (including golf course)
- Care facility/registered assisted living residence
- Partner of the municipality by agreement under s. 225 of the Community Charter
- Other local authority
- Place of public worship (and land surrounding exempt building)
- Senior's home

2. To the best of your knowledge, is your organization in compliance with all municipal policies, bylaws and other applicable regulations (i.e., business licencing, zoning)?

YES
NO

If no, please explain:

3. Describe the goals and objectives of your organization:

Vancouver Island Providence Community Association (Providence Farm) is a therapeutic working farm and Registered Charity that has been nestled in the heart of the Cowichan Valley since 1979. Providence Farm is a trauma informed agency, invested in promoting healing opportunities for those who may not be easily accepted elsewhere.

We are individuals with brain injuries, developmental diversity, neurodivergence, physical disabilities, mental health concerns and age-related illnesses; working together to care for the land and each other in a nature based, therapeutic setting.

4. Do the objectives/goals of your organization align with any or all of North Cowichan's Strategic priorities?

YES

NO


If yes, please explain:

Providence Farm programs align with the North Cowichan Strategic priority of Community, creating safe inclusive and inspiring neighborhoods. Providence Farm's programming support members of our community that suffer from chronic mental health. Providence Farm programs support the stability of these individuals and reduce the number of community incidents and utilization of emergency services.

Describe the activities your organization carries out that contribute to the well-being of the community?

Providence Farm provides safe and supportive community integration and life skills for members of the community who have diverse abilities, brain injuries, mental health and substance use as well as seniors suffering from age related illnesses.

The impact of Providence Farm extends beyond the individual client in that our programs provide respite and support for caregivers and assist in maintain stability for those in recovery or suffering from chronic mental illness which leads to reduce use of emergency services.

Providence Farm also runs a free clothing outreach program where any member of the community can access free clothing. 

5. Does your organization provide life essentials (food and shelter) and/or skills to a vulnerable population – caregivers, youth, indigenous, low income, immigrants and refugees, people experiencing homelessness, people experiencing domestic violence, people living with mental illness, persons with disabilities, pets, etc.?

YES

NO

If yes, please explain:

Providence Farm supports and provides direct services to some of the most vulnerable members of the Cowichan Valley as well as supporting their caregivers. Providence Farm provides therapeutic programming, life skills and social inclusion to individuals that have been referred for services through one of the following streams; Community Living BC (supports adults with developmental delay, Fetal Alcohol Syndrome and Autism Spectrum Disorder), Mental Health and Substance Use (specifically supporting adults with chronic mental health issues), Brain Injury, and Geriatric Support Services.

6. How does your organization foster diversity, promote inclusivity, and/or champion conservation?

Diversity and inclusion are inherently built into our organization through the diversity of populations served. All clients that attend programming at Providence Farm participate in horticulture therapy and therapeutic day programs together. Our inclusive spirit is continually reinforced by our "Family" values which are posted throughout the organization and serve as the exception for all individuals on site. F-friendly, A- accepting, R-respectful, M-mindful, I-inclusive, L-loving, Y-because Providence Farm is a safe space for you and me!
In addition, Providence Farm's HR manual includes specific policies to address diversity, equity and inclusion.

7. Identify the number of persons served by the organization within the Municipality of North Cowichan annually.
150+ per month

8. Is membership or enrolment restricted in any way? YES NO

If yes, please explain:

Provide examples of programs or services aimed at reducing disparities and/or barriers to access, if applicable?

Providence Farm's Farm Fashions (free clothing outreach program) is open to any member of the community who would like to utilize the service. The service is accessed by a multitude of other community organizations to assist their clients. These organizations include but are not limited to; Cowichan Valley Youth Mental Health, Cowichan Women Against Violence, Island Health – Duncan Mental Health Unit, Hiiye'yu Lelum House of Friendship, Seniors Resource Center, Warmland Shelter. We quite often support individuals who require clothing for job interviews or starting new jobs, women returning to the workforce after fleeing an abusive relationships and families who require clothing after losing their personal belongings in a house fire or other disaster.

SECTION 3: PROPERTY INFORMATION

1. Is the organization the registered owner of the property for which the exemption is being requested?
YES
NO

2. If no, is the organization a lessee under a lease which requires direct payment of the property taxes to the Municipality of North Cowichan?
YES
NO

If yes, please attach a copy of the lease.

3. Does anyone live in the building, or do you have any 3rd party agreements including rental or use of the building, parking lot or services rendered?

YES NO

If yes, please attach agreement(s) and indicate the following:

Leased to	Sq. Footage leased see attached schedule	Rate Charged

4. How is your organization accessible to the public?

Providence is open to the public and accessed by community members in a variety of ways:

- Members of the public access our programs
- Members of the public walk the site and trails
- 105 allotment gardens are made available to members of the public for \$45 per year
- Providence Farm rents space for private family celebrations such as weddings and celebrations of life
- Space rentals are available for other organizations including a discounted nonprofit rate
- Members of the public access Farm Fashions the free clothing outreach program
- Providence Farm is the host site to community festivals, Island Folk Festival and Special Woodstock which welcome 1000's of members of the public each year

SECTION 4: FINANCIAL INFORMATION

1. Does your organization have revenue generating activities on your property (i.e., hall rentals, catering, daycares, preschools, parking lots, etc.)?

YES NO

If yes, please attach a Fee Schedule and indicate the following:

Activity	Organization/Operator see attached schedule	Annual Income

2. Is your organization run by volunteers, paid staff, or a combination of both?

Number of employees: Full-time: 25 Part-time: 6 Number of Volunteers: 30

3. Have you received grants from the Municipality of North Cowichan, Federal or Provincial government, regional government, Crown Agencies or other funding agencies in the last 3 years?

YES NO

If yes, please indicate the following:

Date Received Grant	Amount Received	From	Purpose
March 6, 2024	108,500	Gaming Grant	Program funding

4. Please list other sources of revenue not covered, such as membership fees charged or fundraising, etc.

Contract revenue (CLBC and VIHA) \$872,608
 Donations \$149,024
 Grants (other than BC Gaming Grant) \$122,108
 Interest and Other revenue \$3,100
 User Fees \$13,755
 Membership \$1,350



5. Prior year actual operating expenses	\$ 1,555,522
6. Prior year actual operating revenues	\$ 1,492,355
7. Current year annual operating budget of organization (attach a copy)	\$ 1,528,399
8. Projected annual operating budget of the organization for the year of requested exemption	\$ 1,600,000

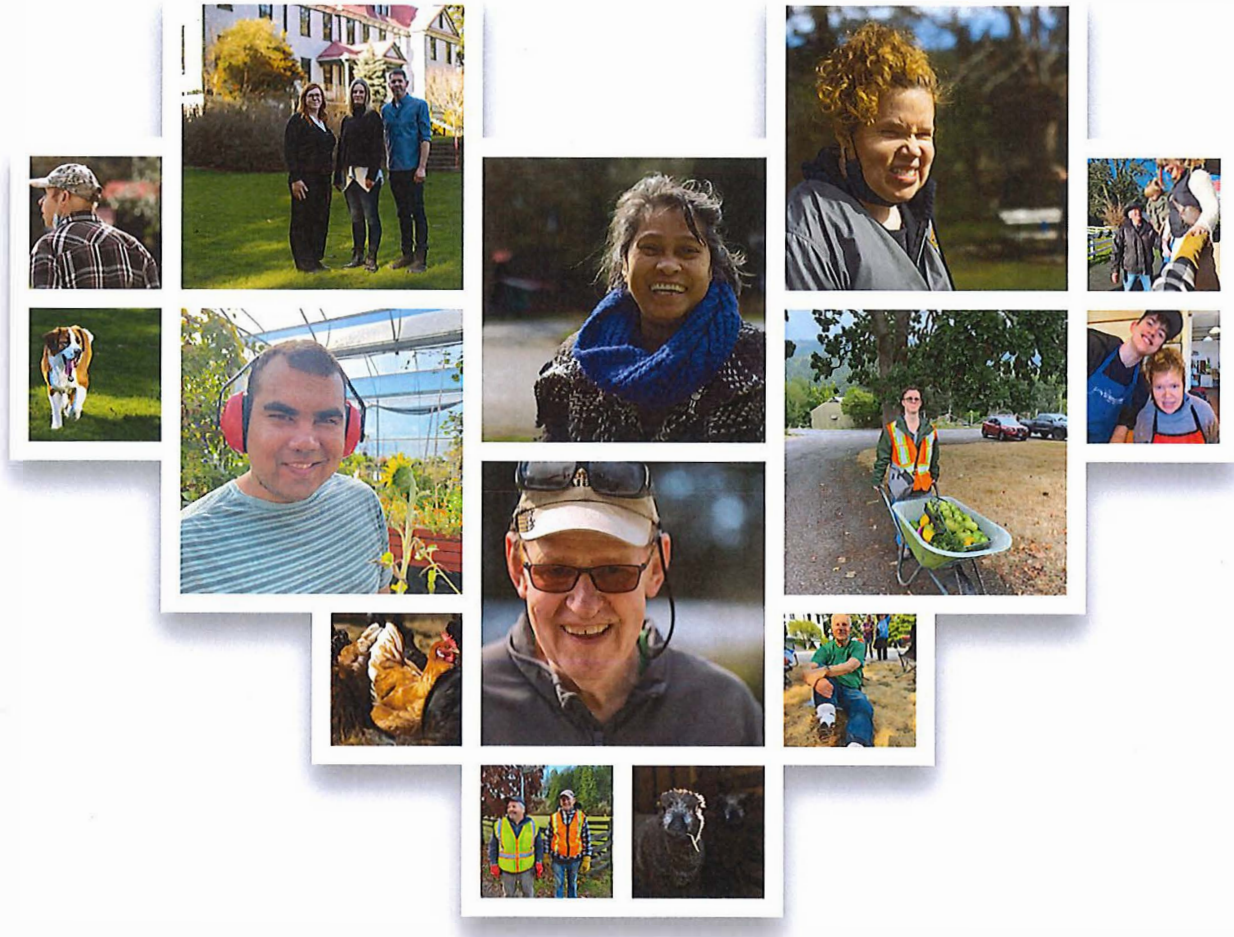
A copy of the organizations most recent financial statements must be included with the application, along with a copy of the projected income and expenses.

Providence Farm Leases

<u>Leased to</u>	<u>Purpose</u>	<u>Square Footage (approx)</u>	<u>Lease rate per month</u>
SD 79	Alternate School	4,000	\$ 2,251.46
Cowichan Theraputic Riding Association	Theraputic Riding Charity	18,201	\$ 1,750.00
Cow-op	Cowichan online farmers market	1,800	\$ 1,580.00
Cowichan Folk Guild Association	Arts Non Profit	575	\$ 425.00

Schedule of Income Generating Activities

Activity	Operator	Annual Income
Fundraising	Providence Farm	10,731
Event rentals	Providence Farm	40,559
Wedding rentals	Providence Farm	43,344
Tenant Rentals	Providence Farm	104,068
Farm Stand Sales	Providence Farm	20,147
Providence Farm program products	Providence Farm	24,520
Janitorial Services	Providence Farm	5,000



2024-2025 Approved Budget

Budget Summary FY 24/25

	2022-2023 Actual (\$)	2023-24 Budget (\$)	2024-25 Budget (\$)
Revenues:			
Contracts – CLBC	506,998	514,622	537,247
Contracts – VIHA	365,612	390,506	394,741
Contracts – Other	-	-	-
Donations	149,024	143,307	169,000
Fundraising	17,731	17,600	20,400
Grants	117,882	74,500	73,086
Community Gaming Grant	98,600	98,600	98,600
Interest & Other Revenue	3,523	8,134	4,136
Rentals	154,756	158,000	166,168
Agriculture Sales	24,974	30,973	20,147
Sales Revenue	22,606	26,600	29,520
User Fees	15,210	15,838	13,755
VIPCA Memberships	1,350	2,150	1,540
Total Revenues	1,478,266	1,480,830	1,528,340
Expenditures:			
Advertising & Promo	4,698	5,000	4,400
Fundraising Expense	2,718	2,200	5,000
PST Expense			
Insurance	68,691	68,000	68,000
Office Expense	26,748	30,889	25,974
Professional Fees	39,450	27,570	21,500
Program Materials Exp	58,907	42,604	54,271
Rental Expenses	4,520	3,000	3,000
Repairs and Mtce.	73,108	35,120	32,925
Security	10,629	10,146	10,500
Agriculture Expense	12,849	11,173	9,400
Staff & Board Devp.	14,636	17,500	16,000
Tools & Equipment	5,982	1,400	1,400
Utilities	56,923	59,480	60,545
Vehicle Expense	8,893	10,761	8,600
Wages & Benefits	1,168,634	1,155,987	1,206,825
Total Expenditures	1,557,386	1,480,830	1,528,340
Net Income/(Loss)	-79,102	-	-

Vancouver Island Providence Community Association
Financial Statements
March 31, 2023

Vancouver Island Providence Community Association

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For the year ended March 31, 2023
(Unaudited)

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To the To the Board of Vancouver Island Providence Community Association:

We have reviewed the accompanying financial statements of Vancouver Island Providence Community Association (the "Association") which comprise the statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets 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 is 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 Association, 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 Vancouver Island Providence Community Association as at March 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.

Duncan, British Columbia

September 14, 2023



Chartered Professional Accountants

Vancouver Island Providence Community Association
Statement of Financial Position

As at March 31, 2023
(Unaudited)

	2023	2022
Assets		
Current		
Cash (Note 3)	380,359	550,087
Accounts receivable (Note 4)	64,528	29,866
Prepaid expenses and deposits	-	2,000
	444,887	581,953
Capital assets (Note 5)	5,141,227	5,186,073
Cash and investments restricted for endowment (Note 6)	67,273	66,010
	5,653,387	5,834,036
Liabilities		
Current		
Accounts payable and accruals (Note 7)	143,132	79,834
Deferred contributions (Note 8)	139,205	193,605
Deposits	3,003	3,495
	285,340	276,934
Deferred contributions related to capital assets (Note 9)	266,029	282,616
	551,369	559,550
Net Assets	5,102,018	5,274,486
	5,653,387	5,834,036

The accompanying notes are an integral part of these financial statements

Vancouver Island Providence Community Association

Statement of Operations

For the year ended March 31, 2023

(Unaudited)

	2023	2022
Revenue		
Community Living British Columbia	506,997	525,900
Island Health	365,611	399,908
Grants	220,708	199,771
Donations	149,024	147,757
Tenant rentals	114,197	89,413
Social enterprise	63,491	68,251
Event rentals	40,559	12,608
Amortization of deferred capital contributions <i>(Note 9)</i>	16,587	16,490
Fundraising	10,731	3,353
Interest and other	3,100	3,143
Membership	1,350	1,480
	1,492,355	1,468,074
Expenses		
Salaries and benefits	1,168,633	1,025,703
Repairs and maintenance	71,419	133,745
Utilities	56,844	58,714
Program material	56,265	45,565
Insurance	68,691	64,263
Professional fees	39,450	25,550
Office	29,780	43,396
Social enterprise	17,057	19,857
Training and travel	14,636	17,759
Security	10,629	10,289
Vehicle	8,893	10,236
Tools and equipment	5,808	9,852
Fundraising	3,927	828
Advertising	3,490	2,094
	1,555,522	1,467,851
Total expenses		
	1,555,522	1,467,851
Excess (deficiency) of revenue over expenses before other items	(63,167)	223
Other items		
Amortization	(109,301)	(106,154)
Excess (deficiency) of revenue over expenses	(172,468)	(105,931)

The accompanying notes are an integral part of these financial statements

Vancouver Island Providence Community Association
Statement of Changes in Net Assets
For the year ended March 31, 2023
(Unaudited)

	<i>Unrestricted funds</i>	<i>Internally restricted fund interest</i>	<i>Capital reserve</i>	<i>Invested in capital asset</i>	<i>Endowment</i>	2023	2022
Net assets beginning of year	133,661	160,333	-	4,914,483	66,009	5,274,486	5,380,417
Excess of revenue over expenses (expenses over revenue)	(64,162)	-	-	(109,569)	1,263	(172,468)	(105,931)
Transfer	-	(120,000)	120,000	-	-	-	-
Net assets, end of year	69,499	40,333	120,000	4,804,914	67,272	5,102,018	5,274,486

The accompanying notes are an integral part of these financial statements

Vancouver Island Providence Community Association
Statement of Cash Flows
For the year ended March 31, 2023
(Unaudited)

	2023	2022
Cash provided by (used for) the following activities		
Operating		
Cash receipts from operating activities	1,454,634	1,491,778
Cash received from contributions	(73,471)	-
Cash paid for program service expenses	(318,916)	(420,920)
Cash paid for salaries and benefits	(1,168,633)	(1,035,509)
Cash receipts from interest	2,170	6,118
	(104,216)	41,467
Financing		
Cash contributions received for capital assets	-	104,036
Decrease in deposits	(492)	-
Investing		
Purchase of term deposits	-	(3,600)
Proceeds on disposal of term deposits	-	160,825
Purchase of capital assets	(65,020)	(503,858)
	(65,020)	(346,633)
Decrease in cash resources	(169,728)	(201,130)
Cash resources, beginning of year	550,087	751,217
Cash resources, end of year	380,359	550,087

The accompanying notes are an integral part of these financial statements

Vancouver Island Providence Community Association

Notes to the Financial Statements

For the year ended March 31, 2023

1. Incorporation and nature of the organization

Vancouver Island Providence Community Association (the "Association") was incorporated under the Societies Act of British Columbia and is a registered charity under the Income Tax Act. The Association's principal activity is to provide nature based therapy opportunities for social integration, pre-vocational training, and skill explorations for persons with barriers to education and employment.

The Association's mandate is to serve those disadvantaged and disabled whose needs are not met elsewhere in the community, and to provide good husbandry to the animals, natural resources, and buildings of the site.

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, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies.

Revenue recognition

The Association follows the deferral method of accounting for contributions with fund balances. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Externally restricted contributions for the purchase of capital assets are deferred and included into income on the same basis as the related asset's amortization. Unamortized deferred capital contributions relating to capital asset dispositions are recognized as revenue in the period of disposition, provided that all restrictions have been complied with.

Sales of goods and services are recognized as revenue when title passes to the customer, which generally coincides with the delivery or acceptance of goods or services.

Revenue earned from the rental of residential and commercial properties and the facilities is recognized monthly or at the time of the event.

Revenue earned from government assistance is recognized in the period in which the related expenses are incurred.

Bequests are recognized as revenue when a definite valuation is received from the executor of the estate and ultimate collection is reasonably assured.

Donations in kind

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Association's operations and would otherwise have been purchased. The value of volunteer hours contributed by the Board of Directors is not recognized in the financial statements.

Vancouver Island Providence Community Association

Notes to the Financial Statements

For the year ended March 31, 2023
(Unaudited)

2. Significant accounting policies (Continued from previous page)

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

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

	Method	Rate
Buildings	declining balance	4 %
Automotive	declining balance	30 %
Computer equipment	declining balance	30 %
Equipment	declining balance	20 %
Furniture and fixtures	declining balance	20 %
Office equipment	declining balance	20 %
Parking lots and labyrinth	declining balance	8 %
Greenhouse	declining balance	20 %
Farm equipment	declining balance	30 %

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Vancouver Island Providence Community Association
Notes to the Financial Statements
For the year ended March 31, 2023
(Unaudited)

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

Financial instruments

The Association recognizes its financial instruments when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions*.

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

The Association 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 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. With the exception of financial liabilities indexed to a measure of the Association's performance or value of its equity and those instruments designated at fair value, 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.

Long-lived assets and discontinued operations

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

When the Association determines that a long-lived asset no longer has any long-term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

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.

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.

Vancouver Island Providence Community Association
Notes to the Financial Statements
For the year ended March 31, 2023
(Unaudited)

3. Cash and term deposits

A portion of cash and term deposits are restricted as follows:

	2023	2022
Cash		
Cash - unrestricted	208,569	384,218
Cash restricted	171,790	165,869
Total	380,359	550,087

The restricted cash is externally and internally restricted and to be used for its intended purposes within the subsequent years.

4. Accounts receivable

	2023	2022
Accounts receivable	55,557	25,867
Goods and Services Tax	8,971	3,999
	64,528	29,866

5. Capital assets

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Land	3,191,066	-	3,191,066	3,179,132
Buildings	3,237,158	1,460,388	1,776,770	1,825,208
Automotive	278,816	267,962	10,854	15,505
Computer equipment	64,292	53,565	10,727	15,873
Equipment	210,949	196,535	14,414	17,999
Furniture and fixtures	126,535	78,323	48,212	29,403
Office equipment	35,791	19,967	15,824	19,459
Parking lots and labyrinth	115,906	60,845	55,061	59,850
Greenhouse	174,504	160,513	13,991	17,489
Farm equipment	61,593	57,285	4,308	6,155
	7,496,610	2,355,383	5,141,227	5,186,073

During the fiscal year ended March 31, 2010 the Association received contributed land and buildings with a fair value of \$4.4 million. The contributor placed certain covenants over the use of the land and building as part of the contribution. As at March 31, 2023 management believes that the Association is compliant with these covenants.

Vancouver Island Providence Community Association
Notes to the Financial Statements
For the year ended March 31, 2023
(Unaudited)

6. Cash and investments restricted for endowment

Contributions received by the Association for the Endowment Fund are recognized as a direct increase in net assets. The purpose of the endowment funds is to provide future financial stability and growth of the Association; the fund builds a balance of which the interest earnings are to help sustain the organization and the principle remains intact.

	2023	2022
Endowment - Cash	9,287	8,919
Endowment - ISCU term deposits	25,946	25,385
Endowment - CCCU term deposit	32,040	31,706
	67,273	66,010

7. Accounts payable and accruals

	2023	2022
Accounts payable	105,329	70,783
Wages payable	27,679	153
Receiver general - payroll remittance	10,124	8,898
	143,132	79,834

8. Deferred contributions

During the year, the Association received \$142,302 (2022 - \$161,289) deferred contributions and recognized \$196,701 (2022 - \$204,771). See Schedule 1 for details of the deferred contributions.

9. Deferred contributions related to capital assets

	Building & Additions	Parking lots and Labryrith	Greenhouse	Equipment, Furniture & Fixtures	Contributions not in use	2023	2022
Opening balance	232,913	24,382	6,222	16,099	3,000	282,616	267,106
Additions	-	-	-	-	-	-	32,000
Less amounts recognized as revenue during the year	(9,579)	(1,951)	(1,244)	(3,220)	(593)	(16,587)	(16,490)
	223,334	22,431	4,978	12,879	2,407	266,029	282,616

Vancouver Island Providence Community Association
Notes to the Financial Statements
For the year ended March 31, 2023
(Unaudited)

10. Financial instruments

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

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its receipt of funds from government and non-government funders and other related sources, and accounts payable.

11. Victoria Foundation Endowment Fund

The Association has established an Endowment Fund with the Victoria Foundation. The capital of the fund remains the property of the Victoria Foundation and the Association is the income beneficiary only.

	2023	2022
Contributed by the Association and others	150,000	150,000
Contributed by the Victoria Foundation	7,500	7,500
	157,500	157,500

During the year, the Association received grants of \$6,082 (2022 - \$6,082) from the fund. The market value of the fund at March 31, 2023 is \$195,601 (2022 - \$194,907)

12. Credit facility

The Association has an operating line of credit to a maximum of \$50,000 with Coastal Community Credit Union ("the Bank") bearing interest at the Bank's prime lending rate plus 1% per annum. As at March 31, 2023, the Association has no draws against this line of credit (2022 - \$ nil). The operating loan is secured by a general security agreement consisting of a first ranking security interest in all personal property of the Association.

13. Director and employee remuneration

The Association did not pay its board of directors for services. The Association paid two (2022 - one) employees more than \$75,000 during the current year.

14. Economic dependence

The Association's primary source of revenue is from multiple government contracts. These government contracts are mainly with Island Health and Community Living British Columbia to provide services for people with physical and mental health challenges. Revenues from government contracts represents 59% (2022 - 63%) of total revenues.

15. Contributions by major source

During the fiscal year ended March 31, 2010 the Association received contributed land and buildings with a fair value of \$4.4 million. The contributor placed certain covenants as part of the contribution. As at March 31, 2023 management believes that the Association is compliant with these covenants.