



Financial Statements of

Osprey Community Foundation

December 31, 2022



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**C.COMISHIN &
ASSOCIATES INC.**

INDEPENDENT AUDITOR'S REPORT

To the Members of **Osprey Community Foundation**

Opinion

We have audited the financial statements of Osprey Community Foundation, which comprise the statement of financial position as at December 31, 2022, and the statement of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Osprey Community Foundation as at December 31, 2022, and its financial performance and its 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 not-for-profit organizations, the Foundation derives revenue from fundraising activities, 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 fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2022 and 2021, current assets as at December 31, 2022 and 2021, and net assets as of January 1 and December 31 for both the 2022 and 2021 years.

We conducted our audit in accordance with Canadian generally accepted auditing standards for not-for-profit organizations. 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 ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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.

Emphasis of Matter - Restated Comparative Information

We draw attention to note 11 of the financial statements, which describes that the comparative information presented for the year ended December 31, 2021 has been restated and describes the matter that gave rise to the restatement of the financial information. Our opinion is not modified in respect to this matter.

Other Matter

The financial statements for the year ended December 31, 2021, prior to the adjustments to were applied to restate certain comparative information explained in Note 11, were audited by another auditor who expressed an unmodified opinion on those financial statements on June 20, 2022. As part of our audit of the financial statements for the year ended December 31, 2022, we also audited the adjustments applied to restate certain comparative information presented. In our opinion, such adjustments are appropriate and have been properly applied. Other than with respect to the adjustments that were applied to restate certain comparative information, we were not engaged to audit, review, or apply any procedures to the financial statements for the year ended December 31, 2021. Accordingly, we do not express an opinion or any other form of assurance on those financial statements taken as a whole.



CHARTERED
PROFESSIONAL
ACCOUNTANTS

Members, Institute of Chartered Professional Accountants of British Columbia

INDEPENDENT AUDITOR'S REPORT (Continued)

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organization 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 relating 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 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 for not-for-profit organizations, 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 Foundation's preparation and fair presentation of the financial statements 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 and significant deficiencies in internal control that we identify during our audit.

C. Comishin & Associates Inc.

Chartered Professional Accountants

June 19, 2023

Nelson, BC

Osprey Community Foundation

Statement of FINANCIAL POSITION

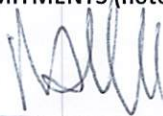
December 31, 2022

AUDITED

	2022	2021
		(Restated - note 11)
ASSETS		
CURRENT		
Cash	185,009	61,890
Marketable securities	476,304	331,494
Cash and cash equivalents	661,313	393,384
Restricted cash (note 3)	32,970	19,125
Accounts receivable (note 4)	134,755	108,889
Prepaid expenses	9,024	-
	<u>838,062</u>	<u>521,398</u>
NON-CURRENT		
Insurance policy (note 5)	37,109	37,818
Tangible capital assets (note 6)	6,262	8,347
	<u>43,371</u>	<u>46,165</u>
	<u>881,433</u>	<u>567,563</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (note 7)	8,616	8,500
Deferred grants and contributions (note 8)	192,000	-
	<u>200,616</u>	<u>8,500</u>
NON-CURRENT		
Deferred capital contributions (note 9)	4,860	7,203
	<u>205,476</u>	<u>15,703</u>
NET ASSETS		
Unrestricted	171,556	122,494
Internally restricted	48,848	49,724
Restricted for endowment	32,970	19,125
Restricted for future grants	422,583	360,517
	<u>675,957</u>	<u>551,860</u>
	<u>881,433</u>	<u>567,563</u>

The accompanying notes are an integral part of these financial statements.

APPROVED BY THE BOARD
COMMITMENTS (note 13)



DIRECTOR



DIRECTOR

INDEPENDENT AUDITOR'S REPORT (Continued)

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

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In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable matters relating 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 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 for not-for-profit organizations, 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 Foundation's preparation and fair presentation of the financial statements 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.
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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

C. Comishin & Associates Inc.

Chartered Professional Accountants

June 14, 2023

Nelson, BC

Osprey Community Foundation

Statement of FINANCIAL POSITION

December 31, 2022

AUDITED

	2022	2021
		(Restated - note 11)
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The accompanying notes are an integral part of these financial statements.

APPROVED BY THE BOARD
COMMITMENTS (note 13)



DIRECTOR



DIRECTOR

Osprey Community Foundation

Statement of OPERATIONS

For the year ended December 31, 2022

AUDITED

	Restricted for			Total	
	General	Future Grants	Endowment	2022	2021
RECEIPTS					
Administration fees	129,639	-	-	129,639	82,162
Donations	3,365	18,410	434,336	456,111	345,173
Investment earnings	4,664	499,545	-	504,209	391,260
Vancouver Foundation fee rebate	36,240	-	-	36,240	39,514
Grants	9,606	10,120	-	19,726	14,133
Community Foundations honorarium (note 8)	3,000	-	-	3,000	-
Gain on disposition of securities	-	-	-	-	394
(Loss) Gain on valuation of assets	(2,629)	-	-	(2,629)	6,153
Amortization of deferred capital contributions	2,343	-	-	2,343	1,844
Membership fees	200	-	-	200	160
	186,428	528,075	434,336	1,148,839	880,793
DISBURSEMENTS					
Administration fees	-	129,639	-	129,639	82,162
Advertising, promotion and events	251	-	-	251	6,595
Affiliate admin expenses	2,389	-	-	2,389	2,923
Amortization of tangible capital assets	2,670	-	-	2,670	1,971
Bank and transaction fees	449	-	-	449	642
Executive director and admin staff	83,966	-	-	83,966	76,917
Professional development	4,993	-	-	4,993	571
Grants distributed	-	327,841	-	327,841	404,879
Insurance	2,383	-	-	2,383	2,649
(Loss) Gain on disposition of securities	(310)	-	-	(310)	606
Memberships and fees	605	-	-	605	593
Miscellaneous and sundry	(1)	-	-	(1)	60
Office equipment and expenses	9,995	-	-	9,995	16,295
Other expenses	-	-	-	-	-
Professional fees	19,475	-	-	19,475	10,303
Rent	4,100	-	-	4,100	4,100
Transferred to Vancouver Foundation	477	14,116	420,491	435,084	271,009
Utilities	1,212	-	-	1,212	1,759
	132,654	471,596	420,491	1,024,741	884,034
Excess (deficiency) of receipts					
over disbursements	53,774	56,479	13,845	124,098	(3,241)

The accompanying notes are an integral part of these financial statements.

Osprey Community Foundation

Statement of CHANGES in NET ASSETS

For the year ended December 31, 2022

AUDITED

	General	Restricted for Future Grants	Endowment	2022	2021
NET ASSETS, beginning of year	172,217	360,517	19,125	551,859	555,101
Excess (deficiency) of receipts over disbursements	53,774	56,479	13,845	124,098	(3,241)
Transfers - administration fund income	1,412	(1,412)	-	-	-
Transfers - General to Restricted	(7,000)	7,000			
NET ASSETS, end of year	220,403	422,584	32,970	675,957	551,860

The accompanying notes are an integral part of these financial statements.

Osprey Community Foundation

Statement of CASH FLOWS

For the year ended December 31, 2022

AUDITED

	<u>2022</u>	<u>2021</u>
		(Restated - note 11)
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received - unrestricted donations	1,445	3,260
Cash received - memberships	200	160
Cash received - Grant for program administrative costs	39,605	9,625
Cash received - Grants for equipment, and training		3,000
Cash received - Vancouver Foundation Fee rebate	37,372	38,480
Cash received - GST rebate	685	1,181
Cash paid - wages and benefits	(83,966)	(76,917)
Cash paid - goods and services	(55,672)	(50,911)
Net cash received (used for) operating activities	<u>(60,331)</u>	<u>(72,122)</u>
CASH FLOWS FROM FINANCING AND INVESTING ACTIVITIES		
Earnings - short term investments	9,154	755
Cash received - endowment donations	434,336	260,934
Cash received - endowment earnings	468,315	388,134
Cash received - flow through grants	193,530	83,559
Cash (loss) gain - disposition of donated securities	310	(606)
Cash paid - tangible capital assets	(615)	(4,263)
Cash paid - grants	(327,842)	(407,880)
Cash transferred to Vancouver Foundation endowment	(435,083)	(271,009)
Net cash from (used for) financing and investing activities	<u>342,104</u>	<u>49,624</u>
Net increase (decrease) in cash	<u>281,774</u>	<u>(22,497)</u>
CASH AND CASH EQUIVALENTS, beginning of year	412,509	435,006
CASH AND CASH EQUIVALENTS, end of year	<u>694,283</u>	<u>412,509</u>
CASH AND CASH EQUIVALENTS CONSIST OF		
Cash	185,009	61,890
Marketable securities	476,304	331,494
Restricted cash	32,970	19,125
	<u>694,283</u>	<u>412,509</u>

The accompanying notes are an integral part of these financial statements.

OSPREY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 AUDIT ENGAGEMENT REPORT

1. NATURE OF ORGANIZATION

Osprey Community Foundation was incorporated under the Canada Corporations Act, by Letters Patent dated March 17, 2000. The Foundation is registered with the Charities Division, Canada Revenue Agency and is classified as a public foundation. As such, it is exempt from federal income taxes and can issue charitable donation receipts.

The Foundation uses the income from funds donated and bequeathed to its endowment funds held with the Vancouver Foundation to support charitable activities in the West Kootenay region of British Columbia.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements of the Foundation have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The following is a summary of the significant accounting policies of the Foundation:

a) Fund Accounting

For financial reporting purposes, the accounts have been classified into the following funds:

General Fund

The General Fund accounts for the Foundation's administrative activities. This fund reports unrestricted resources including unrestricted grants and contributions and general administrative expenditures. Restricted contributions for other than future grants are recognized in the General Fund using the deferral method of accounting.

Restricted for Endowment Fund

The Restricted for Endowment Fund reports contributions restricted for endowment to be invested permanently in accordance with the Foundation's investment policy. Contributions are recorded as revenue when received and as an expense when transferred to the Vancouver Foundation. Note 10 details amounts held with the Vancouver Foundation not reported on the Statement of Financial Position of the Foundation as they have been transferred.

Restricted for Future Grants Fund

The Restricted for Future Grants Fund reports contributions, investment income, donations and grants received that are restricted for granting to other organizations by the Foundation. Investment income, grants and donations are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

OSPREY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 AUDIT ENGAGEMENT REPORT

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Financial Instruments

The Foundation considers any contract creating a financial asset, liability, or equity instrument as a financial instrument, except in certain limited circumstances. The Foundation's financial instruments consist of cash, restricted cash, marketable securities, accounts receivable, and accounts payable and accrued liabilities. Marketable securities are considered a cash equivalent when held in highly liquid investments, such as a high interest savings account.

Initial measurement

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

Prior to amendments effective January 1, 2021

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the Foundation is in the capacity of management in which case they are accounted for in accordance with financial instruments.

After amendments effective January 1, 2021

Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. The Foundation does not have any financial assets or financial liabilities in related party transactions which are initially measured at fair value.

Gains or losses arising on initial measurement differences are generally recognized in net income when the transaction is in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

Subsequent measurement

The Foundation subsequently measures its financial assets and financial liabilities at amortized cost.

OSPREY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 AUDIT ENGAGEMENT REPORT

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Prior to amendments effective January 1, 2021

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the Foundation is in the capacity of management in which case they are accounted for in accordance with financial instruments.

After amendments effective January 1, 2021

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how the Foundation initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets. The Foundation has no related party instruments recorded at cost at year-end. Financial instruments initially measured at fair value, of which the Foundation has none, would be subsequently measured at amortized cost or fair value based on certain conditions.

Derecognition

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

Impairment

A financial asset or group of similar financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. Impairment losses are recognized as an expense in the statement of operations. Any write-downs recognized are not reversed.

c) Revenue Recognition

The Foundation follows the restricted fund method of accounting for contributions. Contributions are recognized when received or receivable into the applicable funds. Investment income earned on the Foundation's endowment with the Vancouver Foundation is reported in the Restricted for Future Grants Fund in the year the investment income is earned. Restricted contributions recorded in the Restricted Fund are recognized as revenue when received. Unrestricted contributions of the General Fund are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions for purposes other than future grants are recognized in the General Fund when the related expenses are incurred. In-kind contributions are recorded at their fair market value, if determinable, when received.

OSPREY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 AUDIT ENGAGEMENT REPORT

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Contributed Services

Contributed services and volunteer hours are not recognized in the Foundation's financial statements, because of the difficulty in determining their fair value.

e) Tangible Capital Assets

Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution. Rates of amortization are applied on a straight-line basis to write off the cost of tangible capital assets over their estimated lives and are as follows:

Computers	3 years
Computer software	5 years
Furniture and equipment	5 years

Impairment of tangible capital assets

When a tangible capital asset no longer has any long-term service potential to the Foundation, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Any write-downs recognized are not reversed.

The Foundation tests tangible capital assets, or groups of tangible capital assets, for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. An impairment loss is recognized when the carrying amount of the tangible capital asset or group of assets exceeds the asset's fair value.

f) Use of Accounting Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Items subject to significant management estimates include the allowance for doubtful accounts, if applicable, and estimated useful life and related amortization rates of tangible capital assets.

OSPREY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 AUDIT ENGAGEMENT REPORT

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments

The Foundation is exposed to various risks through its financial instruments. The following analysis presents the Foundation's exposure as at December 31, 2022.

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's main credit risks relate to its accounts receivable balances. For accounts receivable, the Foundation assesses amounts receivable on the basis of amounts it is virtually certain to receive based on their estimated realizable value to reduce risk.

3. RESTRICTED CASH

Restricted cash is composed of endowment funds to be transferred to the Vancouver Foundation.

4. ACCOUNTS RECEIVABLE

	<u>2022</u>	<u>2021</u>
Vancouver Foundation rebate	\$ 9,218	\$ 10,350
Vancouver Foundation investment earnings	124,889	98,150
GST Receivable	648	388
	<u>\$ 134,755</u>	<u>\$ 108,889</u>

5. INSURANCE POLICY

In 2014, the Foundation received a donation of a life insurance policy. The cash surrender value at December 31, 2022 was \$37,109 (2021 - \$37,818). In 2022, the total tax receipted amount of the donation was \$1,920 (2021 - \$1,920) representing the value of the premiums paid by the donor. This asset is reported at the cash surrender value rather than the face value. Any increase or decrease in cash surrender value is allocated to the General Fund and recorded as a gain or loss on value of an asset. This asset is internally restricted in the General Fund until it is paid out and transferred into a designated endowment fund.

OSPREY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 AUDIT ENGAGEMENT REPORT

6. TANGIBLE CAPITAL ASSETS

Tangible capital assets are comprised of the following:

	2022		2021	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computers	\$ 3,607	\$ 1,599	\$ 2,993	\$ 499
Computer Software	6,728	3,364	6,728	2,108
Furniture and Equipment	1,270	380	1,270	127
	<u>\$ 11,605</u>	<u>\$ 5,343</u>	<u>\$ 10,991</u>	<u>\$ 2,644</u>
Net book value	<u>\$6,262</u>		<u>\$8,347</u>	

7. ACCOUNTS PAYABLE

	2022	2021
Accounting accrual	\$ 8,500	\$ 8,500
WCB payable	116	-
	<u>\$ 8,616</u>	<u>\$ 8,500</u>

8. DEFERRED GRANTS AND CONTRIBUTIONS

Deferred grants and contributions reported in the General Fund represent the unspent portion of grants and contributions restricted for specific purposes other than for granting.

In December 2022, the Foundation entered into a collaboration agreement with the Community Foundations of Canada to distribute funds to Community Service Organizations as they adapt, modernize, and build resilience following the COVID-19 pandemic. This funding consists of \$165,000 in funding to be distributed by June 30, 2023, to eligible applicants and a \$30,000 honorarium payable to the foundation to support the work in administering the program.

In 2020, the foundation received deferred contributions from the RBC Future Launch Vital Conversation program of \$6,000. These contributions were fully utilized in 2021.

OSPREY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 AUDIT ENGAGEMENT REPORT

8. DEFERRED GRANTS AND CONTRIBUTIONS (Continued)

Deferred Contributions	2022	2021
Balance, beginning of year	\$ -	\$ 6,000
Plus amounts received	195,000	
Less eligible expenditures	(3,000)	(6,000)
Balance, end of year	<u>\$ 192,000</u>	<u>\$ -</u>

9. DEFERRED CAPITAL CONTRIBUTIONS

The Foundation records funding received for the purchase of capital assets as deferred capital contributions. The related assets have been capitalized and are amortized based on straight line basis over the estimated useful life of the asset.

Deferred Capital Contributions	2022	2021
Balance, beginning of year	\$ 7,203	\$ 6,055
Plus amounts received	-	2,992
Less eligible expenditures	(2,343)	(1,844)
Balance, end of year	<u>\$ 4,860</u>	<u>\$ 7,203</u>

10. ENDOWMENT FUNDS HELD WITH VANCOUVER FOUNDATION

The Foundation has permanently endowed funds in the "Osprey Community Foundation Endowment Fund" ("the Fund") held by the Vancouver Foundation. The Vancouver Foundation has invested these funds, and the annual earnings allocated to the Fund are either distributed to the Osprey Community Foundation or capitalized in the Fund. The cost of the Fund at December 31, 2022 was \$8,349,965 (2021 - \$7,901,037). The market value of the Fund at December 31, 2022 was \$10,534,965 (2021 - \$11,828,336). In 2022, the Foundation collected \$434,336 (2021 - \$260,934) contributions for permanent endowment, transferred \$420,491 (2021 - \$265,505) contributions to the Fund, recapitalized \$14,116 (2021 - \$5,504) income derived from the Fund, and has \$32,970 (2021 - \$19,125) in restricted cash and amounts payable to be transferred to the Fund in upcoming periods.

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NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 AUDIT ENGAGEMENT REPORT

As the Foundation has the right to receive only the investment income and has no access to the contributed principal, these funds held with the Vancouver Foundation are not reported in the financial statements of the Osprey Community Foundation.

Investment income derived by the Foundation from the Fund for the year was \$494,544 (2021 - \$390,505).

Investment earnings attributable to the various endowment funds are distributed proportionately to charitable organizations either named in the deed of gift establishing the fund, or active in the field of interest specified for the fund. Distributions attributable to the Community Fund are not restricted to a specific charitable purpose.

The breakdown of the Foundation's endowment funds held with the Vancouver Foundation are as listed on the following pages:

OSPREY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 AUDIT ENGAGEMENT REPORT

10. ENDOWMENT FUNDS HELD WITH VANCOUVER FOUNDATION (continued)

Osprey Community Foundation Endowment Fund

	2022	2021
Amy Ferguson Institute - June Lythgoe Scholarship Fund	\$20,000	\$20,000
Angelo Mastrobuono Bursary Fund	70,049	70,049
Arts Fund	665	665
B.C. Festival of the Arts Legacy Fund	65,487	65,487
Bragagnola Bursary Fund	30,000	30,000
Brian McGrath Memorial Bursary Fund	29,332	29,332
Caitlynd Piderman Scholarship Fund	29,721	29,721
Capitol Theatre Fund	12,608	12,608
Care to Learn Programme Fund	10,100	10,100
Child, Youth & Family Fund	7,500	7,500
City of Nelson Employees' Scholarship Fund	22,753	22,753
Community Food Security Fund	17,343	16,843
Community Fund (Nelson, B.C.)	433,393	411,318
Dan Davidoff Legacy Fund	10,864	10,864
David Thompson Arts Award Fund	57,532	56,781
Discover Nelson Fund	85,100	73,442
Dr. Kenneth Muth and Dr. Marion MacLellan Legacy Fund	35,000	25,000
Environment Fund	30,906	30,656
Ernie Gare Athletic Scholarship Fund	161,320	160,320
Ferns Fund	10,000	10,000
Fischbein Fund	10,000	10,000
Fred and Audrey Heddle Legacy Fund	10,750	10,400
Friends of Nelson Elders in Care Fund	59,510	59,510
Health - Wellness, Education & Prevention Fund	51,138	51,138
Health General Fund	62,210	62,210
Heowser's Fund	20,000	-
Ian Smith Memorial Fund	19,922	18,870
Jack and Elaine Hooper First Nation's Student Fund	30,000	-
Kalein Endowment Fund	25,600	25,600

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NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 AUDIT ENGAGEMENT REPORT

Kaslo & District Public Library Fund	10,150	10,150
Kaslo Seniors Housing Fund	1,084	1,043
Katherine T. & Robert E. McGauley Memorial Scholarship Fund	47,303	47,303
Kerry Dyck Memorial Scholarship Fund	26,449	26,374
Kootenay Lake Hospital Foundation Fund	65,190	60,190
Kootenay School of the Arts Fund	30,000	30,000
Nelson Lions Club Fund	360,000	360,000
Lipscombe Family Fund	11,196	11,196
Lois McKinnon Legacy Fund	30,000	30,000
L.V.Rogers Class of 2008 Bursary Fund	11,202	10,775
L.V.Rogers Legacy Fund	10,350	10,350
MacDonald Family Fund	50,991	30,000
Mary Woodward Legacy	24,005	24,005
Mental Wellness	9,351	9,351
Morrison Family Fund	26,871	26,871
Nancy Jones Legacy Fund	22,120	22,120
Nelson & District Hospice Society Fund	10,000	10,000
Nelson and District Credit Union	125,340	119,500
Nelson Museum & Art Gallery Fund	477,446	275,137
Nelson Home Hardware Community Fund	25,000	20,000
Nelson Masonic Lodge Scholarship Fund	50,000	50,000
Nelson Municipal Library Legacy Fund	25,035	24,935
Nelson Police Board Fund	30,067	29,877
Nelson Real Estate Fund	4,355	4,355
Nelson Regional Sports Council Scholarship Fund	20,140	20,000
Nelson Search and Rescue Fund	20,000	-
Nelson Waldorf School Bursary Fund	28,528	28,528
Nick Maras Memorial Fund	47,382	45,087
Normen and Lonnie Facchina Legacy Fund	4,181	3,073
North Kootenay Lake Arts & Culture Fund	19,791	19,791
North Kootenay Lake Child, Youth & Family Fund	15,240	15,240
North Kootenay Lake Environment Fund	46,818	44,758
North Kootenay Lake Community Fund	899,997	890,151
North Kootenay Lake Kootenay Savings Community Fund	75,700	75,700
North Kootenay Lake McKinnon Family Fund	90,175	90,175

OSPREY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 AUDIT ENGAGEMENT REPORT

North Kootenay Lake Seniors Fund	15,320	15,320
Osprey Administration Endowment Fund	32,923	30,253
Osprey Animal Welfare Fund	200	-
Rotary Park Beautification Fund	20,000	-
Kootenay Savings Credit Union Community Fund (Salmo)	64,952	64,952
Salmo Valley Community Fund	28,325	27,499
Sheba Fund (anonymous donor)	3,576,968	3,576,968
Slim Porter Fund	3,476	3,476
Kootenay Savings Credit Union Community Fund (Slocan Valley)	134,241	134,241
Slocan Valley Legacy Fund	185,347	156,854
Suzy Hamilton Legacy Fund	27,006	23,325
Ted Hargreaves Fund	19,824	19,824
Vanlerberg Family Fund	41,125	41,125
Women in Need Fund	20,000	-
	<u>\$ 8,349,965</u>	<u>\$7,901,037</u>

OSPREY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 AUDIT ENGAGEMENT REPORT

11. COMPARATIVE FIGURES AND PRIOR PERIOD ADJUSTMENTS

The prior years financial statements were prepared on an audit basis. The comparative figures for the year-ended December 31, 2021 have been adjusted from the amounts originally stated to correct the following errors due to the incorrect allocation and reporting of the recap of the admin fee and income received from the Vancouver Foundation and correction to the allocation of administration fund, restricted for future grants fund and net assets. Restricted cash has been reclassified as a non-current asset.

Statement of Operations	as originally issued	as restated
Donations General	\$3,160	\$5,180
Donations Restricted for Future Grants	\$81,079	\$79,059
Gain on Disposition of securities	\$nil	\$394
Grants Distributed General	\$nil	\$2,706
Grants Distributed Restricted For Future Grants	\$405,636	\$402,173
Other Expenses	\$4,353	\$nil
Transferred to Vancouver Foundation General	\$nil	\$3,417
Transferred to Vancouver Foundation Restricted	\$nil	\$2,087

Statement of Changes in Net Assets	as originally issued	as restated
General Net Assets		
Transfers – administration fees	\$4,854	\$1,132
Restricted for Future Grants Net Assets		
Transfers – Operating to Restricted for Future	\$nil	\$5,146

OSPREY COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022 AUDIT ENGAGEMENT REPORT

11. COMPARATIVE FIGURES AND PRIOR PERIOD ADJUSTMENTS (continued)

Statement of Cash Flows	as originally issued	as restated
Cash received – unrestricted donations	\$1,240	\$3,260
Cash received – Vancouver Foundation Rebate	\$35,063	\$38,480
Cash paid – goods and services	(\$49,685)	(\$50,912)
Cash received – GST	\$711	\$1,181
Cash received – endowment earnings	\$386,048	\$388,134
Cash paid – grants	\$(408,637)	\$(407,880)
Cash transferred to Vancouver Foundation endow	\$(265,505)	\$(271,009)

12. ECONOMIC DEPENDENCE

The Foundation is dependent on investment earnings from the Vancouver Foundation. The amount of receipts received from the Foundation exceeds 53% in 2022 (54% - 2021).

13. COMMITMENTS

In January 2022, the Foundation entered into a three-year lease agreement with Drop Investments for the lease of its premises at #B - 625 Front Street. Monthly rental payments are \$333.33 plus 5% GST.

Future minimum lease payments for the next two years are as follows:

2023	\$ 3,999.96
2024	<u>3,999.96</u>
	<u>\$ 7,999.92</u>