
**Banff Canmore Community Foundation
(Operating as Banff Canmore Foundation)**

Financial Statements

For the Year Ended March 31, 2025

Independent Auditors' Report

To: The Directors of **Banff Canmore Community Foundation**

Opinion

We have audited the financial statements of Banff Canmore Community Foundation (the "Foundation"), which comprise the statement of financial position as at March 31, 2025 and the statement of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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 judgement and maintain professional skepticism throughout the audit. We also:

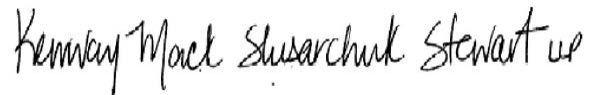
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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.

Independent Auditors' Report (continued)

- 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.

July 17, 2025
Calgary, Alberta



Chartered Professional Accountants

**BANFF CANMORE COMMUNITY FOUNDATION
STATEMENT OF FINANCIAL POSITION**

As at March 31, 2025 2024

ASSETS

Current assets		
Cash	\$ 763,485	\$ 323,603
Accounts receivable	4,916	14,790
Other receivables (note 4)	25,550	-
Short-term investments (note 5)	2,710,000	710,000
Prepaid expenses	13,351	19,517
	3,517,302	1,067,910
Investments (note 5)	18,060,532	16,707,251
Capital assets (note 6)	48,681	54,596
	\$ 21,626,515	\$ 17,829,757

LIABILITIES

Current liabilities		
Accounts payable and accrued liabilities	\$ 372,512	\$ 78,431
Current portion of deferred contributions (note 7)	3,608,441	1,239,156
	3,980,953	1,317,587
Deferred contributions (note 7)	6,399,215	5,400,070
Deferred capital contributions (note 8)	45,226	52,546
	10,425,394	6,770,203

NET ASSETS

Invested in capital assets	3,455	2,050
Unrestricted	99,080	74,586
Board-restricted operating reserve (note 9)	150,000	90,000
Permanent endowment (note 10)	10,948,586	10,892,918
	11,201,121	11,059,554
	\$ 21,626,515	\$ 17,829,757

Approved on behalf of the Board of Directors:



Director



Director

**BANFF CANMORE COMMUNITY FOUNDATION
STATEMENT OF OPERATIONS**

For the year ended March 31,	2025	2024
REVENUE		
Donations and grants		
Restricted	\$ 1,181,061	\$ 822,955
Unrestricted	216,520	79,879
Donated services	-	4,294
	1,397,581	907,128
Program service revenue	-	14,161
Investment earnings (note 11)	906,725	898,764
	2,304,306	1,820,053
EXPENSES		
Grants, scholarships and bursaries (note 12)	1,523,282	1,191,781
Investment management, custodial and banking fees	93,094	82,006
Community programming (note 13)	338,217	321,959
Management and administration (notes 13, 14)	263,814	209,143
	2,218,407	1,804,889
	2,218,407	1,804,889
EXCESS OF REVENUE OVER EXPENSES	\$ 85,899	\$ 15,164

**BANFF CANMORE COMMUNITY FOUNDATION
STATEMENT OF CHANGES IN NET ASSETS**

For the year ended March 31,	Unrestricted	Invested in capital assets	Board- restricted operating reserve	Permanent endowment	Total 2025	Total 2024
Balance, beginning of year	\$ 74,586	\$ 2,050	\$ 90,000	\$ 10,892,918	\$ 11,059,554	\$ 10,602,999
Excess (deficiency) of revenue over expenses	87,402	(1,503)	-	-	85,899	15,164
Contributions to permanent endowment	-	-	-	55,668	55,668	441,391
Internally imposed restrictions	(60,000)	-	60,000	-	-	-
Capital asset acquisitions	(2,908)	2,908	-	-	-	-
Balance, end of year	<u>\$ 99,080</u>	<u>\$ 3,455</u>	<u>\$ 150,000</u>	<u>\$ 10,948,586</u>	<u>\$ 11,201,121</u>	<u>\$ 11,059,554</u>

(See accompanying notes to the financial statements)

**BANFF CANMORE COMMUNITY FOUNDATION
STATEMENT OF CASH FLOWS**

For the year ended March 31,	2025	2024
Cash provided by (used for):		
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 85,899	\$ 15,164
Non-cash items:		
Amortization (note 13)	8,823	17,678
Deferred capital contributions recognized (note 8)	(7,320)	(16,920)
	87,402	15,922
Net change in non-cash working capital balances:		
Accounts receivable	9,874	58,150
Other receivables	(25,550)	-
Prepaid expenses	6,166	(12,012)
Accounts payable and accrued liabilities	294,081	(76,763)
Unearned program service revenue	-	(7,161)
Changes in deferred contributions:		
Restricted donations and grants received (note 7)	3,667,050	897,738
Restricted donations and grants utilized (note 7)	(1,173,741)	(806,033)
Restricted investment earnings utilized (note 7)	(865,306)	(868,517)
	1,999,976	(798,676)
INVESTING ACTIVITIES		
Purchase of capital assets	(2,908)	(1,567)
(Purchases) sales of short-term investments, net	(2,000,000)	95,000
Sales of investments, net of purchases	387,146	376,337
	(1,615,762)	469,770
FINANCING ACTIVITIES		
Endowment contributions	55,668	441,391
	55,668	441,391
INCREASE (DECREASE) IN CASH	439,882	112,485
CASH, beginning of year	323,603	211,118
CASH, end of year	\$ 763,485	\$ 323,603
CASH IS COMPRISED OF:		
Cash, unrestricted	\$ 427,775	\$ 118,710
Cash, restricted by Board (note 9)	150,000	90,000
Cash, externally restricted	185,710	114,893
	\$ 763,485	\$ 323,603

(See accompanying notes to the financial statements)

BANFF CANMORE COMMUNITY FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025

1 PURPOSE AND NATURE OF THE FOUNDATION

Banff Canmore Community Foundation (the "Foundation"), operating as Banff Canmore Foundation, is incorporated under the Alberta Societies Act. Its mission is to "connect resources and opportunities to activate community potential, enhance quality of life and create belonging for all." The Foundation is a registered charity within the meaning of the Income Tax Act (Canada) and accordingly is exempt from paying income taxes.

2 SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and reflect the following significant accounting policies:

a) Measurement of financial instruments

The Foundation initially measures its financial assets and liabilities at fair value. The Foundation subsequently measures all its financial assets and financial liabilities at amortized cost, except for long-term portfolio investments that are quoted in an active market, which are measured at fair value. Financial assets and liabilities measured at amortized cost include cash, accounts receivable, other receivables, short-term investments, accounts payable and accrued liabilities.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of net write-down is recognized in the statement of operations. Previously recognized impairment losses may be reversed, provided the reversal is no greater than the original impairment amount. The amount of the reversal is recognized in the statement of operations.

b) Cash

Cash includes cash on hand and deposits with banks. All cash held within long-term investment portfolios is included in long-term investments.

c) Investments

Investments are classified as current and called short-term investments when they have a maturity of greater than 90 days at acquisition and less than one year from the statement of financial position date. Investments are classified as non-current when they have a maturity of greater than one year from the statement of financial position date or are investments held within long-term investment portfolios. All investments held within long-term investment portfolios are included in non-current investments.

d) Capital assets

The Foundation capitalizes purchases that have a useful life of more than one year. Capital assets are recorded at cost and amortized on a straight line basis over their estimated useful lives as follows:

Leasehold improvements	10 years, limited to lease term
Furniture and fixtures	5 years
Computers and office equipment	3 years
Commonwealth bronze markers and walkway	25 years

BANFF CANMORE COMMUNITY FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Capital assets (continued)

The Foundation records a write-down when a capital asset no longer contributes to the Foundation's ability to provide goods and services, or that the value of future economic benefits or service potential associated with it is less than its net carrying amount. The excess of the asset's net carrying amount over its fair value or replacement cost is recognized as an expense in the statement of operations. Previous write-downs are not reversed.

e) Revenue recognition

The Foundation follows the deferral method of accounting for contributions and recognizes donations and grants as described below.

Unrestricted donations and grants are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted donations or grants used for the purchase of capital assets are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired capital assets.

Externally restricted donations and grants related to permanent funds are not recognized as revenue. They are recorded as a direct increase to net assets when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted donations and grants that are not used to purchase capital assets or related to permanent funds are deferred and recognized as revenue in the year in which the related expenses are incurred.

Program service revenue is recognized as revenue when earned or when the services are provided.

Investment earnings include dividend and investment income, realized gains and losses on the sale of investments, and unrealized gains and losses on investments. With no external restriction over the use of investment earnings, interest and dividend income is recognized as earned, realized investment gains or losses are recognized at the time of disposition, foreign exchange gains or losses are recognized in the period incurred, and unrealized investment gains or losses are recognized based on the change in the fair value of the portfolio investments. Externally restricted investment earnings, including those related to investments restricted for endowment are recognized as deferred contributions before being recognized as revenue in the statement of operations in the year in which the related expenses are incurred.

g) Donated goods and services

Donated goods and services are recognized as in-kind contributions in the statement of operations at the fair market value of the goods and services received. Volunteers contribute significantly in carrying out the activities of the Foundation. Due to the difficulty in determining fair value, volunteer services are not recognized in the financial statements.

h) Foreign currency translation

Revenues and expenses arising from foreign currency transactions are translated at the exchange rate in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate in effect at the statement of financial position date. Realized and unrealized exchange gains or losses are included in the statement of operations.

BANFF CANMORE COMMUNITY FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025

3 FINANCIAL INSTRUMENT RISK

The Foundation is exposed to a variety of financial risks, primarily in relation to its investments. To manage these risks, the Foundation invests in a diversified portfolio of investments that is guided by established investment policies outlining risk and return objectives. The long-term objective of the Foundation's investment policies is to maximize the return on investment assets after meeting ongoing disbursement requirements. The specific financial objectives include the provision of stable and consistent income to meet the goals of the Foundation, capital appreciation (without undue risk) such that investments continue to grow over time in real terms, and minimization of risk through diversification.

The following analysis provides information about the Foundation's risk exposure as at March 31, 2025. There has been no significant change in the level of risk during the year.

a) Credit risk

Credit risk associated with cash, receivables, and investments arises from the possibility that parties may default on their financial obligations. Cash is deposited with federally regulated, credit worthy financial institutions. Receivables are due from government and financial institutions. Investments are externally managed within the parameters of permitted investments to minimize this risk. It is management's opinion that the Foundation is not exposed to significant credit risk arising from these financial instruments.

b) Market Risk

The Foundation is exposed to the risk that the fair value of its investments in securities will fluctuate because of price changes on public markets. Investments are externally managed within the parameters of permitted investments and a designated asset mix to minimize this risk. It is management's opinion that the Foundation is not exposed to undue market risk arising from these financial instruments.

c) Currency risk

Currency risk is the risk to the Foundation's investments that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Foundation's enterprise software system is billed in US dollars, but the impact of fluctuations in the exchange rate on this amount is deemed immaterial. It is management's opinion that the Foundation is not exposed to significant currency risk.

4 OTHER RECEIVABLES

As part of the Jasper fire response, starting in December 2024, the Foundation has held funds on behalf of the Municipality of Jasper for the purpose of processing disaster relief payments to individuals approved through the Municipality's Recovery Outreach Services. The Foundation acts as an agent for the Municipality in this capacity, providing use of its administrative services and systems to process electronic payments. Fees for the services were waived during the year as the related costs were covered by other sources. At year-end, the Foundation had disbursed \$25,550 in excess of funds held.

BANFF CANMORE COMMUNITY FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025

5 INVESTMENTS

Short-term investments comprise:

	2025	2024
Guaranteed investment certificates bearing interest at 4.7% per annum, redeemable, maturing March 29, 2024 (business day April 1, 2024)	\$ -	\$ 250,000
Guaranteed investment certificates bearing interest at 2.15% (2024 - 4.65%) per annum, redeemable, maturing March 30, 2026	2,700,000	450,000
Guaranteed investment certificate bearing interest at 2.50% (2024 - 3.05%) per annum, redeemable, maturing Dec 10, 2025 (security for credit card)	10,000	10,000
	\$ 2,710,000	\$ 710,000

Long-term investments are externally managed investment portfolios held for endowment purposes (note 10) and comprise:

	2025	2024
Cash and cash equivalents	\$ 619,800	\$ 742,163
Fixed income	5,190,118	4,762,840
Equity	12,250,614	11,202,248
	\$ 18,060,532	\$ 16,707,251

6 CAPITAL ASSETS

	2025		
	Cost	Accumulated amortization	Net book value
Leasehold improvements	\$ 271,380	268,979	\$ 2,401
Furniture and fixtures	15,142	15,142	-
Computers and office equipment	17,916	14,462	3,454
Commonwealth bronze markers and walkway	62,979	20,153	42,826
	\$ 367,417	\$ 318,736	\$ 48,681

	2024		
	Cost	Accumulated amortization	Net book value
Leasehold improvements	\$ 271,380	264,178	\$ 7,202
Furniture and fixtures	15,142	15,142	-
Computers and office equipment	15,008	12,959	2,049
Commonwealth bronze markers and walkway	62,979	17,634	45,345
	\$ 364,509	\$ 309,913	\$ 54,596

BANFF CANMORE COMMUNITY FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025

7 DEFERRED CONTRIBUTIONS

Deferred contributions are comprised of unexpended externally restricted donations and grants, and undistributed restricted investment earnings. The continuity of deferred contributions is as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 6,639,226	\$ 5,229,922
Restricted donations and grants received	3,667,050	897,738
Restricted investment earnings (note 11)	1,740,427	2,186,116
Recognized as revenue:		
Restricted donations and grants utilized	(1,173,741)	(806,033)
Restricted investment earnings utilized (note 11)	<u>(865,306)</u>	<u>(868,517)</u>
Balance, end of year	10,007,656	6,639,226
Current portion of deferred contributions	3,608,441	1,239,156
Long-term deferred contributions	<u>\$ 6,399,215</u>	<u>\$ 5,400,070</u>

The breakdown of deferred contributions at year end is as follows:

	<u>2025</u>	<u>2024</u>
Restricted donations and grants:		
Long-term endowed (note 10)	\$ 1,922,989	\$ 1,783,815
Other	3,125,540	762,262
Restricted undistributed investment earnings	<u>4,959,127</u>	<u>4,093,149</u>
	<u>\$ 10,007,656</u>	<u>\$ 6,639,226</u>

8 DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unrecognized portion of externally restricted contributions for expenditures on the Foundation's capital assets. The continuity of deferred capital contributions is as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 52,546	\$ 69,466
Recognized as revenue	<u>(7,320)</u>	<u>(16,920)</u>
Balance, end of year	<u>\$ 45,226</u>	<u>\$ 52,546</u>

9 BOARD-RESTRICTED OPERATING RESERVE

The Foundation's Board of Directors approved an internally-restricted operating reserve to support the Foundation's long-term financial stability and its ability to respond to varying economic conditions and to continuously carry out its mission. The continuity of the internally-restricted operating reserve is as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 90,000	\$ 80,000
Transfer from unrestricted net assets	<u>60,000</u>	<u>10,000</u>
Balance, end of year	<u>\$ 150,000</u>	<u>\$ 90,000</u>

BANFF CANMORE COMMUNITY FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025

10 ENDOWMENT

The Foundation manages endowed funds in accordance with agreements with the donors who established the funds. The Foundation distinguishes between two types of endowed funds:

a) Permanent endowed funds

Permanent endowed funds are to be held in perpetuity in accordance with the terms of the related agreements. The principal component consists of the accumulated contributions to the fund since its inception and is presented in the net asset section of the statement of financial position as permanent endowment. The undistributed earnings consist of accumulated investment earnings net of distributions and management fees since the fund's inception and are presented as a component of deferred contributions (note 7), in the liabilities section of the statement of financial position.

b) Long-term endowed funds

Long-term endowed funds are generally held for ten years or more in accordance with the terms of the related agreements, but are not permanent. The principal component consists of the accumulated contributions to the fund less any distributions of those contributions since the fund's inception. The undistributed earnings consist of accumulated investment earnings net of distributions and management fees since the fund's inception. Both the principal and undistributed earnings are presented as a component of deferred contributions (note 7), in the liabilities section of the statement of financial position.

The following table presents the principal and undistributed earnings balances at year end for the two types of endowed funds:

	2025		
	Principal	Undistributed Earnings	Total
Long-term endowed funds	\$ 1,922,989	\$ 556,239	\$ 2,479,228
Permanent endowed funds	10,948,586	4,402,888	15,351,474
	\$ 12,871,575	\$ 4,959,127	\$ 17,830,702
	2024		
	Principal	Undistributed Earnings	Total
Long-term endowed funds	\$ 1,783,815	\$ 434,371	\$ 2,218,186
Permanent endowed funds	10,892,918	3,658,778	14,551,696
	\$ 12,676,733	\$ 4,093,149	\$ 16,769,882

11 INVESTMENT EARNINGS

Investment earnings are comprised of the following:

	2025	2024
Unrestricted interest income	\$ 41,419	\$ 30,247
Restricted investment earnings expended in accordance with donor or fund requirements (note 7)	865,306	868,517
	\$ 906,725	\$ 898,764

BANFF CANMORE COMMUNITY FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2025

11 INVESTMENT EARNINGS (continued)

Restricted investment earnings recognized as deferred contributions (note 7):

	<u>2025</u>	<u>2024</u>
Interest and dividend income	\$ 1,102,768	\$ 642,987
Realized investment gain	526,302	1,076,194
Foreign exchange (loss) gain	(854)	1,076
Unrealized investment gain	112,211	465,859
	<u>\$ 1,740,427</u>	<u>\$ 2,186,116</u>

12 GRANTS, SCHOLARSHIPS AND BURSARIES

	<u>2025</u>	<u>2024</u>
Charitable organization fund and donor-designated grants	\$ 584,116	\$ 721,642
Community Grants	200,000	184,844
Donor-advised grants	181,166	78,533
Emergency grants	500,600	155,224
Strategic and grassroots grants	31,000	18,038
Scholarships and bursaries	26,400	33,500
	<u>\$ 1,523,282</u>	<u>\$ 1,191,781</u>

13 COMMUNITY PROGRAMMING, MANAGEMENT AND ADMINISTRATION EXPENSES

	<u>2025</u>	<u>2024</u>
Community programming	\$ 338,217	\$ 321,959
Management and administration	263,814	209,143
	<u>\$ 602,031</u>	<u>\$ 531,102</u>

The composition of these expenses by object is presented in the table below:

	<u>2025</u>	<u>2024</u>
Payroll, contracts and benefits	\$ 358,299	\$ 277,738
Professional fees and consultants	121,773	115,584
Software subscriptions	35,729	25,478
Advertising and promotional costs	24,628	42,177
Facility and installation	19,279	14,911
Office supplies and equipment	15,644	19,780
Amortization	8,823	17,678
Travel, training and meetings	6,679	7,889
Memberships	5,676	5,007
Insurance	3,674	3,367
Other general administrative costs	1,827	1,493
	<u>\$ 602,031</u>	<u>\$ 531,102</u>

14 FUNDRAISING EXPENSES

Management and administration expenses include expenses incurred for soliciting contributions totalling \$86,509 (2024 - \$78,990), of which \$60,238 (2024 - \$47,107) was paid to employees, contractors, and consultants involved in fundraising.