




BC Unclaimed

British Columbia Unclaimed Property Society

STEPPING UP

2022 Annual Report

A magnifying glass with a wooden handle is positioned over a 100 Canadian dollar bill. The bill features the portrait of Sir Robert Borden and the text 'BANQUE DU CANADA 100' and 'BANK OF CANADA 100'. The background is a collage of various Canadian currency notes.

BC Unclaimed serves as a “lost and found” for unclaimed money from dormant accounts in British Columbia. We work to reunite people with their forgotten funds and maintain a free, searchable public database of unclaimed money in the province so people can track down their missing financial assets.



The **BC Unclaimed Property Society** (BC Unclaimed) is a non-profit organization that holds unclaimed money in British Columbia on behalf of the rightful owners. We proactively search for the legitimate owners of the funds under our care and work with companies, organizations and government agencies to get dormant accounts off their books. We also support charities throughout BC by donating excess unclaimed funds to Vancouver Foundation to be used to enhance communities and enrich lives. The Society was established in 2003 with the support of the Province of British Columbia and Vancouver Foundation to administer the province’s unclaimed property program.

What We Do

Under the Unclaimed Property Act, BC Unclaimed serves as the caretaker of unclaimed funds in the province. In this capacity we:

- Actively search for owners of unclaimed funds.
- Maintain a public, searchable database of unclaimed money in BC.
- Process claims to reunite rightful owners with their forgotten or unclaimed money.
- Work with companies and organizations to help them get unclaimed assets off their books,
- Protect the privacy of holders and claimants of unclaimed money; and
- Allocate a portion of unclaimed funds each year for charitable purposes.



Message from the Board Chair

For the BC Unclaimed Property Society, 2022 was a year of transition, steady progress, and preparation for the future.

Last year we bid a fond farewell to Alena Levitz, who served as the Society's Executive Director for more than a decade. During her tenure, Alena, who accepted a new position as Executive Director of the Vancouver-based Lotte and John Hecht Memorial Foundation, helped solidify the Society's position as a respected leader in unclaimed funds management nationally and internationally.

After an extensive executive search, we were delighted to welcome Sherry MacLennan as the Society's new Executive Director. Sherry brings more than 25 years of diverse management experience in the legal and non-profit sectors to the Society along with a focus on marketing, digital transformation and strategic planning. A practicing lawyer, Sherry hailed from Legal Aid BC where she previously served as Vice President, Public Legal Information and Applications. She brings to her new role a deep passion for giving back to the community along with a commitment to make the Society's services more accessible to claimants and

holders.

Throughout the year, the BC Unclaimed Property Society displayed solid performance. The organization received \$12,518,140 from holders of dormant accounts in 2022 – a 207% increase over the previous year. The majority of these remitted funds came from the courts, financial institutions and the Public Guardian and Trustee of British Columbia. This influx of dormant accounts enabled the Society to return \$1,734,807 to verified claimants during the year helping reunite more than 400 individuals with their forgotten money. We are grateful to holders of dormant accounts for their diligence in continuing to remit their funds to the Society on a regular basis.

In fulfilling our mandate of supporting communities throughout BC, the Society donated \$4.175 million to Vancouver Foundation for charitable purposes last year. The Foundation uses these funds to address priority areas with the greatest social impact, such as combatting the opioid crisis, addressing poverty and homelessness and helping refugees adapt to Canadian society.

We regularly review our investment strategy

to ensure the funds entrusted to us are managed in a prudent and conservative manner so we can continue to support good causes with unclaimed funds that would otherwise remain unused. At the same time, we maintain a careful balance between our charitable donations and our obligation to pay out claims in perpetuity.

Our Board is continually focused on improving outcomes and upholding societal values. Towards this end, we applied a diversity lens to our strategic plan to ensure the Society's services reflect the rich cultural mosaic of the communities we serve. Society staff have embraced cultural competency and undergone Indigenous cultural training as part of our commitment to Truth and Reconciliation. In the coming year, we plan on introducing on-demand translation services for ESL claimants to ensure we continue to meet the social, cultural and linguistic needs of our audience.

With ransomware and identity theft at an all-time high, robust cybersecurity remains a key focus for the Board. We regularly review and update our IT procedures, adding additional layers of security to manage emerging risks to our business and safeguard the privacy of

claimants and holders.

It was a challenging year in many respects, but I am confident that the BC Unclaimed Property Society is well-positioned for the future. I would like to thank the Society staff and my fellow Board members for their continued commitment, oversight and guidance in helping unlock the potential of dormant assets to help build more inclusive, sustainable communities across the province. We look forward to having an even bigger impact in 2023 - BC Unclaimed Property Society's 20th anniversary year - and to celebrate our success with you.



Anna K. Fung
Board Chair

“Our Board is continually focused on improving outcomes and upholding societal values. Towards this end, we applied a diversity lens to our strategic plan to ensure the Society's services reflect the rich cultural mosaic of the communities we serve.”



Message from the Executive Director

I'm delighted to join the BC Unclaimed Property Society as its new Executive Director on the cusp of the organization's 20th anniversary.

It was an extremely insightful and progressive move for the provincial government and Vancouver Foundation to set up this organization in 2003 to reunite British Columbians with their unclaimed funds. Since that time, the Society's unique philanthropic business model of donating unclaimed money to charity to support social causes has been emulated internationally and is being considered elsewhere in Canada.

What attracted me to the Society was its mandate of unlocking dormant accounts, its commitment to optimize the social impact of unclaimed funds, and the high calibre of its Board. It's evident that this is a highly respected, well-run organization with a solid track record of supporting communities and enhancing people's lives.

My focus is to build upon the established strengths of the Society by improving efficiencies and updating the claims process. We plan on taking a more people-centred approach in the years ahead to make our

services more accessible to both claimants and holders while maximizing our charitable impact.

The cornerstone of our accessibility strategy is our new website. In 2023, we will be launching an updated website that is simpler, more intuitive, and easier to use than before. We're also planning to streamline the claims process which will make it easier for holders to remit dormant funds and claimants to be reunited with their missing money.

We have updated our brand and visual image to more aptly reflect the availability of our services province-wide and instill greater trust and confidence in our organization. Moving forward, we will be referred to as BC Unclaimed which is a clearer, more consistent representation of our core business.

As part of our commitment to digital innovation, we are modernizing our technology infrastructure to provide staff with the digital tools they need to process claims faster and more proficiently so they can continue to deliver on our promise of becoming a more service-centred organization.

Our high-performing team at BC Unclaimed has fully embraced the concept of continuous

“I feel very privileged to lead an organization that continues to improve people's lives every day. As BC Unclaimed approaches its 20th anniversary, I am confident we have the people, processes and systems in place to make a meaningful difference in British Columbia.”

improvement. Staff have responded enthusiastically to new approaches to service delivery while adeptly navigating the changing business environment with precision and agility. We will continue to build an organizational culture that is resilient, embraces change, and is open to innovation.

Everyone at BC Unclaimed embraces the values of justice, equity, diversity, and inclusion. We recognize that there is a lot to do to advance Truth and Reconciliation with Indigenous Peoples and are working diligently to align our policies and practices to effectively serve and support Indigenous peoples and multicultural communities across BC.

Maintaining and growing relationships is one of the most important roles BC Unclaimed plays in the pursuit of its objectives both operationally and strategically. I'm looking forward to reaching out to holders to hear their views and explore new opportunities to reconnect British Columbians with their unclaimed assets.

In early 2022, New Brunswick became the fourth province to introduce an unclaimed program, joining BC, Alberta and Quebec.

As part of the Society's commitment to advocacy and cooperation, I regularly meet with my provincial counterparts as well as Bank of Canada representatives to share best practices, review technological innovations and discuss potential areas of collaboration.

In closing, I would like to thank our Board of Directors for their unwavering support and in particular, our Board Chair, Anna Fung, for her insights and direction during the leadership transition. I feel very privileged to lead an organization that continues to improve people's lives every day. As BC Unclaimed approaches its 20th anniversary, I am confident we have the people, processes and systems in place to make a meaningful difference in British Columbia.



Sherry MacLennan
Executive Director

What Are Unclaimed Funds?

Unclaimed funds are money held by a company, organization or government agency whose rightful owner cannot be located. Funds become unclaimed or “dormant” when the lawful owner takes no action to access his/her account after a specified period, ranging from one to ten years depending on the type of account

and the holder.

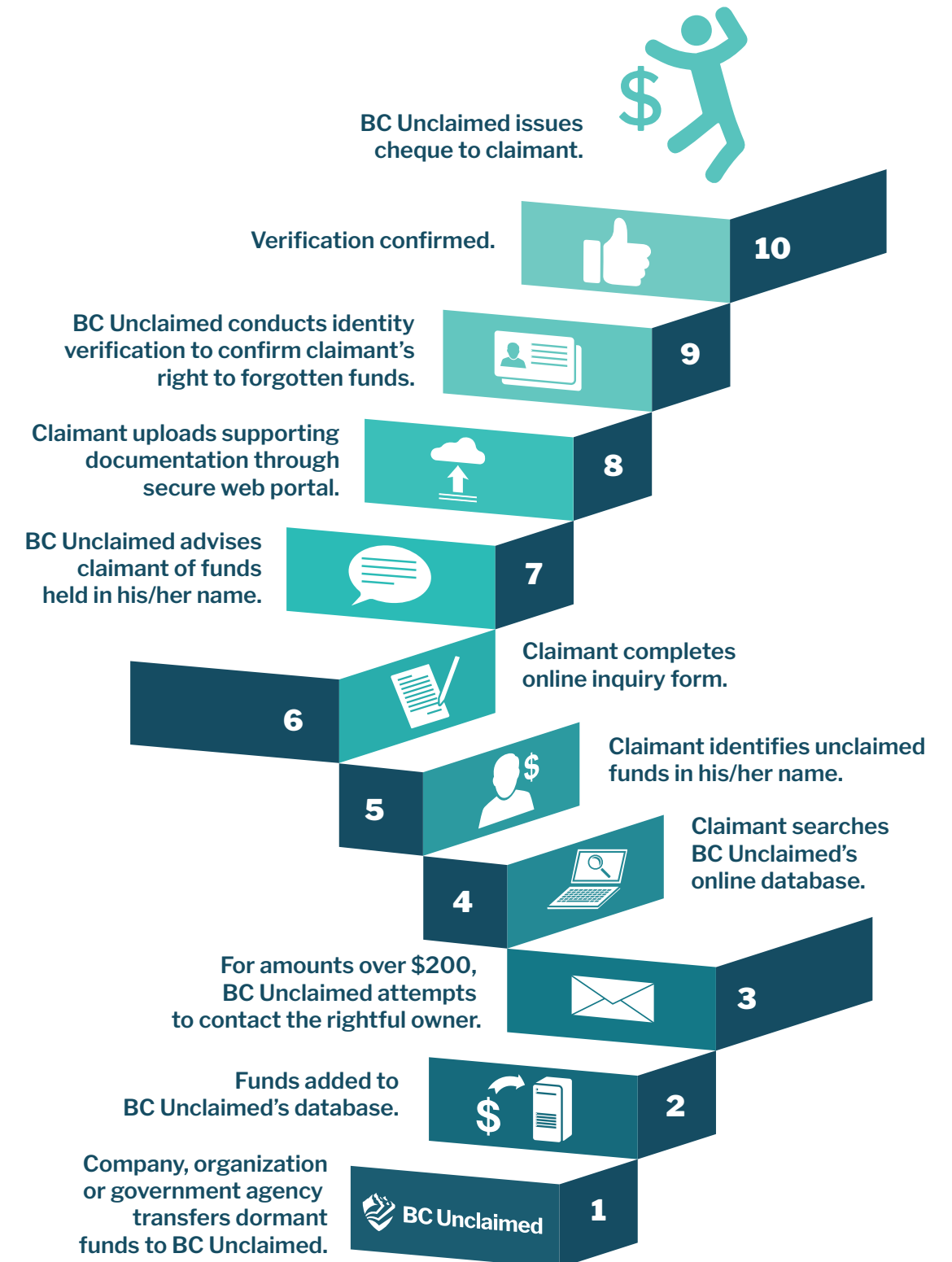
Dormant funds held by BC Unclaimed includes money from provincially regulated financial institutions, companies, organizations and government agencies. They do not include dormant bank accounts, which fall under the jurisdiction of the Bank of Canada.

In BC, Unclaimed Funds Include:

- Dormant credit union accounts.
- Unclaimed wages.
- Insurance payments.
- Court payments.
- Intestate estates (death without a will).
- Overpayments to debt collectors; and
- Outstanding real estate deposits.



Unclaimed Funds – From Dormancy to Distribution



Reuniting Rightful Owners With Their Unclaimed Funds

2022 at a Glance

\$190 million

Amount of unclaimed funds residing in the BC Unclaimed database.

\$124,853,527

Total amount of money from dormant accounts BC Unclaimed has received since 2003.

\$12,518,140

Amount of unclaimed funds BC Unclaimed received from holders in 2022.

\$21,585,433

Approximate amount of money from dormant accounts BC Unclaimed has returned to the rightful owners since 2003.

\$1,734,807

Amount of money returned to verified claimants.

\$1.9 million

Largest dormant account in BC waiting to be claimed.

Online Engagement

143

Media Placements

11,789

Claimant Enquiries

160,954

Website Visits

1,712

Individual Search Efforts

Protecting Your Privacy

At BC Unclaimed, keeping your personal information safe and secure is our foremost priority. We continuously upgrade our information technology system to ensure any information that is collected and stored related to an unclaimed account or inquiry is safeguarded. We also regularly update the security features of our website to provide a safe and secure online experience.



What Are Your Business Obligations for Managing Unclaimed Accounts?

The BC Unclaimed Property Act requires companies and organizations holding dormant accounts to make a reasonable effort to locate and notify the owners of forgotten funds.

Unclaimed accounts are deemed to be “dormant” if there has been no activity by the owner for a specified period of time depending on the type of account involved. If the holder can’t locate the owner, they are required to list unclaimed funds they hold in a publicly searchable database, although not all companies comply.

Mandatory Holders

In BC, credit unions, debt collectors, real estate agencies, companies in liquidation, courts, government bodies and municipalities are required by law to transfer unclaimed funds to BC Unclaimed if the rightful owners cannot be located.

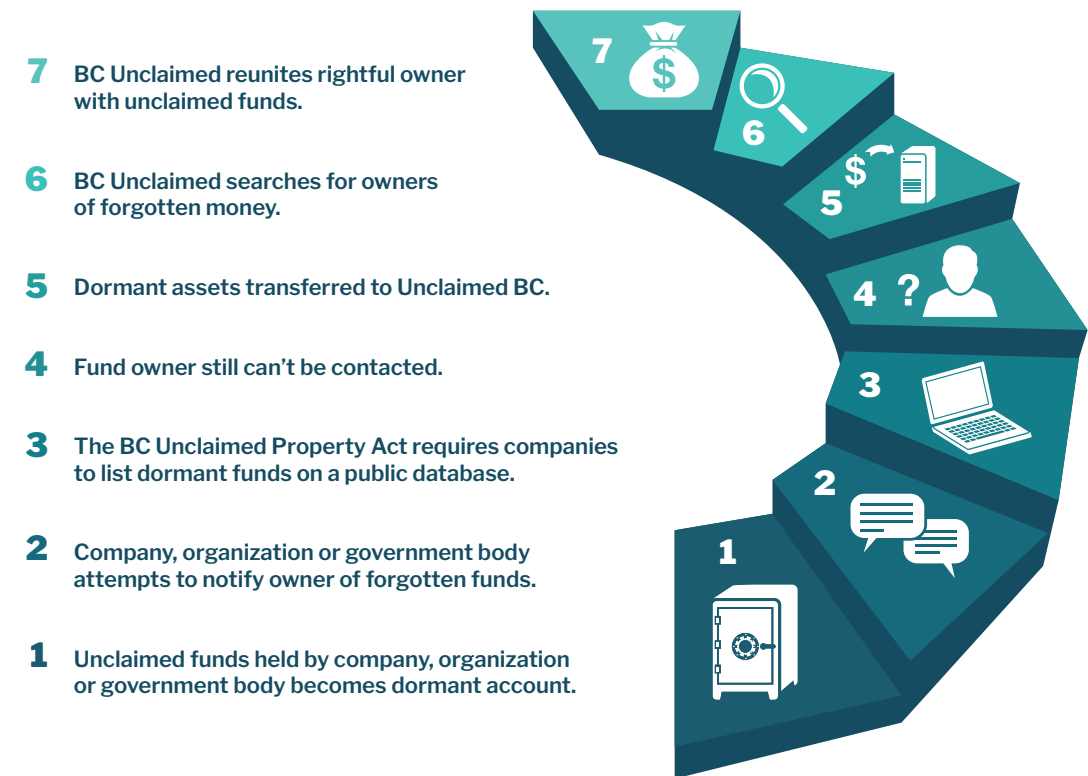
Voluntary Holders

Organizations holding unclaimed funds on behalf of owners, including deposits, trust funds, insurance policies, brokerage accounts and closed pension plans are encouraged to transfer their unclaimed property accounts to the Society.

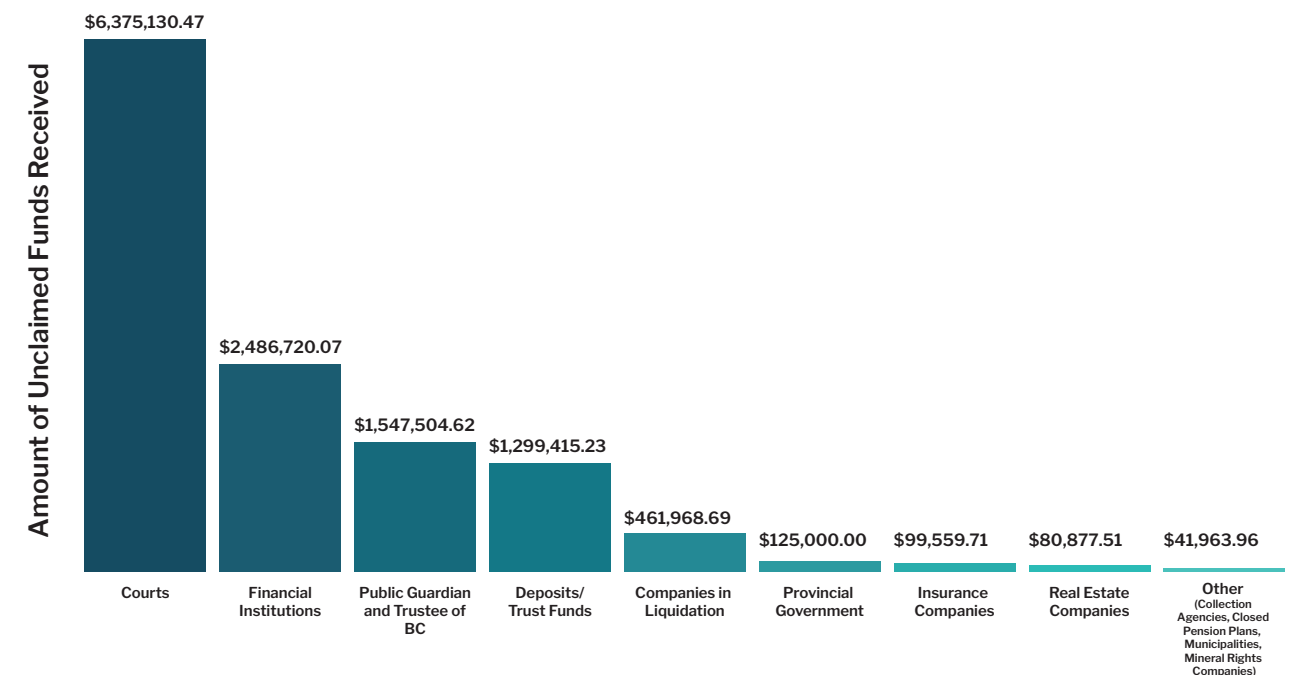
Transferring dormant accounts to BC Unclaimed relieves the holder of the expense, potential liability and administrative burden of carrying these assets on their books. It also promotes goodwill by reuniting owners with their long-lost money.

BC Unclaimed staff actively search for the owners of forgotten funds and are dedicated to reuniting money with the rightful owners. The Society maintains a free online database with the names of unclaimed account holders that individuals can search to see if they have forgotten funds waiting for them.

Business Best Practices for Managing Dormant Accounts



Where Unclaimed Funds Came From in 2022



Optimizing the Social Impact of Unclaimed Funds

Each year, BC Unclaimed donates a portion of unclaimed funds to Vancouver Foundation to support community and social programs across the province. These are unrestricted funds which provide the Foundation with the flexibility to direct

the donated money to high-priority areas where the need is greatest such as combatting the opioid crisis, reducing homelessness, improving food security, and helping refugees adapt to Canadian society and creating more inclusive communities.

Our Contribution to BC Communities

\$4.175 million

Funds from dormant accounts BC Unclaimed transferred to Vancouver Foundation for charitable purposes in 2022.

\$58.821 million

Amount BC Unclaimed has transferred to Vancouver Foundation since its inception.

Using Empty Buildings to Provide Housing for Refugee Claimants

Journey Home Community is using empty apartment units and buildings awaiting redevelopment in the Lower Mainland to house refugees who have fled danger or persecution in their home countries.

Refugee claimants awaiting official refugee status determination are not provided with the same supports or settlement resources offered to refugees whose cases have been decided by Immigration & Refugee Board of Canada.

Without credit or rental history and with limited access to income, these refugees are unable to enter the competitive housing market and often end up seeking space in emergency shelters, which are not equipped to meet their unique needs.

In 2021, through a Vancouver Foundation grant, Journey Home Community launched “Meanwhile Spaces” to support refugee claimants facing homelessness. This initiative utilizes empty apartments and houses awaiting demolition or slated for rezoning to provide refugee claimants with transitional housing.

Refugee claimants usually reside in Meanwhile Spaces for up to six months, during which time Journey Home Community connects them to resources such as lawyers, doctors, language

services, and support for finding long-term housing. In addition to finding suitable housing upon arrival, refugee claimants required multiple supports are necessary to address the systemic barriers they face. According to Doug Peat, who works in Housing and Donor Engagement at Journey Home Community, the not-for-profit’s approach is to “get [tenants] ready for the next place,” and make sure they have the tools required to meet their needs.

Vancouver developer Concert Properties stepped up to the plate by extending the use of 10 two-bedroom apartments as Meanwhile Spaces. Wesgroup followed suit offering nine one-bedroom apartments for the housing of refugee claimants. Most recently, Quantum Properties provided five homes with 10 units available to house refugee claimants.

Last year, Journey Home Community settled 184 refugee claimants – 54 of these refugees were housed in Meanwhile Spaces.

“This year, we are hoping to have up to 35 units operating through Meanwhile Spaces,” says Peat. “In conjunction with our partners, we also hope to welcome and house just over 200 people through this program.”

Youth with Disabilities Help Create More Inclusive Communities

UNITI, a partnership of Semiahmoo House Society, Peninsula Estates Housing Society, and The Semiahmoo Foundation, helped youth with disabilities (YDD) embark on a pivotal research project to establish community connections, build relationships and improve access to community spaces.

Youth with disabilities often face barriers to accessing recreation programs, employment, and other activities. Through a grant from Vancouver Foundation, UNITI helped these young people partner with business and community leaders to spearhead a research project and create a blueprint for inclusive communities.

Jillian Glennie, Director of Development, explains UNITI’s approach goes beyond a “nothing about us without us” mentality to a belief that people with disabilities “should be the ones to host the table.” This included giving people with disabilities a leading role and building the skills needed to participate in system-level and policy-level changes.

Partnering with CitySpaces, a development consultant, UNITI organized a steering committee made up of youth with disabilities, business and community leaders to bridge the gap between YDD

and the greater community. Youth were able to explain what greater involvement in the community meant to them and the steering committee as a whole was able to bring multiple perspectives to the table to facilitate change.

The goal of this research project was to define where the friction in creating inclusive communities came from, deepen relationships between YDD and the broader community, and translate concerns of both into tangible action items. UNITI then created a strategic plan to raise awareness around YDDs’ desires to be included in the community in a bigger way along with educating businesses about the steps they can take to make this a reality.

For Glennie, one of the most rewarding aspects of the project was being able to bring different people together to collaborate and deepen community relationships. “Relationships, for UNITI, are critical,” she says. The work UNITI does is “normalizing that we’re all part of the community.” This means bringing people with different perspectives together to ensure everyone has equitable access to everything a community offers. When services are integrated and youth with disabilities are included in the design of community spaces, the whole community benefits.



BC Unclaimed Board of Directors

BC Unclaimed is governed by a five-member volunteer Board of Directors comprised of representatives from the business sector, not-for-profit, and legal community. The Board

provides direction and oversight of management strategy and financial management policies, as well as ensuring BC Unclaimed has adequate resources to fulfil its mandate.



Anna K. Fung, Q.C. Deputy Chair at the BC Utilities Commission

Anna Fung, QC, is the Deputy Chair at the BC Utilities Commission. An experienced solicitor and litigator with a focus on business law, Anna has acted as in-house counsel for TimberWest, Intrawest and Fortis BC. She was named a Queen's Counsel in 2000 and earned her Certified Canadian Corporate Counsel designation from Rotman School of Business in 2015.

She was a Bencher of the BC Law Society (which governs the BC legal profession) for 10 years and its President in 2007. She also served as President of the Canadian Corporate Counsel Association, Association of Chinese Canadian Professionals (BC), BC Autism Association and Chair of the People's Law School. In 2004, she received the RVA Jones Canadian Corporate Counsel Award for her contributions to the corporate counsel community.

Anna is a recipient of the CBA (BC Branch) Equality and Diversity Award, the Vancouver YWCA Woman of Distinction Award in the Business & Professions category, the BC Community Achievement Award and the UBC Law Alumni Association Award of Distinction. She is a past Director of the Vancouver Airport Authority and the Arts Club Theatre Society and served as a Board member of the Vancouver Foundation from May 2012 to May 2017.



Jeanette McPhee Chief Financial Officer and Director of Trust Regulation, Law Society of British Columbia

Prior to joining the Law Society in 2006, Jeanette McPhee was CFO and secretary treasurer of Cascade Aerospace Inc., Vice-President of Finance at BCTV/CHEK-TV, and a chartered accountant at a national CA firm. She has a Chartered Professional Accountant designation and a business degree from Simon Fraser University. She is currently a board member of the Greater Vancouver YMCA, and is a past board member of Simon Fraser University, Surrey Food Bank Society and the Seaton Woodward Foundation.



Kevin McCort President and CEO, Vancouver Foundation

Kevin McCort was appointed President and CEO of Vancouver Foundation in September 2013. Before joining Vancouver Foundation, he served for six years as President and CEO of CARE Canada in Ottawa, one of Canada's leading development and humanitarian aid organizations and has lived and worked in many countries, including Mali, Zimbabwe and Zambia.

He is currently a Director of Imagine Canada, serving on the Board since 2009. Imagine Canada is a national charitable organization dedicated to strengthening charities and non-profits. He is also a member of the Young Presidents' Organization.

He graduated in 1989 with a B.Sc. (Specialist/Honours) from the University of Toronto. In 2005, he earned a Master of Business Administration from Queen's University. In February 2013, he was awarded the Queen's Diamond Jubilee medal.

Financial Statements



2022



Eugene Lee
Vice President, Investments, Vancouver Foundation

Eugene has more than 20 years of experience working with pensions, endowments, foundations and Indigenous settlement trusts.

Prior to joining Vancouver Foundation in 2016, Eugene spent three years at PBI Actuarial Consultants as an Investment Consultant and 14 years at RBC Investor and Treasury Services; working closely with various plan sponsors in developing investment policies and governance guidelines as well as manager research, performance monitoring and strategic asset mix analysis.

He is a graduate of the University of British Columbia Sauder School of Business and received his Chartered Financial Analyst (CFA) designation in 2002.



The Honourable Chief Justice Robert J. Bauman
Chief Justice of British Columbia, Chief Justice of the Court of Appeal for British Columbia, and Chief Justice of the Court of Appeal of Yukon

The Honourable Robert J. Bauman was appointed as a justice of the Supreme Court of British Columbia in 1996; as a justice of the Court of Appeal for British Columbia in 2008; as Chief Justice of the Supreme Court of British Columbia in 2009; and as Chief Justice of British Columbia in 2013. Prior to becoming a judge, he was in private practice with Bull, Housser & Tupper in Vancouver. He worked largely in the areas of local government and administrative law. While practicing law, he taught administrative law at the University of British Columbia Faculty of Law as an adjunct professor from 1991 to 1996.

In 2012, and again in 2013, Chief Justice Bauman was named by Canadian Lawyer Magazine as one of the “Top 25 Most Influential” in the justice system in Canada. He also received the Queen Elizabeth II Diamond Jubilee Commemorative Medal for contributions to Canada. As well, Chief Justice Bauman was the 2012 recipient of the Anthony P. Pantages, QC Medal for outstanding contributions to the field of justice, presented by The Justice Institute of British Columbia Foundation. Chief Justice Bauman was the recipient of the 2013 TLABC Bench Award by the Trial Lawyers Association of British Columbia. In 2015, he was appointed First Vice-Chair of the Canadian Judicial Council. Chief Justice Bauman is the founding Chair of Access to Justice BC.

British Columbia Unclaimed Property Society

Financial Statements

December 31, 2022

Independent Auditor's Report

To the Directors of British Columbia Unclaimed Property Society:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of British Columbia Unclaimed Property Society (the "Society"), which comprise the statement of financial position as at December 31, 2022, the statements of operations and fund balances, statement of changes in fund balances, statement of 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 Society as at December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society 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.

Other Matter

The financial statement for the year ended December 31, 2021 were audited by another auditor who expressed an unmodified opinion on those statements on April 11, 2022.

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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

MNP LLP

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- 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 Society'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 Society'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 Society 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Surrey, British Columbia

April 13, 2023

Chartered Professional Accountants

British Columbia Unclaimed Property Society

Statement of Financial Position
(Expressed in thousands of dollars)

As at December 31, 2022 with comparative information for 2021

| | December 31, 2022 | | | December 31, 2021 | | |
|--------------------------------------------|-------------------|-----------------|------------------|-------------------|-----------------|------------------|
| | Restricted | Unrestricted | Total | Restricted | Unrestricted | Total |
| Assets | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | \$ 8,001 | \$ 1,315 | \$ 9,316 | \$ 5,040 | \$ 1,864 | \$ 6,904 |
| Accounts receivable | - | 10 | 10 | - | 6 | 6 |
| Prepaid expenses | - | 20 | 20 | - | 13 | 13 |
| | 8,001 | 1,345 | 9,346 | 5,040 | 1,883 | 6,923 |
| Investments (note 3 (a)) | 35,420 | - | 35,420 | 34,147 | - | 34,147 |
| Capital assets | - | 27 | 27 | - | 9 | 9 |
| Total assets | \$ 43,421 | \$ 1,372 | \$ 44,793 | \$ 39,187 | \$ 1,892 | \$ 41,079 |
| Liabilities and Fund Balances | | | | | | |
| Current liabilities | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ 100 | \$ 100 | \$ - | \$ 113 | \$ 113 |
| Deferred Revenue (note 2(e)) | 268 | - | 268 | 235 | - | 235 |
| | 268 | 100 | 368 | 235 | 113 | 348 |
| Interfund (receivable) payable | (2,427) | 2,427 | - | - | - | - |
| Fund Balances (note 2(a)) | | | | | | |
| Restricted funds | | | | | | |
| Old unclaimed property funds | 261 | - | 261 | 312 | - | 312 |
| New unclaimed property funds | 45,319 | - | 45,319 | 38,640 | - | 38,640 |
| | 45,580 | - | 45,580 | 38,952 | - | 38,952 |
| Unrestricted fund | | | | | | |
| | - | (1,155) | (1,155) | - | 1,779 | 1,779 |
| | 45,580 | (1,155) | 44,425 | 38,952 | 1,779 | 40,731 |
| Total liabilities and fund balances | \$ 43,421 | \$ 1,372 | \$ 44,793 | \$ 39,187 | \$ 1,892 | \$ 41,079 |

Commitments (note 8)

See accompanying notes to the financial statements.

Approved on behalf of the Board on April 13, 2023

 Director  Director

British Columbia Unclaimed Property Society

Statement of Operations and Fund Balances
(Expressed in thousands of dollars)

For the year ended December 31, 2022 with comparative information for 2021

| | December 31, 2022 | | | December 31, 2021 | | |
|------------------------------------------------------|-------------------|--------------|--------------|-------------------|--------------|--------------|
| | Restricted | Unrestricted | Total | Restricted | Unrestricted | Total |
| Revenue | | | | | | |
| Receipts of unclaimed property (note 5) | \$ 12,499 | \$ - | \$ 12,499 | \$ 4,061 | \$ - | \$ 4,061 |
| Investment and interest income (note 3(b)) | - | (1,471) | (1,471) | - | 1,568 | 1,568 |
| | 12,499 | (1,471) | 11,028 | 4,061 | 1,568 | 5,629 |
| Expenses | | | | | | |
| Operating expenses | | | | | | |
| Compensation (note 6) | - | 744 | 744 | - | 592 | 592 |
| Office administration | - | 216 | 216 | - | 199 | 199 |
| Information and technology consulting | - | 324 | 324 | - | 256 | 256 |
| Investment management fees | - | 102 | 102 | - | 108 | 108 |
| Rent (note 4(a)) | - | 56 | 56 | - | 56 | 56 |
| Management fees (note 4(a)) | - | 12 | 12 | - | 14 | 14 |
| Amortization | - | 9 | 9 | - | 5 | 5 |
| | - | 1,463 | 1,463 | - | 1,230 | 1,230 |
| Distributions to claimants | | | | | | |
| Old unclaimed property funds | 51 | - | 51 | 23 | - | 23 |
| New unclaimed property funds | 1,645 | - | 1,645 | 681 | - | 681 |
| Transfers to Vancouver Foundation (note 4(b)) | 4,175 | - | 4,175 | 6,242 | - | 6,242 |
| | 5,871 | 1,463 | 7,334 | 6,946 | 1,230 | 8,176 |
| (Deficiency) excess of revenue over expenses | 6,628 | (2,934) | 3,694 | (2,885) | 338 | (2,547) |
| Fund balances, beginning of the year | 38,952 | 1,779 | 40,731 | 41,837 | 1,441 | 43,278 |
| Fund balances, end of year | \$ 45,580 | \$ (1,155) | \$ 44,425 | \$ 38,952 | \$ 1,779 | \$ 40,731 |

See accompanying notes to the financial statements.

British Columbia Unclaimed Property Society

Statement of Changes in Fund Balances
(Expressed in thousands of dollars)

For the year ended December 31, 2022 with comparative information for 2021

| | December 31, 2022 | | | | December 31, 2021 | | | |
|----------------------------------------------|-------------------------------------------|-------------------------------------------|-------------------|-----------|-------------------------------------------|-------------------------------------------|-------------------|-----------|
| | Restricted – Old unclaimed property funds | Restricted – New unclaimed property funds | Unrestricted fund | Total | Restricted – Old unclaimed property funds | Restricted – New unclaimed property funds | Unrestricted fund | Total |
| Fund balances, beginning of the year | \$ 312 | \$ 38,640 | \$ 1,779 | \$ 40,731 | \$ 335 | \$ 41,502 | \$ 1,441 | \$ 43,278 |
| (Deficiency) excess of revenue over expenses | (51) | 6,679 | (2,934) | 3,694 | (23) | (2,862) | 338 | (2,547) |
| Fund balances, end of year | \$ 261 | \$ 45,319 | \$ (1,155) | \$ 44,425 | \$ 312 | \$ 38,640 | \$ 1,779 | \$ 40,731 |

See accompanying notes to the financial statements.

British Columbia Unclaimed Property Society

Statement of Cash Flows
(Expressed in thousands of dollars)

For the year ended December 31, 2022 with comparative information for 2021

| | 2022 | 2021 |
|--------------------------------------------------|----------|------------|
| Cash and cash equivalents provided by (used in): | | |
| Operations | | |
| Excess (deficiency) of revenue over expenses | \$ 3,694 | \$ (2,547) |
| Items not affecting cash | | |
| Amortization | 9 | 5 |
| Realized loss (gain) on disposal of investments | 59 | (536) |
| Unrealized loss (gain) on investments | 2,513 | (61) |
| | 6,275 | (3,139) |
| Changes in non-cash operating working capital | | |
| Accounts receivable | (4) | 1 |
| Prepaid expenses | (7) | - |
| Accounts payable and accrued liabilities | 20 | (127) |
| Net cash from operations | 6,284 | (3,265) |
| Investing | | |
| Disposal of investments | 1,145 | 20,283 |
| Purchase of investments | (4,991) | (16,504) |
| Capital asset additions | (27) | (8) |
| Net cash from (used in) investing | (3,873) | 3,771 |
| Increase in cash and cash equivalents | 2,412 | 506 |
| Cash and cash equivalents, beginning of the year | 6,904 | 6,398 |
| Cash and cash equivalents, end of the year | \$ 9,316 | \$ 6,904 |

See accompanying notes to the financial statements.

British Columbia Unclaimed Property Society

Notes to Financial Statements
(Expressed in thousands of dollars)

For the year ended December 31, 2022

1 Nature of operations

British Columbia Unclaimed Property Society (the Society) was incorporated on March 3, 2003, under the Society Act of the Province of British Columbia.

The Society's purpose is to act as the administrator under the Unclaimed Property Act (British Columbia) and Unclaimed Property Amendment Act, 2003 (the Act). The Society receives unclaimed property, attempts to locate rightful owners, and distributes property to verified claimants. The Society is classified as a non-profit organization under the Income Tax Act (Canada) and is exempt from income taxes.

The Society entered into an Administration Agreement (the Agreement) with the Province of British Columbia (the Province) and Vancouver Foundation on March 11, 2003. The Province appointed the Society to act as the administrator under the Act. The Agreement commenced April 1, 2003, for an initial term of five years, and in 2008, the Province renewed the Agreement for an indefinite term until either party gives one-year written notice to terminate the Agreement.

The Society signed an Amended and Restated Administration Agreement (the Amended Agreement) with the Province and the Vancouver Foundation on December 6, 2019. The Amended Agreement is effective January 1, 2020, for an initial term of five years, with automatic renewal of an indefinite number of five-year terms until either party gives one-year written notice to terminate the Agreement.

2 Significant accounting policies

The financial statements of the Society have been prepared by management following Canadian accounting standards for not-for-profit organizations.

a) Fund accounting

The Society follows the restricted fund method of accounting for unclaimed property held by the Society. For financial reporting purposes, the accounts have been classified into the following funds:

i) Restricted Fund

(1) Old Unclaimed Property Funds

Pursuant to the Agreement, the Province transferred \$4,000 of unclaimed funds to the Society to satisfy claims prior to April 1, 2003. At the end of the initial term, any unused funds were to be returned to the Province. Subsequently, the Province agreed that the Society should continue to manage these funds until further review by the Province.

The Society recorded the funds received from the Province for the period prior to April 1, 2003, as Restricted – Old Unclaimed Property Funds.

British Columbia Unclaimed Property Society

Notes to Financial Statements
(Expressed in thousands of dollars)

For the year ended December 31, 2022

2 Significant accounting policies (continued):

a) Fund accounting (continued):

i) Restricted Fund (continued):

(2) New Unclaimed Property Funds

Pursuant to the Agreement, funds received after April 1, 2003, are recorded as Restricted – New Unclaimed Funds.

ii) Unrestricted Fund

The Agreement allows income generated from the Old and New Unclaimed Property Funds' investment to be used for the Society's operating expenses. This investment income is reported as unrestricted revenue within the Unrestricted Fund.

b) Financial instruments

The Society recognizes financial instruments when the Society becomes party to the contractual provisions of the financial instrument.

i) Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Society may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Society has not made such an election this year.

The Society subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by published price quotations. All other financial assets and liabilities are subsequently measured at amortized cost. Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in statement of operations. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

British Columbia Unclaimed Property Society

Notes to Financial Statements
(Expressed in thousands of dollars)

For the year ended December 31, 2022

2 Significant accounting policies (continued):

b) Financial instruments (continued):

ii) Financial asset impairment

The Society assesses impairment of all its financial assets measured at cost or amortized cost. The Society groups assets for impairment testing when there are numerous assets affected by the same factors. Management considers whether the issuer is having significant financial difficulty in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Society determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Society reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year.

The Society reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the year the reversal occurs.

c) Capital assets

Capital assets are recorded at cost. Assets in use are amortized over their estimated useful lives on a straight-line basis. Management has estimated the useful lives to be:

| Asset | Rate |
|---------------------|---------|
| Computer equipment | 3 years |
| Website development | 5 years |

d) Related parties

The Vancouver Foundation became the sole member of the Society effective May 8, 2020.

Transactions with Vancouver Foundation are in the standard 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 4.

The Society is required by the Agreement to set aside a certain portion of the Unclaimed Property Funds it receives to meet any contingent liabilities that might arise in future years. The Agreement permits the Society to transfer a portion of remaining unclaimed balances out of the Unclaimed Property Funds to Vancouver Foundation for charitable purposes in British Columbia, as detailed in note 4(b).

British Columbia Unclaimed Property Society

Notes to Financial Statements
(Expressed in thousands of dollars)

For the year ended December 31, 2022

2 Significant accounting policies (continued):

e) Revenue recognition

Unclaimed property funds received are recognized as revenue to the Restricted Funds upon receipt of both funds and related legal documents. Unclaimed property funds received without related legal documents are recorded to deferred revenue until such time that the legal document requirement is fulfilled.

According to the Act, no interest or other earnings will be accrued or are payable to a claimant in respect of the period after the funds are transferred to the Society. Income earned on unclaimed funds is therefore accounted for as revenue to the Unrestricted Fund. Investment income is recorded on an accrual basis.

f) Interfund payable (receivable)

The Society invests unclaimed property funds (note 3), to generate investment income to fund administrative operations. Interfund receivable (payable) reflect market conditions as of the reporting date and the unrestricted investment income that is retained within the restricted investments.

g) Distributions to claimants

Payments are made to claimants once the claim is determined to be valid. Amounts paid to claimants are recognized as distributions from the Restricted Funds. Distributions are recorded when paid by the Society.

h) Management estimates

Financial statements preparation requires management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Management believes that the estimates utilized in preparing these financial statements are reasonable; however, actual results could differ from these estimates.

i) Employee future-benefits

The Society is a participating employer in a multi-employer, defined benefit pension plan. The Society accounts for the pension plan as a defined contribution plan as insufficient information is available to identify the Society's share of the underlying pension assets and liabilities. Contributions to the Plan are expensed as incurred.

British Columbia Unclaimed Property Society

Notes to Financial Statements
(Expressed in thousands of dollars)

For the year ended December 31, 2022

Investments

The Society's investments are carried at fair value in accordance with the significant accounting policy disclosed in note 2(b).

a) Investment portfolio

The Society has investments in various mutual funds as disclosed below. Mortgages reflect those funds held in Canadian mortgage-backed securities; bonds reflect those held in short term fixed income securities issued by Canadian governments and corporations; and global equities reflect those funds held in global equities. Investments consist of the following, measured at fair value:

| | 2022 | 2021 |
|------------------------------------|-----------|-----------|
| Cash and money market securities | \$ - | \$ - |
| Guaranteed investment certificates | 14,602 | 10,847 |
| Mortgages | 6,379 | 6,961 |
| Bonds and debentures | 7,847 | 8,841 |
| Global equities | 6,592 | 7,498 |
| | \$ 35,420 | \$ 34,147 |

b) Investment and interest income

| | 2022 | 2021 |
|-------------------------------------------------|------------|----------|
| Investment income | \$ 957 | \$ 947 |
| Bank interest | 144 | 24 |
| Realized gain (loss) on disposal of investments | (59) | 536 |
| Unrealized gain (loss) on investments | (2,513) | 61 |
| | \$ (1,471) | \$ 1,568 |

4 Related party transactions

c) General operating transactions

The Society rents office space from Vancouver Foundation, in respect of which it incurred \$56 (2021 - \$56) for the year ended December 31, 2022. In addition, for the year ended December 31, 2022, the Society paid management service fees of \$12 (2021 - \$14) to Vancouver Foundation for HR, finance, general management, and other administrative services. As of December 31, 2022, the Society did not have a balance owing to Vancouver Foundation (2021 - \$17).

British Columbia Unclaimed Property Society

Notes to Financial Statements
(Expressed in thousands of dollars)

For the year ended December 31, 2022

4 Related party transactions (continued):

b) Transfers to Vancouver Foundation

The Society is permitted by the Agreement to transfer funds to Vancouver Foundation for charitable purposes. The Society transferred \$4,175 (2021 - \$6,242) to Vancouver Foundation in 2022. Cumulatively the Society has transferred \$58,821 (2021 - \$54,646) to Vancouver Foundation since 2004.

The Society is committed to transfer \$917 to Vancouver Foundation in 2023 in accordance with the Agreement. The transfer amount for 2023 is based on the calculation done as of June 30, 2022 in accordance with the Agreement less adjustments made for the 2022 and 2021 transferred amounts. The committed amount of \$917 has not been recorded as a payable as at December 31, 2022 as it represents a commitment under the contract with no defined payment date.

5 Receipts of unclaimed property

Receipts of unclaimed property

| | 2022 | 2021 |
|------------------------------|-----------|----------|
| New unclaimed property funds | \$ 12,499 | \$ 4,061 |
| Old unclaimed property funds | - | - |
| | \$ 12,499 | \$ 4,061 |

6 Employee compensation

In accordance with the disclosure requirements of the Societies Act, four (2021: three) employees received compensation more than \$75 per individual for the year ended December 31, 2022. Their compensation for the year ended December 31, 2022, was \$401 (2021 - \$344).

7 Employee future benefits

Effective October 1, 2020, the Society is a participating employer in the Colleges of Applied Arts and Technology Pension Plan (the "Plan"), which is a multi-employer jointly sponsored defined benefit pension plan for eligible employees of participating employers. All full-time employees of the Society and any eligible part-time employees of the Society who opt to participate are members of the Plan. As of December 31, 2022, all the Society's employees are members of the Plan.

Although the Plan is a multi-employer defined benefit plan, it is accounted for as a defined contribution plan. Insufficient information is available to identify the Society's share of the underlying pension assets and liabilities.

British Columbia Unclaimed Property Society

Notes to Financial Statements
(Expressed in thousands of dollars)

For the year ended December 31, 2022

7 Employee future benefits (continued):

As of the valuation date January 1, 2022, the most recent actuarial valuation indicated an actuarial surplus of \$4,369,000. The Plan is 124% funded on a going-concern basis which indicates that \$1.24 has been set aside for every dollar of pension earned by the Plan members. In accordance with the significant accounting policy disclosed in note 2(i), the Society does not recognize any share of the Plan's surplus or deficit. During the year, the Society contributed \$66 towards the Plan (2021 - \$52); these contributions are included with compensation expenses in the statement of operations.

8 Commitments

The Society entered into three contracts with vendors totaling \$225 related to IT support and website development.

The Society committed to \$75 to Vancouver Foundation for rental and support service fees in 2023.

9 Financial Instruments

The Society, as part of its operations, carries a number of financial instruments. It is management's opinion that the Society is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

a) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Society enters into transactions to purchase and sell exchange-traded funds and equities, exposing the Society to price risk as these investments are subject to price changes in an open market due to a variety of reasons including changes in market rates of interest, general economic indicators and restrictions on credit markets. The Society reduces this risk by investing in securities with lower level of volatility.

British Columbia Unclaimed Property Society

Notes to Financial Statements
(Expressed in thousands of dollars)

For the year ended December 31, 2022

9 Financial Instruments (continued):

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Society is exposed to currency risk on its foreign market common stock, its foreign market bonds and debentures, foreign real estate, and its multi-strategy funds, as the prices denominated in foreign currencies are converted to Canadian dollars in determining fair value. The Society manages its foreign currency risk by investing in a diversified portfolio.

c) Interest rate risk

Interest rate risk is the risk that the value of financial instruments might adversely be affected by a change in interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Society is exposed to interest rate risk on its investments.

d) Credit risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. The carrying amount of the Society's financial instruments best represents the maximum exposure to credit risk. Management reduces the Society's exposure to credit risk by holding its cash on deposit at an AA rated Canadian chartered bank, and by investing in bonds with a credit rating primarily of B or above.

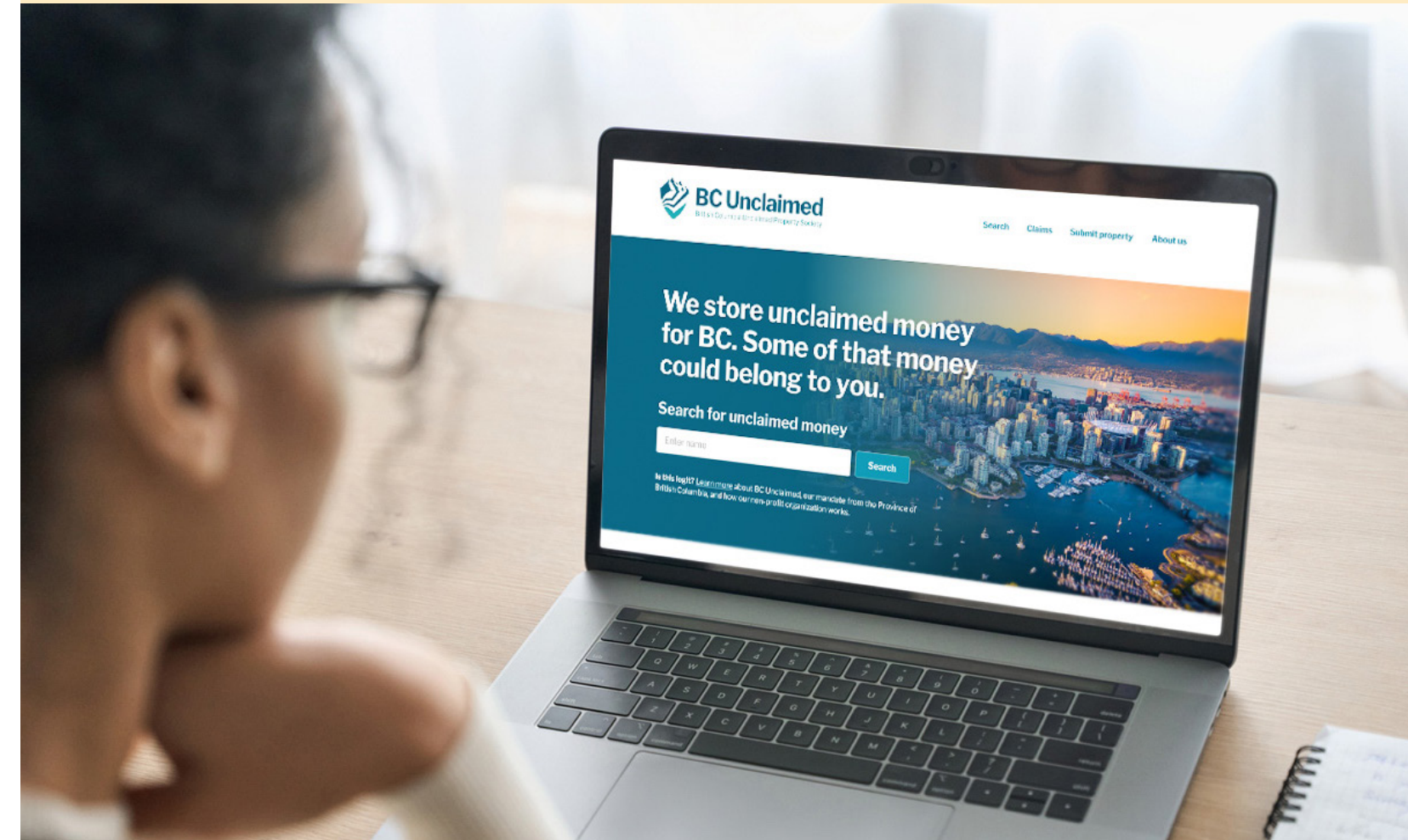
e) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society enters into transactions to purchase goods and services on credit, for which repayment is required at various maturity dates. Management minimizes the Society's exposure to liquidity risk by regularly monitoring cash flow projections and holding a sufficient balance in cash to meet its anticipated obligations.



BC Unclaimed

British Columbia Unclaimed Property Society



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