

2024 Prospera Foundation Report



Report from the Board of Directors

The Prospera Foundation, believes in the power of local. As one of Canada's largest credit union foundations, we've seen firsthand the impact that can be made when supporting local charities on a mission to empower and strengthen our communities.

Established in 1992, the Foundation has more than \$10.5 million in assets and has contributed more than \$6.8 million in charitable grants to organizations across Prospera Credit Union's trade areas, from Metro Vancouver to the Fraser Valley and into the Okanagan. The Foundation continues to support programs and organizations aligned with Prospera's three core giving areas: **local businesses, preventative health and education.**

With the demand for programs and family services on the rise throughout our communities, the Prospera Foundation provided crucial support. In 2024, more than \$485,000 was distributed in grants to eight registered charitable organizations, enabling them to continue offering invaluable resources to families, individuals and businesses in need. This included a diverse range of local non-profits with programs that provide vital assistance to families and youth encountering financial and health barriers. Funding was also allocated to charitable organizations committed to enhancing their business infrastructure, expanding their reach and impact within our local communities.

Above and beyond the Foundation, more than \$571,000 was invested back into our local communities through the credit union's corporate community donations and sponsorships programs. This included the Prospera Education Grants, Level Up Local Good business grants in partnership with Accelerate Okanagan and the Local Good grants program driven by our employees. Together with the Foundation, Prospera Credit Union (Prospera) demonstrated its unwavering support to our communities by committing more than \$1 million to charitable organizations and community partners in 2024.

We're proud that the commitment to our communities goes far beyond financial support. Over the past year, Prospera employees participated in more than 85 community events and initiatives, dedicating more than 2,300 volunteer hours. This collective effort reinforces Prospera's commitment to live our values and the Foundation's enduring mission to build vibrant, healthy communities, nurture thriving, local enterprises and empower individuals with financial strength.

The power of local has no bounds.



2024 community partners

Prospera focused on the strength of local connections in 2024. We were able to connect local charities with resources, expertise and networks that extend beyond traditional grants, and broaden our impact to create lasting positive change. We invite you to explore the incredible stories, achievements and successes of these charities in this year's report.



Education

We provide our community with the foundation to reach their goals.



Local business

We contribute to the growth of the business ecosystem in our local communities.



Health

We support charities offering preventative wellness services.

2024 Partners



Archway Community Services

Enterprise Resource Planning System



Canucks Autism Network

Youth and Adult program



HeadHeartHand Foundation

Youth Incubator program



KCR Community Resources

Volunteers4All program



Mamas for Mamas

Mental Health and Wellness program



Sher Vancouver LGBTQ Friends Society

Sher Mental Health Preventative Wellness Program



Special Olympics BC

Sports & Health program



University of the Fraser Valley

Prospera Peer Pathways: Wellness Peer Support Program

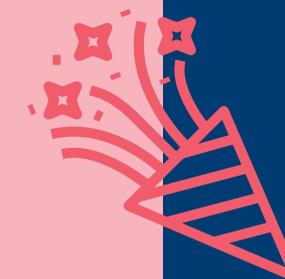
\$485,528

in grants awarded to eight local charities in 2024



\$6.8 million

in total grants distributed since 1992



\$10.5 million

in total Foundation assets



Archway Community Services

Website

archway.ca

Area of support

Enterprise resource planning system

Region

Fraser Valley

For more than 55 years, Archway Community Services has been a cornerstone of support in Abbotsford and the surrounding area. Thanks to the Prospera Foundation, Archway has made strategic investments in their business infrastructure, significantly improving efficiency across various administrative functions and streamlining program delivery. Archway has implemented a new enterprise resource planning (ERP) system, which replaced the outdated system that caused a one-month delay in financial reporting. With the support of the Prospera Foundation, Archway processed more than 40,000 transactions through their ERP system, reducing administrative burdens and saving more than 400 hours annually. This upgrade has empowered Archway to focus more on serving the community effectively and adapting to growing demands.

It's been two years since the implementation of our current Enterprise Resource Planning System and we cannot imagine navigating this increasingly complex environment we operate in without it. On a daily basis, we rely on our ability to access real-time financial data to make decisions and plan ahead. Thank you, Prospera for investing in this critical infrastructure.

TINA POUDRIER-BECK

Director, Finance & Risk, Privacy Officer
Archway Community Services





Canuck Autism Network

Website

canucksautism.ca

Area of support

Youth and adult program

Region

Metro Vancouver and Fraser Valley

In 2024, the Canucks Autism Network (CAN) continued its mission to empower individuals on the autism spectrum across our local communities. CAN programs run in Vancouver, Fraser Valley, Victoria, Nanaimo, Kamloops, Kelowna and virtually, providing a diverse range of activities tailored to different interests and needs.

This year, more than 700 spaces have been filled by youth and adults accessing programs and initiatives across BC. Offerings included Dungeons & Dragons sessions, Autistic Dating Peer Group, Women's Peer Group, yoga in the park, Fitness Program and Youth & Adult lessons for skating, swimming, and baseball.

The Women's Peer Group, in particular, has grown into a strong community, with more than 60 women attending regular meetings, fostering connection and support. Through these diverse programs, CAN continues to create meaningful opportunities for autistic individuals to build confidence, develop skills and connect with their communities.

I can't say enough wonderful things about our involvement with CAN. This organization has been truly life-changing for our family. The weekly programming has not only increased my son's desire to be social but has also given him a fun and engaging activity - just like his sisters have.

CANUCK AUTISM NETWORK PARENT





HeadHeartHand Foundation

Website
3hfoundation.ca

Area of support
Youth incubator program

Region
Metro Vancouver

The HeadHeartHand (3H) Foundation is committed to fostering holistic education within communities, focusing on initiatives such as Black youth entrepreneurship, mentorship programs, holistic youth empowerment and encouraging volunteerism. In 2024, 3H hosted 10 financial literacy sessions designed to help youth build a strong foundation in savings and investments. Additionally, career mentorship was provided to 22 young individuals, aimed at guiding them through career choices, investment readiness and preparation for life after college. Their annual Youth Mentorship Program brought together 12 mentors and 26 mentees, creating meaningful opportunities for personal and professional growth. Over the past two years, these programs have positively impacted 736 community members, reinforcing the 3H's commitment to creating lasting change.

Thank you to the Prospera Foundation for your passion and dedication to supporting our community initiatives. As a youth-focused organization with big dreams for our community, we're excited about our partnership and the impact our programs are making in youth empowerment, mental health, newcomer support, relationship building and enhancing community collaborations.

JULIANA IGE
Founder and Director
HeadHeartHand Foundation






JA British Columbia

Website
jabc.org

Area of support
World of Choices program

Region
Across BC

In the past school year, JA British Columbia (JABC) continued to make a remarkable impact, successfully delivering 877 World of Choices programs. With the Foundation's support, more than 22,500 youth from 94 classrooms across BC connected with professionals to explore career options and shape their futures. Additionally, 11 dedicated Prospera volunteers contributed their time and expertise, supporting 58 JABC program facilitations and deliveries across various initiatives, from career panels to personal finance workshops.

Over the past three school years, Prospera's commitment has helped deliver 2,345 World of Choices programs, equipping BC youth with valuable career exploration opportunities and essential skills for lifelong success.

*Please note, JABC received funding from October 2023 through September 2024.

We're grateful to Prospera for their longstanding partnership with JABC. The value they provide goes beyond financial contributions. They also give back meaningfully with their time and expertise. Notably, in the 2023-2024 school year, 11 Prospera employees provided valuable financial literacy information to hundreds of young British Columbians.

WENDI CAMPBELL
President and CEO
JA British Columbia





KCR Community Resources

Website

kcr.ca

Area of support

Volunteers4All program

Region

Kelowna

KCR Community Resources is a multi-service agency dedicated to empowering Okanagan communities. With the support of the Prospera Foundation, KCR continues to expand the Volunteers4All program, which helps individuals from diverse backgrounds find meaningful volunteer opportunities that foster skill development, networking and community connections. Volunteers4All now supports more than 1,800 volunteers and 100 agencies, helping them connect with opportunities that enrich their lives and the community. Additionally, KCR has provided one-on-one support to more than 60 individuals who require additional assistance, including language interpretation, cognitive processing support and cultural learning.

This year, KCR launched the Community Crew program with six members receiving training in diversity, equity and inclusion, ethics and conflict resolution. Two of these members are now participating in strategic planning for the program's future, reflecting their commitment to strengthening community engagement.

The impact of the Volunteer Centre continues to increase, and this simply wouldn't be possible without the very generous support of the Prospera Foundation. Your grant is enriching the community on so many levels, supporting the non-profit sector overall and positively impacting individual volunteers who are achieving their goals of skill development, networking and social connections.

DOROTHEE BIRKER
Communications & Development Manager, Community Services
KCR Community Resources





Mamas For Mamas

Website
mamasformamas.org

Area of support
Mental health and wellness program

Region
Kelowna



In 2024, the rising costs of food and housing increased financial stress on families, leading to greater demand for mental health support. With the Prospera Foundation's support, Mamas for Mamas provided 13 support groups for nearly 3,000 participants and one-to-one counselling for more than 1,100 individuals. These programs address anxiety, depression, trauma, parenting and financial wellness. By covering session costs, Mamas for Mamas ensured families could access critical mental health resources, helping them build resilience, stability and stronger connections within their communities.

My husband passed away unexpectedly, leaving me in a financial tangle with two daughters to support. He was our only source of income. I have a disability, and since his passing, I have unfortunately had more health issues come up. Mamas for Mamas provided me with free counselling, birthday gifts for my daughters, Mother's Day gifts and brunch, as well as gift cards throughout the year. If it wasn't for this organization, I really don't know how we would've managed.

ANNA-MARIE
Mamas for Mamas client





Sher Vancouver LGBTQ Friends Society

Website

shervancouver.com

Area of support

Sher Mental Health Preventative
Wellness Program

Region

Metro Vancouver

Sher Vancouver is dedicated to supporting LGBTQ+ South Asian individuals and their allies, fostering safe spaces and reducing discrimination. Their programs include crisis counselling, offering up to 250 free sessions annually, and the Youth Leadership Award, engaging up to 100 participants each year.

With support from the Prospera Foundation, Sher Vancouver is expanding its mental health initiatives to ensure greater access to counselling and support services. This includes free and low-cost counselling for the community, offering 100 free crisis counselling sessions through No Fear Counselling, pro bono support from Sher Vancouver's founder, Alex Sangha, for those seeking a queer South Asian counsellor, and a partnership with Moving Forward Family Services to provide affordable counselling through trained professionals and practicum students.

Sher Vancouver deeply appreciates the Prospera Foundation's support for our intake, youth outreach and peer support programs. These vital initiatives not only offer life-saving mental health screenings and risk assessments but also create meaningful opportunities for youth to connect, share their stories and build friendships, ensuring they feel supported and less alone.

ALEX SANGHA
Founder
Sher Vancouver





Special Olympics BC

Website

specialolympics.ca

Area of support

Sports & mental health program

Region

Provincial support

Special Olympics BC (SOBC) expanded its reach in 2024, growing by 13 per cent to support 3,270 athletes and 1,830 volunteers across 55 communities and 54 youth programs in BC. With this growth, more athletes gained access to vital health services and inclusive sports opportunities. SOBC provided 105 Healthy Athletes screenings, leading to 29 healthcare referrals. A new Opening Eyes pilot program allowed athletes to receive prescriptions and glasses at optometrists' offices, improving accessibility. SOBC's youth programs continue to foster growth and inclusion, helping children develop motor, sport and social skills through their Active Start and FUNdamentals programs. The Prospera Foundation helps support SOBC's mission of breaking down barriers and empowering local youth.

I love watching the children grow both physically and socially during our time with them. The amount of progress that our children make over the six-to-seven-week program is amazing.

KASEY WALKER
Youth Program Leader
Special Olympics BC





University of the Fraser Valley

Website
ufv.ca

Area of support
Prospera Peer Pathways:
Wellness Peer Support Program

Region
Fraser Valley

The Prospera Peer Pathways program at UFV is a student-led initiative providing peer-driven support for mental health, academics and personal growth. Trained student peers offer compassionate, non-judgmental guidance, creating a safe space for connection and resilience. In 2024, the program supported 585 students in Abbotsford and 215 in Chilliwack.

Beyond one-on-one support, more than 400 attendees engaged in events like Glow Zumba, Disability Awareness Month and Student Wellness Day. The largest Week of Wellness to date featured workshops on mental health, budgeting and relationships. The Peer Volunteer Program expanded with 17 new volunteers, and five student staff were employed to enhance outreach and accessibility. With the help of the Prospera Foundation, students navigate challenges and build a stronger, more connected campus community.

Thanks to ongoing significant support from Prospera, Student Wellness at UFV has been able to create meaningful opportunities for students - enhancing our peer-to-peer programs into a robust support network, expanding educational and inclusive events, and building a more supportive campus community. Together, we're helping students grow, tackle challenges like stress and mental health, and gain valuable skills for their future.

REBECCA WASSEF
Student Wellness Manager
UFV Student Wellness Centre



About the Prospera Foundation

The Prospera Foundation is a registered charity recognized by Canada Revenue Agency and guided by a dedicated Board of Directors alongside executives from Prospera Credit Union.

Originally incorporated in 1992 as the Westminster Savings Foundation under the BC Society Act, and later the BC Societies Act, we proudly adopted the name Prospera Foundation in 2021, marking a new chapter in our legacy of community impact.

Since 1992, we've proudly contributed more than \$6.8 million in financial grants to local organizations, fostering positive change across our communities. As of December 31, 2024, our assets have grown beyond \$10.5 million. The Foundation's capital is exclusively sourced from Prospera Credit Union, with income from these funds directly supporting local charitable grants each year.

We're honoured that Prospera Credit Union has been recognized as a PRISM Certified company by Imagine Canada, a distinction that reflects our deep commitment to strengthening the communities we serve. Through strategic funding and partnerships, we continue to invest in initiatives that create lasting impact and empower individuals and organizations to thrive.



For more information, visit prospera.ca/foundation



Top 10 moments of 2024

In 2024, we achieved incredible milestones that strengthened our community connections, expanded our impact and reinforced our commitment to financial empowerment. From launching new initiatives to supporting long-standing programs, we're proud of the meaningful work we accomplished. Here are the top 10 moments that defined our year.

Strengthened financial education

We launched *Make Cents: Your Guide to Financial Empowerment*, a financial literacy program designed to equip individuals with practical financial knowledge and tools. Make Cents presentations, along with speaking notes, were made available to our employees to speak at local schools and organizations, ensuring financial education reaches those who need it the most.



Invested in education

We awarded \$25,000 in education grants to 17 students pursuing post-secondary studies in our local communities. Over the past five years, we've proudly invested more than \$260,000 in student grants and continue to receive tremendous feedback from students.



Invested more than \$1 million in our local communities

Together, through the Prospera Foundation grants and corporate sponsorships and donations, we invested more than \$1 million in our local communities, helping expand and deliver programs and services to those in need of support, while empowering local businesses to create lasting impact.



Engaged with the community at the Surrey Vaisakhi Parade

For the first time, we participated in the Surrey Vaisakhi Parade, joining more than 700,000 attendees in celebrating this vibrant cultural tradition.



Celebrated Pride across our regions

We proudly served as the Presenting Sponsor of Surrey Pride for the third year and sponsored both the Fraser Valley and White Rock Pride festivals. Our Prospera Pride Group volunteered at these events, reinforcing our commitment to 2SLGBTQIA+ inclusion and community engagement. We were further recognized as Business of the Year at the Surrey Pride Rainbow Gala - an award we're incredibly proud of.

*The highlights of our community impact presented in this section reflect the combined efforts and contributions of Prospera Credit Union and the Prospera Foundation.



Additionally, Prospera Credit Union has been recognized as a PRISM Certified company by Imagine Canada - a distinction that reflects our deep commitment to strengthening the communities we serve.

Stayed cool at the Abbotsford International Airshow

As Runway Sponsor for the third year, we were part of Canada's premier aviation event, welcoming more than 100,000 spectators throughout the multi-day event. Our Prospera Runway Seating delivered an unforgettable experience and Prospera members enjoyed free upgrades to the VIP Prospera runway seating lounge. We also kept the crowd cool with Prospera water refill and misting stations, ensuring spectators stayed hydrated while reducing waste.



Strengthened our BC Lions partnership

We proudly sponsored the Skills 4 Life program for the third year, connecting students from five Lower Mainland schools with a focus on active living and mental health. Our continued partnership let us engage with fans at home games and promote season ticket offers and member perks. We also supported the Orange Shirt Day Game on September 27, featuring Indigenous performers, artisans and businesses.

Funded local businesses

We contributed \$30,000 in micro-grants to local businesses through Accelerate Okanagan's Level Up Local Grants program, helping enhance their technology and digital strategies. Ten businesses were supported, providing them with the resources needed to grow and thrive in an increasingly digital world.



Made memories at the Grey Cup Festival

As a 2024 Grey Cup Festival sponsor, we engaged with more than 500,000 people from diverse regions over three days. With the help of 57 Prospera employee volunteers, we brought the crowd together through interactive family-friendly experiences at the two Prospera Mini Fields, creating memorable moments for attendees of all backgrounds.



Dedicated to volunteering

Our employees collectively volunteered over 2,300 hours at more than 85 community events and initiatives, demonstrating our ongoing commitment to giving back. Their efforts supported a wide range of causes, from charities to youth programs, while actively engaging at community events across our regions and presenting financial literacy lessons to local elementary and high schools.

Financial Statements of Prospera Foundation

And Independent Auditor's Report thereon

Year ended December 31, 2024

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Prospera Foundation

Opinion

We have audited the financial statements of Prospera Foundation (the Entity), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations and fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes 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 Entity as at December 31, 2024 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards from 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 "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

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

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

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

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

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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



Chartered Professional Accountants

Vancouver, Canada
February 27, 2025

Statement of financial position

Year ended December 31, 2024, with comparative information for 2023

	Note	2024	2023
Assets			
Current assets			
Cash and cash equivalents		\$ 354,320	\$ 303,616
Interest receivable		58,784	58,426
Dividends receivable		23,151	22,275
		436,255	384,317
Investments			
Term deposits and fixed income investments	4	4,594,259	4,613,189
Preferred shares	4	5,501,366	4,352,407
		10,095,625	8,965,596
		10,531,880	9,349,913
Liabilities and fund balances			
Fund balances			
Unrestricted fund		\$ 529,630	\$ (652,337)
Restricted fund		10,002,250	10,002,250
		\$ 10,531,880	\$ 9,349,913

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

Approved on behalf of the board:

Art Van Pelt
Chair

TJ Schmaltz
President

Statement of operations and fund balances

Year ended December 31, 2024, with comparative information for 2023

	Note	2024			2023		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Revenues							
Interest		\$ 195,994	\$ -	\$ 195,994	\$ 194,139	\$ -	\$ 194,139
Dividends		322,542	-	322,542	268,948	-	268,948
Unrealized gains (losses) on investments		1,148,959	-	1,148,959	251,107	-	251,107
Expenditures							
Community grants	5	(485,528)	-	(485,528)	(511,528)	-	(511,528)
Surplus (deficiency) of revenues over expenditures		1,181,967	-	1,181,967	202,666	-	202,666
Fund balance, beginning of year		(652,337)	10,002,250	9,349,913	(855,003)	10,002,250	9,147,247
Fund balance, end of year		\$ 529,630	\$ 10,002,250	\$ 10,531,880	\$ (652,337)	\$ 10,002,250	\$ 9,349,913

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

Statement of cash flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash from (used in)		
Operating activities		
Surplus (deficiency) of revenues over expenditures	\$ 1,181,967	\$ 202,666
Items not affecting cash:		
Unrealized (gains) losses on investments	(1,148,959)	(251,107)
Changes in non-cash operating items:		
Premium amortization on fixed income investments	18,930	18,930
Interest receivable	(358)	(162)
Dividends receivable	(876)	545
Net cash from (used in) operating activities	50,704	(29,128)
Investing activities		
Sale of term deposits and fixed income investments	-	10,269
Net cash (used in) provided by investing activities	-	10,269
Increase (decrease) in cash and cash equivalents	50,704	(18,859)
Cash and cash equivalents, beginning of year	303,616	322,475
Cash and cash equivalents, end of year	\$ 354,320	\$ 303,616

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

Notes to Financial Statements

Year ended December 31, 2024

1. Purpose of the foundation

Prospera Foundation (the "foundation") was incorporated under the former *British Columbia Society Act* in December 1992 and transitioned to the new *Societies Act (British Columbia)* in 2017, to create a permanent source of funds to support various organizations and activities that work to improve the quality of life within the general trade area of Prospera Credit Union (the "credit union"). The foundation changed its name to Prospera Foundation effective June 29, 2021. The foundation was formerly known as Westminster Savings Foundation.

The foundation is registered as a tax-exempt charity with Canada Revenue Agency under Paragraph 149(1)(f) of the *Income Tax Act*.

2. Significant accounting policies:

These financial statements are prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations in Part III of the CPA Canada Handbook.

a. Fund accounting

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

- (i) **Restricted fund:** All funds to the foundation are donated by the credit union and are deemed to be permanent at the time of the donation. These funds are restricted for a minimum of a ten-year period, after which funds may be transferred to the unrestricted fund with Board of Directors ("board") approval. The board exercises discretionary control over the investment of these restricted funds according to the foundation's Statement of Investment Policy as approved by the board.
- (ii) **Unrestricted fund:** Investment income earned is reported in the unrestricted fund. Unrestricted funds are available for the foundation's support of community organizations through community grants. The board may, under certain conditions, transfer funds from the restricted fund to the unrestricted fund as per note 2(a)(i).

b. Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

c. Financial instruments:

The foundation's financial instruments consist of cash and cash equivalents, interest and dividends receivable and investments.

(i) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and term deposits, which are highly liquid with original maturities of less than three months.

(ii) Investments:

Short-term investments: Short-term investments include term deposits with terms to maturity between three months and less than one year.

Long-term investments: Long-term investments include term deposits and fixed income investments with terms to maturity greater than one year and preferred shares with no specific maturity.

All financial instruments are initially measured at fair value and subsequently measured as follows:

Assets/liabilities	Measurement
Cash	Amortized cost
Preferred shares	Fair value
Term deposits	Amortized cost
Fixed income investments	Amortized cost
Interest receivable	Amortized cost
Dividends receivable	Amortized cost

Financial instruments subsequently measured at amortized cost are adjusted by transaction costs and financing costs incurred on acquisition, which are amortized using the straight-line method.

Financial assets 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.

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.

Realized and unrealized gains and losses for financial assets carried at fair value are classified as realized and unrealized gains and losses in the statement of operations.

d. Revenue recognition

Contributions to the restricted or unrestricted fund are recognized as revenue when they are received or receivable, provided the amounts are measurable and collection is reasonably assured.

Interest on investments is recorded on an accrual basis. Dividends that have been declared are recorded as income on the date of record set for the dividend. Fair value changes in investments are recognized separately and comprise realized and unrealized gains and losses on investments.

All investment and interest income earned on funds is recognized as revenue in the unrestricted fund.

e. Grants

Grants are recorded when paid by the foundation.

f. Donated services

The foundation benefits from donated services in the form of volunteer time for various committees and administration from the credit union. Due to the difficulty of determining their fair value, donated services are not recognized in these financial statements.

g. Related party transactions

Related party transactions occur in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Details of related party transactions are disclosed in note 6.

3. Operations

The foundation is managed by a board that consists of members of the credit union's Board of Directors as well as senior managers of the credit union. The foundation intends to use the income generated from investments to provide support to community organizations. The board of the foundation has determined that grants will be allocated in the following categories: local business, preventative health and education.

4. Investments

The foundation has investments with the credit union and CIBC Wood Gundy. These include term deposits and fixed income investments, and preferred shares. The following are the weighted-average interest rates and maturity terms:

Maturity	Average rate	2024	2023
Term deposits and fixed income investments			
2026	4.50%	200,000	200,000
2027	3.88%	1,389,786	1,392,286
2031	4.58%	3,004,473	3,020,903
		4,594,259	4,613,189
Preferred shares ¹	5.56%	5,501,366	4,352,407
		\$ 10,095,625	\$ 8,965,596

¹Preferred shares do not have a maturity date.

5. Community grants

The following community grants were made during the year ended December 31:

	2024	2023
University of the Fraser Valley	\$ 167,000	\$ 123,000
Archway Community Service	70,000	70,000
Kelowna Community Resources	58,528	58,528
HeadHeartHand Foundation	50,000	70,000
Special Olympics British Columbia Society	50,000	50,000
Mamas for Mamas	35,000	35,000
Canucks Autism Network Society	30,000	30,000
Sher Vancouver LGBTQ Friends Society	25,000	
Junior Achievement of BC	-	75,000
	<u>\$ 485,528</u>	<u>\$ 511,528</u>

6. Related parties

The credit union is related to the foundation by virtue of its representation on the foundation's board. The credit union currently provides most personnel, facilities and administrative services necessary for the operation of the foundation.

Related party transactions as at December 31, 2024 and for the year then ended not separately disclosed in the financial statements include the following:

- a. The credit union maintains deposits on behalf of the foundation of \$202,390 (2023 - \$201,533).
- b. The credit union paid interest on these deposits of \$9,085 (2023 - \$10,416).

7. Financial risks

The foundation manages its investment portfolio to earn investment income and invests according to a board approved Statement of Investment Policy. Investments in financial institutions and corporate institutions are highly liquid and can be disposed of to settle commitments. Term deposits held are accessible when the term deposits mature. The investments are detailed in note 4.

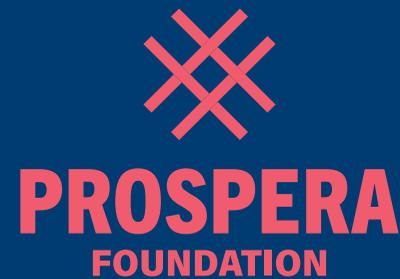
Market risk is the risk that the fair value of an investment decreases due to changes in market conditions. The foundation is exposed to market risk on its investments in corporate bonds and preferred shares. This risk is mitigated by ensuring asset allocation targets are met and that investments are in compliance with all the investment criteria prescribed in the foundation's Investment Policy. The objective of market risk management is to monitor investments to identify market value fluctuations which indicate an investment is impaired.

Liquidity risk is the risk that the foundation will not be able to meet its financial obligations as they fall due. Since all the foundation's assets are held in investments that can be readily liquidated, the foundation's liquidity risk is considered minimal.

Credit risk is the risk of financial loss to the foundation when the credit quality of an investment deteriorates and the issuer of the financial instrument is unable to meet its contractual obligations. The foundation holds investments in corporate bonds, preferred shares and deposits, which potentially expose it to credit risk. The foundation does not consider there to be significant credit risk as its investments are held in large Canadian public entities with acceptable credit ratings. Credit risk is also considered low for deposit investments held with the credit union.

Interest rate risk is the risk that the foundation's investments will change in fair value due to future fluctuations in market interest rates. The foundation has an exposure to interest rate risk as a portion of its revenue is derived from interest on its fixed income investments. Management frequently reviews the interest rates to mitigate risk to the foundation.

The foundation is not involved in any hedging relationships and does not hold or use any derivative financial instruments for trading purposes.



LOCAL
GOOD

Prospera Foundation Board of Directors

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Colin MacKinnon, *Director*

Dan Parmar, *Vice-Chair*

Jennifer Scharf, *Secretary-Treasurer*

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