

# YMCA BC Foundation

[formerly The YMCA of Greater Vancouver Foundation]

Financial statements

December 31, 2023



# Independent auditor's report

To the Members of  
**YMCA BC Foundation**

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of **YMCA BC Foundation** [formerly The YMCA of Greater Vancouver Foundation] [the "Foundation"] which comprise the statement of financial position as at December 31, 2023, and the statement of changes in net assets, statement of operations and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2023, 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 Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

### Responsibilities of management and those charged with governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

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



### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on other legal and regulatory requirements**

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

Vancouver, Canada  
June 20, 2024

*Ernst & Young LLP*

Chartered Professional Accountants



# YMCA BC Foundation

[formerly The YMCA of Greater Vancouver Foundation]

## Statement of financial position

As at December 31

	2023	2022
	\$	\$
<b>Assets</b>		
<b>Current</b>		
Cash	1,411,508	117,628
Investments <i>[note 4]</i>	61,101,851	60,498,041
Other receivables	567,316	484,170
Prepaid expenses	3,458	2,711
<b>Total current assets</b>	<b>63,084,133</b>	<b>61,102,550</b>
Investments <i>[note 4]</i>	27,122,756	25,074,164
Tenant incentives, net	1,182,517	1,448,757
Real properties, net <i>[note 5]</i>	17,710,263	18,094,199
<b>Total assets</b>	<b>109,099,669</b>	<b>105,719,670</b>
<b>Liabilities and net assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities <i>[note 10]</i>	176,138	275,170
Due to YMCA BC <i>[note 3]</i>	1,074,995	1,247,820
Current portion of long-term debt <i>[note 6]</i>	272,513	264,297
<b>Total current liabilities</b>	<b>1,523,646</b>	<b>1,787,287</b>
Long-term debt <i>[note 6]</i>	7,732,049	8,006,011
<b>Total liabilities</b>	<b>9,255,695</b>	<b>9,793,298</b>
<b>Net assets</b>		
Unrestricted	62,383,551	60,729,306
Endowment funds	13,012,758	11,645,935
Strategic reserve	14,741,964	13,727,240
Invested in real property	9,705,701	9,823,891
<b>Total net assets</b>	<b>99,843,974</b>	<b>95,926,372</b>
<b>Total liabilities and net assets</b>	<b>109,099,669</b>	<b>105,719,670</b>

See accompanying notes

On behalf of the Board:



Director



Director

**YMCA BC Foundation**

[formerly The YMCA of Greater Vancouver Foundation]

**Statement of changes in net assets**

Year ended December 31

	2023				2022	
	Unrestricted \$	Endowment funds \$	Strategic reserve \$	Invested in real property \$	Total \$	Total \$
Net assets, beginning of year	60,729,306	11,645,935	13,727,240	9,823,891	95,926,372	85,317,045
Excess (deficiency) of revenue over expenses for the year	1,499,486	1,224,943	1,495,177	(634,958)	3,584,648	10,310,315
Endowment contributions and bequests	—	332,954	—	—	332,954	299,012
Interfund transfers	154,759	(191,074)	(480,453)	516,768	—	—
<b>Net assets, end of year</b>	<b>62,383,551</b>	<b>13,012,758</b>	<b>14,741,964</b>	<b>9,705,701</b>	<b>99,843,974</b>	<b>95,926,372</b>

*See accompanying notes*

## YMCA BC Foundation

[formerly The YMCA of Greater Vancouver Foundation]

### Statement of operations

Year ended December 31

	2023	2022
	\$	\$
<b>Revenue</b>		
Rent <i>[note 3]</i>	704,900	693,929
Operating cost recoveries <i>[note 3]</i>	616,111	519,595
Investment income	3,855,271	3,068,028
Unrealized investment gain (loss)	3,850,901	(2,219,640)
Income from funds administered by the Vancouver Foundation		
YMCA BC Designated Funds	151,253	176,874
Donations and other income	28,931	7,163
Strategic reserve donation	—	13,727,240
	<b>9,207,367</b>	<b>15,973,189</b>
<b>Expenses</b>		
Grants to:		
YMCA BC <i>[note 3]</i>	2,466,698	2,557,688
What Really Matters Capital Campaign <i>[note 3]</i>	600,000	600,000
Other grants	14,172	14,284
Administration fee YMCA of BC <i>[note 3]</i>	404,472	399,576
Property operating costs	756,918	660,379
Office, legal, professional and contract services	99,439	100,884
Interest on long-term debt <i>[note 6]</i>	251,022	259,072
Bank and investment charges	654,104	715,355
Insurance premiums	5,923	7,195
Meetings, conferences and travel	8,275	9,587
Promotion	8,336	6,286
Commodity tax rebate	(30,576)	(28,206)
	<b>5,238,783</b>	<b>5,302,100</b>
Excess of revenue over expenses before the following	3,968,584	10,671,089
Amortization of real properties	(383,936)	(360,774)
<b>Excess of revenue over expenses for the year</b>	<b>3,584,648</b>	<b>10,310,315</b>

See accompanying notes

## YMCA BC Foundation

[formerly The YMCA of Greater Vancouver Foundation]

### Statement of cash flows

Year ended December 31

	2023	2022
	\$	\$
<b>Operating activities</b>		
Excess of revenue over expenses for the year	3,584,648	10,310,315
Tenant incentives	—	(217,389)
Add (deduct) items not involving cash		
Unrealized investment loss (gain)	(3,850,901)	2,219,640
Amortization of tenant incentives	266,240	244,748
Amortization of real properties	383,936	360,774
Deed of gift – strategic investment reserve	—	(13,727,240)
	<u>383,923</u>	<u>(809,152)</u>
Changes in non-cash working capital		
Other receivables	(83,146)	772,972
Prepaid expenses	(747)	(1,569)
Accounts payable and accrued liabilities	(99,032)	213,069
Due to YMCA BC	(172,825)	(161,777)
<b>Cash provided by operating activities</b>	<u>28,173</u>	<u>13,543</u>
<b>Investing activities</b>		
Net proceeds from investments	1,198,499	134,625
Additions to real properties	—	(237,417)
<b>Cash provided by (used in) investing activities</b>	<u>1,198,499</u>	<u>(102,792)</u>
<b>Financing activities</b>		
Endowment contributions and bequests received	332,954	299,012
Repayment of long-term debt	(265,746)	(257,697)
<b>Cash provided by financing activities</b>	<u>67,208</u>	<u>41,315</u>
<b>Net increase (decrease) in cash during the year</b>	<u>1,293,880</u>	<u>(47,934)</u>
Cash, beginning of year	117,628	165,562
<b>Cash, end of year</b>	<u>1,411,508</u>	<u>117,628</u>

See accompanying notes

## **YMCA BC Foundation**

[formerly The YMCA of Greater Vancouver Foundation]

# **Notes to financial statements**

December 31, 2023

## **1. Organization**

YMCA BC Foundation [formerly The YMCA of Greater Vancouver Foundation] [the “Foundation”] was incorporated in 2009 under the *Society Act* of British Columbia, is a registered public foundation under the *Income Tax Act* (Canada) and, accordingly, is not subject to income taxes. The Foundation transitioned to the new *Societies Act* of British Columbia in June 2017. The Foundation’s purpose is to [i] fund, support and promote YMCA BC [“YMCA”]; any organization that is a member of the National Council of Young Men’s Christian Associations of Canada [“NC-YMCA”]; and any foundation or endowment fund whose purposes include the support of organizations that are members of NC-YMCA, and [ii] to receive gifts, bequests, funds and property, and to hold invest, administer and distribute funds and property for the purposes of the Foundation.

On January 31, 2023, the Foundation changed its name to YMCA BC Foundation to align with YMCA BC which was formed as a result of the merger of The YMCA of Greater Vancouver, with the Kamloops Community Young Men’s and Young Women’s Christian Association, and the Young Men’s Christian Association of Northern BC.

## **2. Summary of significant accounting policies**

### **Accounting standards**

These financial statements are prepared in accordance with Part III of the *CPA Canada Handbook – Accounting*, “Accounting Standards for Not-for-Profit Organizations”.

### **Revenue recognition**

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

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

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



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### **Notes to financial statements**

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

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

#### **Financial instruments**

The Foundation initially records a financial instrument that was originated, issued or assumed in an arm's length transaction at fair value.

Related party financial instruments that have repayment terms are initially recorded at cost, representing the undiscounted cash flows of that instrument, excluding interest and dividend payments. Related party financial instruments that do not have repayment terms are recorded as cost, determined using the consideration transferred or received by the Foundation; consideration with repayment terms is measured as described above while consideration without repayment terms is recorded at the carrying or exchange amount, depending on the circumstances.

The Foundation recognizes its transaction costs in net income in the period incurred. However, arm's length financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs and financing fees that are directly attributable to their origination, issuance or assumption; in the case of financial instruments subsequently measured at amortized cost, these transaction costs and financing fees are amortized on a straight-line basis.

Subsequently, the Foundation measures financial instruments as follows:

- Investments at fair value;
- Cash and other receivables at amortized cost;
- The amount due to YMCA BC using the cost method;
- Accounts payable and accrued liabilities and long-term debt at amortized cost.

For financial assets measured at cost or amortized cost, when there are indications of possible impairment, the Foundation determines if there has been a significant adverse change to the expected timing or amounts of future cash flows expected from the financial asset. The amount of any impairment loss is determined by comparing the carrying amount of the financial asset with the highest of three amounts:

- [i] For an arm's length financial asset, the present value of the cash flows expected to be generated by holding the asset, discounted using a current market rate of interest appropriate to that asset, and for a related party debt instrument, the undiscounted cash flows expected to be generated by holding the asset, excluding interest and dividend payments;
- [ii] The amount that could be realized by selling the asset at the statement of financial position date; and

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### **Notes to financial statements**

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[iii] The amount the Foundation expects to realize by exercising its right to any collateral held to secure repayment of the asset, net of all costs necessary to exercise those rights.

A previously recognized impairment loss is reversed to the extent that the improvement can be related to an event occurring after the impairment was recognized, but the adjusted carrying amount of the financial asset shall be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized.

Forgiveness of all or part of a related party financial asset can only occur after assessing for and recognizing any impairment. This forgiveness is then recognized in net assets when the transaction that resulted in the origination or acquisition of the financial asset was not in the normal course of operations or in the statement of operations when the transaction was in the normal course of operations or when it is impracticable to determine whether or not the forgiven related party financial asset was originated or was acquired in the normal course of operations.

#### **Foreign currency translation**

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

#### **Cash**

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

#### **Real properties**

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

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

Building	32 years
Equipment and fixtures	5 to 20 years

When conditions indicate that an item of property and equipment no longer contributes to the Foundation's ability to provide goods and services, or that the value of future economic benefits or service potential associated with the item is less than its net carrying amount, the item is written down to its fair value or replacement cost. The write-down is recognized as an expense in the statement of operations and is not reversed.

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[formerly The YMCA of Greater Vancouver Foundation]

### Notes to financial statements

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#### Tenant incentives

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

#### 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 amounts reported in the financial statements and accompanying notes. Significant items affected by estimates in these financial statements are the useful lives of real properties. Management believes that the estimates utilized in preparing its financial statements are reasonable and prudent; however, actual results could differ from those estimates.

### 3. YMCA BC

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

In April 2016, the directors of the Foundation committed to provide the YMCA \$3,000,000 over 10 years for the purpose of creating four new centres of community in Surrey, Vancouver, Coquitlam and Chilliwack [What Really Matters Capital Campaign]. In April 2018, the directors made further pledges of \$7,000,000 to bring their gift to \$10,000,000. During the year ended December 31, 2023, \$600,000 [2022 – \$600,000] was contributed and at December 31, 2023, an aggregate of \$8,000,000 [2022 – \$7,400,000] of this commitment had been contributed by the Foundation with respect to the What Really Matters Capital Campaign.

In addition, the Foundation makes donations to the YMCA in accordance with donors' restrictions at the direction of the Foundation directors. During 2023, the Foundation provided grants of \$2,466,698 [2022 – \$2,557,688] to the YMCA.

For the year ended December 31, 2023, the Foundation reimbursed the YMCA for administration support services totalling \$404,472 [2022 – \$399,576].

In July 2015, the YMCA entered into a 10-year lease for Camp Deka, which is owned by the Foundation [note 5]. For the year ended December 31, 2023, included in rent revenue is \$67,915 [2022 – \$67,915] charged to the YMCA.

The Foundation has entered into a 10-year lease with the YMCA that expires in 2031, with two renewal options of five years each, for space in the Foundation's Royal Avenue property with an annual base rent of approximately \$181,440 [note 5].

For the year ended December 31, 2023, included in rent revenue is \$181,440 [2022 – \$181,440] of rent and included in operating cost recoveries is \$165,610 [2022 – \$120,960] charged to the YMCA.

As at December 31, 2023, \$1,074,995 [2022 – \$1,247,820] is payable to the YMCA. The transactions are recorded at exchange amounts agreed and established between the YMCA and the Foundation.

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[formerly The YMCA of Greater Vancouver Foundation]

### Notes to financial statements

December 31, 2023

#### 4. Investments

	2023	2022
	\$	\$
<b>Current</b>		
<i>Unrestricted funds</i>		
Mawer – Langdale New Westminster	17,641,881	16,263,805
Canada Life Canadian Real Estate Fund	6,689,895	7,690,116
IFM Global Infrastructure	20,140,780	18,960,662
North Growth Management Ltd	464,280	405,879
ACM Commercial Mortgage Fund	6,351,313	6,279,373
Northleaf Senior Private Credit	9,813,702	9,798,206
RBC – GIC	—	1,100,000
<b>Total current investments</b>	<b>61,101,851</b>	<b>60,498,041</b>
<b>Non-current</b>		
<i>Internally restricted funds</i>		
Mawer – Strategic Reserve	14,741,964	13,727,240
<i>Endowment funds</i>		
Mawer – Endowment	12,171,550	11,158,619
Mawer – Literacy	209,242	188,305
<b>Total non-current investments</b>	<b>12,380,792</b>	<b>11,346,924</b>
<b>Total investments</b>	<b>27,122,756</b>	<b>25,074,164</b>
	<b>88,224,607</b>	<b>85,572,205</b>

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

	2023	2022
	%	%
Cash and short-term deposits	1.9	4.0
Fixed income	12.7	11.0
Mortgages	8.4	8.5
Infrastructure	26.6	25.5
Real estate	8.8	10.4
Direct lending	12.9	13.2
Equities and equity funds	28.7	27.4
	<b>100.0</b>	<b>100.0</b>



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### Notes to financial statements

December 31, 2023

Term loan bearing interest at 3.10% per annum, repayable in blended monthly instalments of principal and interest of \$43,149 and maturing in January 2025. The term loan is collateralized by a first charge on the 620 Royal Avenue, New Westminster property with a net book value at December 31, 2023 of \$17,180,263 [2022 – \$17,564,199]. For the year ended December 31, 2023, interest expense recorded on the term loan was \$251,022 [2022 – \$259,072].

The estimated annual principal repayments required in each of the next two years are as follows:

	\$
2024	272,513
2025	7,732,049
	<u>8,004,562</u>

The Foundation's long-term debt contains a debt service coverage ratio covenant. Measurement of the covenant is defined in the agreement and is as interpreted by the lender. At December 31, 2023, the Foundation was in compliance with this covenant.

#### 7. Funds held by the Vancouver Foundation

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

	Share of investment income	2023 Cost	2022 Cost
	%	\$	\$
YMCA BC Designated Fund	100	<b>1,392,670</b>	1,392,670
Guy Flavelle Memorial Fund	17	<b>2,296,936</b>	2,296,936
Chilliwack Family YMCA Endowment	100	<b>160,000</b>	160,000
J.D. Wilson Charitable Trust	20	<b>51,125</b>	51,125
		<u><b>3,900,731</b></u>	<u>3,900,731</u>

#### 8. Financial instruments

##### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Foundation's cash earns interest at deposit rates and the Foundation has investments in certain fixed income securities. The long-term debt bears interest at a fixed interest rate. The Foundation does not use derivative financial instruments to manage the effects of this risk.

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### **Notes to financial statements**

December 31, 2023

#### **Credit risk**

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

#### **Liquidity risk**

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

#### **Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Foundation has investments denominated in US dollars in the amount of US\$7,420,007 [2022 – US\$7,234,352] and thus the Foundation is exposed to the risk of fluctuations in earnings and cash flows arising from changes in the exchange rate between the Canadian dollar and the US dollar and the degree of volatility in that rate.

#### **Other price risk**

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

#### **9. Remuneration to trustees, employees and contractors**

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

#### **10. Government remittances**

Included in accounts payable and accrued liabilities at December 31, 2023 are government remittances aggregating \$20,305 [2022 – nil], such as sales taxes, which are required to be paid to government authorities.