

credit union  
foundation of BC

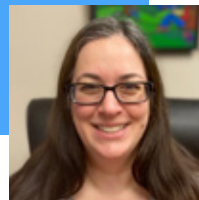


# 2024 AGM Package

## Agenda

1. Call to Order
2. Introduction of Trustees
3. Minutes of the 2023 Annual General Meeting
4. Trustees' Report
5. Awards and International Grants Committee Report
6. Marketing & Communications Committee Report
7. Treasurer's Report
8. 2023 Financial Statements
9. Appointment of Auditor
10. Governance & Nominating Committee Report
11. Q & A
12. Adjournment

# 2024 Trustee Nominations



**Jana Lukasek**

CEO,  
Bulkley Valley Credit Union



**Sam Lundy**

AVP, Credit Union Services  
Stabilization Central Credit Union



**Niki Jelstad**

Director, Marketing and Community  
Engagement  
Prospera Credit Union

## AGM 2024

Date:

**Friday May 31, 2024**

Time:

**10:00 am – 11:00 am**

Place:

**Virtual meeting**

# 2023 AGM Minutes

## Credit Union Foundation of British Columbia

### Minutes of the Sixty Fifth Annual General Meeting held virtually on Thursday, May 11, 2023

Credit Union Foundation of BC (CUFBC) President Bill Corbett called the meeting to order at 2:02 pm and advised that the meeting was being recorded for the Foundation records.

**Quorum:** A quorum was declared present. The final registration showed attendance of 24 delegates and 8 guests. All of the individuals in attendance joined the meeting online.

President Bill Corbett provided opening remarks. The package was provided to AGM registrants in advance of the meeting and is also available for download on the Foundation's [website](#). To accommodate delegate voting for motions, instructions were provided as to how to place their vote during the AGM. A test motion was provided for attendees.

The President noted that the meeting would begin with the recognition of 3 individuals who were being honoured with Distinguished Service Awards (DSA) in 2023. The BC Distinguished Service Awards, jointly presented by the CUFBC and Central 1, are awarded to individuals in recognition of outstanding service in the BC credit union system and the co-operative movement.

The President first acknowledged the 2023 Distinguished Service Awards Committee:

- CUFBC Trustee Nolan Hill
- CUFBC Trustee Jana Lukasek, and
- Central 1 Director Shelley McDade

The President then introduced speaker Christine Bergeron, President and CEO of Vancity, who in turn introduced DSA recipient Anita Braha. Anita said a few words of thanks. The President introduced speaker Barry Delaney, President and CEO of SASCU, who in turn introduced DSA recipient Gene Creelman. Gene said a few words of thanks. The President then introduced Jeff Shewfelt, Co-CEO of Gulf & Fraser Credit Union, who introduced DSA recipient Gus Hartl.

After Gus Hartl had said his words of thanks, the President continued with the other business of the meeting. He introduced and thanked the Foundation Board of Trustees and the Trustees Emeritus/Emerita..

**Minutes:** The President requested a motion for adoption of the Minutes of the 2022 Annual General Meeting.

**Moved and Seconded:** That the minutes of the 2022 Annual General Meeting of the Credit Union Foundation of BC be adopted.

**Carried**

## **Board of Trustees Report**

President Bill Corbett shared several highlights from the Trustees Report for 2022, as circulated in the AGM package.

The President thanked the credit unions who contributed to the Foundation through annual dues in 2022, as well as those credit unions who further supported the Foundation through additional donations. Federal credit unions were also acknowledged for their generous support.

The President emphasized that 2022 continued to pose unprecedented and lasting challenges for students and schools. To help support students through these challenges, the Foundation was proud to provide over \$216,000 to students via individual grants and through its postsecondary grant program. The Foundation was also thrilled to continue its support of the Canada's Credit Union Development Education Program.

As of the AGM, the Foundation will experience some turnover with the resignations of trustees Nolan Hill and Tyler Patak. The President thanked these individuals for their invaluable contributions.

Thanks were also expressed for the continued support received from BC credit unions and their members, which enables the Foundation to carry on its mission and be true to its co-operative values..

## **Awards Committee Report**

Awards Committee chair Bill Corbett shared highlights from the in-depth report included in the AGM package.

Bill noted that through the applications received in 2022, it was evident just how much the rising cost of living is impacting students and their ability to complete their education. To help lessen this burden, the Credit Union Foundation was able to provide \$216,116 to students via individual grants and through its post-secondary annual grant program.

The Awards Committee also has oversight of international funding, and in the spirit of promoting lifelong learning and strengthening co-operative identity, the CUFBC was proud to support the Canada Credit Union Development Education Program (Canada DE) in 2022. CUFBC contributions allow international participants to attend alongside participants from Canada, and each participant committed to a project that will benefit their credit union and community, using the United Nation's Sustainable Development Goals (UNSDGs) and the Co-operative Enterprise Model as tools.

Thanks were given to Anita Cheng, Kirsten McElgunn, Mindy Kailly, Amie O'Brien and Kirsten l'Anson for their contributions to the Awards Committee.

## **Marketing and Communications Report**

Marketing and Communications committee chair Tyler Patak delivered a report on behalf of the committee.

Along with its business-as-usual activities the CUFBC launched a new brand in 2022, continued the refresh of its creative assets, introduced a LinkedIn page and strategized opportunities to engage with credit union colleagues.

Tyler then summarized that the focus for 2023 will be to increase engagement with the CUFBC LinkedIn page and to extend its brand to provide more resources for credit unions.

Tyler thanked Marketing & Communications committee members Kirsten McElgunn, Amie O'Brien, Balbir Bains and Kirsten l'Anson for their work over the past year.

## Treasurer's Report

Treasurer Jana Lukasek shared some highlights from the Treasurer's Report and the 2022 financial statements, included in the AGM package.

KPMG's audit was conducted in February 2023 and gave the Foundation a clean opinion. Thanks were given to the staff of KPMG and partner Carol Chiang.

Beginning with the balance sheet, total assets amounted to \$5,512,076, down 6.07% from 2021. Prior to 2016, the Foundation's assets were invested in 36 British Columbia credit unions and in Central 1. In 2016 the Foundation amended its investment policy and has now transitioned the investments to a managed fund with Connor Clark and Lunn ("CC&L"), with the hopes of realizing a better return in the long run.

Highlights from the Statement of Operations were then shared. Jana noted that included in the contributions is the ten cents per member donation, which in total was \$146,776. Jana also thanked Coast Capital for a donation of \$20,000 which is included in the unrestricted fund contributions.

There were some other generous donations in 2022 as well. Thanks were given to the Montgomerys, Phil Moore and GVCCU.

Investment income for the 2022 year was \$330,836 and the CUFBC had an unrealized loss on investments of \$508,464 at the end of the year due to market valuations of the assets held.

Jana then provided a summary on expenses from the statement of operations, and extended thanks to Audit and Finance committee members: Nolan Hill, Mindy Kailly and Balbir Bains.

**Moved and Seconded:** To adopt the Auditors' Report of the Financial Statements for the year ending 2022 as presented.

**Carried**

**Moved and Seconded:** To appoint KPMG as auditor for the Credit Union Foundation of BC for 2022 and that the Trustees be authorized to set remuneration.

**Carried**

## Governance & Nominating Committee Report

Committee chair Anita Cheng presented the 2022 Governance & Nominating Committee Report.

There were eight positions available in the 2023 election. This year, Amie O'Brien is completing a 1-year term and Nolan Hill and Tyler Patak are completing 3-year terms. Nolan and Tyler will not be seeking re-election.

The call for nominations was made to the credit union system in February with a deadline of March 31, 2023. As of the deadline, The Foundation received nomination papers from 5 individuals:

- Amie O'Brien, Integris Credit Union
- Brenda Monk, Central 1
- Anita Jensen, Gulf & Fraser Credit Union
- Aron Burke, Kootenay Savings Credit Union
- Nancy Crockett, Sunshine Coast Credit Union

With five candidates running for eight positions, these nominees were elected as Trustees by acclamation.

Anita extended thanks to Nolan Hill and Tyler Patak for their contributions to the Board of Trustees, as well as extend thanks to David Lanphear and Jessie Sidhu who resigned from their Trustee roles in 2022. Anita also offered a special thank you to former Trustee Theresa Dergousoff for her assistance and advice over the past year.

Anita then thanked the members of the Governance committee: Tyler Patak, Nolan Hill and Jana Lukasek.

The President welcomed the new Trustees and welcomed back the incumbents.

## **Good & Welfare**

No Good and Welfare items were brought forward by the membership.

**Adjournment:** The Chair thanked everyone for their attendance at the 2023 Annual General Meeting and the meeting was adjourned at 2:43 pm.



Kirsten McElgunn, Secretary



Bill Corbett, President

# 2023 Annual Report



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# Trustees' Report

The Credit Union Foundation of BC (CUFBC) is a public foundation and registered charity, established in 1958 through the co-operative spirit of BC credit unions in support of post-secondary education.

The CUFBC collaborates with the credit union system, post-secondary institutions and other stakeholders to help understand and address the barriers students face in reaching a higher education. The CUFBC is an important provincial source of funding for post-secondary education and training, supporting skills development and in turn local economic activity. It has also helped strengthen the engagement and participation of young people in the credit union system.

The Foundation awards program is primarily funded by earnings on its Memorial and Trust funds. Our sincere thanks go out to the credit unions who have collectively supported the foundation through donations to named funds, annual dues payments and other donations. We also thank federal credit unions for their generous support.

Over the past year, CUFBC trustees made refinements to our bursary program to better identify and support students facing barriers to education. A new marketing toolkit was also launched for credit unions to help inform members about bursary support available. Most significantly in 2023, the CUFBC board engaged in an extensive strategic planning process, reinforcing our vision and mission and laying out a roadmap for the coming three years.

In supporting students through their educational journeys, we're striving to build a future where everyone is able to reach their full potential, fostering a stronger future for all British Columbians.

Our vision is resilient and interconnected communities built by thriving and caring individuals. To help us achieve this vision, our mission is to utilize the collective resources of credit unions across the province to support those pursuing further education and training.

## **Our intended impact will be supported by three key strategic priorities:**

- Enhance the impact of financial assistance
- Develop holistic supports across the student journey
- Strengthen engagement and strategic partnerships

We're excited to move forward and to engage with our stakeholders, including all our member credit unions, to bring these priorities to life.

Given rising costs and uncertainties, many students are struggling to complete their studies. To help support them through these challenges, the Foundation was proud to provide \$235,000 to students over the past year via individual bursaries and through our post-secondary awards and grant programs. In recognition of the rising costs that students are facing, we increased the total amount disbursed in 2023 over previous years, and ensured a larger per-bursary average for students.

We were also thrilled to continue our support of the Canada's Credit Union Development Education Program, which allows for international participation and, in turn, supports credit union projects in countries such as Kenya, Malawi, Trinidad and Tobago, St. Lucia, Dominica and Jamaica.

The CUFBC board will see some change in 2024. Kirsten McElgunn and Aron Burke will be stepping down from their terms as of the 2024 AGM. Earlier in 2023, Anita Cheng resigned from her role with the CUFBC after leaving the credit union system. We extend our deep thanks to Kirsten, Aron and Anita for their invaluable contributions and wish them well into the future.

Our board is made up of dynamic and thoughtful individuals from across the credit union system. We welcome expressions of interest from those hoping to join the board or volunteer with the Foundation, especially (but not exclusively) those with financial, non-profit and marketing skillsets.

In closing, I'd like to again acknowledge and thank the credit unions and individuals who support the work of the Foundation. Together we're increasing access to education and creating supportive environments in which students can thrive.

Respectfully submitted,  
**Bill Corbett**, President  
CUFBC  
May 31, 2024



**I am sincerely grateful to have been chosen as a recipient of a Credit Union Foundation of BC bursary. I would like to thank you for the support you have offered me, as this will help lessen the financial burden of attending college while raising two young children.**

2023 bursary recipient

## **Credit Union Foundation of British Columbia Board of Trustees**

**Bill Corbett**  
President

**Nancy Crockett**  
Vice-President

**Kirsten McElgunn**  
Secretary

**Amie O'Brien**  
Treasurer

**Jana Lukasek**  
Trustee

**Aron Burke**  
Trustee

**Balbir Bains**  
Trustee

**Kirsten I'Anson**  
Trustee

**Mindy Kailly**  
Trustee

**Brenda Monk**  
Trustee

**Anita Jensen**  
Trustee

**Phil Moore**  
Trustee Emeritus

**Gene Blishen**  
Trustee Emeritus

**Gus Hartl**  
Trustee Emeritus

**W.J. (Bill) Wright**  
Trustee Emeritus

**Meredith Pue**  
Trustee Emeritus

**Jeff Shewfelt**  
Trustee Emeritus

# Our Vision

Resilient and interconnected communities built by thriving and caring individuals.

As an embodiment of our cooperative values, we strive to build a future where everyone is able to reach their full potential, fostering a stronger social, economic and environmental future for all British Columbians.



“

Thank you for the incredible impact that you're making through your gift. Now more than ever, industry needs highly trained students to fill jobs that keep our communities thriving—including health care, construction, business, engineering, computer sciences and trades.

But with the skyrocketing cost of living and economic uncertainty, far too many are at risk of abandoning the very education that would help ensure a better future for everyone.

BCIT

Recognizing the importance of education for both individuals and communities, we provide comprehensive support to students while fostering an environment that values cooperation and social responsibility. Our goal is to empower students on their learning journeys while cultivating leaders who make positive impacts in their communities.

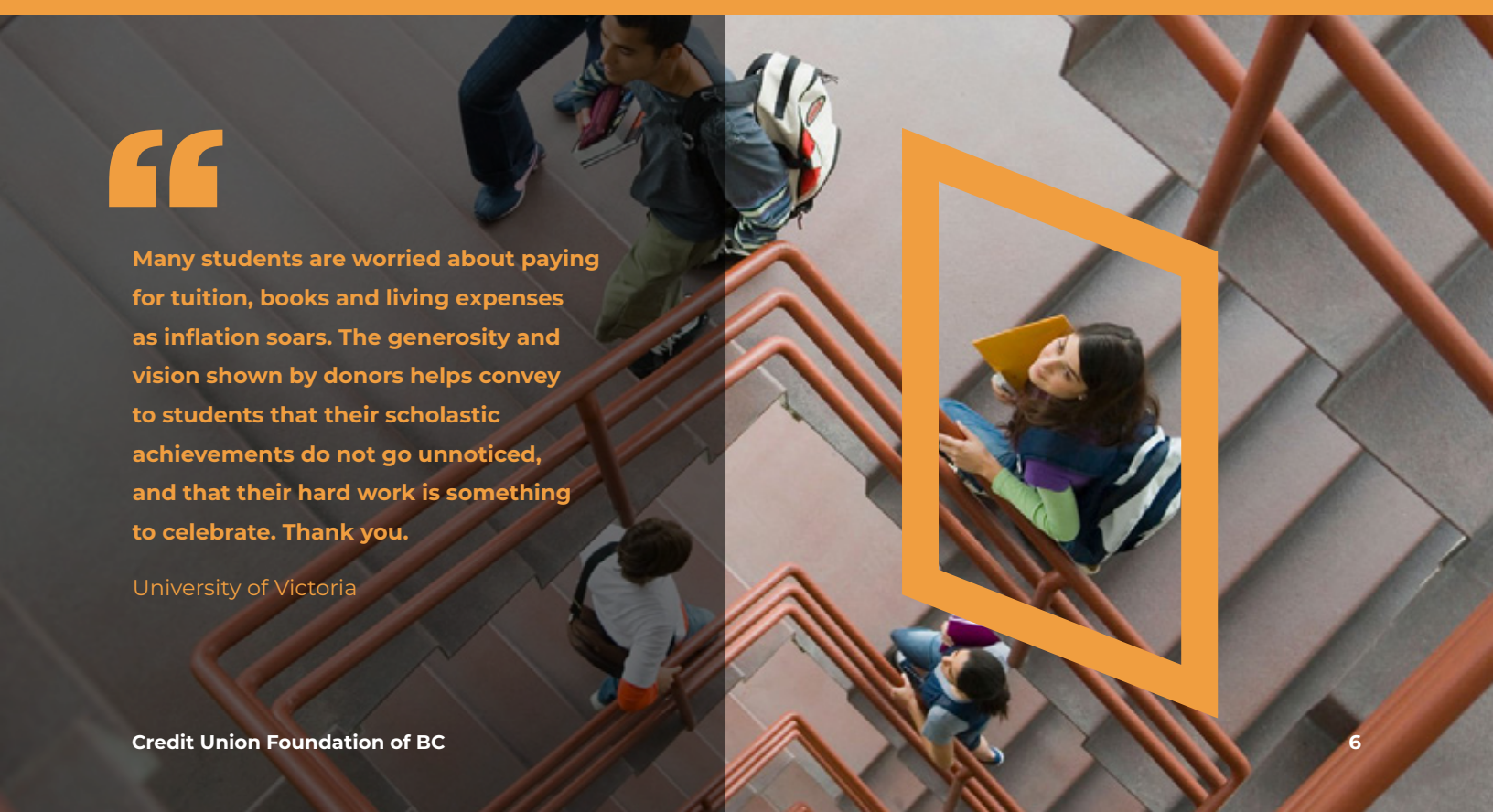
## Our Mission

We utilize the collective resources of credit unions across the province to support the journey of those pursuing further education and training.



Many students are worried about paying for tuition, books and living expenses as inflation soars. The generosity and vision shown by donors helps convey to students that their scholastic achievements do not go unnoticed, and that their hard work is something to celebrate. Thank you.

University of Victoria



# Awards & International Grants Committee Report

The Credit Union Foundation of BC is proud to provide education awards to BC post-secondary students who demonstrate financial need, reflect credit union values and show commitment to their communities. The Awards Committee is responsible for reviewing applications received and subsequently disbursing bursaries to students.

Through the applications we received in 2023, it was evident just how much the rising cost of living is impacting students and their ability to complete their education. To help lessen this burden, the Foundation was able to provide \$234,750 to students via individual bursaries and through our post-secondary awards and other programs.

## Individual Bursaries

The Foundation reviews and approves bursaries for students three times each year in order to accommodate the various school terms at different post-secondary institutions. Awards granted are based on demonstrated financial need, additional barriers that students face, shared credit union values and community involvement. In 2023 the Foundation received 249 applications and disbursed 161 bursaries totalling \$179,500.

## Post-Secondary Awards & other programs

In 2023, \$30,150 was provided by the CUFBC to universities and colleges across the province. With these funds, awards are given to individuals based on criteria set by the school or criteria established by CUFBC named funds. In addition to these post-secondary awards, the CUFBC made \$5,100 in donations to develop and recognize individual leadership.

## International Awards Program

The Awards Committee also has annual oversight of international funding, supported by the A. Rod Glen International Trust Fund. In the spirit of promoting lifelong learning and strengthening co-operative identity, the CUFBC was proud to support the Canada's Credit Union Development Education Program (Canada DE) with \$20,000 in 2023. This donation provides bursaries that allow international participants to attend alongside participants from Canada. CUFBC funding made it possible for 15 participants from Kenya, Malawi, Trinidad and Tobago, St. Lucia, Dominica, Jamaica, Barbados, Grenada, Eswatini and Ghana to be involved in the 2023 sessions. Each participant committed to a project that will benefit their credit union and community, using the United Nation's Sustainable Development Goals (UNSDGs) and the Co-operative Enterprise Model as tools.

Awards and International Grants committee:  
Mindy Kailly (Chair), Anita Jensen, Kirsten l'Anson, Aron Burke, Brenda Monk, Nancy Crockett, Jana Lukasek

Respectfully submitted,

**Mindy Kailly**, Chair  
Awards & International Grants Committee

# Our Role:

## Supporter

We act as supporters, offering financial and holistic support to students throughout their post-secondary journeys, increasing access to education and enabling students to be agents of change for society.

## Connector

We also function as connectors, leveraging the collective resources of credit unions and working with partners across the educational ecosystem to create supportive environments in which students can thrive.



**Your belief in my potential has inspired me to redouble my efforts and strive for excellence in my studies. The knowledge that you've entrusted me with this bursary motivates me to work even harder, not only to achieve my academic goals but also to contribute positively to the community and society.**

2023 bursary recipient

# Marketing & Communications Committee Report

It was another successful and busy year for the Credit Union Foundation of BC's Marketing & Communications Committee. Along with our usual activities, we launched a new marketing toolkit for credit unions, continued the refresh of our creative assets and strategized additional opportunities to engage with our credit union colleagues.

## Marketing toolkit

With a brand-new toolkit of marketing assets, we've made it easy for credit unions to help spread the word about the CUFBC. Credit unions can let members know about the foundation, promote upcoming bursary periods or remind members about approaching deadlines. With this toolkit we've already seen increased credit union interest in and engagement with the CUFBC, and we're committed to finding even more ways to echo and amplify our message throughout the system.

## Creative Assets

Paying for school can be a huge challenge and we're proud to help students stress less and learn more. CUFBC bursaries are so appreciated by members, and promoting the CUFBC is a great way to highlight the value credit unions bring to their local communities. As such, we'll continue to refresh and add to our creative assets, ensuring a dynamic and engaging brand.

Our focus for 2024 will be to review our presence on social media, increase engagement with our LinkedIn page and to extend our brand to provide more resources for credit unions. We look forward to discovering what marketing and communication deliverables our committee can create to further support the promotion of the CUFBC!

Marketing & Communications committee: Balbir Bains (Chair), Kirsten McElgunn, Anita Jensen, Aron Burke

Respectfully submitted,

**Balbir Bains**, Chair

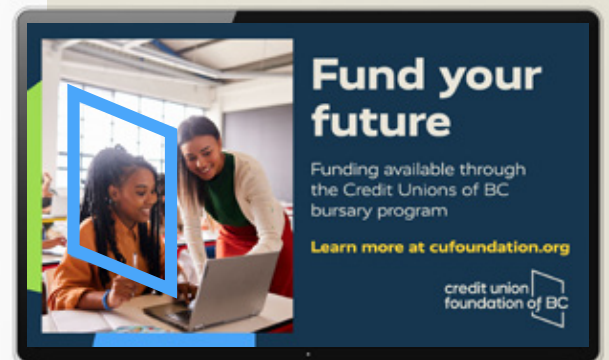
Marketing & Communications Committee

**Credit Union Foundation of BC**



**Receiving this bursary has given me hope for the future of my education. When I was struggling and feeling unsure about whether to continue or not, the Credit Union Foundation of BC helped me to get back on track. Thank you!**

2023 bursary recipient



# Governance & Nominating Committee Report

As part of the governance of the Credit Union Foundation of BC, an annual election is held to fill vacant and maturing positions on the Board of Trustees. There are six positions available in the 2024 election. This year, Jana Lukasek and Kirsten McElgunn are completing 3-year terms. Jana Lukasek will be seeking re-election and Kirsten McElgunn will not be seeking re-election. Aron Burke, who is leaving the credit union system, will be resigning from his role as Trustee.

The call for nominations was made to the credit union system in March with a deadline of April 15.

## As of the deadline, The Foundation received nomination papers from three individuals:

- Jana Lukasek, Bulkley Valley Credit Union
- Niki Jelstad, Prospera Credit Union
- Sam Lundy, Stabilization Central

With three candidates running for six positions, we declare the above nominees elected as Trustees by acclamation.

On behalf of the credit union system, the Foundation would like to thank Kirsten McElgunn, Aron Burke and Anita Cheng (who left the credit union system in 2023) for their valuable contributions to the Board of Trustees. We also want to offer a special thank you to former Trustee Theresa Dergousoff for her assistance and advice over the past year.

In addition to the new Trustees above, the Board of Trustees includes those whose terms mature in 2025, being Bill Corbett (Stabilization Central Credit Union), Mindy Kailly (Coastal Community Credit Union), Kirsten l'Anson (Community Savings

Credit Union) and Balbir Bains (Greater Vancouver Community Credit Union).

Those maturing in 2026 include Amie O'Brien (Integrus Credit Union), Anita Jensen (Beem Credit Union), Brenda Monk (Central 1) and Nancy Crockett (Sunshine Coast Credit Union).

The Credit Union Foundation makes a significant impact in our communities and is a great demonstration of the difference that credit unions can make when they collaborate. We invite credit union and affiliate staff to inquire about joining the Board of Trustees and contributing to the life-changing difference that the CUFBC can make in people's lives.

Governance and Nominating committee: Brenda Monk (Chair), Nancy Crockett, Kirsten l'Anson

Respectfully submitted,

**Brenda Monk**, Chair

Governance & Nominating Committee



**As a single parent, deciding to pursue higher education was not easy. It has come with significant financial and time sacrifices, but I am confident that at the end of this journey I will be able to provide a better life for myself and my son.**

2023 bursary recipient



# Treasurer's Report

Total assets amounted to \$5,704,620 an increase of 3.5% from 2022. Prior to 2016, the Foundation's assets were invested in 36 British Columbia credit unions and in Central 1. In 2016 we amended our investment policy and have now transitioned the investments to a managed fund with Connor Clark and Lunn ("CC&L"), with the hopes of realizing a better return in the long run.

Revenues totaled \$693,476 (2022 – Loss \$4,852) consisting of grant and investment earnings of \$416,342 (2022 - \$330,836), donations from credit unions and individuals of \$121,300 (2022 - \$22,200), membership dues of \$3,300 (2022 - \$3,800) and credit union members' dues of \$ 147,533 (2022 - \$146,776). We had an unrealized gain on investments of \$376,185 at the end of 2023 (2022 – loss of \$508,464) due to market valuations of the assets held.

Total expenses were \$139,155, up \$21,589 from \$117,566 in 2022. This is mainly due to fees paid to support strategic planning in 2023, this is a periodic expense not annual. Administration fees were also slightly higher due to an economic increase in the hourly rate for administration and an increase in workload due to the strategic planning initiative.

Our awards are channeled into helping British Columbians further their education. For 2023, these awards totaled \$234,750 (2022 - \$216,116); of this amount, \$33,150 (2022 - \$31,000) was directed towards universities and colleges, and \$179,500 was for bursaries (2022 - \$185,116). Over the last 5 years, over \$1,200,000 has been distributed to deserving recipients who came from all over the province, something we can all truly be proud of.

In 2023 we also funded \$20,000 towards the Credit Union Development Education ("DE") program through Saint Mary's University. A total of \$15,000 was directed to the Credit Union DE program in 2022, with funds held over from 2021 when the program did not run due to COVID 19.

This year, the Foundation transferred \$218,217 to the Credit Union Pioneer's Memorial Trust Fund from the 2023 gain (2022 - \$338,534 transferred from the Trust Fund).

Investments held at CC&L are being made using the six UN Principles of Responsible Investing ("UNPRI"). Our board has directed CC&L investment managers to use UNPRI when building our portfolio; the UNPRI fundamentals are that companies that have good governance, good practices and are environmentally and socially conscious, typically perform better. The embracing of responsible investing is reflected in our portfolio.

We can confirm that the Foundation is compliant with the disbursement quota as calculated from the Revenue Canada Charities return that we file annually. We will ensure that we continue to follow CRA guidelines now that the disbursement quota has increased from 3% to 5% of our assets held.

As Treasurer, I would like to thank my fellow Audit and Finance committee members, and our Program Manager, Nicole Eich, who have worked hard all year for the Foundation. I would also like to thank Theresa Dergousoff who retired from the Foundation Board three years ago but continues to keep our books in pristine condition. Thank you to our auditors, Carol Chiang and the staff at KPMG, who made the audit go smoothly again this year. Also, we would like to thank all credit unions for their support, and especially those credit unions and individuals who made donations to the various memorials. These donations are perpetually reinvested in our members' education and dreams.

Respectfully submitted,

**Amie O'Brien**, CPA  
Treasurer



# 2023 Financial Statements



**KPMG LLP**

PO Box 10426 777 Dunsmuir Street  
Vancouver BC V7Y 1K3  
Canada  
Telephone (604) 691-3000  
Fax (604) 691-3031

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Credit Union Foundation of British Columbia

### Report on the Audit of Financial Statements

#### *Opinion*

We have audited the financial statements of Credit Union Foundation of British Columbia (the Foundation), which comprise:

- the statement of financial position as at December 31, 2023
- the statement of operations and fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes and schedules to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the “financial statements”).

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

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.



## ***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 the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.
- 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 policies applied in preparing and presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants

Vancouver, Canada  
April 19, 2024

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

## Statement of Financial Position

December 31, 2023, with comparative information for 2022

	2023	2022
<b>Assets</b>		
Current assets:		
Cash	\$ 131,844	\$ 88,149
Investments, at fair value (note 3)	5,704,620	5,423,927
	<u>\$ 5,836,464</u>	<u>\$ 5,512,076</u>

## Liabilities and Fund Balances

Current liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 7,282	\$ 2,465
Fund balances:		
Memorial and Trust Funds (Schedule 1)	5,829,182	5,509,611
	<u>\$ 5,836,464</u>	<u>\$ 5,512,076</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:



\_\_\_\_\_  
Director



\_\_\_\_\_  
Director

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

## Statement of Operations and Fund Balances

Year ended December 31, 2023, with comparative information for 2022

	Unrestricted General Fund	Restricted Memorial and Trust Funds	2023 Total	2022 Total
<b>Revenue:</b>				
Contributions (Schedule 2, note 5)	\$ 172,533	\$ 101,300	\$ 273,833	\$ 168,976
Corporate member dues	3,300	-	3,300	3,800
Investment income (note 4)	241,556	-	241,556	330,836
Unrealized gain (loss) on investments	174,787	-	174,787	(508,464)
	592,176	101,300	693,476	(4,852)
<b>Expenses:</b>				
Administration services	43,914	-	43,914	37,712
Audit and legal fees	20,693	-	20,693	16,926
Investment management fees	45,489	-	45,489	45,184
Marketing (note 5)	10,974	-	10,974	10,148
Office and other	18,085	-	18,085	7,596
	139,155	-	139,155	117,566
Excess (deficiency) of revenue over expenses before grants and bursaries	453,021	101,300	554,321	(122,418)
Grants and bursaries paid	(234,750)	-	(234,750)	(216,166)
Excess (deficiency) of revenue over expenses including grant and bursaries	218,271	101,300	319,571	(338,534)
Fund balances, beginning of year	-	5,509,611	5,509,611	5,848,145
Interfund transfer (note 2(a))	(218,271)	218,271	-	-
Fund balances, end of year	\$ -	\$ 5,829,182	\$ 5,829,182	\$ 5,509,611

See accompanying notes to financial statements.

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

## Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operating:		
Excess (deficiency) of revenue over expenses including grants and bursaries	\$ 319,571	\$ (338,534)
Items not involving cash:		
Unrealized loss (gain) on investments	(174,787)	508,464
Net changes in non-cash operating working capital items:		
Accounts payable and accrued liabilities	4,817	(17,162)
	149,601	152,768
Investments:		
Purchase of investments, net of redemptions	(105,906)	(200,539)
Increase (decrease) in cash	43,695	(47,771)
Cash, beginning of year	88,149	135,920
Cash, end of year	\$ 131,844	\$ 88,149

See accompanying notes to financial statements.



# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended December 31, 2023

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## 1. Operations:

Credit Union Foundation of British Columbia (the "Foundation") was incorporated in 1958 and is registered under the Societies Act (British Columbia). The Foundation is a registered charitable organization under the Income Tax Act and, accordingly, is exempt from federal and provincial income taxes provided certain requirements of the Income Tax Act are met.

The Foundation's primary role is to provide supplemental grant-in-aid assistance to students who are residents of British Columbia and to assist mature students in upgrading their education and skills.

## 2. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are as follows:

### (a) Fund accounting:

The General Fund accounts for revenue and expenses relating to the Foundation's general operating and administrative activities, the income earned on the Memorial and Trust Funds, and grants and bursaries disbursed in the year. At each year-end, the Foundation transfers any excess of revenue over expenses and grants and bursaries in this fund to the Credit Union Pioneers Memorial internally restricted fund to be used towards earning income to fund grants and bursaries in future years. Any transfers from the Credit Union Pioneers Memorial Fund to fund deficits in the General Fund is subject to Board of Directors approval.

The Memorial and Trust Funds account for funds restricted for the purpose of earning income to be used towards funding grants and bursaries in accordance with the terms of the established funds and as approved by the Board of Directors.

### (b) Revenue recognition:

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

Externally restricted contributions which can only be used for purposes designated by the contributor are recognized as revenue of the restricted funds when received.

Restricted contributions received for which no specific restricted fund exists are deferred in the general fund and recognized as revenue when the funds have been spent in accordance with restrictions.

Unrestricted contributions are recognized as revenue in the general fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue in the general fund on an accrual basis.

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

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## 2. Significant accounting policies (continued):

### (c) Financial instruments:

The Foundation's financial instruments are comprised of cash, investments, and accounts payable and accrued liabilities.

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. Management has elected to carry all investments at fair value. All other financial instruments are subsequently measured at cost or amortized cost.

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, which are amortized using the straight-line method. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

Financial assets carried at cost or amortized cost are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral.

### (d) Use of estimates:

The preparation of 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 at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

## 3. Investments, at fair value:

	2023		2022	
	Market value	Cost	Market value	Cost
Fixed income and hedge strategies	\$ 2,990,616	\$ 3,127,734	\$ 2,955,301	\$ 3,165,391
Canadian equity	721,900	636,023	691,852	586,766
Global equity	1,117,040	816,402	1,003,090	785,319
Alternative investments	875,064	778,612	773,684	709,994
	<u>\$ 5,704,620</u>	<u>\$ 5,358,771</u>	<u>\$ 5,423,927</u>	<u>\$ 5,247,470</u>

## 4. Investment income:

	2023	2022
Interest	\$ 69,496	\$ 90,978
Capital gains distributions	89,948	5,627
Dividends	24,237	24,343
Other foreign income distributions	58,796	136,417
Realized gains (losses)	(921)	73,471
	<u>\$ 241,556</u>	<u>\$ 330,836</u>

## 5. Related party transactions:

Credit Unions in British Columbia are members of the Foundation and are considered related parties. The Foundation received contributions of \$167,533 (2022 - \$166,766) from the credit unions which have been recorded as part of contributions revenue.

During the year ended December 31, 2023, \$8,654 was paid to Central 1 Credit Union for marketing and technology-related services (2022 - \$12,220). \$4,095 (2022 - nil) of this amount remains payable and included in accounts payable and accrued liabilities as at December 31, 2023.

These transactions are in the normal course of the Foundation's operations and are recorded at the exchange amount.

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

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## 6. Financial risk:

The Foundation invests its various funds according to an Investment Policy Statement approved by the Board of Directors. This Statement outlines the objectives, policies and processes relating to investment activities and applies to all investments of the Foundation. Investment Policy guidelines include the minimum and maximum amount of Canadian equities, global equities, fixed income, and alternative investments including real estate, infrastructure, loan portfolio, multi strategy funds, short term investments and cash. This diversification across various asset classes is designed to decrease the volatility of portfolio returns. The Board of Directors regularly review the Foundation's investments to ensure that all activities adhere to the Investment Policy Statement.

The Board of Directors has overall responsibility for the establishment and oversight of the Foundation's risk management framework, including risks related to financial management of assets.

### (a) Credit risk:

Credit risk is the risk of loss resulting in the failure of a borrower or counterparty to honour its financial or contractual obligation to the Foundation. Credit risk arises primarily from the Foundation's investments and cash deposits. The Foundation manages this risk by investing in high credit quality pooled funds and other investments as well as holding its cash deposits with credit unions in British Columbia, which are fully insured by the Credit Union Deposit Insurance Corporation.

### (b) Liquidity risk:

Liquidity risk is the risk that the Foundation will not be able to meet its financial obligations as they fall due. The majority of the Foundation's assets are investments traded in active markets that can be readily liquidated and therefore the Foundation's liquidity risk is considered minimal. In addition, the Foundation aims to retain a sufficient cash position to manage liquidity.

### (c) Market risk:

Market risk is the risk that changes in market prices, as a result of changes in foreign exchange rates, interest rates, equity prices and valuation of appraisal-based assets, will affect the Foundation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2023

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## 6. Financial risk management (continued):

### (c) Market risk (continued):

#### (i) Currency risk:

Investments in foreign securities are exposed to currency risk due to fluctuations in foreign exchange rates. The Foundation is exposed to currency risk on global equity pooled funds, as the prices denominated in foreign currencies are converted to Canadian dollars in determining fair value. The objective of the Foundation's investment policy is to control currency risk by maintaining a geographically diversified portfolio.

From time to time, the Foundation's external investment fund manager may hold balances in cash and cash equivalents denominated in non-Canadian currencies. The currency risk related to these balances is not significant.

#### (ii) Interest rate risk:

Interest rate risk relates to the risk that changes in interest rates will affect the fair value or future cash flows of financial instruments held by the Foundation. As part of its investment portfolio, the Foundation is invested in a number of fixed income instruments, individual pooled bond funds and private loan portfolio subject to interest rate risks. These holdings total \$2,126,364 as at December 2023 (2022 - \$2,131,657).

Duration is the most common measure of the sensitivity of the price of a fixed income instrument to a change in interest rates. The Foundation's portfolio managers vary the duration of the fixed income holdings in their portfolios in order to accommodate possible changes in interest rate.

#### (iii) Equity price risk:

Equity price risk is the risk that the fair value of equity financial instruments will fluctuate due to changes in market prices. The Foundation is exposed to equity price risk on its investments in equity pooled funds. The objective of the Foundation's investment policy is to manage Equity price risk by maintaining a portfolio which is diversified across geographic and industry sectors.

There has been no significant change to the above risk exposures from 2022.

## 7. Disclosure of remuneration under the Societies Act (British Columbia):

The Foundation does not have any employees. For the year ended December 31, 2023, no contractor for services (2022 – nil) received total annual remuneration of \$75,000 or greater.

In accordance with the bylaws of the Foundation, no remuneration was paid to any Directors of the Foundation during the year.

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

Schedule of Memorial and Trust Funds

Schedule 1

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
A Rod Glen International Trust Fund	\$ 522,061	\$ 522,061
Aldergrove Financial Trust	60,100	60,100
Ben Voth Memorial	10,000	10,000
Bill Kiss and Jeff Shewfelt Co-CEO Trust	100,000	-
Bob & Dorothy Bonshor Memorial Fund	9,400	9,200
Bruce Albion McDiarmid Memorial	1,600	1,600
Chemainus and District CU Pioneers Trust	2,500	2,500
Coast Capital Savings Credit Union Pioneers Memorial	3,190	3,190
Comox Valley Credit Union Pioneers Memorial	21,000	21,000
Credit Union Pioneers Memorial	3,784,239	3,565,968
Don Bentley Memorials	18,288	18,288
Donald & Bernice McDonough Memorial Fund	50,000	50,000
Envision Credit Union Pioneers Memorial	31,654	31,654
Farley B Dickinson Memorial	3,422	3,422
Flo & Bert Gladu Memorial	9,420	9,420
Gulf & Fraser Trust	104,407	104,407
Garry Ermacora Memorial	10,000	10,000
George Viereck Memorial	18,878	18,878
Gordon Beggs Trust	5,000	5,000
Grant Thornton Perpetual Trust	126,109	126,109
Greater Vancouver Community C.U. Pioneers Memorial	93,552	93,452
Interior Savings C.U. Pioneers Trust.	77,443	77,443
Jerry & Belle Lundie Memorial & Bequest	58,664	58,664
John A H Duffie Scholarship Trust	3,200	3,200
John H. Lucas Memorial	6,413	6,413
Joseph C Selby Memorial	20,390	20,390
Kla How Ya Society A. Rod Glen Memorial	13,876	13,876
Lewis van der Gracht Trust Fund	10,400	10,400
Lucille Sutherland Bursary Trust	20,430	20,430
May Campbell Bursary Trust	15,000	15,000
Michael Bach Memorial	11,730	11,730
Michael J Tarr Memorial	31,859	31,859
Mount Lehman Credit Union Pioneers Memorial	4,610	4,610
Operating Engineers CU Pioneers Memorial	24,728	24,728
Paul Humphries Memorial	13,965	13,965
R.J. (Bob) McMaster Memorials & Bequest	34,459	34,459
Richard W. Slater Honorary Trust	10,250	10,250
Rose Moore Memorial	21,479	20,479
Sharons Credit Union Trust Fund	11,500	11,500
Shirley C. Schmid Bursary Trust Fund	8,225	8,225
Shirley Lewis Smith Memorial	15,700	15,700
Sid Butterfield Memorial & Bequest	21,370	21,370
Sunshine Coast Credit Union Trust	10,450	10,450
Terry Smith Memorial	131,909	131,909
Thomas Cooper Memorial	10,000	10,000
Tom Dearlove Memorial	10,000	10,000
Valley First Credit Union Heritage Trust	60,500	60,500
VanCity Savings Credit Union Perpetual Trust	50,000	50,000
Vancouver Firefighters' C.U. Pioneers Memorial	6,573	6,573
VanTel/Safeway Credit Union Pioneers Memorial	7,000	7,000
VP Credit Union Trust	11,100	11,100
Wallace Wright Bursary Trust	14,325	14,325
Wes Darling Memorial	6,902	6,902
Westminster Savings Credit Union Trust	79,912	79,912
Williams Lake & District Credit Union Trust	10,000	10,000
	\$ 5,829,182	\$ 5,509,611

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

Schedule of Contributions Received

Schedule 2

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Bill Kiss and Jeff Shewfelt Co-CEO Trust	\$ 100,000	\$ -
Bob & Dorothy Bonshor Memorial Fund	200	200
Credit Union Pioneers Memorial	172,533	166,776
Greater Vancouver Community C.U. Pioneers Memorial	100	2,000
Rose Moore Memorial	1,000	-
	<u>\$ 273,833</u>	<u>\$ 168,976</u>