
MISSION COMMUNITY FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

INDEPENDENT AUDITORS' REPORT

To the Members of Mission Community Foundation

Qualified Opinion

We have audited the financial statements of Mission Community Foundation (the "Foundation"), which comprise the statement of financial position as at December 31, 2024, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many charitable organizations, the Foundation derives revenue from donations the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Foundation. Therefore, we were not able to determine whether any adjustments might be necessary to donations, excess of revenue over expenses, and cash flows from operations for the year ended December 31, 2024, and total assets and net assets as at December 31, 2024.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with 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 qualified audit opinion.

Emphasis of Matter

We draw attention to Note 2 to the financial statements, which explains that certain comparative information presented for the year ended December 31, 2023 has been restated. Our opinion is not modified in respect of this matter.

Other Matter

The financial statements for the year ended December 31, 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on September 19, 2024.

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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITORS' REPORT

- 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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.

Manning Elliott LLP

MANNING ELLIOTT LLP
Chartered Professional Accountants
Abbotsford, British Columbia
May 29, 2025

MISSION COMMUNITY FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	2024	2023 (Restated) (Note 2)
ASSETS		
CURRENT		
Cash	\$ 93,159	\$ 5,419
Accounts receivable (Note 5)	9,500	17,000
Goods and services tax receivable	1,863	3,021
Prepaid expenses	12,797	5,342
	117,319	30,782
INVESTMENTS (Note 6)	12,595,941	11,675,582
CAPITAL ASSETS (Note 7)	2,446	2,356
ART COLLECTION (Note 8)	1	1
	12,598,388	11,677,939
	\$ 12,715,707	\$ 11,708,721
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 31,496	\$ 31,857
NET ASSETS		
GENERAL FUND	364,686	348,206
CAPITAL ASSETS	2,446	2,356
RESTRICTED DISTRIBUTABLE	1,792,023	815,346
RESTRICTED ENDOWMENT	10,525,056	10,510,956
	12,684,211	11,676,864
	\$ 12,715,707	\$ 11,708,721

COMMITMENTS (Note 9)

Approved by the Board:

 Director

 Director

SIGN HERE

MISSION COMMUNITY FOUNDATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2023 Balance (Restated)	Excess (deficiency) of revenue over expenses for the year	Admin levy (Note 10)	Fund transfers (Note 10)	2024 Balance
General fund	\$ 348,206	\$ (157,978)	\$ 175,118	\$ (660)	\$ 364,686
Capital assets	2,356	(570)	-	660	2,446
Restricted distributable	815,346	1,151,795	(175,118)	-	1,792,023
Restricted endowment	10,510,956	14,100	-	-	10,525,056
	\$ 11,676,864	\$ 1,007,347	\$ -	\$ -	\$ 12,684,211

	2022 Balance	Excess (deficiency) of revenue over expenses for the year (Restated) (Note 2)	Admin levy (Note 10)	Fund transfers (Note 10)	2023 Balance (Restated)
General fund	\$ 380,793	\$ (175,823)	\$ 145,472	\$ (2,236)	\$ 348,206
Capital assets	430	(310)	-	2,236	2,356
Restricted distributable	156,485	804,333	(145,472)	-	815,346
Restricted endowment	7,449,175	3,061,781	-	-	10,510,956
	\$ 7,986,883	\$ 3,689,981	\$ -	\$ -	\$ 11,676,864

MISSION COMMUNITY FOUNDATION
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2024

	General Fund	Capital Assets	Restricted Distributable	Restricted Endowment	2024	2023
REVENUE						
Donations and bequests	\$ 26,251	\$ -	\$ 294,870	\$ 14,100	\$ 335,221	\$ 3,273,096
Investment income	-	-	358,116	-	358,116	173,001
Realized gain on investments	-	-	818,052	-	818,052	64,349
Unrealized gain on investments	-	-	393,666	-	393,666	908,381
	26,251	-	1,864,704	14,100	1,905,055	4,418,827
EXPENSES						
Amortization of capital assets	-	570	-	-	570	310
Audit and legal	27,251	-	-	-	27,251	35,219
Awards and grants	-	-	645,707	-	645,707	476,773
Bank charges and interest	269	-	-	-	269	384
Insurance	2,722	-	-	-	2,722	1,562
Investment management fees	-	-	67,202	-	67,202	64,867
Meetings	2,553	-	-	-	2,553	1,255
Office and miscellaneous	26,841	-	-	-	26,841	16,759
Public relations	22,284	-	-	-	22,284	6,251
Rent	6,734	-	-	-	6,734	5,350
Subcontracts	17,541	-	-	-	17,541	14,817
Travel	1,705	-	-	-	1,705	-
Wages and benefits	76,329	-	-	-	76,329	105,299
	184,229	570	712,909	-	897,708	728,846
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR						
	\$ (157,978)	\$ (570)	\$ 1,151,795	\$ 14,100	\$ 1,007,347	\$ 3,689,981

MISSION COMMUNITY FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ 1,007,347	\$ 3,689,981
Items not affecting cash:		
Amortization of capital assets	570	310
Realized gain on investments	(818,052)	(64,349)
Unrealized gain on investments	(393,666)	(908,381)
	(203,801)	2,717,561
Changes in non-cash working capital:		
Accounts receivable	7,500	(4,904)
Goods and services tax receivable	1,158	(1,085)
Prepaid expenses	(7,455)	(422)
Accounts payable and accrued liabilities	(361)	2,403
	842	(4,008)
	(202,959)	2,713,553
INVESTING ACTIVITIES		
Purchase of capital assets	(660)	-
Net disposals (purchases) of investments	291,359	(2,984,299)
	290,699	(2,984,299)
INCREASE (DECREASE) IN CASH FLOW DURING THE YEAR	87,740	(270,746)
CASH, BEGINNING OF YEAR	5,419	276,165
CASH, END OF YEAR	\$ 93,159	\$ 5,419

MISSION COMMUNITY FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

1. PURPOSE OF THE FOUNDATION

Mission Community Foundation (the "Foundation") was established by an Act of the British Columbia Legislature on June 19, 1987. On May 8, 2007 the Foundation changed its name from Mission Foundation to Mission Community Foundation. The Foundation is a registered charity under the Income Tax Act (Canada) and is accordingly exempt from income taxes.

The Foundation collects funds from the community and manages these funds, using the income for the benefit of the citizens of the City of Mission Region and Fraser Valley Regional District, within the Mission School District boundaries, in the fields of education, recreation, culture and humanities.

2. PRIOR YEAR RESTATEMENT

During the year, it was determined that one of the donations was recorded under endowment fund in error in 2023. The donation in the amount of \$200,243 should have been recorded under restricted distributable fund.

The comparative financial statements have been adjusted for this item, resulting in changes as described below.

	2023 (As previously stated)	Adjustment	2023 (Restated)
Restricted distributable			
Donations and bequests	\$ -	\$ 200,243	\$ 200,243
Net assets, end of year	615,103	200,243	815,346
Restricted endowment			
Donations and bequests	3,262,024	(200,243)	3,061,781
Net assets, end of year	10,711,199	(200,243)	10,510,956

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") under Part III of the CPA Canada Handbook - Accounting. Financial statements prepared in accordance with ASNPO are also in accordance with Canadian generally accepted accounting principles ("GAAP").

These financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies noted below:

(a) Fund accounting

The Foundation follows fund accounting, giving recognition to restrictions on the use of resources specified by donors. Revenues and expenses are segregated on the basis of restrictions on use but assets are not physically segregated on the basis of restrictions on use. The fund classifications are as follows:

- The General Fund represents the Foundation's program delivery and administrative activities.
- The Capital Fund represents activities relating to the Foundation's capital assets.
- The Restricted Endowment Fund represents the amounts contributed for endowment. Investment income earned on the resources of the Endowment Fund is reported in the restricted distributable fund.

MISSION COMMUNITY FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(a) Fund accounting *(continued)*

- The Restricted Distributable Fund represents investment income earned on the resources of the Endowment Fund that are intended to be distributed in accordance with the terms of the endowment as well as restricted receipts and awards unrelated to the restricted endowment fund.

(b) Cash

Cash consists of balances on deposit and investments in highly liquid short-term deposits, which are readily convertible into known amounts of cash and are subject to minimal risks of change in fair value.

Cash and cash equivalents held within the investment portfolio are disclosed as part of investments.

(c) Revenue recognition

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

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions are recognized as revenue once the amount receivable can be reasonably estimated and collection is reasonably assured.

Investment income earned on Endowment Fund resources is recognized as revenue of the Restricted Distributable fund when earned.

In the normal course of operations, the Foundation receives notifications of pending Estate gifts. Estate gifts, including bequests, are recorded as revenue upon their receipt. Bequests in a form other than cash or marketable securities are recorded at fair value at the time of receipt.

(d) Art collection

The Foundation holds a collection (the "Collection") of works of art. The Foundation records collections at cost. If cost is not determinable, collections are recorded at nominal value. The Foundation writes down the value of a collection if any events or changes in circumstances indicate that its net carrying value may exceed its fair value. As at December 31, 2024 and 2023, no write-downs have been recognized.

(e) Capital assets

Capital assets are stated at cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates:

Office furniture and equipment	20%
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The Foundation's policy is to record a write down to a capital asset's fair value or replacement cost when conditions indicate that a capital asset is impaired. Such conditions include when the capital asset no longer contributes to the Foundation's ability to provide goods and services or when the value of future economic benefits or service potential associated with the capital asset is less than its net carrying amount. Write-downs are recognized as an expense in the statement of operations and are not reversed.

MISSION COMMUNITY FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

(f) Contributed services and materials

The Foundation benefits from contributed services in the form of volunteer time and contributed materials. Contributed services are not recognized in the financial statements. Contributed materials are recorded at the fair market value only when a realizable value of the related benefit can be reasonably estimated and the materials are used in the normal course of operations and would otherwise have been purchased. The Foundation recognizes gifts in kind at prevailing market rates, if determinable.

(g) 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 about future events that affect the reported amounts of assets, liabilities, revenue and expenses as at the end of or during the reporting period. Management believes that the estimates used are reasonable and prudent, however, actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the valuation of accounts receivable, the determination of the useful lives of capital assets used for determining amortization, and the amounts recorded as accrued liabilities.

(h) Financial instruments

Measurement

The Foundation's financial instruments consist of cash, accounts receivable, investments, and accounts payable. The Foundation initially measures all of its financial assets and liabilities at fair value. The Foundation subsequently measures all of its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down that is determined is recognized in the consolidated statement of operations. A previously recognized impairment loss may be reversed to the extent of any improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the consolidated statement of operations in the period in which it is determined.

Transaction costs

The Foundation recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

MISSION COMMUNITY FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

4. FINANCIAL INSTRUMENTS RISKS

The Foundation's financial instruments are described in Note 3(h). In management's opinion, the Foundation is not exposed to significant credit, liquidity, market, currency, interest rate or other market risk arising from these financial instruments, except as described below. In addition, the Foundation is not exposed to any material concentrations of risk and there has been no significant change in exposures from the prior year.

Credit risk

Credit risk is the risk of financial loss to the Foundation if a counterparty to the financial instrument fails to meet its contractual obligations. The Foundation's cash, accounts receivable and investments are subject to credit risk. The risk associated with cash and investments is minimized to the extent that it is primarily placed with financial institutions. The risk associated with accounts receivable is minimized due to its low balance. As at December 31, 2024 and 2023, management determined an allowance of doubtful accounts not to be considered necessary.

Liquidity risk

Liquidity risk is the risk that the Foundation will be unable to fulfil its obligations on a timely basis or at a reasonable cost for its financial liabilities. 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.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

Currency risk is the risk to the Foundation's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Foundation is exposed to foreign currency exchange risk on investments held in U.S. dollars as described in Note 6. The Foundation does not use derivative instruments to reduce its exposure to foreign currency risk. In order to mitigate the risk, the Foundation uses third party investment advisors who actively monitor changes in exchange rates.

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. The Foundation is exposed to interest rate risk primarily through its fixed interest rate investments. The exposure to the risk depends on the duration of the investment and is varied in duration at the discretion of the investment manager to reflect the investment manager's outlook for interest rates.

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 (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is exposed to other price risk through its equity investments. The Foundation controls other price risk by maintaining a diverse investment portfolio and utilizing a professional investment manager.

MISSION COMMUNITY FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

5. ACCOUNTS RECEIVABLE

Accounts receivable consist of scholarships that have been advanced to schools to be distributed to students that are not expected to be claimed and therefore returned to the Foundation. Subsequent to year end the full amount of the receivable was received in March 2025.

6. INVESTMENTS

	2024		2023	
	Cost	Market Value	Cost	Market Value
<i>Canadian denominated:</i>				
Cash and cash equivalents	\$ 47,994	\$ 47,994	\$ 186,449	\$ 186,449
Fixed income	4,127,778	4,110,553	3,816,846	3,734,528
Equity	1,631,552	1,894,575	1,599,960	1,732,490
	5,807,324	6,053,122	5,603,255	5,653,467
<i>USD denominated (stated in CAD):</i>				
Cash and cash equivalents	221,410	221,410	229,554	229,554
Equity	5,230,334	6,321,409	4,879,270	5,792,561
	5,451,744	6,542,819	5,108,824	6,022,115
	\$ 11,259,068	\$ 12,595,941	\$ 10,712,079	\$ 11,675,582

7. CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Office and equipment	\$ 7,089	\$ 4,643	\$ 2,446	\$ 2,356

8. ART COLLECTION

The Foundation is the custodian of the Sweeney Collection, a prestigious collection of Canadian First Nations and Inuit art. This extensive collection contains pieces carved by artisans located in Fort Rupert, King Island Alaska, Akulivik Quebec, Cape Dorset, Ninavut, Skitegate, and Hadia Gwaii. The art pieces are carved from cedar, caribou and walrus bone, whale vertebrae, Serpentine argillite, steatite, ivory and may soapstone.

The collection is on virtual display on the organization's website and is put on display for one month every summer at the Mission Leisure Centre.

The collection is recorded at nominal value (\$1).

There have been no changes in the collection in the year.

9. COMMITMENTS

Subsequent to year end, the Foundation entered into a lease with respect to its premises. The lease is for a 12 month term commencing on April 1, 2025 and ending on March 31, 2026. The lease cost for the 12 month period is \$6,840 (\$570/month)

MISSION COMMUNITY FOUNDATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

10. INTERFUND TRANSFERS

Interfund transfers are enacted by resolutions passed by the Foundation's board of directors and presented in the statement of changes in net assets.

Interfund transfer for admin levy relates to annual management fees based on 1.5% of fair market value of investments held in the last quarter of the prior year.

In addition, \$660 (2023 - \$2,236) was transferred from the general fund to capital assets fund for the purposes of purchasing equipment.

11. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation. This has no impact on the previously stated total assets, total liabilities, net assets and excess of revenue over expenses for the year.